



3 Reasons Why BlackBerry (TSX:BB) Is Soaring

Description

BlackBerry Ltd ([TSX:BB](#))([NYSE:BB](#)) stock is back off to the races once again this week, posting gains just shy of 9% through the week of trading as of Thursday afternoon.

On Tuesday, the Waterloo-based software and security software company announced via press release on its investor relations page that its “BlackBerry Government Mobility Suite,” a cloud-based enterprise management solution developed specifically for U.S. government agencies, had officially achieved “Federal Risk and Authorization Management Program (FedRAMP) Ready” status.

Why is this news so important?

It's important for three reasons, specifically, and is a huge step for the company as it continues to transition from being a traditional hardware manufacturer to a leading-edge software and security mobile technology company.

Essentially, what the BlackBerry Government Mobility Suite does is provide a government's senior IT administrators with a single, integrated view of the enterprises users, as well as its devices, applications, and policies spanning across all multi-OS endpoints and ownership models.

With more users adding more devices to virtually every network they're on, administrators need an improved, more efficient way of managing their organizations exposures, risks and any threats that could stand to disrupt the enterprise.

But even bigger than that is the signal that this week's FedRAMP approval sends to the rest of the market.

The U.S. government has long been seen as the gold standard for enterprise security, and BlackBerry shareholders will be hoping that as a result of this week's announcement that other large Fortune 500 organizations and G-20 governments will be sitting up and taking note.

But to be fair, BB has already been seeing some very [encouraging results](#) from its re-emboldened

Enterprise of Things strategy.

Growth is up across the board, including record software and services revenues in fiscal 2018, coupled with a 29% improvement in its (non-GAAP) gross margins between 2016 and 2018.

Growing the company's top line while also seeing (vastly) improving gross margins is certainly a sign of a winning formula, and with the company seeing expanded reach across all operating segments last year, you can bet that it's hoping that the latest FedRAMP announcement will continue to build on that momentum in 2019.

First-quarter results are slated to come out on Wednesday June 26th before the market opens.

Investors will want to be keeping a watchful eye on that date, as BB stock has at times exhibited extreme levels of volatility in the days surrounding earnings releases.

Meanwhile, investors seeking to gain exposure to Internet of Things (IoT) technology may also want to consider smaller market capitalization [Sierra Wireless, Inc.](#) as another viable name within the IoT space.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:BB (BlackBerry)
2. TSX:BB (BlackBerry)

PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/07/23

Date Created

2019/06/13

Author

jphillips

default watermark