

## Hasbro Inc. (HAS)

**\$72.91** (As of 04/29/20)

Price Target (6-12 Months): **\$77.00**

Long Term: 6-12 Months

**Zacks Recommendation:**

**Neutral**

(Since: 02/06/20)

Prior Recommendation: Underperform

Short Term: 1-3 Months

**Zacks Rank:** (1-5)

**4-Sell**

Zacks Style Scores:

VGM:B

Value: C

Growth: B

Momentum: A

## Summary

Shares of Hasbro have underperformed the industry in the past six months. Recently, the company reported first-quarter 2020 results, wherein both earnings and revenues missed the Zacks Consensus Estimate. Moreover, the company's bottom line declined year over year. Hasbro withdrew guidance provided at its Toy Fair presentation on Feb 21, 2020. Despite the coronavirus pandemic, Hasbro's chairman and CEO Brian Goldner said that the company is witnessing robust games business as people are spending time together. New product launches, strategic partnerships, strong product lineup and increased focus on gaming are expected to drive performance in the days ahead. However, supply chain disruption due to the pandemic is likely to hurt its performance. Estimates for 2020 and 2021 have witnessed downward revisions.

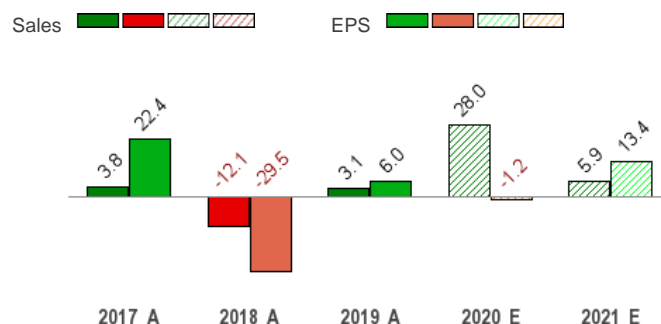
## Price, Consensus & Surprise



## Data Overview

|                            |  |
|----------------------------|--|
| 52 Week High-Low           | \$126.87 - \$41.33                     |
| 20 Day Average Volume (sh) | 1,409,635                              |
| Market Cap                 | \$10.0 B                               |
| YTD Price Change           | -31.0%                                 |
| Beta                       | 1.11                                   |
| Dividend / Div Yld         | \$2.72 / 3.7%                          |
| Industry                   | <a href="#">Toys - Games - Hobbies</a> |
| Zacks Industry Rank        | Top 10% (25 out of 253)                |

## Sales and EPS Growth Rates (Y/Y %)



|                           |            |
|---------------------------|------------|
| Last EPS Surprise         | -1.7%      |
| Last Sales Surprise       | -4.4%      |
| EPS F1 Est- 4 week change | -3.8%      |
| Expected Report Date      | 07/28/2020 |
| Earnings ESP              | -9.7%      |
| P/E TTM                   | 16.5       |
| P/E F1                    | 18.1       |
| PEG F1                    | 1.7        |
| P/S TTM                   | 2.0        |

## Sales Estimates (millions of \$)

|      | Q1      | Q2      | Q3      | Q4      | Annual* |
|------|---------|---------|---------|---------|---------|
| 2021 | 1,175 E | 1,365 E | 2,068 E | 1,871 E | 6,397 E |
| 2020 | 1,106 A | 1,232 E | 1,917 E | 1,736 E | 6,041 E |
| 2019 | 733 A   | 985 A   | 1,575 A | 1,428 A | 4,720 A |

## EPS Estimates

|      | Q1       | Q2       | Q3       | Q4       | Annual*  |
|------|----------|----------|----------|----------|----------|
| 2021 | \$0.77 E | \$0.67 E | \$1.84 E | \$1.24 E | \$4.57 E |
| 2020 | \$0.57 A | \$0.55 E | \$1.69 E | \$1.08 E | \$4.03 E |
| 2019 | \$0.21 A | \$0.78 A | \$1.84 A | \$1.24 A | \$4.08 A |

\*Quarterly figures may not add up to annual.

The data in the charts and tables, including the Zacks Consensus EPS and Sales estimates, is as of 04/29/2020. The reports text is as of 04/30/2020.

## Overview

Based in Pawtucket, RI, Hasbro Inc. is engaged in the design, manufacture and marketing of games and toys. The company, founded in 1923, offers traditional, high-tech and digital toys, games and licensed products under various well-known brands.

Meanwhile, beginning with the first quarter of 2017 earnings, Hasbro has started reporting its revenues by brand portfolio that includes Franchise Brands, Partner Brands, Hasbro Gaming and Emerging Brands. Earlier, the company used to provide revenues breakdown by product category: Boys, Games, Girls and Preschool.

In first-quarter 2020, the company completed the acquisition of Entertainment One Ltd. (eOne).

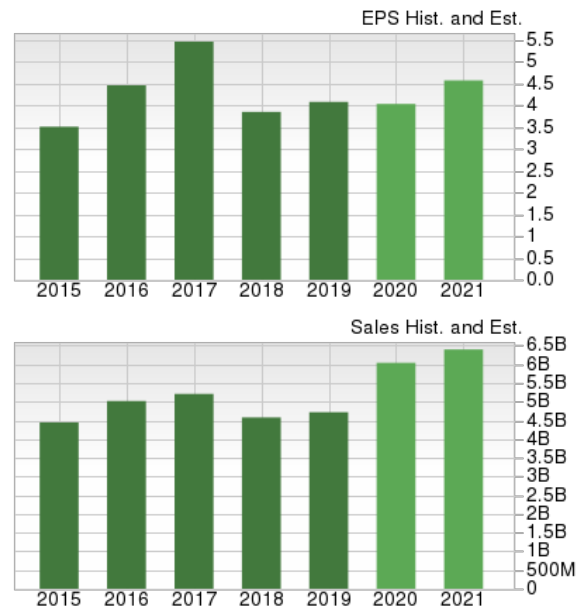
### Hasbro has four business segments:

The **U.S. and Canada** segment (accounting for 39% of total first-quarter 2020 revenues) develops, markets and sells boys' action figures, arts and crafts and creative play products, electronic toys and related electronic interactive products, fashion and other dolls, infant products, play sets, preschool toys, plush products, sports action blasters and accessories, vehicles and toy-related specialty products, along with traditional board games, trading cards and role-playing games primarily within the United States and Canada.

Within the **International** segment (23%), the company develops, markets, and sells both toys as well as certain games in markets outside the U.S. and Canada, primarily in the European, Asia-Pacific, and Latin and South American regions.

The newly formed **eOne**(31%) segment leads company-wide entertainment content efforts. The segment focuses on development of potential Hasbro brands for television and film.

The company's **Entertainment, Licensing and Digital** (7%) segment includes the consumer products licensing, digital gaming, movie, television and online entertainment operations.



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## Reasons To Buy:

▲ **Sales Boosting Initiatives, Product Launches & Partnerships:** Hasbro continues to invest in innovation. It partnered with Paramount to enhance storytelling and content capabilities. Further, the company invested in Boulder Media — the company's animation studio — and increased digital capacities to drive sales. Hasbro continues to release Transformers Franchise in all forms of entertainment including movies, television and digital expressions. Given the company's several innovative and productive plans for Transformers franchise over the next 10 years, revenues are expected to grow. Notably, in first-quarter 2020, Partner Brand's revenues improved 6% from the prior-year quarter owing to robust performance of Disney's Frozen 2.

New products and strategic partnerships, major theatrical releases, along with increased focus on gaming bode well

Apart from Paramount, the company announced that it entered several partnerships in the recent past, all of which indicate Hasbro's efforts to diversify revenues beyond retail sales and expand the customer base. Global retail support for STAR WARS: Solo, a Star Wars story product, was popular among consumers. It is expected to boost growth in the days ahead. During the first quarter, Hasbro launched a crowdsourcing campaign called the Has Lab. It also initiated the largest STAR WARS vehicle, Jabba's Sail Barge. Notably, the company believes that the multi-year entertainment slate for STAR WARS has created a bigger, more sustainable level of business for this top industry property. Moreover, the deal with Walt Disney to manufacture dolls based on Disney Princess stories and characters is expected to continue bolstering Hasbro's top line.

▲ On the product innovation front, Hasbro launched several social games. Among them, Dungeons & Dragons was particularly successful. With the launch of DROPMIX, the company further strengthened its digital gaming revenues. The company further plans to launch Black Panther, beyond the home entertainment window for holidays, including product in the MARVEL LEGENDS series for Black Panther.

▲ **Gaming Category to Drive Growth:** Hasbro is witnessing strong gaming demand during the coronavirus pandemic. Hasbro has a supreme gaming portfolio, and it is refining gaming experiences across a multitude of platforms like face-to-face gaming, off-the-board gaming and digital gaming experiences in mobile. Given a strong product lineup and a greater focus on entertainment backed products, Hasbro's Entertainment and Licensing segment is poised for growth. The company stated that it is currently investing in longer-term larger game play. The company's gaming category, which includes MAGIC: THE GATHERING tabletop, MONOPOLY, DUNGEONS AND DRAGONS and many other Hasbro games such as THE GAME OF LIFE, JENGA, CONNECT 4 and OPERATION are performing well.

▲ **Rapid Growth in Emerging Markets:** In addition to growing brands and leveraging opportunistic toy lines and licenses, the company seeks to grow its international business by expanding into emerging markets in Eastern Europe, Asia and Latin and South America. Emerging markets offer greater opportunities for revenue growth than developed markets and have been contributing to a significant share of Hasbro's revenues, given its investments in advertising and other brand-building efforts. Over the next few years, Hasbro anticipates emerging markets to grow in double digits backed by innovation in products, entertainment and market share gains.

▲ **Leveraging the Power of Television:** The company continues to increase its brand awareness through television. Hasbro Studio is responsible for the creation and development of storytelling based on Hasbro's brands, across mediums including television, film and digital shorts. Moreover, the company recently aired a TV series on CCTV, on a Chinese Television platform. Hasbro has 40% interest in a joint venture with Discovery Communications called the Discovery Family Channel (formerly known as 'The Hub Network'). This network offers high-quality children's shows as well as family entertainment and educational programs. The deal has been contributing meaningfully to Hasbro's revenues for quite a while now. In first-quarter 2020, the company completed the acquisition of Entertainment One Ltd., which will lead company-wide entertainment content efforts. The segment focuses on development of potential Hasbro brands for television and film.

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## Reasons To Sell:

▼ **Q2 Likely to be More Challenging:** Due to the coronavirus pandemic, the company expects second-quarter 2020 to be more challenging than the first quarter. Its performance is likely to be impacted by store shutdown in different countries around the world. Moreover, supply chain disruption, live-action production shutdowns, and changing theatrical release schedules are likely to hurt the company's results.

Soft consumer demand, the coronavirus woes and higher costs remain Hasbro's concerns.

China, which represents nearly 55% of the company's manufacturing productions, is currently operating at planned capacity. In the first quarter, production in China was lower than planned. Hasbro announced it will be well poised to meet the holiday demand as production increases during the summer months. However, outside China, production varies depending on local government and safety considerations.

▼ **Dismal International Sales a Concern:** Dismal international sales remain a concern for the company. The International segment's revenues amounted to \$250.4 million, which declined 11% year over year. European region commenced the year on a strong note with revenues increasing 6% in the quarter. However, store closures late in the quarter due to the coronavirus pandemic hurt sales. The segment's operating margin came in at negative 10.7% compared with a negative 10.8% reported in the year-ago quarter.

▼ **Higher Costs to Hurt Profits:** Hasbro's initiatives including product launches and shift toward more technology-driven toys for reviving its brands and boosting sales would aid profits in the long term. Costs related to those initiatives might prove detrimental to the company in the near term.

▼ **Traditional Toys and Age Compression Mar the Top Line:** Toy manufacturers have to battle a broad array of alternative modes of entertainment including video games, MP3 players, tablets, smartphones and other electronic devices. Hasbro's revenues have been under some pressure over the past few quarters due to lower demand for games as children are opting for electronic versions of games on smartphones and tablets.

Another factor affecting demand for these brands is age compression. Kids are growing up and moving on much faster than they used to and also get bored easily. For instance, demand for some toys that were preferred by kids aged 3 to 9 years previously has narrowed down to the band of 3 to 6 years. This is tapering the demand for toys, thereby hurting revenues.

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## Last Earnings Report

### Hasbro Misses on Q1 Earnings, Gaming Demand High

Hasbro reported first-quarter 2020 results, wherein both earnings and revenues missed the Zacks Consensus Estimate. Further, the company withdrew guidance provided at its Toy Fair presentation on Feb 21, 2020.

The company reported adjusted earnings of 57 cents per share, missing the Zacks Consensus Estimate by a penny. Moreover, the bottom line declined 25% from 76 cents per share reported in the year-ago quarter.

In the quarter under review, net revenues came in at \$1,105.6 million, which lagged the consensus mark of \$1,156 million. However, the top line improved 50.9% year over year. The upside can primarily be attributed to the acquisition of Entertainment One Ltd. (eOne) at the beginning of the first quarter. On a pro forma basis, net revenues declined 7.5% year over year.

### Brand Performances (On PRO Forma Basis)

The Franchise Brand reported revenues of \$396.5 million, up 1% year over year.

**Partner Brands'** revenues advanced 6% from the prior-year quarter to \$182.3 million driven by robust performance of Disney's Frozen 2.

Revenues at **Hasbro Gaming** amounted to \$140.1 million, reflecting an improvement of 30% from the prior-year period. Moreover, its total gaming category revenues increased 40% to \$340.5 million. The company is witnessing robust demand in the gaming category.

**Emerging Brands'** revenues decreased 19% year over year to \$94.1 million.

Meanwhile, revenues from TV/Film/Entertainment declined 29% year over year to \$292.5 million.

### Segmental Revenues (On Pro Forma Basis)

Regionally, net revenues at the U.S. and Canada segment rose 20% to \$428.6 million in the quarter. Moreover, operating margin increased to 16.7% from the prior-year quarter's figure of 3.8%. The segment's growth was driven by robust growth in gaming category, which includes MAGIC: THE GATHERING tabletop, MONOPOLY, DUNGEONS AND DRAGONS and many other Hasbro games such as THE GAME OF LIFE, JENGA, CONNECT 4 and OPERATION.

The International segment's revenues amounted to \$250.4 million, which declined 11% year over year. European region commenced the year on a strong note and revenues increased 6% in the quarter. However, store closures late in the quarter due to the coronavirus pandemic hurt the sales. The segment's operating margin came in at negative 10.7% compared with a negative 10.8% reported in the year-ago quarter.

Meanwhile, revenues at the Entertainment, Licensing and Digital segment — which was named Entertainment and Licensing earlier — decreased 9% year over year to \$84 million. The segment revenues were impacted by dismal digital gaming revenues. Moreover, the segment's operating margin decreased to 6.2% from the prior-year quarter's figure of 32.6%.

The newly formed eOne segment reported revenues of \$342.5 million, down 27% year over year. Revenues were impacted by dismal TV and film revenues. Moreover, the segment's operating margin decreased to a negative 9.7% from 22.1% in the prior-year quarter.

### Operating Highlights

Hasbro's cost of sales, as a percentage of net revenues, declined to 23.8% from 35.5% in the prior-year quarter. Selling, distribution and administration expenses — as a percentage of net revenues — were 25.2%, compared with 30.8% in the prior-year quarter.

### Balance Sheet

Cash and cash equivalents as of Mar 29, 2020 amounted to \$1,237.9 million, up from \$1,196.6 million on Mar 31, 2019. The company announced its \$1.5 billion revolving credit facility is also available. At the end of the reported quarter, inventories totaled \$444.4 million compared with \$491.8 million in the comparable year-ago period. As of Mar 29, 2020, long-term debt increased to \$5,156.3 million from \$1,695.5 million from Mar 31, 2019. The company's next major debt maturity is \$300 million in May 2021.

The company is also committed to paying dividends. During the first quarter, the company paid dividend worth \$93.2 million. The company's next dividend of 68 cents, will be payable on May 15, 2020 to shareholders of record at the close of business as of May 1.

### Coronavirus Update

China, which represents nearly 55% of the company's manufacturing productions, is currently operating at planned capacity. In the first quarter, production in China was lower than planned. Hasbro announced it will be well poised to meet the holiday demand as production increases during the summer months. However, outside China, production varies depending on local government and safety considerations.

Quarter Ending **03/2020**

| Report Date      | Apr 29, 2020 |
|------------------|--------------|
| Sales Surprise   | -4.35%       |
| EPS Surprise     | -1.72%       |
| Quarterly EPS    | 0.57         |
| Annual EPS (TTM) | 4.43         |

## Valuation

Hasbro's shares are down 30.9% year-to-date and 29.6% in the trailing 12-month period. Stocks in the Zacks sub-industry and Zacks Consumer Discretionary sector is down by 0.1% and 18.1% in the year-to-date period, respectively. Over the past year, the Zacks sub-industry is up 12.7%, but sector is down 14.8%.

The S&P 500 index is down 8.8% in the year-to-date period, but up 0.2% in the past year.

The stock is currently trading at 17.17X forward 12-month earnings, which compares to 37.37X for the Zacks sub-industry, 23.8X for the Zacks sector and 20.81X for the S&P 500 index.

Over the past five years, the stock has traded as high as 27.73X and as low as 10.35X, with a 5-year median of 19.19X. Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$77 price target reflects 18.16X forward 12-month earnings.

The table below shows summary valuation data for HAS.

| Valuation Multiples - HAS |               |       |              |        |         |
|---------------------------|---------------|-------|--------------|--------|---------|
|                           |               | Stock | Sub-Industry | Sector | S&P 500 |
| P/E F12M                  | Current       | 17.17 | 37.37        | 23.8   | 20.81   |
|                           | 5-Year High   | 27.73 | 30.46        | 23.8   | 20.81   |
|                           | 5-Year Low    | 10.35 | 19.51        | 16.15  | 15.19   |
|                           | 5-Year Median | 19.19 | 25.15        | 19.88  | 17.44   |
| P/S F12M                  | Current       | 1.61  | 5.05         | 1.98   | 3.3     |
|                           | 5-Year High   | 3.11  | 5.98         | 3.19   | 3.44    |
|                           | 5-Year Low    | 0.97  | 3.4          | 1.67   | 2.54    |
|                           | 5-Year Median | 2.16  | 4.7          | 2.52   | 3.01    |
| P/B TTM                   | Current       | 3.33  | 3.9          | 2.78   | 3.89    |
|                           | 5-Year High   | 9.27  | 6.55         | 5.04   | 4.55    |
|                           | 5-Year Low    | 1.89  | 3.06         | 2.18   | 2.84    |
|                           | 5-Year Median | 6.48  | 4.04         | 4.22   | 3.64    |

As of 04/29/2020

## Industry Analysis Zacks Industry Rank: Top 10% (25 out of 253)



## Top Peers

| Company (Ticker)                           | Rec        | Rank |
|--|------------|------|
| Electronic Arts Inc. (EA)                  | Outperform | 2    |
| JAKKS Pacific, Inc. (JAKK)                 | Outperform | 1    |
| Mattel, Inc. (MAT)                         | Outperform | 2    |
| Nintendo Co. (NTDOY)                       | Outperform | 2    |
| Activision Blizzard, Inc (ATVI)            | Neutral    | 3    |
| Glu Mobile Inc. (GLUU)                     | Neutral    | 4    |
| International Game Technology (IGT)        | Neutral    | 3    |
| Take-Two Interactive Software, Inc. (TTWO) | Neutral    | 3    |

| Industry Comparison Industry: Toys - Games - Hobbies |           |            |           | Industry Peers |            |           |
|--|-----------|------------|-----------|----------------|------------|-----------|
|  | HAS       | X Industry | S&P 500   | EA             | MAT        | TTWO      |
| Zacks Recommendation (Long Term)                     | Neutral   | -          | -         | Outperform     | Outperform | Neutral   |
| Zacks Rank (Short Term)                              | 4         | -          | -         | 2              | 2          | 3         |
| VGM Score  | B         | -          | -         | C              | A          | D         |
| Market Cap   | 9.99 B    | 6.55 B     | 20.82 B   | 32.67 B        | 3.10 B     | 13.74 B   |
| # of Analysts  | 7         | 5          | 14        | 13             | 5          | 21        |
| Dividend Yield                                       | 3.73%     | 0.00%      | 2.07%     | 0.00%          | 0.00%      | 0.00%     |
| Value Score  | C         | -          | -         | D              | A          | F         |
| Cash/Price   | 0.45      | 0.17       | 0.06      | 0.17           | 0.22       | 0.17      |
| EV/EBITDA  | 9.82      | 21.66      | 12.12     | 22.93          | 18.51      | 22.98     |
| PEG Ratio  | 1.71      | 2.14       | 2.51      | 2.78           | NA         | 3.14      |
| Price/Book (P/B)                                     | 3.07      | 4.55       | 2.74      | 4.55           | 6.30       | 5.72      |
| Price/Cash Flow (P/CF)                               | 11.64     | 22.76      | 11.23     | 25.09          | 22.43      | 19.24     |
| P/E (F1)   | 18.24     | 24.45      | 19.26     | 22.77          | NA         | 28.36     |
| Price/Sales (P/S)                                    | 1.96      | 3.85       | 2.16      | 6.06           | 0.69       | 4.79      |
| Earnings Yield                                       | 5.53%     | 3.68%      | 5.03%     | 4.39%          | -0.45%     | 3.52%     |
| Debt/Equity  | 1.35      | 0.20       | 0.72      | 0.14           | 5.79       | 0.06      |
| Cash Flow (\$/share)                                 | 6.27      | 1.99       | 7.01      | 4.50           | 0.40       | 6.30      |
| Growth Score   | B         | -          | -         | C              | A          | C         |
| Hist. EPS Growth (3-5 yrs)                           | 5.80%     | 15.28%     | 10.88%    | 16.39%         | -42.20%    | 29.79%    |
| Proj. EPS Growth (F1/F0)                             | -1.19%    | 10.74%     | -6.94%    | 4.99%          | 86.67%     | -8.87%    |
| Curr. Cash Flow Growth                               | -3.32%    | 19.56%     | 5.92%     | 11.18%         | -214.17%   | 98.75%    |
| Hist. Cash Flow Growth (3-5 yrs)                     | 5.21%     | 5.21%      | 8.55%     | 17.13%         | -28.91%    | 0.39%     |
| Current Ratio  | 5.37      | 2.50       | 1.23      | 2.84           | 1.76       | 1.64      |
| Debt/Capital   | 57.46%    | 16.41%     | 43.90%    | 12.09%         | 85.27%     | 5.93%     |
| Net Margin   | 8.33%     | 10.07%     | 11.15%    | 52.52%         | -4.90%     | 11.81%    |
| Return on Equity                                     | 26.36%    | 14.23%     | 16.47%    | 18.86%         | -23.30%    | 15.30%    |
| Sales/Assets   | 0.79      | 0.75       | 0.54      | 0.53           | 0.86       | 0.63      |
| Proj. Sales Growth (F1/F0)                           | 27.98%    | 3.22%      | -1.52%    | 3.22%          | -1.06%     | -6.70%    |
| Momentum Score                                       | A         | -          | -         | A              | C          | A         |
| Daily Price Chg                                      | -6.36%    | 0.00%      | 2.91%     | 1.28%          | -3.82%     | 0.56%     |
| 1 Week Price Chg                                     | -0.44%    | 0.00%      | -1.74%    | 1.01%          | -8.93%     | 2.76%     |
| 4 Week Price Chg                                     | 4.04%     | 11.97%     | 21.33%    | 15.64%         | 6.81%      | 4.17%     |
| 12 Week Price Chg                                    | -30.61%   | 0.00%      | -16.28%   | 4.60%          | -37.00%    | 0.35%     |
| 52 Week Price Chg                                    | -28.58%   | 0.00%      | -7.57%    | 18.89%         | -25.75%    | 22.34%    |
| 20 Day Average Volume                                | 1,409,635 | 112,102    | 2,658,107 | 3,270,994      | 4,184,069  | 2,068,482 |
| (F1) EPS Est 1 week change                           | -0.95%    | 0.00%      | 0.00%     | 0.00%          | 0.00%      | 0.00%     |
| (F1) EPS Est 4 week change                           | -3.82%    | 0.00%      | -6.32%    | 0.13%          | -168.97%   | 0.00%     |
| (F1) EPS Est 12 week change                          | -10.33%   | -2.56%     | -12.93%   | 0.70%          | 41.18%     | -3.69%    |
| (Q1) EPS Est Mthly Chg                               | -14.86%   | 0.00%      | -11.84%   | 0.00%          | -37.96%    | 0.00%     |

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## Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

### Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

### Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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### Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

|                |   |
|----------------|---|
| Value Score    | C |
| Growth Score   | B |
| Momentum Score | A |
| VGM Score      | B |

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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