



## Why Sierra Wireless, Inc. Is Set to Soar

### Description

**Sierra Wireless, Inc.** ([TSX:SW](#))([NASDAQ:SWIR](#)) is often mentioned as a company with long-term potential once the market conditions to make the company great finally emerge. Fortunately for Sierra and would-be investors, those conditions may finally be showing, which makes the case to buy the stock that much stronger.

Here's a quick look at Sierra and why now, more than ever, the company represents a huge opportunity for investors.

### About Sierra

Sierra designs the software and hardware for embedded modules and communication devices that are used to connect a myriad of devices to the internet. In a world where more devices are becoming "smart," there's no shortage of things that can benefit from Sierra.

The Internet of Things (IoT) is a term used frequently with respect to Sierra. The idea behind IoT is that everyday devices are connected to each other and the internet, feeding information and updates back and forth to accomplish any number of tasks.

By way of example, think of a smart fridge that can send you an alert to your smartphone to buy milk and eggs on the way home. Your smartphone can then route your in-dash GPS to the grocery store to pick up that milk.

This isn't science fiction—all this and more is possible with IoT devices. By some accounts, the marketplace for smart devices is expected to be a multi-trillion-dollar marketplace within a decade with 50 billion devices connected to the net.

Considering that Sierra is a pure-play provider to the IoT market through the embedded modules, modems, LTE solutions, and 5G hardware that are on offer, the opportunity for this stock over the long term becomes incredibly appealing.

## Why is Sierra a great investment right now?

Sierra has been a great long-term investment from the moment the company put a razor-like focus on becoming a pure-play IoT company. This hasn't been a quick transition, nor has Sierra been alone in that shift. For the past few quarters, the company has been coming in at the lower end of guidance, just missing expectations.

That all changed in the last quarter when Sierra released better than expected results. During the earnings announcement, Sierra even made a note to investors that results would only get better, signaling a tipping point in the company's transformation.

Sierra recently made headway into the automotive industry, where a growing requirement of auto manufacturers is to offer connectivity options that include smart GPS, hotspot functionality, on-demand traffic and re-routing, and companion smartphone apps. To date, Sierra has forged agreements with manufacturers in both Russia and China; additional manufacturer deals in parts of Europe and Asia are likely to emerge over the next year.

In my opinion, Sierra represents a great opportunity for investors over the long term. Year-to-date, Sierra is trading down nearly 6%, despite the much-improved results and a series of strong acquisitions and partner deals.

### 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

2025/08/21

### Date Created

2016/11/29

### Author

dafxentiou

default watermark