



## A Top Canadian Tech Stock to Buy Today

### Description

**Open Text** ([TSX:OTEX](#))([NASDAQ:OTEX](#)) is focused on connecting the Global 10,000 companies (G10K) to the company's information platform. Open Text appears [well positioned](#) to expand the company's penetration in this market. The G10K is made up of the world's largest companies — typically, those with greater than \$2 billion in revenues — as well as the world's largest governments and organizations.

### Full digital platform

In addition, the OpenText Digital Zone was introduced in 2020 and is a full digital platform to engage customers and sell the company's products. This strategic initiative transforms how Open Text connects to customers and is coupled with the company's established global partner program. The company is in the process of building greater distribution and cross-selling opportunities, which further help it to achieve [organic growth](#).

### Committed to continuous innovation

Further, Open Text appears committed to continuous innovation. Open Text's investments in research and development (R&D) pushes product innovation, increasing the value of Open Text's offerings to the company's customer base. Over the last three fiscal years, Open Text has invested a cumulative total of approximately \$1 billion in R&D or approximately 11.5% of cumulative revenue for that three-year period.

### Making strategic acquisitions

Reviewing R&D spending, it appears that Open Text typically target to spend approximately 11-13% of revenues for R&D each fiscal year. Open Text grows by making strategic acquisitions, which ensures that it is better positioned to expand the company's product portfolio and improves Open Text's ability to innovate.

## **Value-oriented and disciplined acquirer**

In fiscal 2020, Open Text further demonstrated the implementation of the company's strategy by acquiring Carbonite and XMedius. Open Text appears to be a value-oriented and disciplined acquirer and consolidator, having efficiently deployed \$6.8 billion on acquisitions over the last 10 fiscal years. Mergers and acquisitions are one of Open Text's leading growth drivers.

## **Successfully integrating acquired companies**

Additionally, Open Text's ability to successfully integrate acquired companies and assets into the company's business is a strength. Open Text's pursuit of strategic acquisitions is an important aspect to the company's total growth strategy. Open Text expects to continue to acquire strategically, to integrate and innovate, and to deepen and strengthen the company's intelligent information platform for customers.

## **Expanding Open Text's security leadership**

In fiscal 2020, Open Text acquired Carbonite, a provider of cloud-based subscription data protection, backup, disaster recovery and end-point security to small- and medium-sized businesses and consumers. Carbonite's solutions expand Open Text's security leadership for enterprise and professional consumers. Furthermore, the acquisition of Carbonite presents an opportunity for Open Text to take advantage of a world-class channel partner organization and partners and to bring Open Text's information management solutions to all customers.

## **Leadership in secure information exchange**

The integration of Carbonite remains appears to be on track to be on Open Text's operating model by the end of fiscal 2021. In fiscal 2020, Open Text also acquired XMedius, a provider of secure information exchange and unified communication solutions, that brings decades of experience and patented technologies to enable organizations to move more workloads to the cloud. This acquisition further strengthens Open Text's leadership in secure information exchange, unified communications and digital fax.

### **CATEGORY**

1. Investing
2. Tech Stocks

### **TICKERS GLOBAL**

1. NASDAQ:OTEX (Open Text Corporation)
2. TSX:OTEX (Open Text Corporation)

#### **PARTNER-FEEDS**

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

#### **PP NOTIFY USER**

1. kduncombe
2. nikhilwaterloo

#### **Category**

1. Investing
2. Tech Stocks

#### **Date**

2025/08/21

#### **Date Created**

2021/08/15

#### **Author**

nikhilwaterloo

default watermark

default watermark