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DragonWave's momentum continues in Q3

By [Ottawa Business Journal Staff](#)

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DragonWave Inc. ([TSX:DWI](#)) teased investors Tuesday with word of a "strong order intake" that has driven its order backlog up by 60 per cent since the end of its second quarter.

The Ottawa-based wireless equipment maker said the new orders have been received over the last week from customers in the United States, Canada and the EMEA.

"DragonWave will assess the impact of the order activity along with other business factors and provide an update in connection with the release of its fiscal Q3 results," the company said in a statement. Its Q3 will be reported early in the new year.

What was not readily clear was whether or not this recent upsurge has helped diversify the company's revenue base beyond one principal customer. DragonWave did not return calls Tuesday for additional information.

Earlier in the month, DragonWave reported stellar Q2 numbers, with revenues up 236 per cent to \$35.5 million from \$10.6 million the year before. While the company cited substantial growth in demand from a variety of international customers for the revenue gain, the most significant increase came from DragonWave's existing major North American customer, which accounted for 77 per cent of Q2 revenues.

DragonWave's stock enjoyed a pop Tuesday on both sides of the border from the news. In Canada, it climbed five per cent from Monday's close to finish the day at \$9.05, with an intraday high of \$9.61.

