

Investing Lessons from BlackBerry



A funny thing happened this week. As I was about to tape my “Sell of the Week” for Chuck Jaffe’s Your Money Life podcast on Monday afternoon, trading in BlackBerry Ltd. (BBRY) was halted. Since neither Chuck nor I knew what was going on right at that minute, we postponed taping. As we now know, an acquisition offer was made for the Canadian smartphone maker.

I bring this up because BlackBerry is a great case study for investors. The company realized revenue growth of 33.1% and net income growth of 38.8% in fiscal 2011. (The company’s fiscal years run from March through February.) Last week, BlackBerry warned that fiscal second-quarter revenues would be down by approximately 45% from a year prior. The company also anticipated recognizing a net operating loss of nearly \$1 billion, primarily reflecting a massive writedown of inventory.

[Read more »](#)