



The BlackBerry Device Is 20 Yet Still Full of Potential

Description

This month, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) is turning 20.

Just to be clear, I'm not talking about the company, which was founded back in 1984, but more the first iconic BlackBerry product, the 850. The device was essentially a pager with a larger screen to accommodate multiple lines of text and, perhaps most importantly, that iconic keyboard. It's the device that started a movement in both the corporate and consumer market and arguably lit the flame that became the smartphone market we have today.

Since then, that iconic keyboard has been outfitted on a variety of differently sized devices, leading to the current BlackBerry flagship device, the Key2 (which is, in fact, built by and brought to market by a partner and not BlackBerry). Incredibly, despite the constant barrage of criticisms from legions of touchscreen-wielding consumers, there's still a place in the market, albeit a niche one for that type of device, and it still commands a loyal following of users.

The 20th anniversary of the BlackBerry device is also a time to reflect back on the significant growth that the company has made over the past few years, particularly in transitioning from a hardware-and-software shop to a software-first operation with an emphasis on maintaining privacy and security.

With BlackBerry's focus no longer directly on devices, the company has branched out in recent years, working on a variety of new projects that are all slated to provide a decade or more of revenue for the company across a variety of fronts. To start, there's BlackBerry's secure enterprise software and cybersecurity business, which have thankfully regained focus as foundational elements of BlackBerry's business under CEO John Chen. The emphasis on security was bolstered further by the \$1.4 billion acquisition of Cylance, a leader in the emerging AI-cybersecurity field that was announced last year.

As an example of the potential growth in this field, consider the slew of new IoT devices coming to market every month. Industry experts see the market hitting 20 billion connected devices within the next year, all of which will need security.

Opportunity: QNX can and will power everything

A big portion of BlackBerry's new focus can be traced back to QNX, which remains one of the main reasons that any tech-seeking investor should contemplate an investment in the company. QNX is the stable, secure, and modular operating system that was pulling the strings behind BlackBerry's BB10 operating system, but, more importantly, it powers an increasing number of devices, vehicles, and processes across a wide segment of the market.

For example, QNX powers the infotainment systems in over 120 million vehicles around the world, and that pre-existing arrangement with automotive manufacturers, coupled with QNX's capabilities to manage multiple processes and functions, makes the operating system a great candidate to help power the next generation of autonomous vehicles — something that BlackBerry has shown and demonstrated for some time now.

Here's another more interesting, often dismissed point: when we think of autonomous vehicles, we often only think of the vehicle itself. We rarely consider the connectivity functions required for one vehicle to relay to another about a traffic incident, or, more importantly, how all of our infrastructures, from land-based centres to traffic lights need to communicate with each other securely.

While upcoming [5G connectivity options](#) will provide the network speed and bandwidth to facilitate this, BlackBerry has already looked deeper towards securing those communications. This is the concept behind a vehicle-to-vehicle and vehicle-to-infrastructure service, which is a key element to building out the smart cities of tomorrow, and BlackBerry, in a subtle announcement last month, stated the availability of service that does exactly that.

Then there are the other areas of the economy that QNX is already heavily invested in and operates in, such as the medical, government, finance, aerospace, power generation, and numerous other fields. To put it another way, if there was ever a reason to be bullish on BlackBerry, particularly over the [long term](#), that time is now.

All that potential started from a small pager with a keyboard 20 years ago.

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