



New Tesla Competitor: You Won't Believe Which Stock It Is!

Description

Tesla ([NASDAQ:TSLA](#)) is now a \$400 billion company. It's been a crazy ride. Over the past decade, shares rose from \$4 to \$400, with plenty of bumps along the way.

While most people think of the company as a car manufacturer, the long-term business is deeply tied to technology. For the stock to warrant such a nosebleed valuation, the company needs to make big progress in areas like autonomous vehicles and distributed car sharing.

Above all, Tesla is a tech company. Analysts that focus on the manufacturing component are missing the forest for the trees.

Software runs the world

A decade ago, the biggest businesses in the world were oil companies. Today, they're nearly all tech companies, but not just any tech companies. The current leaders are all software businesses.

"After written language and money, software is only the third major soft technology to appear in human civilization," [writes](#) Venkatesh Rao. "Marc Andreessen's now-familiar line, software is eating the world, hints at the significance, but we are only just beginning to figure out how to think about the world in which we find ourselves."

From the start, Elon Musk identified the future of transportation. There would still be hunks of metal moving us around, but the underlying force would be driven by software. Existing competitors like **Ford**, **General Motors**, and **Toyota** would soon be playing a game in which they had no previous experience. This was the gap the Tesla exploited.

Today, Teslas are a feat of software as much as manufacturing. Every car comes loaded with sensors and cutting-edge tech designed to provide impressive levels of autonomy. By the end of this decade, they could be driving themselves. That's a software feature, and vehicle manufacturers that can't provide the software will lose.

Everyone is focused on how stylish Teslas are, ignoring the power of software, which is why few investors have unearthed its next big competitor.

Tesla's new competitor

Don't laugh, but **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) is now one of Tesla's biggest competitors. Seriously.

Forget everything you know about this company. It no longer makes smartphones. Today, it's all about cybersecurity [software](#). BlackBerry's biggest product, its QNX security platform, is already installed in more than 160 million cars worldwide. Nine out of the top ten car manufacturers license the company's software.

BlackBerry controls a pivotal part of the value chain. As cars go autonomous, security will be more important than ever. A hacking vulnerability could be lethal. BlackBerry's software can use artificial intelligence to prevent attacks *before* they happen!

This is valuable position to have, and others know it. **Amazon** recently partnered with BlackBerry to augment the QNX system. StradVision, a leader in vision processing technology for fully autonomous vehicles, just announced that they'll be deeply integrating QNX into its offerings.

Expect Tesla to develop its own tech in-house, but nearly every competitor has already signaled their intent to use BlackBerry's security software. Growth will take time, as the autonomous vehicle story is a decade in the making, but Tesla already knows that BlackBerry will be the backbone of its competitor's success.

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