



BlackBerry (TSX:BB) Stock Continues to Show Promise

Description

A company that needs no introduction, **BlackBerry** ([TSX:BB](#))([NYSE:BB](#)) has been on the front pages of investing news for over a decade. However, for much of that period, most of the company news has not been kind. Indeed, BlackBerry has seen its stock decline over 95% since its peak in 2007.

However, the company has seen an incredible shift since John Chen assumed the CEO role. On Tuesday, the company made a big announcement. What does this mean moving forward?

What is the company up to?

As discussed in [my original article](#) covering the company, BlackBerry has shifted its focus from mobile phones to becoming a security software and services company. This was one of the biggest changes seen from the company since John Chen took over as CEO. Today, BlackBerry offers a plethora of solutions including antivirus offerings, endpoint security and management, automotive software, and more.

On Tuesday, [BlackBerry announced](#) that it would be teaming up with **Amazon's** AWS division to develop and market BlackBerry's intelligent vehicle data platform (IVY). According to the company's press release, "BlackBerry IVY is a scalable, cloud-connected software platform that will allow automakers to provide a consistent and secure way to read vehicle sensor data, normalize it, and create actionable insights from that data both locally and in the cloud."

This has great implications for BlackBerry's automotive software division. If the partnership is successful, automakers will finally have a solution that allows companies to collect a large amount of user data. This can then be used to offer the user recommendations to enable certain car safety features such as traction control, lane assist, and adaptive cruise control.

BlackBerry IVY will also benefit from its cloud-connected nature, which should offer network effects. This means that as more users continue to send information to the cloud, the platform will continue to become more efficient and recognize issues more quickly. Indeed, BlackBerry seems to be embarking down a very promising route.

What does this mean for BlackBerry?

With this announcement, BlackBerry continues to show a renewal in the company's image. No longer does the company wish to be associated with its failed mobile phone efforts. By teaming up with Amazon, BlackBerry is firmly planting its flag in the software industry.

The company's stock saw a spike on Tuesday, following the initial release of the partnership. However, since then, it has seen a steady decline. It appears investors are waiting to see substantial results before getting excited about the potential that lies ahead. Given those circumstances, an investment in BlackBerry seems more intriguing than ever.

Foolish takeaway

Although BlackBerry may be one of the most popular names in Canada, many investors remain unaware of the company's trajectory. A large proportion of investors continue to associate the company to its previous — and failed — smartphone efforts.

Today, however, BlackBerry is far from the same company that once was the biggest company in Canada. The current iteration of the company is a world-class security software and services company.

With the announcement of a multi-year partnership with Amazon in the company's back pocket, the risk to reward that BlackBerry presents is very interesting. I believe the company deserves solid consideration by investors.

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