



## 3 Reasons to Keep Your BlackBerry (TSX:BB) Investment

### Description

There are few, if any investments on the market today that conjure as much emotion and [mixed](#) opinions as **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)). The former phone manufacturer underwent a very public and long transition over the past few years, creating critics and fans along the way.

### New acquisitions, agreements, and potential

Security has always been core to the BlackBerry experience. The company became synonymous with security during its era as a smartphone manufacturer, but in recent years that definition has expanded to include BlackBerry's growing cybersecurity arm.

Earlier this month, BlackBerry's cloud-based enterprise management suite achieved FedRAMP status. This is important for a host of reasons, but most notably because of the exposure (and future business prospects) the certification will bring from government agencies in the U.S. and around the world.

BlackBerry's acquisition of Cylance, which was completed earlier this year is also worthy of mention. California-based Cylance is an industry leader in the field of AI and cybersecurity, and the integration of that AI platform into BlackBerry's secure Spark communications platform will only further enhance the appeal of Blackberry's products.

The acquisition was also instrumental in BlackBerry hitting a milestone of becoming a billion-dollar revenue company in the field of security software.

### BlackBerry's back in the black

BlackBerry is expected to report on the first quarter of fiscal 2020 this week. The consensus among analysts is that the company will continue to see revenue growth while earnings may come in weaker than expected.

In the most recent quarterly update, BlackBerry reported earnings of US\$0.11 per share, beating both

the prior quarter as well as analyst estimates that called for just US\$0.06 per share.

Net income in that quarter came in at US\$51, reflecting a strong rebound over the US\$10 million loss in the same quarter last year. Perhaps the most encouraging signal from that report was the record-breaking revenue numbers from the software & services segment, which saw an 8% improvement year-over-year to US\$248 million.

## Investments for the future

We often drop terms that represent huge investment potential. Usually, these relate to a new technology or product that is going to take the market by storm. Autonomous driving is one such example, BlackBerry's take in autonomous driving comes in the form of QNX.

QNX is the secure and scalable operating system that is used in mission-critical systems across the world where security and stability are of paramount importance. Examples include nuclear power plants, medical devices and coincidentally, thereby powering the infotainment systems of over 120 million vehicles.

It's that foray into the automotive segment that should excite investors, but with an impact far beyond what most of us realize.

To become fully autonomous, a vehicle needs to be in [constant communication](#) with other vehicles on the road, as well as ground-based infrastructure that help move traffic along. Key examples include traffic lights, cameras, and toll booths, which are not yet connected.

In addition to maintaining communication, each of these nodes needs to be secure, and that's exactly what BlackBerry's Security Credential Management System (SCMS) offers.

## Final thoughts

BlackBerry, like any other stock on the market, is not without risk. That said, BlackBerry does make for an intriguing long-term investment option. Investors with an appetite for risk that are looking to diversify their portfolio should be pleased with the direction that BlackBerry is taking.

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