

Software Powerhouse Trying to Rule the Cloud

Description

The size of Canada's tech sector is not an ocean, but a pond. However, a big fish is making quite a splash and investors are seeing a prized catch in their midst.

OpenTech Corporation ([TSX:OTEX](#))([NASDAQ:OTEX](#)) is a company engaged in selling customer experience management, analytics, security software, and other services with high demand in the software application industry. This Waterloo-based tech firm is about to rule the digital ecosystem.

Powerhouse software operations

OpenText Corp. is already a fixture in the digital map after executing several strategic maneuvers that resulted in a powerhouse software operation. This tech company shelled out \$6 billion on 30 significant acquisitions over the last decade.

However, the organic growth rate, a low single digit, hasn't reached the desired level yet. The company's strength lies in the ability to generate recurring revenue across major industries from finance, technology to healthcare among others. Most of the revenue is from cloud services, licenses, and subscriptions.

The market reach of OpenText is far-reaching from the home ground in Canada to neighbouring United States and the continents in Africa, Asia, and Europe. Needless to say, the company is on the road to success and will break new ground.

Business outlook

While no one will go out on a limb to say that OpenText is an excellent investment prospect, there is [great optimism](#). The signs are clear that exponential growth is looming. OpenText's products and services are in demand and are bound to increase.

A little more patience and the day will come that the organic growth rate will mightily improve. More significant acquisitions will be pursued in the near-term. Further, the cloud computing space is OpenText's domain and the [growth engines](#) are not yet fully harnessed.

A commanding presence in the digital ecosystem

Investors are advised to closely monitor the developments. The customer base will rise at an unprecedented level with OpenText Customer Experience Management (CEM) software solutions. OpenText will help many enterprises build customer loyalty that will last a lifetime.

OpenText will be at the forefront of Digital Process Automation; its current business needs are complex. The automation of processes and deployment of process-driven applications is an integral part of the digital transformation. The OpenText Enterprise Content Management (ECM) software will provide the content services to enable businesses operating in the digital environment accelerate

productivity, improve corporate governance and advance digital transformation. Are you still keeping tabs?

Finally, OpenText is orchestrating the building of a digital ecosystem that will keep people, systems and devices connected and work together to simplify business processes.

One footnote is that the shares of OpenText last touched \$50.00 in late September. As of this writing, OTEX is trading at \$49.50 and nearing the 52-week high of \$51.98. If you think the company can rule the digital ecosystem by what you read, buy now before OpenText is crowned "Ruler."

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