



## Billionaire Chuck Royce Bought \$15 Million of Sierra Wireless Inc.; Should You Buy, Too?

### Description

Chuck Royce has made a living by buying undiscovered stocks.

Royce is the founder and president of Royce & Associates, a hedge fund with a focus on buying emerging companies. Since the fund's start in 1972, he has consistently posted double-digit returns. Needless to say, Royce has made himself and his clients very rich.

Based on his track record, you should always watch what stocks Royce is buying. And over the past few months, he has built a huge stake in one of the world's fastest-growing tech companies.

**This could be bigger than the computer, 3D printing, and even the iPhone**

Imagine...

What if your coffee maker automatically brewed a fresh pot each morning? What if your car could tell you the fastest route to work? What if your refrigerator could do your grocery shopping?

These innovations might sound like science fiction. However, they're all possible today thanks to the Internet of Things, or IoT.

Put simply, the IoT is the connection of people and objects to the Internet. Soon, just about every device you use will be online. That means you will be able to remotely control just about everything from your PC, tablet, or smartphone.

The household is just a start. For instance, the IoT could use sensor-equipped garbage cans to slash waste management costs. Moisture detectors could manage irrigation systems to save water. Traffic lights could be remotely controlled to reduce energy use.

This expansion could be huge. For instance, **Cisco Systems, Inc.** CEO John Chambers predicts that by 2020:

- The data equivalent of every movie ever made will be transmitted every three minutes.
- The number of connected devices will increase fivefold.
- The IoT could represent a US\$19 trillion market.

Does that sound like an opportunity to you? Even if the IoT only lives up to a fraction of the hype, companies that collect and analyse all of this data are poised to make a fortune.

**Sierra Wireless Inc.** ([TSX: SW](#))([NASDAQ: SWIR](#)) is positioned to do exactly that. Its wireless modules allow devices to connect to the Internet and be easily controlled. In essence, Sierra is building the nervous system of the IoT. It's creating the networks needed for all of these devices to talk to one another.

Sierra is well positioned to lead this boom. Its modules are already found in thousands of vehicle infotainment systems and household devices. Its reach will only keep growing as the technology improves.

Royce is clearly bullish on Sierra and the IoT. SEC filings revealed that the fund manager owned more than 700,000 company shares. As of June, that equals roughly US\$14.6 million.

Other business bigwigs are optimistic on Sierra as well. According to recent SEC filings, a number of billionaire investors including Jim Simons and Dmitry Bilyasny have built huge investment stakes. And in May, CIBC Capital Markets upped its rating on the stock.

### Is Sierra Wireless about to hit \$50?

What has attracted the attention of these financial titans? I don't know about you, but I'd say it means only one thing: The Internet of Things is going to be big... and Sierra Wireless is the best way to play it.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:SWIR (Sierra Wireless)
2. TSX:SW (Sierra Wireless)

### Category

1. Investing
2. Tech Stocks

### Date

2025/08/20

### Date Created

2014/10/02

### Author

rbailieul

default watermark