

Comparing quarterly results

Examining earnings reports to see how our picks are doing

In the past, we have gotten good reviews for the write-ups on our companies' financials. So, we are going to give it another go now that the majority of our companies are up-to-date on their financial reporting. The three companies without recent quarterly updates are **Command Security (MOC)**, **Int'l Baler (IBAL)**, **Iteris (ITI)** and **Nevada Gold & Casinos (UWN)**. These companies had their fiscal year end on either March 31 or April 30. As a result, their filing with the SEC will take a little longer to compile. (They each have 90 days from the end of their fiscal year to get their 10-K to the SEC.)

Minus the four noted above, 38 of our stocks from pages four and five are current in their reporting. None are behind, which is a good thing. Let's take a look at how the numbers add up.

GENERAL OBSERVATIONS

As we noted, 38 companies had their most recent quarter end between the end of February and the end of March, excluding those four that haven't yet reported. Of those, 25 reported increases in sales. Twelve showed decreases, and **Newtek Business Services (NEWT)** had incomparable results.* Averaging all of the percentage gains/losses on sales gives you a 12% gain.

With relation to earnings, 23 companies posted increases, and 15, decreases. Averaging the earnings gains/losses gives you an average loss of 418%. This figure, however, is a little skewed due to the 16,846% loss posted by **EnerJex Resources (ENRJ)**. Without that huge loss, the average gain/loss would be a more respectable 26% gain.

One more than half of the companies (20) were up in both revenues and earnings, and nine went down in both figures. Meanwhile, five increased just revenues and three increased just earnings.

AT THE TOP

The company with the largest increase in sales was **Innovative Food Holdings (IVFH)**. IVFH's revenues jumped from \$5,553,466 for the quarter ended March 31, 2014 to \$11,181,817 for the quarter ended March 31, 2015. Aiding this increase was the company's acquisition

*NEWT's conversion to a business development company (BDC) changed the way that it reports revenue. Previously, the company reported "sales," now it reports "investment income." As a result, the two streams are not directly comparable.

of The Fresh Diet, which contributed \$4.6 million in revenues, representing 41% of the quarterly sales. Unfortunately, IVFH was near the bottom in the earnings category, posting a 1,169% decrease--a \$2,016,654 loss compared to a \$188,706 profit.

To the contrary, **InfoSonics Corp. (IFON)** posted the largest gain in earnings at +867%. Net income soared from \$55,000 in the three months ended March 31, 2014 to \$532,000 for the same period in 2015. This jump in profits is the result of (a) a 25% increase in revenues, and (b) a \$116,000 drop in operating expenses, which only accounted for 13% of sales compared to 17% for the same three month period last year.

AT THE BOTTOM

The largest decrease in both sales and earnings goes to **EnerJex Resources**. Not bad for our most recent Company of the Month. All humor aside, we knew that this was possible when dealing with an oil and gas company. That's why we marked it one of the more speculative picks we've made.

ENRJ's sales dropped 61%, from \$3,854,977 to \$1,497,841 for the three month periods ended March 31, 2014 and 2015, respectively. Net income slid a whopping 16,846%, which we noted previously, from a \$103,634 profit in 2014 to a \$17,354,561 loss in 2015.

Driving the drop in revenues were lower oil and natural gas prices. For the three month period ending March 31, the average price per barrel of oil fell from \$91.08 in 2014 to \$41.72 in 2015. The average price per thousand cubic feet (Mcf) of natural gas fell from \$4.24 in 2014 to \$1.84 in 2015. The lower earnings were a result of the revenue decrease plus a non-cash \$16.4 million impairment of oil and gas properties in the quarter.

A few positives to take away:

1. The company kept its total current assets-to-liabilities ratio high at 2.8-to-1;
2. ENRJ increased its cash by \$2.1 million in the quarter compared to just \$128,446 during the same quarter last year; and
3. Perhaps most importantly, the company's poor results were already built into its share price. The stock already reflected poor performance, so the price didn't plummet at the release. Now, as before, the company's

financial and stock performance will hinge on the oil/gas marketplace.†

SUMMARY

That's just a very brief overlook at our recommendation's financials. For more, please see the table on page four, as well as the Earnings table on page seven. Those tables carry financial information specific to each company.

†For more on oil/gas stocks, please see Faris Sleem's latest article on *The Bowser Report's* website: "The Risk of Investing in Commodity Dependent Stocks." To do so, visit the following URL: <http://bit.ly/1BDRibg>.

Market Overview

BOWSER ↑ 0.9%	NASDAQ ↑ 1.2%	RUS 2000 ↑ 1.2%	S&P 500 ↓ 0.3%	DJIA ↓ 1.3%
-------------------------	-------------------------	---------------------------	------------------------------	-----------------------

The **Bowser Microcap Stock Index** closed at **547.27** on June 5. That marks a 4.78 point increase, or +0.9%, since May 8. Comparing that to the other indexes, the NASDAQ Composite and Russell 2000 led the way, each up 1.2%, while the S&P 500 and Dow Jones fell behind, posting losses.

BUCKAROOS SPEAK

COST BASIS OF BOWSER STOCKS

What is the true cost basis of Bowser stocks when bought?

*I recently bought **Nevada Gold and Casinos (UWN)** for \$1.24 per share. With the commission added, the cost basis was \$1.2545 per share. When the stock began to jump, I put in a limit order to sell half at \$2.51. The stock got to \$2.50 per share and my order did not execute! Now the stock is about \$1.90 per share with listless volume.*

I would hate to think that I may have lost hundreds of dollars over a penny! In order for this not to happen again, I am setting my limit orders by the price I paid for the stock minus the commission.

--Michael Waldrip, Metairie, LA

Nowadays, with online brokerages, commissions are miniscule for most investors--from \$7 to \$10 per trade.

As Michael illustrates, that is not much when it comes to adjusting your cost basis... A mere \$0.0145 per share in Michael's case. However, it does make a world of difference when it comes to setting a limit order.

Whether you choose to include commissions in your cost basis, or not, is a matter of personal preference. You'll notice that in the Beginner's Portfolio, we do include \$10 commissions as part of our cost basis.

Whatever you decide to do, be consistent! And, know that even if you do not adjust your cost basis to include commissions, you can still fall short of a limit order by a penny. That's just the nature of the game. In Michael's case, hindsight is 20/20, but he is adjusting his plan for the future.

ENERJEX'S ACTUAL SPLIT DATE

In last month's financial table on page three, you list

EnerJex Resources' (ENRJ) total shares in 2012 as 69,714,758 with an asterisk that refers to a 1-for-15 reverse split two years into the future (June 2014). Then, in 2013, you listed 5,596,062 shares.

I also noticed that you list the float at zero for 2012 and 2013. I am not sure what to think of that.

--Tom Kirk, Richmond, VA

In the table, we failed to mention that 2013's shares outstanding figure was adjusted for 2014's split. We gathered this data from the company's 2014 10-K filing.

In the company's 2013 10-K filing (before the split), there were 78,229,050 shares outstanding in 2013--a little less than 15x the 5.6 million shown in our table.

As for the float, we have always listed everything but the most recent float as "N/A." That is because this data is obtained from Yahoo! Finance, who only publishes the most recent float figure.

NOVA LIFESTYLE AND SEEKING ALPHA

*I've been reading some articles on Seeking Alpha that raised red flags about **Nova Lifestyle (NVFY)**. Do you feel this stock still belongs in Category 1?*

--Sandy Thammasithiboon, Richardson, TX

NVfy certainly has taken shareholders on a roller coaster ride over the past month. The stock soared to over \$3.40 a share before nose diving to just above \$2.

The articles on *Seeking Alpha* certainly do raise some good questions about the company, including lack of organic growth, exorbitant eCommerce expenses and reduced margins. However, the company is performing well financially, and continues to take steps in the right direction. Because of this, it will remain in Cat. 1, where we will continue to keep an eye on its operations.

The Bowser Game Plan

1. DO NOT PAY more than \$3/share for a stock.
2. CREATE A PORTFOLIO of 12 to 18 stocks. *Diversification is important.*
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% without doubling, sell all shares.
6. RECORD proceeds from sales.
7. PORTFOLIO EVALUATION = current value of portfolio + proceeds from sales

COMPANY OF THE MONTH

By Faris Sleem

BUSINESS

Virco Mfg. Corporation (VIRC) designs, produces, and distributes a wide variety of furniture for the commercial and educational markets. The company is currently the leading manufacturer and supplier of furniture and equipment for K-12 schools nationwide. VIRC offers furniture consisting of desks, chairs, tables, stools, and many more. These products are distributed to public and private schools (pre-K through 12th grades), colleges and universities, government facilities, convention centers and places of worship. The company has developed a comprehensive product offering that enables customers to purchase all of its products from one source.

The first and fourth quarters are significantly slower than the second and third due to the seasonality of the school furniture niche. However, Virco entered the fourth quarter with a backlog that was \$3,000,000 higher than the prior year. This reflected a steady year-long improvement in order rates. The order growth avoided the negative affects of winter weather on overall demand. The company hopes to repeat this pattern of steady progress despite the recent recession and struggles of the furniture market. All of the company's assets have been retained or strengthened due to impressive management and capitalization on a healthy and steady recovery.

In order to compete with the Chinese outsourcers that are new to the school furniture industry, VIRC focuses on its public image and customer service. The company has won many awards in the past for their sustainability and environmental awareness. Management has implemented multiple programs such as Cash for Cardboard, which has helped schools earn well over \$100,000 from recycling. This has resulted in a series of honors from the U.S. Environmental Protection Agency.

While Virco's public image and exceptional customer service help retain contracts, the company is looking to capture more market share from Chinese competitors in the coming years. Schools are cutting costs by minimizing staff, cutting out middlemen during delivery and managing inventory more efficiently. This results in larger budgets. Since these Chinese companies are not able to distribute their goods to the schools directly, VIRC can capitalize on their weakness. This

also allows Virco to provide schools with their complete product assortment as opposed to just a few specific products.

FINANCIALS

Although the fourth quarter, which ends January 31, is seasonally the slowest for VIRC, revenue jumped 30.2%--from \$19.5 million to \$25.4 million--resulting in close to a \$3,000,000 improvement in Virco's net operating loss for the entire fiscal year. Earnings in the most recent quarter increased 26%, and the company reported a net profit of \$849,000 (or \$0.06/share) in fiscal 2015, which is an

impressive increase from the \$1,730,000 loss in 2014. The CEO attributes the improvements in sales and earnings to a slow and steady recovery.

After a 150% EPS increase in 2015, Finviz.com, an online financial research and analysis source, is still forecasting a 35% increase in the coming

year. This means that analysts are expecting FY2016 net income to surpass \$1 million.

Although the company's balance sheet has no red flags, with assets outweighing liabilities and with minimal long-term debt, the most reassuring financial indicators are the recent quarter's profitability and the projected positive earnings forecast.

INSIDERS

Currently, 12% of shares are held by insiders. There has been

zero insider selling over the past two years, which is a great sign that management and officers are long on the stock. Institutions and mutual funds appear to have the same opinion, holding 26% of VIRC's float.

LOOKING AHEAD

Sales of their new product lines including Analogy, Zuma, Civitas and Sage recently increased \$3.9 million. With anticipated earnings growth and profitability, the company has promising financial health in its future. Elimination of central warehouses, higher school budgets and the strengthening economy are set to benefit Virco's sales and customer retention. Due to the volatility of commodity prices, the company is anticipating uncertainty with transportation and energy costs. This could be a restricting factor yet it would affect the industry as a whole, not just one company.

Office: 2027 Harpers Way, Torrance, CA 90501, Tel: (310) 533-0474, www.virco.com.



NASDAQ GM:VIRC
BOWSER RATING: 11
Last 12 Months: \$2.02-3.85

	2013	2014	2015 (A)
REVENUES	\$157,913,000	\$155,042,000	\$164,052,000
INCOME(LOSS)	(\$3,830,000)	(\$1,730,000)	\$849,000
WORKING CAPITAL	\$12,526,000	\$16,983,000	\$17,566,000
BOOK VALUE	\$1.88	\$1.89	\$1.53
TOTAL SHARES	14,387,000	14,620,000	14,756,000
FLOAT	N/A	N/A	7,430,000
(A) FISCAL YEAR ENDED 01/31/15			

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 SMALL CAP MARKET; (GS) GLOBAL SELECT MARKET; (OB) BULLETIN BOARD; (QB) OTC QB MARKET; (NR) NOT RATED; #-PREVIOUSLY APPEARED ON LIST, BUT WAS REMOVED BECAUSE IT HAD RISEN ABOVE \$3.00/SHARE; FIGURES IN PARENTHESIS ARE LOSSES; C-CANADIAN DOLLARS.

Date of Recommend & Market	Issue/Trading Symbol	Principle Business	Price 06/05/15	Long-term Debt (Millions)	Sales Updated Quarterly (Millions)	Income/Loss Updated Quarterly (Millions)	Shares Outstanding (Millions)	Bowser Rating
CATEGORY ONE: OUR BEST PICKS								
08/13(QB)	DIRECT INSITE CORP. (DIRI)	E-INVOICING SOLUTIONS	1.10	\$0.002	\$8.4	\$0.272	12.9	10
01/14(CM)	DLH HOLDINGS (DLHC)	GOVERNMENT SERVICES SOLUTIONS	2.49	\$0.000	\$62.8	\$5.079	9.6	9
09/14(CM)	INFOSONICS CORP. (IFON)	MOBILE DEVICES PROVIDER	2.67	\$0.000	\$51.0	\$0.738	14.4	10
03/15(A)	NETWORK-1 TECH. (NTIP)	INTELLECTUAL PROPERTY	2.17	\$0.000	\$13.4	\$1.900	23.4	11
01/15(N)	NEVADA GOLD & CASINOS (UWN)	GAMING OPERATIONS	1.67	\$8.800	\$64.1	\$1.864	16.3	10
11/14(QB)	NOBLE ROMAN'S (NROM)	PIZZA FRANCHISES AND LICENSES	2.04	\$1.484	\$7.9	\$1.531	20.5	9
02/15(GM)	NOVA LIFESTYLE INC. (NVFY)	FURNITURE MANUFACTURING/SALES	2.41	\$0.000	\$102.9	\$9.877	23.9	11
10/14(GM)	ROYAL BANCSHARES (RBPA)	BANK HOLDING COMPANY	1.83	\$118.086	\$32.5	\$5.638	37.8	8
04/15(QB)	SCOTT'S LIQUID GOLD (SLGD)	HOUSEHOLD AND BEAUTY PRODUCTS	1.23	\$0.000	\$25.8	\$2.280	11.6	10
08/14(QB)	SONO-TEK CORP. (SOTK)	ULTRASONIC NOZZLES	1.18	\$1.320	\$10.9	\$0.606	14.9	9
06/15(GM)	VIRCO MFG. CORP. (VIRC)	EDUCATION FURNITURE	2.51	\$6.153	\$164.1	\$0.849	14.9	11
# 10/12(QB)	WHERE FOOD CMS FROM (WFCF)	FOOD VERIFICATION SERVICES	2.78	\$0.014	\$9.5	\$0.400	23.8	10
CATEGORY TWO: WORTHY OF CONSIDERATION								
# 05/14(CM)	CPS TECHNOLOGIES (CPST)	ADVANCED MATERIAL SOLUTIONS	2.29	\$0.000	\$22.4	\$0.829	13.2	7
09/13(QB)	CREATIVE LEARNING (CLCN)	SELL; SEE BELOW						
07/14(QB)	FITLIFE BRANDS (FTLF)	NUTRITIONAL SUPPLEMENTS	1.80	\$1.310	\$17.5	\$0.738	8.1	7
# 06/08(A)	FLEXIBLE SOLUTIONS (FSI)	SPECIALTY CHEMICALS	2.57	\$0.704	\$17.1	\$1.063	13.2	10
12/14(QB)	INT'L BALER CORP. (IBAL)	BALING EQUIPMENT	2.00	\$0.026	\$19.0	\$0.515	5.2	7
07/13(CM)	LIGHTPATH TECH (LPTH)	OPTICAL COMPONENTS	1.34	\$0.353	\$12.3	(\$0.246)	15.2	10
# 10/09(CM)	LRAD CORP. (LRAD)	SOUND ACOUSTIC TECHNOLOGY	2.33	\$0.000	\$24.3	\$3.467	33.3	7
07/10(QB)	REPRO-MED SYSTEMS (REPR)	DESIGN/PRODUCTION OF MED PROD	0.45	\$0.000	\$11.2	\$0.753	38.0	10
04/13(CM)	SPAR GROUP (SGRP)	MERCHANDISING AND MARKETING	1.36	\$5.400	\$123.3	\$3.563	20.6	10
CATEGORY THREE: VERY SPECULATIVE								
# 03/13(GM)	ADVANTAGE TECH (AEY)	CABLE TV EQUIPMENT	2.30	\$4.806	\$43.7	\$1.371	10.1	10
# 12/11(A)	AMERICAN SHARED HSPT (AMS)	TURNKEY TECHNOLOGY SOLUTIONS	2.36	\$20.606	\$15.5	(\$0.728)	5.4	8
03/14(A)	COMMAND SECURITY (MOC)	SECURITY PERSONNEL/SERVICES	1.95	\$0.000	\$144.7	\$1.121	9.7	9
06/14(A)	DYNASIL CORP. (DYSL)	OPTICAL COMPONENTS	1.45	\$2.523	\$40.7	(\$0.289)	16.5	NR
05/15(A)	ENERJEX RESOURCES (ENRJ)	OIL/GAS OPERATIONS IN U.S.	1.66	\$23.505	\$11.9	(\$12.885)	8.4	8
# 05/13(A)	ENSERVCO CORP. (ENSV)	OIL/GAS WELL SITE SERVICES	1.52	\$25.213	\$50.5	\$2.712	37.8	7
# 06/12(A)	GOLDFIELD CORP. (GV)	ELECTRICAL CONSTRUCTION	1.55	\$23.228	\$107.0	(\$1.500)	25.5	NR
10/13(QB)	INNOVATIVE FOOD (IVFH)	SPECIALTY FOOD PROVIDER	1.15	\$0.533	\$36.4	(\$5.936)	22.5	NR
# 12/06(A)	ITERIS (ITI)	OUTDOOR MACH VISION SYS/SENSORS	1.80	\$0.000	\$71.8	(\$0.454)	32.6	8
# 02/13(A)	WIRELESS TELECOM (WTT)	WIRELESS TELECOM SOLUTIONS	2.26	\$0.013	\$39.8	\$2.178	19.5	7

We recommend only purchasing companies rated 8 or higher. If a company's rating drops do not sell. For when to sell, refer to the Game Plan on page 2.

SELL CREATIVE LEARNING

Creative Learning's (CLCN) most recent financials are a disappointment. Worst of all, they seem to point to a growing trend: decreasing new franchise fees. CLCN's entire business model relies on its ability to generate new franchises. At some point, as new franchise fees diminish, existing royalties must make up for the lack of new fees. For CLCN, this isn't happening.

CATEGORY CHANGES

• **UP:** Direct Insite (DIRI)--Cat. 2 to 1, InfoSonics (IFON)--Cat. 2 to 1, and LightPath Technologies (LPTH)--Cat. 3 to 2.

• **DOWN:** Dynasil (DYSL)--Cat. 2 to 3, EnerJex (ENRJ)--Cat. 1 to 3, ENSERVCO (ENSV)--Cat. 2 to 3, and Wireless Telecom (WTT)--Cat. 2 to 3.

Nevada Gold to acquire Club Fortune

Nevada Gold & Casinos (UWN) signed an agreement to acquire Club Fortune Casino in Henderson, NV, for \$14.2 million cash plus 1.2 million UWN common shares.

The company expects the acquisition to be immediately accretive to its earnings. Closing should take place in the quarter ended April 30, 2016.

FitLife Brands announces merger

FitLife Brands (FTLF) announced a merger with iSatori (IFIT). Under the merger agreement, IFIT shareholders will receive 0.3 shares of FTLF common stock for each share of IFIT held. The combined company anticipates over \$30 million in annual revenues.

FOLLOW UP: We did not have a great response on whether to include EPS in the table above. Please cast your vote by contacting us!

FOLLOW-THROUGH AND STOCKS TO SELL

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 06/05/15 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)

ISSUE/EXCHANGE SYMBOL	1	2	ISSUE/EXCHANGE SYMBOL	1	2
ATLANTIC AMERICAN (GM:AAME)	\$3.82(7)	02/12 \$2.05(8)	NEWTEK BUSINESS SERVICES (CM:NEWT)	\$17.78(NR)	08/12 \$8.50(8)
EVOLVING SYSTEMS (CM:EVOL)	\$9.07(9)	05/09 \$3.68(8)	*Price adjusted: 1-for-5 reverse split 10/14		
*Price adjusted: 1-for-3 reverse split 07/09			RIVERVIEW BANCORP (GS:RVSB)	\$4.23(8)	06/13 \$2.30(9)
GOLDEN ENTERPRISES (GM:GLDC)	\$4.12(9)	02/09 \$2.35(9)	SIMULATIONS PLUS (CM:SLP)	\$5.77(9)	05/10 \$2.46(9)
IEC ELECTRONICS (A:IEC)	\$4.52(8)	07/08 \$1.99(8)	TUCOWS INC. (CM:TCX)	\$27.96(10)	01/13 \$6.00(8)
INVENTURE FOODS (CM:SNAK)	NOW IN BOWSER DATABASE		*Price adjusted: 1-for-4 reverse split 12/13		
KEY TRONIC CORPORATION (GM:KTCC)	\$10.94(11)	11/08 \$1.57(10)	VERSAR INC. (A:VSR)	\$3.66(12)	10/11 \$2.76(10)
MANHATTAN BRIDGE CAPITAL (CM:LOAN)	\$4.15(8)	02/10 \$1.10(9)			

THE FOLLOWING WE SAID SHOULD BE SOLD

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

GSE SYSTEMS (A:GVP)	\$1.64(NR)	12/14 \$1.56(NR)	JOE'S JEANS (CM:JOEZ)	\$0.15(NR)	02/15 \$0.17(NR)
INTELLIGENT SYSTEMS (A:INS)	\$3.10(NR)	12/14 \$1.69(NR)	SMARTPROS INC (CM:SPRO)	\$1.65(NR)	11/14 \$1.85(NR)

BRIEFS

EnerJex Resources (ENRJ) announced a public offering of 183,433 10% Series A Preferred Stock, not convertible into common shares, at \$12.50 a share. The proceeds will go towards general corporate matters. . . . **IEC Electronics (IEC)** received the 2015 IHS SPECTRUM Excellence Award for the electronics manufacturing industry. . . . **InfoSonics (IFON)** filed a shelf registration with the SEC, allowing the

company to, from time-to-time, issue certain securities up to an aggregate amount of \$25 million. . . . **Innovative Food (IVFH)** subsidiary, The Fresh Diet, partnered with Ogilvy & Mather, a marketing communications company, to develop the company's brand strategy. . . . **Inventure Foods (SNAK)** is now in the *Bowser Database* after dropping more than 25% from its most recent high of \$14.11. . . . **Iteris' (ITI)** ClearAg solution is now generally

available. ITI also added Field Workability and Spray Window functionalities to the ClearAg platform. . . . **LightPath Technologies (LPTH)** announced a tripling in its infrared shipment volumes, increasing revenues by more than 193%. . . . **LRAD (LRAD)** announced \$700,000 in new orders for LRAD 360X systems and accessories for a country in Asia. The company also announced a \$634,000 order for an Asian police force. . . . **Manhattan Bridge Capital (LOAN)** closed an offering of 1,015,000 shares of common stock at \$4.39 a share. . . . **Nova LifeStyle (NVFY)** closed a \$4 million offering, which sold 2.97 million shares to institutional investors. NVFY also announced "ezHome," a mobile app that allows users to request delivery and installation of furniture and furnishings purchased online. This app will launch alongside home87.com, the company's new Internet platform. Both will be available in Chinese markets. . . . **Sono-Tek (SOTK)** joined the OTC Markets' "Premier" tier, OTCQX® Best Marketplace. . . . **SPAR Group (SGRP)** launched SPAR-trac™ to provide retailers and manufacturers with a comprehensive set of tools for more efficient retail management. . . . **Versar (VSR)** received a \$1.2 million task order from the US Army Corps of Engineers to provide Performing Planning Systems Support at five sites.

INSIDER TRANSACTIONS IN APRIL

COMPANY	SHARES TRADED	# OF TRADES	PRICE RANGE
American Shared	D-1,723	1	\$2.67
	OE-2,000	1	\$2.30
Atlantic American	B-25,058	2	N/A
	S-7,000	1	\$3.44
Direct Insite	B-281,900x	4	\$0.83-0.87
DLH Holdings	B-10,000	2	\$2.08
Dynasil	A-76,421x	7	\$1.39
EnerJex Resources	A-5,129	2	\$0
	D-3,439,521	3	\$0
	D-6,957,184x	1	\$0
	S-67,980	2	N/A
FitLife Brands	S-7,200	1	\$1.69
Goldfield	B-87,037	3	\$1.28-1.35
IEC Electronics	B-4,750	2	\$4.12-4.35
	B-129,570x	10	\$4.16-4.44
Inventure Foods	D-1,862	2	\$9.01
	OE-29,606	11	N/A
Key Tronic	D-56,944	7	\$11.76-11.93
	OE-186,920	7	\$5.89
Noble Roman's	B-255,000x	1	\$2.18
	OE-100,000	1	\$1.05
	S-20,600	2	\$2.17-2.20
Riverview Bancorp	B-9,660	3	\$4.05-4.42
	B-1,547x	3	\$4.19-4.38
Scott's Liquid Gold	OE-8,750	1	\$0.20-0.23
Tucows	OE-53,750	4	\$2.40-2.80
	S-81,250	6	\$21.51-27.08
Versar	B-1,000	1	\$4.42
	D-720	1	\$3.86
Wireless Telecom	B-30,000	4	\$2.23-2.29

A-Acquisition (Non Open Market), B-Bought, D-Disposition (Non Open Market), OE-Option Exercise, S-Sold, x-indirect holdings. Information obtained from Yahoo! Finance.

THIS MONTH'S
BIGGEST GAINER
SMG INDIUM
UP 545%

WARRANT REGISTER

Associated Bank signs agreement

Associated Banc-Corp (ASB-WS) signed a conciliation agreement with the US Department of Housing and Urban Development (HUD). This agreement resolves HUD's investigation into ASB's lending practices from 2008 to 2011.

Over the next three years, Associated Bank will implement a number of initiatives to improve its lending practices, including enhanced training, new branch and loan production offices, expanded special financing programs and home repair grants.

The company estimates that these initiatives will generate around \$200 million in new loans over the next three years.

Blue Bird buses in Boston

Blue Bird Corp. (BLBDW) announced that Boston Public Schools will operate 11% of its bus fleet with Blue Bird propane autogas buses beginning with the 2015-2016 school year. Boston Public Schools is purchasing 86 of Blue Bird's Propane Vision buses.

"BLBD designed and engineered a propane autogas fuel system on the short wheelbase buses to meet Boston Public Schools' needs," commented Blue Bird CEO, Phil Horlock. "Propane Visions buses offer Boston the added benefit of reducing the city's carbon footprint."

The buses will begin delivery this month, and

will save the school district at least \$1 per gallon on fuel, not to mention maintenance savings as a result of the cleaner burning fuel.

FairPoint cutting jobs

FairPoint Communications (FRPZW) is cutting 260 jobs in the 17 states that it operates in. These cuts include 60 jobs related to the closing of a South Burlington call center.

According to the Associated Press, the unions that represent FRP employees in Maine, New Hampshire and Vermont believe that 219 of the cuts will come from those three states.

"Faced with the realities of the industry in which FRP operates, we must be keenly focused on managing costs and enhancing productivity," remarked FairPoint CEO Paul Sunu.

NXT-ID opens Wocket store

NXT-ID (NXTDW) opened www.wocketwallet.com to sell its Wocket® smart wallet product. As a result, consumers can now order the product online for \$229. The customer won't be charged until the wallet is ready to ship.

TCF subsidiary signs agreement

TCF Financial (TCB-WT) subsidiary, TCF Inventory Finance, signed an agreement with Ariens Company to provide inventory financing to over 1,500 Ariens and Gravelly dealers in the US and Canada.

Valley National warrants (VLY-WT) expire 06/30/15.

Company	Market/Symbol	Principle Business	Stock Price 06/05/15	Warrant Price 06/05/15	Conv. Ratio	Exer. Price	Expire Date	No. Wts	Bowser Rating
Associated Banc-Corp 1200 Hansen Road., Green Bay, WI 54304, Tel: (920) 491-700, www.associatedbank.com	N:ASB-WS	Bank holding company	19.75	2.80	1.00	19.77	11/21/18	4.0M	8
Bank of America 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	17.19	0.52	1.00	30.79	10/28/18	121.8M	10
BioAmber Inc. 1250 Rene Levesque West, Ste. 4110, Montreal, QC H3B 4W8, Canada, Tel: 514/844-8000, www.bio-amber.com	N:BIOA-WT	Produces and sells bio-succinic acid	8.78	2.06	1.00	11.00	05/09/17	8.0M	7
Blue Bird Corporation 10 South Wacker Dr., Ste. 3175, Chicago, IL 60606, Tel: 713/300-8242, No website	CM:BLBDW	Design, manufacture and sale of buses	12.32	1.39	0.50	5.75	01/23/19	11.5M	NR
Citigroup 399 Park Ave., New York, NY 10043, Tel: 212/559-1000, www.citigroup.com	N:C-WTA	Investment banking	56.24	0.070	0.10	106.10	01/04/19	2.6M	8
Dynege, Inc. 601 Travis St., Ste. 1400, Houston, TX 77002, Tel: 713/507-6400, www.dynege.com	N:DYN-WT	Electric energy/related services	31.96	4.10	1.00	40.00	10/02/17	15.6M	9
FairPoint Communications 521 E. Morehead St., Ste. 250, Charlotte, NC 28202, Tel: 704/344-8180, www.fairpoint.com	OTC:FRPZW	Communications in New England	19.20	0.05	1.00	48.81	01/24/18	3.6M	8
FieldPoint Petroleum 1703 Edelweiss Dr., Cedar Park, TX 78613, Tel: 512/250-8692, www.fppcorp.com	N:FPP-WT	Oil/gas operations in the US	1.85	0.21	1.00	4.00	03/26/18	8.0M	7
Nxt-ID, Inc. One Reservoir Corporate Centre, Ste. 402, Shelton, CT 06484, Tel: 203/242-3076, www.nxt-id.com	CM:NXTDW	Biometric solutions	2.68	0.91	1.00	3.00	01/13/19	1.4M	6
SMG Indium Resources 100 Park Ave., 16th Fl., New York, NY 10017, Tel: 212/984-0635, www.smg-indium.com	QB:SMGIW	Indium stockpiler/seller	3.50	0.10	1.00	5.75	05/04/16	6.8M	10
TCF Financial 200 Lake Street East, Wayzata, MN 55391, Tel: 952/745-2760, www.tcfbank.com	N:TCB-WT	Bank holding company	16.51	2.65	1.00	16.93	11/14/18	3.2M	8
Valley National Bancorp 1455 Valley Rd., Wayne, NJ 07470, Tel: 973/305-8800, www.valleynationalbank.com	N:VLY-WT	Bank holding company	9.98	0.23	1.2155	15.64	06/30/15	0.9M	8
xG Technology 240 South Pineapple Ave., Cte. 701, Sarasota, FL 34236, Tel: 941/953-9035, www.xgtechnology.com	CM:XGTIW	Wireless network communications	0.27	0.19	1.00	6.87	07/22/18	0.7M	8

Beginner's Portfolio Up 221%

BOUGHT: None this month

SOLD: FSI (50 Shares) @ \$2.44 less \$10 commissions = \$112

BOUGHT		SOLD		SOLD		SOLD		Proceeds From Sales
Cost	06/05/15	Cost	06/05/15	Cost	06/05/15	Cost	06/05/15	
AAME	280/Mar '12	382	SGRP	178/Apr '13	136	IFON	190/Oct '14	267
AMS	308/June '12	236	AEY	248/May '13	230	RBPAA	188/Nov '14	183
ITI	162/Aug '12	180	IVFH	134/Jan '14	115	DIRI	75/Dec '14	110
†NEWT	187/Sep/'12	356	MOC	209/May '14	195	*FSI	122/Dec '14	129
*WFCF	159/Nov '12	139	DLHC	210/May '14	249	NROM	216/Dec '14	204
WTT	189/Apr '13	226	DYSL	185/Aug '14	145	NTIP	235/Apr '14	217

3,699

Original cost for all stocks: \$4,766

*50 Shares

Proceeds from Sales:

11,587

†20 Shares

Current Value of Portfolio:

15,286

Gain: 15,286 minus 4,766 = 10,520

Percentage of gain: 10,520 divided by 4,766 x 100 = 220.7

Compound Annual Growth Rate: 8.88%

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 up 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.**

BEGINNER'S PORTFOLIO EXPLANATION

This month we sold half our holdings of FSI at double the purchase price of \$1.22. The led to a 1% increase in Proceeds from Sales. That slight increase helped to offset the 0.4% decrease in current holdings value. Helping to lead the way this month were FSI (+96%), DIRI (+49%) and DLHC (+13%).

EARNINGS

	Quarter Ended	Current Sales	Same Period Last Year	Current Earnings	Same Period Last Year	Comments
ADDvantage Technologies (AEY)	03/31/15	\$11,366,539	\$8,313,815	\$234,255	(\$894,150)	
American Shared Hospital (AMS)	03/31/15	\$4,117,000	\$4,064,000	\$332,000	(\$49,000)	
Atlantic American (AAME)	03/31/15	\$40,949,000	\$41,160,000	\$691,000	\$820,000	
Creative Learning (CLCN)	03/31/15	\$1,614,549	\$2,003,351	\$138,239	\$347,686	
Direct Insite (DIRI)	03/31/15	\$2,060,000	\$1,970,000	\$80,000	(\$86,000)	
Dynasil of America (DYSL)	03/31/15	\$9,895,000	\$10,407,000	(\$322,000)	\$290,000	(A)
EnerJex Resources (ENRJ)	03/31/15	\$1,497,841	\$3,854,977	(\$17,354,561)	\$103,634	
ENSERVCO (ENSV)	03/31/15	\$19,139,497	\$25,242,045	\$2,891,880	\$4,185,956	
FitLife Brands (FTLF)	03/31/15	\$3,842,422	\$6,333,076	(\$42,263)	\$893,346	(A)
Flexible Solutions (FSI)	03/31/15	\$4,963,887	\$3,812,981	\$504,265	(\$155,578)	
Goldfield (GV)	03/31/15	\$30,546,807	\$21,931,245	(\$846,335)	\$335,281	(A)
IEC Electronics (IEC)	03/27/15	\$32,889,000	\$34,805,000	(\$5,536,000)	(\$14,714,000)	
InfoSonics (IFON)	03/31/15	\$14,517,000	\$11,624,000	\$532,000	\$55,000	
Innovative Food Holdings (IVFH)	03/31/15	\$11,181,817	\$5,553,466	(\$2,016,654)	\$188,706	(A)
LightPath Technologies (LPTH)	03/31/15	\$3,198,754	\$3,005,592	\$89,791	(\$133,322)	
Network-1 Technologies (NTIP)	03/31/15	\$5,627,000	\$4,491,000	\$1,530,000	\$1,396,000	
Noble Roman's (NROM)	03/31/15	\$1,911,704	\$1,867,667	\$438,755	\$380,094	
Nova Lifestyle (NVFY)	03/31/15	\$17,965,725	\$14,630,017	\$1,624,863	\$303,552	
Repro-Med Systems (REPR)	02/28/15	\$3,447,630	\$2,634,587	\$399,375	\$377,412	
Scott's Liquid Gold (SLGD)	03/31/15	\$6,948,200	\$5,483,800	\$683,600	\$497,600	
Sono-Tek (SOTK)	02/28/15	\$2,943,143	\$2,716,940	\$222,033	\$134,050	
SPAR Group (SGRP)	03/31/15	\$29,266,000	\$28,036,000	\$169,000	(\$220,000)	
Tucows (TCX)	03/31/15	\$40,467,833	\$34,402,394	\$2,833,943	\$476,789	
Versar (VSR)	03/27/15	\$39,785,000	\$28,225,000	\$262,000	(\$131,000)	
Wireless Telecom (WTT)	03/31/15	\$8,628,000	\$9,185,000	\$194,000	\$440,000	

(A) FOR OUR EDITOR'S THOUGHTS ON EARNINGS, SEE PAGE 8 (NOTES BY THE EDITOR)

NOTES BY THE EDITOR

We talked generally about earnings on the front page. However, due to the number of reports, we weren't able to provide comments on page seven. Instead, I thought I would shed some insight into a few of the companies' financial reports.



- Dynasil Corp. (DYSL)** reported a disappointing loss in its most recent quarter. This was due to (a) higher costs despite lower revenues and (b) a \$195,000 loss on foreign currency translation.
- FitLife Brands (FTLF)** had a far less than stellar quarter. The company attributes these poor results to

the transition during 2014 to the GNC centralized distribution platform, which accelerated 2014 purchases. Also, the company experienced a short-term supply disruption.

- Goldfield Corp. (GV)** had a great quarter revenue-wise, but was unable to convert that to bottom line performance as a result of weather complications in Texas. The company's backlog is now \$249.6 million compared to \$73.1 million last year.
- Innovative Food (IVFH)** continues to see revenue improvements since its acquisition of The Fresh Diet. However, profitability still alludes IVFH because of high SG&A expenses.

Since January, First Class mail has been taking a few days longer to reach its destination. If you are a CURRENT print subscriber, you can upgrade to online/print for free until the problem is resolved. *Contact us for details.*

FIVE BOWSER STOCKS UP AND DOWN

FLEXIBLE SOL	UP	96%	ENSERVCO	DOWN	14%
DIRECT INSITE	UP	49%	FITLIFE BRANDS	DOWN	10%
TUCOWS	UP	48%	VERSAR	DOWN	10%
LIGHTPATH TECH	UP	29%	GOLDFIELD	DOWN	9%
IEC ELECTRONICS	UP	17%	AMERICAN SHRD	DOWN	9%