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Technology
8x8 Pops On Earnings Beat; Vonage Merger Not In The Cards

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8x8 (EGHT) stock jumped Friday after the provider of business communications services reported fiscal third-quarter revenue and profit that topped consensus estimates.

Shares of 8x8 leapt 12% to 18.15 in the [stock market today](#) to an 11-month high. With Friday's gain, the San Jose, Calif.-based company's stock has gained 28% in 2018. The stock had plunged in July on disappointing guidance.

8x8 reported adjusted earnings of 2 cents a share in the period ended Dec. 31 vs. consensus estimates of 1-cent profit. The company said revenue rose 19% to \$75.6 million. Analysts had projected revenue of \$74 million.

8x8 started out selling VoIP services, or Voice over Internet Protocol, to small businesses and has expanded products for bigger companies.

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Dmitry Netis, an analyst at William Blair, said in a research note that given 8x8's ramp up in new investments, a merger with Vonage (VG) is "not in the cards."

Jonathan Kees, analyst at Summit Redstone, said in a report: "We continue to see a shift in management's philosophy as they run the company in investing for the next phase of high growth rather than earnings growth for the medium term."

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