



Better Than Tesla: This Canadian Stock Is the Future

Description

Despite the recent selloff, **Tesla** ([NASDAQ:TSLA](#)) remains one of the hottest stocks in the world. The company dominates the headlines and is led by its flamboyant CEO, Elon Musk.

But the electric car company isn't the only game in town. If you know what you're looking for, one Canadian stock could follow in its footsteps.

Learn why Tesla is special

The future is electric. There's no doubt about that. But there's another revolution taking place: the automation of driving itself.

This revolution is transforming what it means to be an auto manufacturer. Previously, a company needed to excel at building the hardware side of things. There wasn't much at all in terms of software. That's changing.

"Today's hardware-defined cars are rapidly transforming into software-defined transportation platforms," explained [McKinsey](#). "The latest automotive innovations, including intuitive infotainment, self-driving abilities, and electrification, depend less on mechanical ingenuity than on software quality, execution, and integration."

This is partially why Tesla is so far ahead of the competition. Yes, it has early scale, makes appealing products, and has brilliant guerrilla marketing, but it's really the software angle that matters.

"It is a misconception that you can just keep developing a driver assistance system until one day you can magically leap to a fully autonomous driving system," said Elon Musk. "In terms of robustness and accuracy, for example, our sensors are orders of magnitude better than what we see on the road from other manufacturers."

In reality, Tesla is very much a software company. Once you understand that, you can hunt for the next big thing, knowing that it likely won't produce physical cars.

This stock is the next big thing

Don't laugh, but **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) is the next Tesla. If you're skeptical, that's *exactly* why there's so much opportunity here.

"Forget everything you know about this company. It no longer makes smartphones," I [stressed](#) last year. "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's software capabilities rival those of Tesla, with a specific focus on security. Car manufacturers are focusing on the self-driving aspect, but how do you prevent hackers from taking control of a moving vehicle? Anything that's connected to the internet is vulnerable to attack. You can bet that billions will be spent securing these endpoints.

"BlackBerry controls a pivotal part of the value chain," I concluded. "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!"

Right now, Tesla stock trades at 24 times sales. BlackBerry, meanwhile, trades at just seven times sales. And like Tesla, BlackBerry's sales ramp is just beginning. Revenue could be on a multi-decade climb.

The problem is that the market hasn't realized BlackBerry is the next big thing when it comes to self-driving vehicles. But once that misconception is corrected, the sky is the limit.

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