



## 3 Reasons to Buy BlackBerry Ltd. Before It's Too Late

### Description

Next week is going to be a very big one for **BlackBerry Ltd.** ([TSX: BB](#))(Nasdaq: BBRY) and its shareholders. First comes the official launch of the Passport, the company's first phablet, on September 24. Then comes the release of second-quarter earnings two days later.

So investors understandably are wondering if now is the time to buy BlackBerry, before it is too late. And while I will make no predictions about the Q2 numbers, there are reasons to be optimistic about the company longer term. Below are three in particular.

#### 1. The Passport itself

When **Samsung** first came out with the Note, there were plenty of skeptics. After all, who was going to use a phone too big to fit in most pockets? But as Samsung said itself in a recent commercial, it's about being more productive. And this should ring true for BlackBerry as well.

Critics point out that its wide screen makes the phone practically impossible to use with just one hand. But the BlackBerry user, especially the corporate client, is used to using BlackBerry phones with both hands. And when a corporate client needs to do some mass emailing, then he's not going to type them out with just one thumb.

So the Passport should succeed for the same reason as the Note did. Better yet, the Passport has a much more specific target market and function. Shareholders should be optimistic.

#### 2. An increased focus on security

Over the past year, there's seemingly a story every week about some high-profile hacking scandal. Most recently, hackers stole nude photos of various celebrities via iCloud. And BlackBerry did not spoil the occasion, touting its security advantage. According to its official blog, "As the iCloud hacking story continues to unfold, experts are finding it hard to talk about strong mobile security without bringing the corporate embodiment of it into the discussion."

To put it another way, BlackBerry is reminding the corporate world just how important security is. And

no one matches BlackBerry's security capabilities. If the world keeps on experiencing these kinds of breaches, then BlackBerry's message will keep gaining traction.

### 3. A leaner model

Since taking the helm, CEO John Chen has drastically slashed costs, with moves such as cutting the workforce and outsourcing handset production. Tellingly, Mr. Chen recently said BlackBerry only needs to sell 10 million devices a year for the handset business to make money.

This, of course, gives BlackBerry a better chance at profitability. It also gives the company more flexibility — now, longer-term investments can be made. And that is what we saw recently with the acquisition of U.K.-based Movirtu. This is not something BlackBerry would have done had it been desperately short of cash.

So while no one knows how good BlackBerry's numbers will be next week, it looks like time is running out to buy shares at this price.

### CATEGORY

1. Investing

### TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)

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### Date

2025/07/25

### Date Created

2014/09/16

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