



## Patient Investors: BlackBerry (TSX:BB) Could Blast off in 2021

### Description

You don't need to pay an arm and a leg to get a front-row seat to the most lucrative areas of the tech market: just have a look at **BlackBerry** ([TSX:BB](#))(NASDAQ:BB) stock. The name is quite possibly the cheapest established tech play that's engaged in areas of tech such as cybersecurity, the Internet-of-Things (IoT), and Enterprise Software Services (ESS).

### Your patience will likely be rewarded in a big way

Undoubtedly, BlackBerry is a name that'll test your patience. Long-term investors who've held BlackBerry stock have been proven wrong thus far, as the company has yet to prove that it can sustain high organic growth. BlackBerry CEO John Chen isn't just a great man to have at the helm. He's also turnaround artist who can make the company great again.

Given the profound transformative efforts, BlackBerry is a turnaround play that's not for the faint of heart, as it could take many years for the firm to land the magnitude of multiple expansion that deep-value investors seek.

In prior pieces, I urged investors to stick with the name that begged for investor patience:

"BlackBerry isn't at the end of the road, even though its valuation suggests it's on its way out. The company is still in the midst of its major transformation, which, if successful, will allow patient investors to profit from some serious multiple expansion," I [wrote](#) at the start of July when the stock was trading at \$6 and change.

"The company needs more time to prove itself, and once it does, most folks will be scratching their heads, wondering why they didn't back up the truck on the name when shares were trading at just over 1.4 times book — a multiple that's lower than most no-growth stalwarts."

### Something to be really excited about

Today, BlackBerry stock has blasted off to the double-digits on the back of news of its collaboration with none other than the great **Amazon.com** and its Amazon Web Services (AWS) business on an incredibly innovative automotive data platform named IVY. If Amazon's getting involved, you know there's some serious money to be made.

While the recent 80% pop in BlackBerry stock was massive, I still think it's safe for longer-term investors to place a bet here. Even after the surge, the stock is still absurdly cheap at 2.4 times book value. Those who threw in the towel on BlackBerry stock due to its lack of action are kicking themselves now, and I have a feeling that those who take profits here will also stand to kick themselves in several years from now.

## The Foolish bottom line

It's not just IVY that investors have to look forward to. QNX is looking up again as the economy recovers from the [COVID crisis](#), and I think the odds of BlackBerry proving itself as a sustained organic growth company over the next five years is high.

While shares are no longer the same steal they used to be when the stock was trading at around book value, shares are still miles below most of its peers.

### CATEGORY

1. Coronavirus
2. Investing
3. Stocks for Beginners
4. Tech Stocks

### TICKERS GLOBAL

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

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Yahoo CA

### Category

1. Coronavirus
2. Investing
3. Stocks for Beginners
4. Tech Stocks

**Date**

2025/07/31

**Date Created**

2020/12/11

**Author**

joefrenette

default watermark

default watermark