



## Bowser 101: Reverse Stock Splits

*Do they help or hurt the small-cap investor?*

Over the years, we here at *The Bowser Report* have come across our fair share of reverse stock splits. We have even written our fair share about reverse stock splits. When considering this financial occurrence, the question remains: Are reverse splits good or bad for my stock? Have no fear Buckaroos, we are here to offer our insight:

**What exactly is a reverse stock split?** A reverse split occurs when a company reduces the number of shares outstanding, and the price-per-share increases as a result. For example, a company possesses 4 million shares at \$2/share and undergoes a one-for-two reverse split. Now, the company has 2 million shares outstanding at \$4/share. Notice that the market cap did not change—still \$8 million.

**Why would a company undergo a reverse split?** There are a number of reasons why a company would decide to initiate a reverse split. Some of the most often discussed are:

Keeping the share price above \$1/share in order to maintain or gain compliance with NYSE or NASDAQ listing requirements (as with PAMT this month).

Attempting to extend the life of a slipping stock. If a stock sees little in its future, a reverse split can maintain a stock's reputation at face value.

Raising the stock's status above the penny stock mark. Some companies have a fear of being labeled a penny stock, and some big investors have a fear (or a principle) keeping them from investing in lower-priced issues.

**So, what does this mean?** Two of the three reasons listed above are efforts of desperation. A stock that fails to raise its share price above \$1/share without a reverse split may not be such a great investment. These companies probably lack solid financial results, which is the real factor driving the stock's price below the listing requirement.

On the other hand, a company that attempts to save face

through a reverse split misses the fundamental point: this effort is superficial—the company has the same valuation before and after the split. Also worth noting is the dilution of earnings per share (EPS) in this situation. While less shares equals higher EPS for companies reporting profits, it means lower EPS for those reporting losses.

The third reason listed has some validity to it. A company that trades above \$5/share is far more likely to see increased fund ownership and brokerage coverage. However, once again, keep in mind that many of these funds and analysts are looking for more than just a stock's price. They also consider a company's financial background and stability.

**Can a reverse split be beneficial?** Yes, but that is usually the exception. At *The Bowser Report*, we have experienced stocks that have appreciated after a reverse split, but typically, these stocks tumble. Here are a few examples of Bowser stock reverse splits, successful and unsuccessful:

Alliance Fiber Optics (AFOP): 1-for-5 on August 30, 2010. \$19.85 high after split on 1/18/11—151% gain. AFOP now trades at \$9.31 with a 52-week range of \$7.03-11.29.

Evolving Systems (EVOL): 1-for-2 on July 21, 2009. Appreciated to \$7.49 after split—50% gain. EVOL now trades at \$5.68 with a 52-week range of \$5.20-7.95.

eOn Communications (EONC): 1-for-5 April 21, 2008. Dropped down to \$0.40 after split—83% loss. EONC now trades at \$1.20 with a 52-week range of \$0.92-3.35.

\*AFOP and EVOL reported outstanding financial results after their splits. EONC reported losses.

Effective March 22, Parametric Sound Company (PAMT) underwent a 1-for-5 reverse split.

*Continued on page 2.*

### The Bowser Microcap Stock Index (04/03/12)

PARL	.5814	LOAN	.0020	CVV	.0159	LMLP	.0667	IRIS	.2956	GVP	.0485	ESYS	.0223
AWX	.0310	RAND	.0209	MSN	.1068	RELV	.0149	STRM	.0363	HNR	.3610	GSB	.0356
CSOL	.0016	VIFL	.0269	INS	.0144	AMS	.0232	TRCR	.4382	GBR	.0048	WTT	.0587
PESI	.1287	STKL	.1921	ITI	.0574	BVX	.0759	TRIB	.7229	CNTY	.1092	ZAGG	.2599
VTNR	.0283	PZZI	.0725	DGSE	.0755	ESMC	.0068	MCF	1.9198	FLL	.0313	RFMI	.0058
AAME	.0985	AFOP	.3259	EVI	.0214	FHCO	.2042	ENG	.1094	API	.0174	XFN	.0064
COVR	.0286	CIMT	.0445	TLF	.1452	ICCC	.0376	FPP	.0447	DPW	.0102	XPO	.3231
												COOL	.1344

**TOTAL: 744.43**

UP 32.74 points or 4.6% since last month

## Reverse Stock Splits

...Continued from front page.

The split took shares from a close of \$0.95 on March 21 to a close of \$4.45 on March 22. Since the split, the company's shares are \$4.50, a gain of 1%. Because of the reverse split, PAMT qualified for listing on the Nasdaq CM. The company's financial situation will be monitored.

For more on PAMT see page 4...

**What is the bottom-line?** Generally we frown on companies that choose a reverse split as a course of action. However, the moral of this story is to know what you are investing in. A stock price must always be earned. *Motley Fool* writer Rick Aristotle Munarriz refers to any type of split as a "zero-sum game," meaning that there is no true value gained

## Market Overview

**The Bowser Index saw two changes this month:** Giga-tronics (sell recommendation) was replaced by Atlantic American Corporation, and Bullion Monarch (pending merger) was replaced by Majesco Entertainment.

As a whole, the Bowser Index was valued at 744.43—**UP 4.6%** compared to last month's value of 711.69. This rise is in comparison with the Dow Jones that was up 1.7%, the S&P 500 that was up 2.2%, the Russell 2000 that was up 2.4%, and the Nasdaq that was up 4.2%. The Bowser Index was led by Parlux Fragrance, Int'l Remote Imaging, and GSE Systems.

or lost in a split. The best way to successfully boost a stock's price has been and always will be the company's financial performance.

## A Buckaroo's Perspective: Warrants

Chuck Bostrom

Chuck Bostrom submitted this article for us to review. With *FieldPoint Petroleum's* warrant announcement came *Buckaroos* requesting an article on warrants: what they are and how they should be handled? We feel Chuck's article coincides nicely.

Chuck has been a subscriber for nearly two decades and has been featured a few times in these pages. He is also a good friend and a resident of Lewistown, MT.

The front of the yellow page (supplement) in *The Bowser Report* has been, is, and continues to be the most lucrative page in the publication. The Warrant Register has the best opportunity for excellent appreciation in one's brokerage account. As Max has previously published, warrants provide a great deal of leverage. As a stock price rises, the corresponding warrant generally rises more quickly.

What sold me on this investing vehicle was JMAR. It was listed on the Warrant Register some years ago and I purchased 2000 warrants for less than a dollar a piece. My holdings sat for quite some time (over a year). In my ignorance, I got busy and did not look at the account for about three weeks. The shock that I experienced set off Old Faithful. The warrants had appreciated to some \$24,000. I looked at the historical record and they had been up to \$36,000 some days previous. Obviously, I sold out. I have been a believer in warrants since then. My expectations are that JMAR was an anomaly. Most of them will not do what that company did.

On the current list, the following thoughts and observations come to mind. HCLIW is one that I purchased for around \$0.52. I sold 30%, which paid for my investment and

put some additional funds into my account. REN-WS I purchased for less than \$1.20/warrant. My warrant portfolio also includes ASBCW (purchased at \$1.80) and SANWW (purchased at \$0.54). I bought ASBCW because the exercise price is not too far away.

SANWW is making all sorts of good moves. The stevia seed may be huge. The stock does not have far to go to be in-the-money and there is ample time for good things to happen. My SANWW holdings have doubled and I may buy more.

Overall, in my experience, I have noticed that warrant investors need to do the following:

1. **Diversify:** Historically, 50% of all warrants expire worthless. Buy at least five different warrants in different sectors. Keep in mind that two will probably expire worthless, two will probably be O.K., and one will probably make up for any shortfalls in.
2. **Pay attention to time:** Ask whether the stock price has moved toward the exercise price in the last year. Generally require about 18 months before the warrants expire, allowing time to appreciate.
3. **Keep a cool head:** Warrants can easily raise one's blood pressure. They can look like a Saturn rocket or a nuclear sub, sometimes both in a short period of time. An investor in warrants must be O.K. with losing the whole investment. If you are a worrier, forget about warrants.

For more information on warrants see Page 8.



## The Bowser Game Plan

1. **DO NOT PAY** more than \$3/share for a stock.
2. **CREATE A PORTFOLIO** of 12 to 18 stocks.
3. **DO NOT SELL** when a stock goes above \$3/share and is moved to page 5.
4. **DO NOT SELL** when a stock moves to a lower category.
5. **SELLING PLAN:** Sell half of your holdings when the stock doubles from your purchase price. Sell the remainder after the stock drops 25% from its most recent high. If the stock drops 50% before it has doubled, sell all shares.
6. **RECORD** proceeds from sales.
7. **PORTFOLIO EVALUATION** = Current value of portfolio + Proceeds from sale.

# COMPANY OF THE MONTH

## Business

With the advent of motion sensing video-game consoles, there came a demand for motion-based video games. No longer do gamers plug in their controllers and sit on the couch to enjoy their interactive experiences. Now, they interact in an all new way. Majesco Entertainment has hit the casual game market with its *Zumba Fitness* game, named the number one fitness title for 2011.

The *Zumba Fitness* games provide a fun way to get fit. While playing the game, instructors guide users through international dance routines to upbeat Latin music. The users can choose to dance through 30 routines, which "will make you forget you are even exercising."

Majesco released *Zumba Fitness* in November 2010, *Zumba Fitness 2* in November 2011, and *Zumba Fitness Rush* in February 2012. The *Zumba* franchise has sold over 6 million units worldwide and accounted for 77% of the company's total revenues for the most recent quarter ended 01/31/12.

Beyond the on-screen *Zumba*, users can enjoy *Zumba* in local fitness classes. According to *Seeking Alpha* writer Mark Gomes, there are 12 million people taking *Zumba* classes in 110,000 locations in 125+ countries. The sales and participation in *Zumba* point to it being the leading fitness video game franchise there is.

While Majesco appears to be all *Zumba*, the company continues to release *Cooking Mama* games, which was its number one franchise prior to *Zumba*.

The company also continues to invest in future hits. Coming soon is *Mini Putt Park*, a game designed exclusively for the Facebook® platform. Users can design their own miniature golf courses and share them with friends. Another future prospect for Majesco is its development in a motion-based game partnered with the National Basketball Association (NBA).

In order to produce these video game products, Majesco primarily uses third-party game developers in cooperation with the company's own personnel. This allows the company to save on costs, while still maintaining control over the production process.

The company expresses the following as its strategy for successful growth in the video game industry:

- Develop franchises that will sell multiple sequels;
- Focus on affordable "pick-up-and-play games;"
- Continue extending existing franchises;
- Build digital business and game offerings; and
- Introduce innovative games to the market.

## Financials

Majesco has exhibited continual growth over the past year. Revenues for the year ended 10/31/11 were \$125,291,000, a 66% increase over the revenues for the prior year. Net income rose from a loss of \$972,000 to a gain of \$6,832,000.

The company's growth continued in its most recent quarter ended 01/31/12. Revenues were up 37% to \$66,180,000, and net income was up 14% to \$7,726,000.

These results relied heavily on *Zumba* sales. The results also reflected an increase in international sales, which accounted for \$16.7 million, or 25% of the company's total revenues for the quarter. The Nintendo Wii platform's segmented sales also rose significantly, making up 72% of the total revenue this year compared to 53% of the total revenue last year.

The company's balance sheet remains relatively strong. The company boasted an increase in total current assets and a decrease in total current liabilities, resulting in expanded working capital. The company's assets-to-liabilities ratio is now at a very comfortable 2.3. Majesco also has no long-term debt.

## Management

Jesse Sutton currently serves as the company's chief executive officer (CEO) and has since November 2007. Mr. Sutton has been a director with Majesco since 2003, except for a brief stint away from the company for 6 months in 2006. Currently, Mr. Sutton owns 823,886 shares of the company's common stock.

The company's chief financial officer (CFO) is Michael Vesey. Mr. Vesey owns 235,810 shares of common stock.

Other notable board members include:

Louis Lipschitz: Director since 2004. Former executive vice president and CFO of Toys "R" Us, Inc. Owns 315,118 shares of common stock.

Allan I. Grafman: Director since 2007. Former chief operating officer (COO) of Hands-On Mobile, Inc. Owns 349,368 shares of common stock.

Laurence Aronson: Director since 2004. Former president and CEO of Cartwheel LLC, and president of sales and customer marketing of Revlon USA. Owns 237,882 shares of common stock.

Majesco Entertainment currently has 85 full-time employees. Its products are sold primarily to retail chains, specialty retail stores, and video/game rental outlets.

Office: 160 Raritan Center Parkway, Edison, NJ 08837, Tel: 732/225-8910, www.majescoentertainment.com



**NASDAQ: COOL**  
**BOWSER RATING: 8**  
**Last 12 Months—**  
**\$1.61-\$4.53**

	2010	2011	2012(A)
REVENUES	\$75,648,000	\$125,291,000	\$66,180,000
INCOME(LOSS)	(\$972,000)	\$6,832,000	\$7,726,000
WORKING CAPITAL	\$11,563,000	\$23,791,000	\$31,179,000
BOOK VALUE	\$0.32	\$0.60	\$0.79
TOTAL SHARES	37,019,750	38,527,589	39,736,792
FLOAT	N/A	N/A	38,180,000

(A) THREE MONTHS ENDING 1/31/12

## MINIPRICED STOCKS IN BUYING RANGE

SYMBOLS: (N) NEW YORK STOCK EXCHANGE; (A) NYSE AMEX; (GM) NASDAQ GLOBAL MARKET, WAS NATIONAL MARKET; (CM) NASDAQ CAPITAL MARKET, WAS THE SMALLCAP MARKET; (GS) GLOBAL SELECT MARKET; (OP) PINK SHEETS; (OB) BULLETIN BOARD; (ADR) AMER. DEPOSITORY RECEIPTS; (NR) NOT RATED; #-PREVIOUSLY APPEARED ON LIST, BUT WAS REMOVED BECAUSE IT HAD RISEN ABOVE \$3.00/SHARE; @-FROM CONTINUOUS OPERATIONS; FIGURES IN PARENTHESIS ARE LOSSES; C-CANADIAN DOLLARS

Made Original Appearance on List & Market	Issue/Trading Symbol	Principal Business	Price 04/03/12	Long-Term Debt (Millions)	Sales Updated Quarterly (Millions)	Income/Loss Updated Quarterly (Millions)	Shares Outstanding (Millions)	Bowser Rating
<b>CATEGORY ONE: OUR EBST PICKS</b>								
12/11(A)	AMER SHARED HOSP (AMS)	<b>NOW ABOVE \$3 A SHARE; SEE PAGE 5 (Follow-Through)</b>						
02/12(GM)	ATLANTIC AMERICAN (AAME)	INSURANCE CARRIER	2.83	\$0.000	\$118.3	\$3.290	22.4	8
06/10(OB)	BULLION MONARCH (BULM)	ROYALTIES ON GOLD MINING	1.09	\$0.000	\$6.3	\$0.600	41.8	8
# 02/11(CM)	CENTURY CASINOS (CNTY)	INT'L CASINO ENTERTAINMENT	2.89	\$9.394	\$79.1	\$3.021	23.8	8
12/10(A)	DIGITAL POWER (DPW)	SWITCHING POWER SUPPLIES	1.44	\$0.000	\$11.2	\$1.124	6.7	8
# 06/08(A)	FLEXIBLE SOLUTIONS (FSI)	SPECIALTY CHEMICALS	2.40	\$2.162	\$14.8	\$0.249	13.2	NR
03/12(CM)	FONAR CORP (FONR)	<b>NOW ABOVE \$3 A SHARE; SEE PAGE 5 (Follow-Through)</b>						
07/11(A)	FORTUNE INDUSTRIES (FFI)	<b>SELL IF YOU OWN MORE THAN 500 SHARES; SEE PAGE 7</b>						
11/11(A)	GLOBAL-SCAPE (GSB)	FILE TRANSFER SOFTWARE	1.70	\$0.000	\$20.9	\$0.635	18.1	9
08/11(A)	GSE SYSTEMS (GVP)	SERVICES NUCLEAR & PETRO IND.	2.07	\$0.000	\$51.1	\$2.801	19.0	8
# 12/06(A)	ITERIS INC (ITI)	OUTDOOR MACH VISION SYS/SENSORS	1.49	\$0.000	\$60.9	(\$3.005)	34.4	8
<b>04/11(CM)</b>	<b>MAJESCO ENTERTAINMENT</b>	<b>DIGITAL ENTERTAINMENT</b>	<b>2.48</b>	<b>\$0.000</b>	<b>\$143.0</b>	<b>\$7.796</b>	<b>39.7</b>	<b>8</b>
# 09/11(A)	NEW CONCEPT ENERGY (GBR)	OIL & GAS/RETIREMENT PROPERTY	1.85	\$1.390	\$4.0	\$0.100	2.0	9
		Office: 1800 Valley View Lane, Ste. 300, Dallas, TX 75234, Tel: 972/407-8400, www.newconceptenergy.com						
01/12(CM)	PERMA-FIX ENVIRON(PESI)	NUCLEAR WASTE MANAGEMENT	1.50	\$3.487	\$110.8	\$9.801	56.0	8
07/10(CM)	R.F. MONOLITHICS (RFMI)	WIRELESS SOLUTIONS/COMPONENTS	0.97	\$2.400	\$32.5	\$0.228	10.9	8
# 11/10(OP)	SONO-TEK CORP (SOTK)	LIQUID SPRAY PRODUCTS	0.97	\$0.000	\$12.0	\$1.572	14.1	9
10/11(A)	VERSAR INC (VSR)	GLOBAL PROJECT MANAGEMENT	2.65	\$0.000	\$135.0	\$3.910	9.4	10
# 06/11(OB)	VERTEX ENERGY (VTNR)	PROCESS/RECYCLE INDUST. WASTE	2.05	\$0.000	\$109.7	\$5.753	8.9	9
<b>CATEGORY TWO: WORTHY OF CONSIDERATION</b>								
04/09(A)	COVER-ALL TECH (COVR)	PROPERTY/CASUALTY INSURANCE	2.20	\$0.000	\$19.7	\$3.052	25.1	NR
# 03/11(A)	INTELLIGENT SYSTEMS (INS)	VENTURE CAPITAL FIRM	1.47	\$0.000	\$16.3	\$0.657	9.0	8
04/11(OB)	LIBERATOR MEDICAL (LBMH)	MEDICAL SUPPLIES FOR SENIORS	1.04	\$0.000	\$58.7	(\$1.106)	48.0	8
# 10/09(CM)	LRAD CORP (LRAD)	SOUND ACOUSTIC TECH.	1.56	\$0.000	\$26.5	\$5.023	31.8	8
06/07(OB)	Parametric Sound (PAMT)	<b>NOW ABOVE \$3 A SHARE; SEE PAGE 5 (Follow-Through)</b>						
# 06/08(A)	TENGASCO INC (TGC)	DOMESTIC OIL/GAS OPERATIONS	1.04	\$4.321	\$17.1	\$4.700	59.2	8
<b>CATEGORY THREE: VERY SPECULATIVE</b>								
# 02/10(CM)	MANHATTAN BRIDGE (LOAN)	SHORT-TERM COMMERCIAL LOANS	1.07	\$0.500	\$1.4	\$0.257	3.4	8
# 08/10(OB)	OUR PET'S CO (OPCO)	ACCESSORY & CONSUMABLE PET ITEMS	0.45	\$0.630	\$19.7	\$0.121	17.4	NR
# 07/10(OP)	REPRO-MED SYSTEMS (REPR)	DESIGN/PRODUCTION OF MED PROD	0.24	\$0.483	\$5.8	\$0.830	36.3	8
# 02/04(CM)	TII NETWORK TECH (TIII)	OVERVOLTAGE DETECTION SERVICES	1.47	\$0.000	\$61.1	\$3.328	13.8	8

**NOTE: We've assembled, in a bound booklet, a reproduction of the original company of the month write-ups for each of the above stocks. This *Company of the Month* booklet is available for \$10.**

### CATEGORY CHANGES

This month brought quite a few earning reports, some worthy of praise, and others not so worthy. One company this month is headed down in the ranks, while one is making the move up.

**OUR PET'S COMPANY** (BB:OPCO) Move from Category 2 to Category 3. OurPet's reported its fiscal year results for the period ending 12/31/11, the last two quarters of which featured losses. And, there was significantly reduced net income when compared to the fiscal results for the year ended 12/31/10. Overall, this year's annual net income was down 87% compared to last year's annual net income. The decrease is mainly attributable to higher cost of sales and operating expenses.

**TENGASCO INC** (A:TGC) Move from Category 3 to Category 2. Tengasco's fiscal year results featured a 30% increase in year-over-year revenues and a shift to profitability. For the fiscal year ending 12/31/11, TGC reported a gain of \$4,680,000, compared to a loss of \$1,745,000 for the fiscal year ended 12/31/10.

Tengasco reported increasing profits each quarter this year. As a result of these noteworthy earnings, the company's stock price has appreciated 39%—\$0.75 to \$1.04—since the new year. (See Earnings page for more info.)

### Parametric Sound switches markets

Parametric Sound (CM:PAMT) switched markets this month from the Bulletin Board to the Nasdaq Capital Market and announced both a reverse split, and a public offering of 1,888,888 shares.

The 1-for-5 reverse split reduced the number of shares outstanding to around 4 million. Also as a result of the split, the company's share price went from \$0.95 on 03/21/12 to \$4.45 on 03/22/12. The company has been consistently reporting losses. Its financial situation will be monitored in the upcoming months when we will take into account the company's growth and financial stability.

PAMT announced its public offering on March 22, and the offering closed on March 27. All 1,888,888 shares were sold at \$4.50/share, resulting in gross proceeds of \$8.5 million. After the deduction for underwriting discounts and commissions and offering expenses, the company netted around \$7.3 million.

"The offering will enable the company to launch its licensing and product-based strategies. We also now have the financial resources necessary to further strengthen our industry-leading IP portfolio," commented PAMT Executive Chairman Ken Potashner.

WE ENCOURAGE SUBSCRIBERS TO BUY OUR STOCKS WHEN THEY ARE \$3 OR LESS. HOWEVER, WHEN THEY GO ABOVE \$3, WE FOLLOW THEM IN THE FIRST GROUP BELOW. IN BOTH OF THE FOLLOWING LISTS, COLUMN 1 GIVES THE SHARE PRICE AS OF 4/03/12 PLUS THE CURRENT BOWSER RATING. COLUMN 2 IN THE FIRST LIST BELOW INCLUDES THE MONTH/YEAR WE ORIGINALLY RECOMMENDED THE ISSUE, THE PRICE PER SHARE THEN AND THE BOWSER RATING. (NR=not rated)

## FOLLOW-THROUGH

<u>ISSUE/EXCHANGE SYMBOL</u>	<u>1</u>	<u>2</u>
AMER SHARED HOSP (A:AMS)	\$3.41(8)	12/11
AVALON HOLDINGS (A:AWX)	\$5.00(8)	05/11 \$2.90(9)
CIMATRON LTD(CM:CIMT)	\$3.84(8)	02/08 \$2.75(8)
CVD EQUIPMENT(CM:CVV)	\$13.25(8)	07/05 \$2.03(9)
DGSE COMPANIES(A:DGSE)	\$7.40(8)	12/03 \$2.05(8)
EVOLVING SYSTEMS(CM:EVOL)	\$5.68(8)	05/09 \$3.68(8)
*Price adjusted: 1-for-2 rev. split 07/09		
FEMALE HEALTH CO(CM:FHCO)	\$5.52(9)	10/07 \$2.32(9)
FIELDPOINT PETROLEUM(A:FPP)	\$4.52(8)	10/08 \$2.24(8)
FONAR CORP (CM:FONR)	\$3.32(8)	03/11
FOOD TECH SERVICE(CM:VIFL)	\$6.91(8)	01/07 \$2.50(8)
FULL HOUSE RESORTS (A:FLL)	\$3.01(8)	12/07 \$2.80(8)

<u>ISSUE/EXCHANGE SYMBOL</u>	<u>1</u>	<u>2</u>
GOLDEN ENTERPRISES(GM:GLDC)	\$3.36(9)	02/09 \$2.35(9)
IEC ELECTRONICS(A:IEC)	\$5.28(8)	07/08 \$1.99(8)
INVENTURE FOODS(CM:SNAX)	\$5.10(8)	09/00 \$2.56(8)
KEY TRONIC(GM:KTCC)	\$9.22(8)	11/08 \$1.57(10)
METROPOLITAN HEALTH(N:MDF)	\$9.15(8)	01/08 \$2.36(9)
NEW CONCEPT ENERGY (A:GBR)	<b>NOW \$1.85; SEE PAGE 4</b>	
PARAMETRIC SOUND (CM:PAMT)	\$4.50(NR)	06/07
*Price adjusted: 1-for-5 rev. split 03/12		
PIZZA INN(CM:PZZI)	\$4.74(8)	06/07 \$2.65(8)
RICHMONT MINES(A:RIC)	\$7.69(9)	10/98 \$2.56(8)
SIMULATIONS PLUS(CM:SLP)	\$4.43(9)	05/10 \$2.46(9)

### THE FOLLOWING WE SAID SHOULD BE SOLD

(COLUMN 2 SHOWS THE DATE, PRICE AND BOWSER RATING WHEN WE RECOMMENDED THE STOCK BE SOLD)

BRIDGELINE DIGITAL(CM:BLIN)	\$1.13(NR)	12/11 \$0.59(NR)	GIGA-TRONICS INC	\$1.24(NR)	03/11 \$1.28(NR)
CHINA PHARMA HOLDINGS(A:CHPI)	\$0.65(NR)	11/11 \$0.90(NR)	RELM WIRELESS CORP(A:RWC)	\$1.60(NR)	05/11 \$1.45(NR)
ENVIROSTAR INC(A:EVI)	\$1.32(NR)	07/11 \$1.25(NR)	WELLS GARDNER(A:WGA)	\$2.26(NR)	06/11 \$2.10(NR)

### BRIEFS

**CVD EQUIPMENT** completed the purchase of its new planned facility located at 355 South Technology Drive, Central Islip, NY. The new facility is twice the company's current facility's size. . . . **EVOLVING SYSTEMS** received approval on its patent application for the company's Dynamic SIM Allocation™. This SIM card allows carriers to deliver an enhanced and differentiated user experience, while cutting costs. . . . **FEMALE HEALTH COMPANY** declared a quarterly cash dividend of \$0.06/share, representing a 20% increase over its past quarterly dividend. The dividend, the company's tenth consecutive quarterly dividend, is payable on May 9 to shareholders on record as of May 2. . . . FHCO also announced the launch of its free, interactive FC2 Online Training Program for healthcare providers. . . . **FULL HOUSE RESORTS**, along with its 50% joint venture partner, RAM Entertainment LLC, closed the sale of their interests in GEM and FireKeepers on March 30, 2012. The sale totaled \$97.5 million, of which the company used a portion to pay off its remaining outstanding debt and to extinguish the credit facility and related interest-rate hedge. . . . FLL also announced that it has entered into an agreement to acquire the Silver Slipper Casino in Hancock County, MS. The acquisition includes Silver Slipper's 37,000 sq. ft. facility with almost 1,000 slot and video poker machines, 26 game tables, a poker room, and the only live Keno game on the Gulf Coast. . . . **GLOBALSCAPE** won both "Management and Security" and "Software as a Service (SaaS)/Cloud Solutions" categories at the Info Security 2012

Excellence Awards. We noted in the February issue that their Mail Express™ and TappIn™ products were up as finalists . . . **GSE SYSTEMS** announced the receipt of two separate contracts to provide services to Chinese nuclear engineering companies. The contracts total \$7.5 million and work on the projects will continue through the next three years. . . . **ITERIS** received a prime contract from the Research and Innovative Technology Administration for the National Intelligent Transportation Systems (ITS) Architecture Evolution and Support Program. The contract totals \$12.4 million, and extends over the next five years. . . . **OUR PET'S CO** added the new RealBirds collection to its Play-N-Squeak® line. The toys, intended for cats, feature six RealBirds, including Knock-Knock, J-Bird, Fly Over, and others. . . . **PIZZA INN** and Coca-Cola® have teamed up for the Nascar® Instant Win & Sweepstakes. Fans are encouraged to visit [www.cokeplaytowin.com/pizzainn](http://www.cokeplaytowin.com/pizzainn) before May 27 to enter the grand prize sweepstakes and play an instant win match game, which can be played once a day until the closing date. The match game features 300 prizes. . . . PZZI also announced the opening of its sixth Pie Five Pizza Co. located in Carrollton, TX. . . . **RF MONOLITHICS** extended its manufacturing contract with Tai-Saw Technology Co., Ltd. through at least December 1, 2013. Under the contract, RFMI will continue to supply Tai-Saw with its Wireless Component segment products. . . . **SIMULATIONS PLUS** has agreed to buy out the software royalty agreement with Ensein Research of Rochester, New York for \$75,000. . . . **TII NETWORK TECH** appointed Brian J. Kelley as the company's president and

chief executive officer (CEO). Mr. Kelley has been the company's interim president and CEO since October 2011. . . . **VERSAR** received a subcontract from HDR, Inc. to provide construction management and quality assurance operations in Afghanistan through February 2013. The subcontract totals \$23.4 million.

<u>INSIDER TRADING</u>	<u>NAME</u>	<u>BUY/SELL</u>	<u>DATE</u>	<u>PRICE</u>	<u>HOLDINGS</u>
Iteris Inc	Mikel H. Williams(D)	B-9,863	2/24/12	\$1.50	10,000
Key Tronic Corp	Brett R. Larsen (C)	S-2,150	2/27/12	\$10.25	0
Repro Med Systems	Mark Pastreich(D)	B-40,000	3/20/12	\$0.25	111,500
Sono-Tek Corp	Stephen Bagley(CFO)	B-650	2/17/12	\$0.74	1,100
	Joseph Riemer(P)	B-12,250	2/17/12	\$0.74	53,475
	Philip Strasburg(D)	B-2,681*	2/17/12	\$0.91	77,681*
	" "	B-2,319*	3/21/12	\$0.91	80,000*

C=Controller; CFO=Chief Financial Officer; D=Director.; P=President. \*- indirect holdings.

# ***BOWSER BUCKAROOS SPEAK***

## **MAKING BIG STRIDES**

The Bowser Report is making many changes in 2012. I know it takes a lot of hard work to keep up with all those changes, but all we Buckaroos appreciate it. Is there any plan to list all the securities that are shown in the Bowser Microcap Index on your website?

--Nikhil Shah@med.navy.mil

Thanks, Nikhil, for the words of encouragement. As you will note in this month's issue, on the front page, we have listed the Microcap Index, which shows the symbols of the stocks involved. When we have the new-and-improved website up and running, there will be an area for subscribers only and that will include a more complete version of the Index.

## **MORE ON WARRANTS**

Could you please provide a thorough explanation of warrants, since those of us who own Fieldpoint Petroleum are now warrant owners?

--Jane Allen, Eugene, OR

We are mentioning quite a bit on warrants this month on pages 2 and 8. But, we wanted to use Jane's letter to point out that we do not advocate buying and selling warrants in the usual way, which can get very complicated. Mr. Bowser included them as another way to play low-priced stocks STILL USING THE BOWSER GAME PLAN with all the same rules. Also, all new subscribers to *The Bowser Report* receive a bright orange paper in their packets called "Warrants—the speculator's friend," which describes in detail what warrants are and how they work. We will make this available at [www.thebowserreport.com](http://www.thebowserreport.com). . . . just in case any of you Buckaroos might have thrown such a masterpiece away!

## **MISSING INSIDER TRADING**

Looking at the SEC Form-4 for Sono-Tek Corp., I noticed there has been some insider buying but I do not see it listed in the March 2012 newsletter.

--Bill Phillips, El Cerrito, CA

This is a very valid point and an astute observation on Bill's part, but then, he is in his 20<sup>th</sup> year of being a Buckaroo. We get our insider trading information from *Vickers Weekly Insider* published by Argus Research Company. However, they only list NYSE, NYSE-Amex and Nasdaq stocks. So, thanks to Bill, from now on, we will be checking the SEC Form-4s for our unlisted stocks.

## **GUESS MR. BOWSER WAS WRONG...**

...criticizing Bridgeline stock. I bought a few thousand and it is doing well. Also, I have a web page that attempts to predict the low prices of stocks. It highlights the best ones in red when it finds them ([www.stockpriceprediction.com/search\\_f\\_or\\_cheap\\_stocks.aspx](http://www.stockpriceprediction.com/search_f_or_cheap_stocks.aspx)).

--Todd Robertson, Concord, MA

We recommended BLIN be sold last December for a fundamental reason: We felt the company could not turn profits, due in large part to the rise in its operating expenses. Also, it fell into the 50% rule of the Game Plan. We have been known to be wrong on occasion, but time will tell.

We did check out Todd's website that he so graciously shared with us. He put a lot of work into it and we are sure he gets a lot of useful information out of it.

## **RENEWING ON PAYPAL**

Are we able to renew through the website with PayPal or is that just for new subscriptions only?

--Jim Elmore, University Heights, OH

The answer to this is yes you can renew online, which Jim did for his fifth year. However, it will make our bookkeeping a lot easier if you make a note under the comment section during checkout, stating it is for a renewal. Thanks!

## **THE BIG BOYS STRIKE AGAIN**

Leper! Untouchable! Gravedigger! Dalit! After nearly 35 years in the financial area, I'm now considered a "Lowlife!" "Unresponsible," etc. Why? My sin is that I invest in US-based company stocks many of which trade below a \$5/share hurdle price.

How did I find out about my new, below average "status?" After 25 years as a card-carrying client of UBS Financial Services, I was summarily tossed-out of their "esteemed account base." (Alright, I'm still being made welcome: They are just a lot more picky about my trading activity.) It all boils down to the point that UBS doesn't want to mess with puny, "penny," micro-cap positions for them to process, sell or even hold. Most all of the major firms on Wall Street are disallowing these kinds of small price transactions to proceed.

--Marc Robins, Portland, OR

This just further goes to show how ignorant large brokerage firms can be about the possibilities lurking in micro-caps. Thank goodness for the online brokers, like Scottrade, that don't dictate trading strategy.

## **FIRST CONFIRMED SUCCESS**

Last week, I had my first confirmed success with one of your stocks. I had cherry picked a few stocks when I first subscribed in November and purchased 2000 shares of GBR at \$2.00 and put in an open sell order at \$4.00. It hit last week. . . so you have more than paid for the subscription!

--Richard House, Cincinnati, OH

Hopefully, Richard is building up to a portfolio of 12 to 18 stocks and not buying several shares of just a few. Diversification minimizes losses.

## Beginner's Portfolio Up 183%

**SOLD:** FFI @ 27.00 less \$10 commissions = 17.00

**BOUGHT:** COOL @ 248.00 plus \$10 commissions = 258.00

	Cost	04/03/12		Cost	04/03/12		Cost	04/03/12	
*VIFL	286/Feb '07	346	*KTCC	220/Oct '09	461	LBMH	151/Apr '11	104	Proceeds
TIII	252/Feb '07	147	*LRAD	140/Jan '10	78	GVP	210/Sep '11	240	From Sales
*PZZI	281/Dec '07	237	LOAN	120/Mar '10	107	GBR	206/Oct '11	185	9,664
*MDF	239/Mar '08	458	RFMI	127/Aug '10	97	GSB	181/Nov '11	207	17
TGC	163/Aug '08	104	BULM	75/Sep '10	109	PESI	180/Mar '12	150	(258)
COVR	108/May '09	220	CNTY	270/Mar '11	289	AAME	280/Mar '12	283	9,423
						COOL	258/Apr '12	248	
								4,070	
								9,423	
								13,493	

Cost for all stocks: \$4,766 \*50 shares

Gain: 13,493 minus \$4,766 = 8,727

Percentage of gain: 8,727 divided by \$4,766 x 100 = 183.1

**Comments:** This is a simulated portfolio for those who would like to actively participate in the stock market... They want an approach that will serve as a learning situation... An investment of \$200 to \$300 a month is required... With each new Company of the Month, 100 shares were purchased until we had 18... We use an internet broker... We follow the Bowser Game Plan. Portfolio started Sep. '01.

## Fortune Industries' buy-out announcement

On March 26, Fortune Industries announced a management led buy-out. Because of the terms on this, we have received a number of calls asking our opinion on the matter. We have looked into it extensively, and below is what we could uncover:

The company entered into a management buy-out transaction with CEP, Inc—a management-owned holding company led by FFI's CEO Tena Mayberry and CFO Randy Butler. After the merger, the company will continue to be known as Fortune Industries and all subsidiaries will carry on their regular business.

In the buyout, shareholders of the common stock fall into one of two categories:

1. Those who own 500 shares or less *at the time of the merger agreement* will receive \$0.61 in cash for each share owned. This payout represents a 24% premium over the company's 200-day moving average of \$0.49/share.
2. Those who own 501 shares or more *at the time of the merger agreement* will receive one private share in the post-merger company for each common share of FFI they own.

Beyond the common shares, each share of the company's Series C Preferred Stock will be converted into 145.971 private shares in the post-merger company. Further, all stocks held as treasury stock by FFI will be cancelled without conversion.

Before the merger closes, the matter will be put to a shareholders' vote. However, Chairman Carter M.

### Perma-Fix expands services

Perma-Fix Environmental Services (CM:PESI) has expanded its services to now include radiological and industrial hygiene instrumentation rental, repair, and calibration. The company's laboratory contains one of the largest instrument inventories nationwide.

An example of such instrumentation is PESI's state-of-the-art ISOCS/LabSOCS gamma spectroscopy and survey

Fortune holds the majority of FFI's common shares, and has declared that he will vote his majority stake in favor of the transaction.

We recommended FFI in July 2011 at a price of \$0.51/share. The company is currently trading at \$0.27/share, representing a 47% drop in share price.

A few Buckaroos posed the following question: *private shares will be nearly impossible to unload, so what do I do if I own over 500 shares?* To this we can simply offer a suggestion. Initially we thought selling all but 500 shares would do the trick and guarantee \$0.61/share on the remaining shares. However, because the company's 8-K and press release require the number of shares to be 500 or less on the date of the agreement (March 26), we recommend cutting your losses and selling FFI. Of course, if you hold 500 shares or less, which most of our Buckaroos likely do, take the \$0.61/share payout.

Several law firms are investigating this proposed transaction centering on whether FFI's Board of Directors agreed to sell to management at an unfair price and on unfair terms and conditions since holders of 500+ shares will supposedly not have a market in which to trade the private shares.

In the Beginner's Portfolio above that is modeled after the Bowser Game Plan, we are selling all of the FFI shares because the price dropped 50% from our purchase price without doubling.

*Fortune Industries' contact: 317/532-1374*

instrumentation coupled with global positioning systems (GPS). Perma-Fix uses this technology to develop precise field measurements on CAD-quality survey maps.

"Perma-Fix strives to maintain an innovative approach that sets us apart from other providers by identifying alternative radiological monitoring and surveying approaches to help our clients achieve their goals. The modified detection systems are designed to save the client time and money," commented CEO Louis F. Centofanti.

# NOTES BY THE EDITOR

FieldPoint Petroleum a few months back announced a special warrant dividend. The dividend, which was issued on March 26, included one warrant for each one share of common stock owned as of the record date (March 23, 2012).

Throughout this issue—pages 1, 2, and 6—we have explained our method of warrant investing. Now, however, we will discuss FieldPoint's particular situation. Each FPP warrant is exchangeable for one share of the company's common stock at an exercise price of \$4.00/share. The exercise price means that in order to convert the warrant into a share of common, the warrant holder would have to pay \$4.00 per converted warrant.

FPP's warrants are set to expire six years from now. However, the company can recall its warrants in the event that the common's price equals or exceeds 150% of the warrant's exercise price, or \$6.00/share. In the event that the warrants are called, the holder has the option to exercise his or her warrants within 30 days. Otherwise, the warrants will be surrendered, and no longer traded.

Such is the standard method of warrant investing. The Bowser method, however, varies. We here at *The Bowser Report*, as mentioned on page 6, view warrants as yet another method of acquiring low-priced issues. Therefore, we advocate the buying and selling of warrants based on the Bowser Game Plan with a few minor additions or alterations:

1. Never a buy a warrant over \$1/share;
2. Allow a minimum of two years before the warrant expires;
3. Buy warrants that trade often, and consider selling if they have not traded in a while and are set to expire within 3 months; and
4. Check warrant prices daily.

Warrants can be a fun means of investing. Now that all FPP holders are also warrant holders, they should gain an interesting experience.

FieldPoint mentioned that the warrants could begin trading as early as March 27, 2012. However, as of April 5's

## FIVE BOWSER STOCKS UP OR DOWN LAST MONTH

FONAR CORP	UP	67%	NEW CONCEPT	DOWN	46%
AVALON HLDG	UP	40%	FORTUNE IND	DOWN	44%
COVER-ALL	UP	33%	DIGITAL POWER	DOWN	03%
RELM WIRELESS	UP	28%	RICHMONT	DOWN	25%
INVENTURE	UP	22%	FIELDPOINT PET	DOWN	23%

close, the warrants were not yet on the market. We hope that you Buckaroos have a happy warrant experience. Do not hesitate to call or email us with any questions that you may have. Also, we have a warrant booklet available for \$5.00.

In a recent *Investor's Business Daily*, writer Scott Stoddard issued his opinion against penny stocks. Like other articles of its kind, Mr. Stoddard's refers to penny stocks as "extra-risky" and vulnerable to the "pump-and-dump" and "boiler-room" scams.

We would like to emphasize that at *The Bowser Report* we recommend stocks that we have thoroughly researched. Stocks featured in emails that promise 1000% gains we do not consider. We value our Buckaroos, and wish to lead them to profits by investing in financially stable and growing small companies.

As we have tried to make clear over the past 35 years, there are profits to be made in penny stocks. Not all of these low-priced issues are scam-pumped, hype-driven ugly stocks with no financial backing. In fact, we take pride in separating the strong from the weak.

Mr. Stoddard notes that in the stock market, "you get what you pay for." However, undervaluation is a common occurrence, as is the growth of smaller, niche companies. We cannot promise profits, but we like to think that we have an efficient system of picking winners.

**FOR THOSE SUBSCRIBERS WHO CONTACT US VIA THE INTERNET TO SAY YOU WOULD LIKE THE NEWSLETTER ONLINE, PLEASE LET US KNOW THE NAME YOUR SUBSCRIPTION IS UNDER. THANKS.**

## The Bowser Database

- ✓ Replaces our Directory of Small Stocks.
- ✓ Not available by yearly subscription. Single copy only.
- ✓ Constantly updated. New stocks added, others deleted.
- ✓ Except for Company of the Month issues, all stocks above \$5 a share are removed.
- ✓ Each entry is given a Bowser Rating.
- ✓ Thirteen fields of information are included on each stock.
- ✓ Newly added Dividend Stock Listing included, plus the updated Bowser Microcap Index.
- ✓ \$20 a copy. Free Shipping.

*The Bowser Report*

PO Box 6278, Newport News, VA 23606, 757/877-5979, Fax: 757/595-0622, \$59 Yearly  
e-mail address: [ministocks@aol.com](mailto:ministocks@aol.com), Web site: [www.thebowserreport.com](http://www.thebowserreport.com)

**PUBLISHED THE SECOND THURSDAY OF EACH MONTH.**

Copyright © 2012 by Cindy Bowser, Editor/Publisher and Thomas Rice, Co-Editor. All rights reserved. ISSN 0738-7288. Outside the U.S., Canada and Mexico \$68 a year via air mail. Extra copies \$5.00 each. Prices in U.S. currency. Enclose a mailing label from a recent issue when sending a change of address. Office Hours: Monday-Friday 9:00am – 3:00pm EST. Subscribers shouldn't assume present and future recommendations will be profitable or

will equal past performance, or than any theory can provide assurance of stock market gains. Factual material is obtained from sources believed to be reliable and cannot be guaranteed. Not responsible for errors or omissions. The publisher and employees of *The Bowser Report* may from time to time have positions in securities mentioned herein.



# WARRANT REGISTER

LAST MONTH'S  
BIGGEST GAINER  
HOMEOWNER'S CHOICE  
UP 108%

## TCF National Bank expands

TCF National Bank added a new segment to its commercial banking division called TCF Capital Funding. It will specialize in asset-based and cash flow lending to smaller middle market companies across the United States. TCF Capital Funding is headquartered in Burr Ridge, Illinois.

Joe Gaffigan leads TCF Capital Funding as the segment's president. Gaffigan brings 25 years of experience in the leverage financing industry, where he has served in many management positions, including co-founder, president, and chief executive officer of MFC Capital Funding.

TCF National Bank's vice chairman of lending, Craig R. Dahl: "The expansion of our commercial lending business into leverage finance will continue to diversify and grow TCB's assets on a disciplined basis."

## Ford's technology saves fuel and money

To go along with Ford's other energy efficient technologies, the automaker announced its latest fuel-saver: the Auto Start-Stop System, an option in the new Ford Fusions. With this technology, as soon as the car comes to a stop, the engine automatically switches off. When the driver releases the brake pedal, the engine re-starts itself and is ready to drive by the time the driver hits the gas.

Ford estimates that this new technology, which is offered for \$295, can save as much as \$1,100 over 5 years at the current gas prices. On average, drivers will improve fuel efficiency by 3.5%. City drivers can see an improvement of around 10%. The Auto Start-Stop hits dealers this fall.

**Homeowner's Choice, Inc.:** Riding the HomeWise acquisition, which took place in November 2011, Homeowner's Choice increased its regular quarterly dividend by \$0.05; or 33%. The dividend, now \$0.20/share, represents the company's third dividend increase in as many consecutive quarters.

"[The success of the HomeWise transaction] continues to reflect in our overall results," said HCII CEO and Chairman Paresh Patel. For the year ended 12/31/11, the company reported a 20% increase in net sales, and an 84% increase in net income.

**NeoStem, Inc.** announced a public offering of 15,000,000 units at \$0.40/unit. Each unit includes one share of common stock and a warrant. Holders of these warrants can purchase a share of common stock at an exercise price of \$0.51.

The offering is intended to raise \$6,000,000 in gross proceeds that the company will use for research and development of cell therapeutic product candidates, expansion of business units, strategic transactions, and other general corporate purposes.

**China Hydroelectric Corporation** closed the 100% sale of the Yuanping Hydroelectric Power Project to Mr. You Lang Fei. The total consideration of the sale was \$22.2 million, but resulted in \$11.3 million in net proceeds to CHC after the assumption of debt owed to the buyer.

The sale of the 16 megawatt project, which is located in the Fujian province, decreases the company's total installed operating capacity to 547.8 megawatts.

Company	Market/Symbol	Principle Business	Stock Price 04/03/12	Warrant Price 04/03/12	Conv. Ratio	Exer. Price	Expire Date	No. Wts	Bowser Rating
<b>Associated Banc-Corp</b> 1200 Hansen Rd., Green Bay, WI 54304, Tel: 920/491-7000, www.associatedbank.com	GS:ASBCW	Bank holding company	13.97	2.00	1.00	19.77	11/21/18	4.0M	9
<b>Bank of America</b> Bank of Amer. Corp. Center, 100 N Tryon St., Charlotte, NC 28255, Tel: 704/386-5681, www.bankofamerica.com	N:BAC-WTB	Banking and financial services	9.49	1.01	1.00	30.79	10/28/18	121.8M	9
<b>China Hydroelectric</b> 420 Lexington Ave., Ste. 860, New York, NY 10170, Tel: 646/467-9800, www.chinahydroelectric.com	N:CHC-WT	Hydroelectric power in China	1.97	0.05	1.00	3.45	12/31/13	6.0M	7
<b>Citigroup</b> 399 Park Ave., New York, NY 10043, Tel: 212/559-1000, www.citigroup.com	NYSE:C-WTA	Investment Banking	36.37	0.43	1.00	106.10	01/04/19	2.6M	8
<b>Combimatrix</b> 6500 Harbour Heights Pkwy, Ste. 303, Mukilteo, WA 98275, Tel: 425/493-2000, www.combimatrix.com	CM:CBMXW	Biotech development	1.41	0.14	1.00	9.00	05/01/14	1.1M	6
<b>FairPoint Comm</b> 521 E. Morehead St., Ste. 250, Charlotte, NC 28202, Tel: 704/344-8180, www.fairpoint.com	OB:FRPZW	Communications in New England	3.75	0.15	1.00	48.81	01/24/18	3.6M	7
<b>Flatworld Acquisition</b> Palm Grove House, Road Town, Tortola VG1110, BVI, Tel: +1(284) 545-6127, www.flatworldcapital.com	OB:FOWLFW	Seeking to buy another company	9.81	0.27	1.00	11.00	12/15/15	67.0M	NR
<b>Ford Motor Co.</b> One American Rd., Dearborn, MI 48126, Tel: 313/322-3000, www.ford.com	NYSE:F-WT	Motor vehicles	12.64	3.65	1.00	9.20	01/01/13	362.0M	8
<b>Homeowner's Choice</b> 145 NW Central Park Plaza, Ste. 115, Port St. Lucie, FL 34986, Tel: 772/204-9394, www.hcpcci.com	GM:HCIW	Property/casualty insurance in FL	12.64	1.87	0.50	9.10	07/31/13	6.7M	8
<b>Microvision Inc</b> 6222 185 <sup>th</sup> Ave. N.E., Richmond, WA 98052, Tel: 425/415-6847, www.mvis.com	CM:MVISW	Miniature images and displays	2.87	0.14	1.00	3.60	07/23/13	0.6M	6
<b>NeoStem Inc</b> 420 Lexington Ave., Ste. 450, New York, NY 10170, Tel: 212/584-4180, www.neostem.com	A:NBS-WT	Stem cell distribution	0.37	0.04	1.00	6.00	07/16/12	38.0M	6
<b>Owens Corning</b> One Owens Corning Pkwy, Toledo, OH 43659, Tel: 419/248-8000, www.owenscorning.com	NYSE:OC-WTB	Building materials worldwide	34.61	2.30	1.00	45.25	10/31/13	7.8M	8
<b>Resolute Energy</b> 1000 Crescent Ct., Ste. 1200, Dallas, TX 75201, Tel: 214/615-2300, no website	NYSE:REN-WT	Petroleum/natural gas	11.39	1.47	1.00	13.00	09/25/14	1.7M	NR
<b>Retail Opportunity Invest</b> 3 Manhattanville Rd., 2 <sup>nd</sup> Fl., Purchase, NY 10577, Tel: 914/272-8080, www.roireit.net	GS:ROICW	Commercial real estate investment	11.99	1.04	1.00	12.00	10/23/14	44.0M	8
<b>S&amp;W Seed Company</b> 2552 S. Butte Ave., Five Points, CA 93624, Tel: 599/884-2535, www.swwseedco.com	CM:SANWV	Agricultural products	6.01	1.15	1.00	7.15	05/03/15	1.0M	8
<b>TCF Financial</b> 200 Lake Street East, Wayzata, MN 55391, Tel: 952/745-2760, www.tcfbank.com	NYSE:TCB-WT	Bank holding company	11.86	2.52	1.00	16.93	11/14/18	3.2M	6
<b>U-Swirl Inc.</b> 1075 American Pacific, Ste. C, Henderson, NV 89074, Tel: 702/448-5301, www.healthyfastfood.com	PK:SWRLW	U-Swirl frozen yogurt	0.17	0.01	1.00	5.10	03/19/13	5.6M	7

# EARNINGS

	Quarter Ended	Current Sales	Same Period Last Year	Current Earnings	Same Period Last Year	Comments
American Shared Hosp Serv(AMS)	12/31/11	4,500,000	4,152,000	465,000	251,000	(A)
Atlantic American Corp(AAME)	12/31/11	30,404,000	26,693,000	925,000	(28,000)	(B)
Avalon Holdings Corp(AWX)	12/31/11	16,882,000	11,283,000	735,000	55,000	
Bridgeline Digital Inc(BLIN)	12/31/11	6,517,000	6,529,000	(463,000)	(156,000)	(C)
Century Casinos Inc(CNTY)	12/31/11	19,629,000	17,452,000	590,000	830,000	
China Pharma Holdings(CPHI)	12/31/11	81,166,739	74,388,180	19,269,642	23,414,347	(D)
CVD Equipment Corp(CVV)	12/31/11	8,435,885	5,122,587	1,075,123	375,772	(E)
Digital Power Corporation(DPW)	12/31/11	2,057,000	3,072,000	97,000	213,000	(F)
EnviroStar Inc(EVI)	12/31/11	4,982,250	5,264,209	15,396	82,114	
Evolving Systems Inc(EVOL)	12/31/11	4,918,000	5,214,000	1,466,000	1,163,000	(G)
Fieldpoint Petroleum Corp(FPP)	12/31/11	1,952,691	1,834,068	(570,636)	(325,699)	(H)
Full House Resorts(FLL)	12/31/11	21,700,000	2,200,000	478,529	1,952,553	(I)
GlobalSCAPE Inc(GSB)	12/31/11	5,123,000	4,918,000	(505,000)	150,000	(J)
GSE Systems Inc(GVP)	12/31/11	15,000,000	12,300,000	1,200,000	(2,500,000)	(K)
Intelligent Systems Corp(INS)	12/31/11	3,693,000	3,322,000	(327,000)	(660,000)	(L)
Inventure Foods Inc(SNAK)	12/31/11	44,464,066	33,606,030	741,583	634,149	(M)
Manhattan Bridge Capital Inc(LOAN)	12/31/11	1,141,531	993,601	256,524	319,464	
Metropolitan Health Netwks(MDF)	12/31/11	175,143,000	91,414,000	2,827,000	6,020,000	(N)
OurPet's Company(OPCO)	12/31/11	5,176,292	4,690,500	(152,656)	396,539	(O)
RELM Wireless Corporation(RWC)	12/31/11	5,743,000	5,374,000	136,000	(1,127,000)	
Tengasco Inc(TGC)	12/31/11	4,300,000	3,800,000	2,200,000	(2,900,000)	(P)
Vertex Energy Inc(VTNR)	12/31/11	31,321,190	15,701,088	2,118,454	467,279	(Q)
Wells-Gardner Electronics(WGA)	12/31/11	9,178,000	7,709,000	(180,000)	(180,000)	

(A) - CEO Ernest A. Bates, M.D.: "Our strategy to upgrade many of our existing Gamma Knife sites to Gamma Knife Perfexion specifications and to expand our Perfexion clients is delivering the growth AMS is striving for."

(B) - "As AAME continues to grow and prosper, we are committed to increasing our shareholder value. While in 2010 we paid a 'special' dividend; we have the confidence to characterize the current year dividend in February as an 'annual' dividend," noted CEO Hilton H. Howell, Jr.

(C) - See page 6 for more comments on BLIN.

(D) - These are year-end figures.

(E) - Leonard Rosenbaum, CEO: "In 2011, we had major growth in both order levels and revenues. This growth stretched our Ronkonkoma manufacturing facility to its limit. This constraint should be eliminated starting in the third quarter of 2012 since CVV recently closed on the purchase of a facility that is almost twice the size of both Ronkonkoma facilities, which we will be selling. The monthly carrying charges for the new facility are less than the costs attributable to the old facilities."

(F) - "DPW generated revenues from the sale of customized product solution for medical and broadcast application as part of our earlier strategy to develop full custom power solutions and enhance our standard products line to higher power switchers in a smaller form factor," said CEO Amos Kohn.

(G) - Thad Dupper, CEO: "As expected, our revenue was lower in the fourth quarter. EVOL closed the year with a license and services backlog of \$7.8 million, up 182% over year ago levels and up 32% over the third quarter."

(H) - See page 8 for more on FPP.

(I) - "The recent announcement of the letter of intent to sell FLL's interest in the GEM management agreement begins the closing of a very successful chapter in our history," noted CEO Andre Hilliou.

(J) - CEO Jim Morris: "We entered 2011 expecting some changes to our quarterly revenue growth trends as GSB transitions to a more subscription-based revenue. Setting a new revenue record and maintaining 13 percent annual revenue growth in the midst of this transition is a further indicator of our momentum."

(K) - "During 2011, GSE closed the acquisition of GSE EnVision, introduced a suite of new products, commercialized our 3D Visualization business, made strategic hires and completed a reorganization designed to focus our energies and provide a firm foundation for growth," commented CEO Jim Eberle.

(L) - J. Leland Strange, CEO: "Our ChemFree subsidiary reported another quarter and year of strong profitability for INS in 2011."

(M) - "While we did not experience earnings growth this year due to the investment required to properly support the national launch of SNAK's Jamba® smoothies, we continue to deliver net revenue growth in both of our divisions," noted CEO Terry McDaniel.

(N) - CEO Michael Earley: "2011 represented an exceptional year for MDF."

(O) - See page 4 for more on OPCO.

(P) - Jeffrey R. Bailey, CEO: "These results are a clear indication of the success of TGC's exploration and production efforts in 2011. As previously announced, our production in 2011 was at record annual levels, and this contributed significantly to earnings, along with the effects of continuing high oil prices."

(Q) - "Much of VTNR's improvement came from increased production and improved operating efficiencies that were realized from our Thermal Chemical Extraction (TCEP) business, as well as from increased commodity prices," remarked CEO Benjamin P. Cowart.