



After Several Recent Wins, COM DEV is Looking Good

Description

By: Chris Lau

Contract wins, new orders, and higher gross margins have all helped push **COM DEV's** (TSX:CDV) stock to a recent multi-year high. The company's subscription customer base is also growing. In its most recently available quarterly report, subscriptions grew from 41 to 70 year over year. More of COM DEV's recent "wins" are discussed below.

About COM DEV

First though, some background. COM DEV began operations in 1974 and became publicly traded in 1996. The company designs and manufacturers space hardware components. The products are used in communications, remote sensing, military satellites, and space science. Within maritime surveillance, the company provides satellite data services to governments and maritime authorities worldwide.

Good news

COM DEV has had a great string of equipment contract "wins" of late which have helped position the company quite nicely for the coming years.

At the end of October, the company [announced](#) that one of its customers exercised an option for an additional \$15 million of equipment over a previously announced contract. This was in addition to the an original \$14 million contract that was signed in September 2012 and brings the entire value of work to over \$30M and will run until October 2014.

A few weeks before this extension order was received the company received its biggest commercial award ever. The initial funding release of the contract to provide a collection of components for multiple satellites is valued at \$38M. The entire contract value amounts to \$65 million and work will be ongoing until 2018.

Bottom Line

COM DEV is benefiting from healthy demand and contract wins. The company has a growing cash balance, and its products are seemingly finding a market. Investors looking for a company that operates in Space, so to speak, should take a closer look at this company.

CATEGORY

1. Investing

Category

1. Investing

Date

2025/09/10

Date Created

2013/11/21

Author

motley-fool-staff

default watermark

default watermark