



## Sierra Wireless Inc. Has its Eyes Set on the Next Internet Gold Rush

### Description

Hindsight is always 20/20. It's very easy to say that you would have invested in dozens of different Internet companies when they first started. If I handed you \$10,000 and told you to go back in time, you'd be a multimillionaire by now because you would have invested in all the right tech stocks.

Unfortunately, predicting the next Internet gold rush can be a little bit harder. There are so many different sectors that are popping up that claim to be the next big thing. However, it is my belief and the belief of many big-time money managers that the next big gold rush on the Internet is what's called the Internet of Things (IoT).

### What is IoT?

Imagine a world where everything communicates with everything. And by that I mean that your refrigerator communicates that you're out of milk and immediately milk is dispatched to your house. Imagine a world where you can take your blood pressure at home, submit the data to your doctor, and he can tell you that you should probably get to the hospital because you're close to having a heart attack.

That's the Internet of Things. Everything will be connected to the Internet. And what will happen is that life will get more efficient. Why go into the doctor to get some basic tests done if you can do those tests at home and have the data transmitted? Doctors will be able to treat more patients effectively this way.

I could go on about the potential-use cases for this revolutionary technology, but here's the most important thing you, as an investor, need to know. According to the CEO of Cisco, John Chambers, the market for IoT products will hit US\$2 trillion a year by 2020. Even more, IoT could potentially add an additional US\$19 trillion to the global GDP. And that's every year. When you have this kind of efficiency, less waste occurs and more money can be made.

### One company is leading the charge ...

**Sierra Wireless Inc.** ([TSX:SW](#))([NASDAQ:SWIR](#)) is one company that is staking a significant chunk of its livelihood on the Internet of Things. What Sierra is doing is building the connections. Unlike other

companies that will create a connected refrigerator, toaster, or car, Sierra Wireless wants to be the network that connects them all together.

In essence, it will be what the nerves are to the human body, except with technology. And with this will come a big need for security, which Sierra will be able to deliver. Naturally, Sierra Wireless won't take control of \$2 trillion. No company has. But there's no reason to believe that it won't be able to take considerable amounts of money from hundreds of different companies launching their products.

### **Is it time to buy?**

Sierra has been in a downward spiral since the beginning of the year. It peaked right around \$56 and now is hovering just below \$34. That's a significant drop and should have investors worried.

However, I believe Sierra is going to take a chunk of that IoT money. And I believe we will see this small company out of British Columbia grow and succeed. Therefore, buying now wouldn't be a bad idea. But waiting to see how far the knife will go before buying might be even smarter.

### **CATEGORY**

1. Investing
2. Tech Stocks

### **TICKERS GLOBAL**

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

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