



Forget Apple Inc.'s iPhone; 1 Reason to Buy BlackBerry Ltd. Instead

Description

Over the next couple of years, you could make triple-digit gains in one of the most beaten-down technology stocks in the world: **BlackBerry Ltd.** ([TSX: BB](#))(NASDAQ: BBRY).

It won't happen overnight. But as I'll show you today, the company has a toehold in an emerging market that could be larger than big data, social networking, and even the iPhone. And before the run is over, we could see the company's share price double or more.

Let me explain...

If you pay any attention to the technology world, you probably are well aware of this week's big announcement. On Tuesday, **Apple Inc.** ([NASDAQ: AAPL](#)) unveiled the iPhone 6, Apple Pay, and the Apple Watch. Predictably, the media went into a tizzy.

But while investors gawk over Apple's latest piece of "iJunk", they're missing a much larger development: the Internet of Things, or IoT. And this emerging industry could have far greater implications than any of the gadgets released this week.

Simply put, the IoT is the connection of people and objects to the Internet. Soon, every device you use — including your car, refrigerator, television, and washing machine — will be connected. That means just about everything you own will be controllable through your smartphone or personal computer.

The consumer market is just the beginning. Energy companies are using this technology to remotely monitor oil and gas wells. Golf courses can selectively irrigate dry zones to reduce water usage. Parking meters are starting to use real-time traffic data to adjust prices according to demand. While all of these advancements sound like science fiction, they're all possible today with the IoT.

Cisco Systems, Inc. ([NASDAQ: CSCO](#)) CEO John Chambers predicted at an exclusive keynote speech that the IoT could be the biggest technological development of the past decade. For instance...

- Global Internet traffic is projected to grow threefold over the next five years.

- The number of devices connected to the Internet today will hit 50 billion by 2020, compared to just 8 billion connected today.
- The IoT could represent a US\$19 trillion market by 2020, larger than China's annual gross domestic product.

The investment opportunity here could be incredibly large, and there's no better way to invest in this trend than BlackBerry. Now that the company is once again on solid financial footing, management has declared the IoT as the new strategic focus for the company.

"Billions of connections, generating trillions of transactions and exabytes of data daily, will require platforms that can operate securely on a global scale," company CEO John Chen wrote in a recent press release. "No other company is in a better position than BlackBerry to provide the technological building blocks, applications and services needed to enhance productivity, improve real-time decision making and deliver on the vision of the Internet of Things."

In May, BlackBerry announced Project Ion. The initiative consists of three parts: support the IoT ecosystem, build a secured platform for its QNX software, and partner with other players in this emerging industry. In essence, BlackBerry wants to build the IoT's nervous system, creating the infrastructure needed for all of these devices to talk to one another.

And while most retail investors continue to focus on BlackBerry's fledgling handset operations, the smart money sees the potential in this new industry. As I wrote about last week, billionaire investor D.E. Shaw doubled the size of his position in the technology company last quarter. And in June, investment house Citron Research predicted that the IoT could push BlackBerry shares to US\$20, up from around US\$10 today.

This hated technology company could double your money

Investors are talking about the iPhone this week, but the IoT will be the story of the next decade. After the celebrity "iHack" scandal in August, it's not clear if Apple has the security credentials needed to thrive in this new era. BlackBerry's QNX operating system may be the horse to win this race.

CATEGORY

1. Investing

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