



There's Still Time to Buy This Growth Stock: It Has Soared 161% Since January

Description

Ballard Power Systems Inc. ([TSX:BLDP](#))([NASDAQ:BLDP](#)) has a long and sordid history. Fuel cell technology has been around for a long time now, and investors have long marveled at their potential to fuel transportation vehicles.

It was this optimism that fueled the stock's 400% rise to almost \$200 from late 1999 to early 2000.

But then, investor sentiment turned in a bad way, and Ballard had a dramatic fall from grace that left investors shocked and disillusioned, as the stock fell right back to where it started and languished as it kept drifting lower, hitting penny-stock territory.

In many ways, this history has been a good thing for investors like you and me. I mean, the company has been kind of tainted these days, and what that has meant is that many institutional investors have stayed away, maybe longer than they should have or would have normally.

But these days, not only is fuel cell technology very much improved and less expensive, but the world has caught up to the idea of clean, low-emissions energy.

The fuel cell market continues to build momentum, as clean air becomes an increasingly important goal for countries across the world. From China to Europe to California, governments and automotive companies are showing more interest and activity in fuel cell vehicles.

And Ballard has been involved in many different ways, including through partnerships and joint ventures.

Revenue increased 51% in 2016, 39% in the first quarter of 2017, 50% in the second quarter of 2017, and gross margins are on the rise at 35% in the last quarter versus 18% in 2015.

Management is on the lookout for acquisitions. The goal is to make complementary acquisitions that will increase the scale of the company and improve its gross margin profile.

Earlier this year, an acquisition was made that fits this profile, as Ballard bought Protonex Technology

Corporation, a designer and manufacturer of advanced power management products and portable fuel cell solutions. Management expects this transaction to boost the company's growth profile, provide further diversification, and bring it closer to profitability.

These days, Ballard is a geographically diversified company which has its fuel cells in a variety of different transportation vehicles as well as in the material handling industry (forklifts), the portable power industry, and backup power industry.

The company also provides engineering services and licenses its intellectual property portfolio.

So, we can see that the company has been making progress financially and strategically, growing its client base and solidifying its place in the fuel cell industry. In my view, the company is very well positioned to continue its run.

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