



How we use technical analysis

A brief overview of technical trading basics and how we use them

Technically speaking, *The Bowser Report* relies heavily on fundamental analysis. See what we did there? However, that is not to say we don't (a) value and/or (b) use technical analysis to help us make our picks.

Last month, we touched on the subject of technical analysis briefly on page 2, in "Buckaroos Speak." Subscriber Michael Waldrip brought up **Nevada Gold & Casinos (UWN)**, referring to a technical indicator (cup and handle). In our response, we mentioned that we use technical analysis, but did not go into much detail. To avoid confusion and promote education, let's talk about what technical data we use and how we use it.

STARTING AT THE BEGINNING

There are, generally speaking, two schools of thought when referring to stock analysis: technical and fundamental. Technical analysis is the use of a stock's pricing data to predict whether it will go up or down. There are some who use strictly technical analysis to make investment decisions.

Fundamental analysis, the use of a company's financial data, rivals technical analysis. Historically, *The Bowser Report* has relied very heavily on fundamental analysis, and that is not going to change any time soon.

Despite our heavy emphasis on fundamental analysis, we do use some aspects of technical analysis to decide at what price a stock is most attractive.

Our use of technical analysis is both basic and brief, but we do feel it to be useful. Let's take a look at the methods we use and how we apply them to our picks to hopefully enhance your profits.

SUPPORT AND RESISTANCE

Support and resistance levels are prices at which a stock has a hard time passing. A support level is a price below which the stock tends not to fall. A resistance level is a price at which the stock has a hard time rising above.

In last month's newsletter, we used the support level of \$2.20 as **Planet Payment's (PLPM)** short-term downside. The stock consistently rose off that price, rarely falling below. We also used \$2.75 for the resistance level, as the company had a hard time rising above that price.

You'll notice that since July's publication, the stock kept between those two levels (except for a \$2.09

close on July 9), until PLPM reported its current earnings.

PRICE TRENDS

Price trends are straight lines drawn between a stock's highs and lows. If the lines are pointing upward, the stock is trending up. If the lines are pointing downward, the stock is trending down.

Looking again at PLPM, the company's six month chart shows higher highs and higher lows. That means the company is trending up. A stock generally follows its trend until something causes that trend to break.

MOVING AVERAGES

A moving average is the average stock price over a given period of time. We tend to use the 20-day simple moving average, or SMA (20), the 50-day simple moving average, or SMA (50) and the 200-day simple moving average, or SMA (200). This data gives us an idea of whether the stock is bullish (climbing) or bearish (falling).

A stock is bullish when the smaller moving average is above the larger moving average. Again, with PLPM as an example, the company's SMA (20) is above its SMA (50), and the SMA (50) is above the SMA (200). So, the stock is bullish both over the short and long-term.

SUMMARY

Fundamental analysis will remain our primary method. After all, our goal, as many of our subscribers know, is long-term growth, not short-term price fluctuations. In our mind, the only way to ensure long-term success is by making sure the company is both stable and growing from a financial standpoint.

Once we have selected a company, the technical analysis comes into play. A stock's technicals allow us to pinpoint where the ideal entry point is--in other words, where to buy the fundamentally-sound stock.

On page 3, you'll see that in the Company of the Month's "Outlook," we talk trends and support. Hopefully, now you have a better understanding of how and why we use that information.

To learn more about technical analysis and charting, please see "Basic Charting for the Penny Stock Investor" by Contributor Faris Sleem at <http://thebowserreport.com/financial-news/basic-charting-for-the-penny-stock-investor/>.

FitLife: record sales and new IP

FitLife Brands (FTLF) received the Outstanding GNC Franchise Partner Award and the St. Jude Charitable Support Award at the GNC Annual Global Franchise Convention, where FTLF introduced over 20 new products, making up approximately \$2.5 million in sales to franchisees at the convention.

The company also announced that a patent submission for its method of naturally extracting protein from the kaniwa plant, or baby quinoa, has been approved and is expected to be granted in the near future.

LightPath segment experiences growth

LightPath Technologies (LPTH) has experienced growth due to orders with several original equipment manufacturers to produce high-volume custom designed optical lens products, contributing to the growth of the Specialty Products segment. This segment has more than

Market Overview

BOWSER - N/A	NASDAQ ↑ 1.0%	S&P 500 ↑ 0.4%	DJIA ↓ 1.8%	RUS 2000 ↓ 3.2%
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If you have a copy of the December 2011 Bowser Database, please let us know as soon as possible! July and the end of August made for a very up and down month. As you can see above, indexes turned in mixed results, with the NASDAQ Composite rising 1%, while the Russell 2000 fell over 3%.

doubled its 2015 sales, and now accounts for more than \$2.9 million in annual revenue.

Network-1 settles multiple litigations

Network-1 Technologies (NTIP) settled litigation of its Remote Power Patent with Shoretel, Inc. and Huawei Technologies, with both entering into settlement agreements and non-exclusive license agreements for the rest of the patent's full term (March 2020).

BUCKAROOS SPEAK

INFOSONICS (IFON)... WHAT IN THE WORLD??

I am wondering what happened to InfoSonics. The stock fell 50% today (August 6).

--George Valdez, Mesquite, TX

I am sure that George is not the only one wondering what caused such a huge negative move from IFON. The short answer is the company's earnings report (see page 7 for more).

However, despite an almost \$700,000 loss in comparison to a \$100,000 gain for the same period last year, we think that the market overreacted. While we are bumping the company from Category 1 to Category 3 because of its volatile nature, we don't want you to get too down on InfoSonics yet... And, here's why:

1. Shares plummeted in November/December 2014 on the release of poor financial results for the third quarter of 2014. However, the company soared after reporting positive result in the fourth quarter of 2014. So, the stock tends to overreact both ways.
2. The day before IFON released its 2Q 2015 results, the company filed a Form 8-K with the SEC announcing an amendment to the firm's loan and security agreement with Silicon Valley Bank. The amendment: (1) increased the maximum advance from \$4 million to \$7 million; (2)

extended the maturity to September 27, 2017; and (3) reset the minimum tangible net worth to \$15 million. The most interesting part is that InfoSonics increased its loan capacity despite having no money drawn on its loan as of June 30, 2015. For this reason, we think the \$3 million increase in funds could hint at something big coming. THIS IS SPECULATION ON OUR PART.

For now, stick to the Game Plan with IFON.

DATABASE ERRORS

In the July 2015 Bowser Database, new addition Electro Medics should be Enteromedics. And, you deleted Nuvilex because of "lack of information" when the company just changed its name to PharmaCyte Biotech (PMCB).

--Terry Penner, Manvel, TX

Terry is absolutely correct! We misspelled Enteromedics on the additions page. However, the company's entry on Page 5 of the Database is spelled correctly.

Also, we missed Nuvilex's name change. The announcement got lost in all of the other releases. The company stopped trading under its previous symbol and we took that to mean it stopped trading altogether. We'll add the company back with its new name in the October issue. Thanks for keeping us honest Terry!

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

Many of our subscribers are already familiar with **Liberator Medical Holdings (LBMH)**. After all, it was one of our most recent success stories. Recommended originally in April 2011 at \$1.41 a share, the medical supply company did quite well for subscribers.

For a while, the pick seemed doomed, even spending a few months under \$1 a share after recommendation. However, in January 2013, the company implemented a quarterly dividend of \$0.02 per share and took off to \$6 a share in under a year.

Since, the share price has been trending down, now trading at around \$2.20; we've been keeping our eye on the company since it left the newsletter in May 2015. Recently, subscriber John Wagner suggested we take another look because of "a 52-week bottom, a generous dividend, good feedback from the CEO and the continued rollout of the Affordable Care Act." We took his advice.

BUSINESS

Since we last recommended LBMH, its business has remained essentially the same. The company is a direct-to-consumer provider of medical supplies. Its customers consist of primarily Medicare-eligible seniors. In fact, for fiscal 2014, approximately 73% of LBMH's revenues were derived from Medicare, Medicaid or other government-sponsored healthcare programs.

The Centers for Medicare and Medicaid Services estimates that U.S. domestic healthcare spending will grow from \$2.9 trillion in 2013 to \$5.2 trillion in 2023, almost doubling. And, LBMH is at the top of the supplier list for a number of in-demand products, including:

- Urological catheters, which increased in demand from Medicare patients by 11.5% from 2012 to 2013;
- Ostomy supplies, which include ostomy drainage bags, which are expected to grow at a compound annual growth rate of 3.4% from 2012 to 2018;
- Mastectomy fashions, of which LBMH is the only provider that combines a comprehensive product catalogue and direct billing to Medicare and other insurance providers; and
- Diabetic supplies, which produce an annuity-like revenue stream with a high return on advertising dollars.

FINANCIALS

Since our previous recommendation, which included

trailing twelve month (ttm) sales of \$53.1 million, LBMH has grown revenues by 47%, to \$78.2 million. In the most recent quarter, which ended March 31, 2015, sales jumped 11.7%--from \$17.6 million to \$19.7 million.

Trailing twelve month earnings at the time of our 2011 recommendation were \$2.4 million. Since then, earnings have more than tripled to the current ttm value of \$8.2 million. Most recently, second quarter 2015 net income jumped 5.1%, or \$82,000, year-over-year.

The company has maintained a steady quarterly dividend payment of \$0.0325 (62.5% higher than the January 2013 dividend), for a trailing annual dividend of \$0.13 per share.

LBMH has also kept a clean balance sheet, with \$9.8 million (\$0.18/share) in cash, a total current assets-to-liabilities ratio of 2.4-to-1 and long-term debt of just \$1.5 million.

INSIDER HOLDINGS

Insiders own over half (51.1%) of Liberator Medical's 53.4 million shares outstanding. Institutions own another 19.6% of that total. The company's largest shareholders include: Mark A. Libratore, CEO (19.7 million shares, or 37%) and Millennium Partners, L.P., a beneficial owner (5.2 million shares, or 9.7%).

OUTLOOK

Liberator Medical is not very strong from a technical perspective. The company is trending down and has yet to reverse that trend. However, support seems to be around

\$2.15, as the stock has hit that price twice and closed the same or higher the next day.

LBMH's fundamental strengths make up for its technical weaknesses. Currently, the industry average for price/earnings is 18.7. LBMH's P/E value is 14.1. That points to an undervaluation. Given the company's past performance, we wouldn't be surprised to see the stock take off once again if the market conditions are right.

Of course, there is risk with LBMH. With almost three quarters of its sales coming from government-sponsored programs, it is subject to the ebbs and flows associated with the national government. However, despite recent ups and downs, Liberator has managed to plug away, steadily increasing both sales and earnings and maintaining a rather handsome dividend. The ideal entry point looks to be in the low \$2 to \$2.30 range.

Office: 2979 SE Gran Park Way, Stuart, FL 34997, Tel: 772-287-2414, www.liberatormedical.com



	2013	2014	2015 (A)
REVENUES	\$69,111,000	\$74,569,000	\$39,890,000
INCOME(LOSS)	\$7,078,000	\$7,802,000	\$4,116,000
WORKING CAPITAL	\$15,618,000	\$15,625,000	\$15,140,000
BOOK VALUE	\$0.60	\$0.62	\$0.63
TOTAL SHARES	50,115,000	52,704,000	53,209,000
FLOAT	N/A	N/A	27,520,000
(A) SIX MONTHS ENDED 03/31/15			

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 08/07/15	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	0.98	\$0.002	\$8.4	\$0.272	12.9	10
# 01/14(CM)	DLH HOLDINGS (DLHC)	GOVERNMENT SERVICES SOLUTIONS Office: 1776 Peachtree St., NW, Ste. 300S, Atlanta, GA 30309, Tel: 866/952-1647, www.dlhcp.com	2.57	\$0.000	\$63.9	\$5.265	9.6	9
08/15(A)	LIBERATOR MEDICAL (LBMH)	MEDICAL SUPPLIES	2.08	\$1.500	\$78.2	\$8.185	53.4	10
03/15(A)	NETWORK-1 TECH. (NTIP)	INTELLECTUAL PROPERTY	2.13	\$0.000	\$13.4	\$1.900	23.4	11
11/14(QB)	NOBLE ROMAN'S (NROM)	PIZZA FRANCHISES AND LICENSES	1.77	\$1.484	\$7.9	\$1.531	20.5	9
02/15(GM)	NOVA LIFESTYLE INC. (NVFY)	FURNITURE MANUFACTURING/SALES	2.50	\$0.000	\$102.9	\$9.877	23.9	11
07/15(CM)	PLANET PAYMENT (PLPM)	GLOBAL PAYMENT SOLUTIONS	2.79	\$2.271	\$49.1	\$6.017	53.1	10
10/14(GM)	ROYAL BANCSHARES (RBPA)	BANK HOLDING COMPANY	2.05	\$107.972	\$32.9	\$5.803	30.0	8
04/15(QB)	SCOTT'S LIQUID GOLD (SLGD)	HOUSEHOLD AND BEAUTY PRODUCTS	0.98	\$0.000	\$25.8	\$2.280	11.6	10
08/14(QB)	SONO-TEK CORP. (SOTK)	ULTRASONIC NOZZLES	1.18	\$1.286	\$11.4	\$0.693	14.8	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	2.60	\$0.012	\$10.0	\$0.470	23.8	10
CATEGORY TWO: WORTHY OF CONSIDERATION								
# 05/14(CM)	CPS TECHNOLOGIES (CPHS)	ADVANCED MATERIAL SOLUTIONS	2.45	\$0.000	\$22.9	\$1.000	13.6	10
07/14(QB)	FITLIFE BRANDS (FTLF)	NUTRITIONAL SUPPLEMENTS	1.58	\$1.310	\$17.5	\$0.738	8.1	7
# 06/08(A)	FLEXIBLE SOLUTIONS (FSI)	SPECIALTY CHEMICALS	1.03	\$0.704	\$17.1	\$1.063	13.2	10
12/14(QB)	INT'L BALER CORP. (IBAL)	BALING EQUIPMENT	1.75	\$0.026	\$19.0	\$0.515	5.2	7
07/13(CM)	LIGHTPATH TECH (LPTH)	OPTICAL COMPONENTS	1.66	\$0.353	\$12.3	(\$0.246)	15.2	10
# 10/09(CM)	LRAD CORP. (LRAD)	SELL; SEE BELOW						
01/15(N)	NEVADA GOLD & CASINOS (UWN)	GAMING OPERATIONS	1.58	\$7.350	\$64.4	\$1.807	16.2	8
07/10(QB)	REPRO-MED SYSTEMS (REPR)	DESIGN/PRODUCTION OF MED PROD	0.30	\$0.000	\$11.2	\$0.530	38.0	8
04/13(CM)	SPAR GROUP (SGRP)	MERCHANDISING AND MARKETING	1.30	\$5.400	\$123.3	\$3.563	20.6	10
CATEGORY THREE: VERY SPECULATIVE								
# 03/13(GM)	ADVANTAGE TECH (AEY)	CABLE TV EQUIPMENT	2.24	\$4.806	\$43.7	\$1.371	10.1	10
# 12/11(A)	AMERICAN SHARED HSPT (AMS)	TURNKEY TECHNOLOGY SOLUTIONS	2.51	\$20.606	\$15.5	(\$0.728)	5.4	8
03/14(A)	COMMAND SECURITY (MOC)	SECURITY PERSONNEL/SERVICES	1.69	\$0.000	\$135.3	\$0.895	9.7	10
06/14(A)	DYNASIL CORP. (DYSL)	OPTICAL COMPONENTS	1.44	\$2.523	\$40.7	(\$0.289)	16.5	NR
05/15(A)	ENERJEX RESOURCES (ENRJ)	OIL/GAS OPERATIONS IN U.S.	1.15	\$23.505	\$11.9	(\$12.885)	8.4	8
# 05/13(A)	ENSERVO CORP. (ENSV)	OIL/GAS WELL SITE SERVICES	1.07	\$25.213	\$50.5	\$2.712	37.8	7
# 06/12(A)	GOLDFIELD CORP. (GV)	ELECTRICAL CONSTRUCTION	1.37	\$23.228	\$107.0	(\$1.500)	25.5	NR
09/14(CM)	INFOSONICS CORP. (IFON)	MOBILE DEVICES PROVIDER	1.47	\$0.000	\$51.5	(\$0.049)	14.4	8
10/13(QB)	INNOVATIVE FOOD (IVFH)	SPECIALTY FOOD PROVIDER	1.06	\$0.533	\$36.4	(\$5.936)	22.5	NR
# 12/06(A)	ITERIS (ITI)	OUTDOOR MACH VISION SYS/SENSORS	1.88	\$0.000	\$72.3	(\$1.070)	32.4	8
# 02/13(A)	WIRELESS TELECOM (WTT)	WIRELESS TELECOM SOLUTIONS	1.86	\$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.

We recommend selling LRAD Corp.

LRAD Corp. (LRAD) joined *The Bowser Report* in July 2013 at under \$2 per share. After recommendation, the company reached \$3.88 a share in September 2014.

Recently, the company has had some difficulties. In the most recent quarter, revenues dropped 57%, and the company posted a loss of \$64,000. Management attributes these results to order timing, but insider selling is also taking place (211,444 shares in June).

In addition, for the second time since we recommended the company, Iroquois Capital (a large shareholder of LRAD) issued a letter to management stating, "management and the board may not be acting with a proper sense of urgency in terms of capitalizing on

available opportunities to enhance shareholder value."

Because of the financials and management's ineffectiveness, we recommend selling LRAD.

CATEGORY CHANGES

InfoSonics (IFON) from Cat. 1 to Cat. 3 due to financials (see page 2). **Nevada Gold & Casinos (UWN)** Cat. 1 to Cat. 2 because of financials (see page 7).

Newtek Business Services (NEWT) acquired Premier Payments LLC for \$16.5 million (\$14 million in cash and \$2.5 million in newly issued restricted shares of NEWT).

Planet Payment (PLPM) is collaborating with Absa and CyberSource to implement Shop in Your Currency™ in South Africa. PLPM also announced the launch of Pay in Your Currency™ to CIMB Bank's merchants in Malaysia.

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 08/07/15 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)	\$3.71(7)	02/12 \$2.05(8)	NEWTEK BUSINESS SERVICES (CM:NEWT)	\$18.50(9)	08/12 \$8.50(8)
DLH HOLDINGS (CM:DLHC)	NOW \$2.57; SEE PAGE 4		*Price adjusted: 1-for-5 reverse split 10/14		
EVOLVING SYSTEMS (CM:EVOL)	NOW IN BOWSER DATABASE		RIVERVIEW BANCORP (GS:RVSB)	\$4.26(10)	06/13 \$2.30(9)
*Price adjusted: 1-for-3 reverse split 07/09			SIMULATIONS PLUS (CM:SLP)	\$6.22(9)	05/10 \$2.46(9)
GOLDEN ENTERPRISES (GM:GLDC)	\$4.05(9)	02/09 \$2.35(9)	TUCOWS INC. (CM:TCX)	NOW IN BOWSER DATABASE	
IEC ELECTRONICS (A:IEC)	NOW IN BOWSER DATABASE		*Price adjusted: 1-for-4 reverse split 12/13		
KEY TRONIC CORPORATION (GM:KTCC)	\$10.09(11)	11/08 \$1.57(10)	VERSAR INC. (A:VSR)	\$3.05(12)	10/11 \$2.76(10)
MANHATTAN BRIDGE CAPITAL (CM:LOAN)	\$3.88(9)	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)

CREATIVE LEARNING (QB:CLCN)	\$0.52(NR)	06/15 \$0.55(NR)	JOE'S JEANS (CM:JOEZ)	\$0.18(NR)	02/15 \$0.17(NR)
GSE SYSTEMS (A:GVP)	\$1.44(NR)	12/14 \$1.56(NR)	SMARTPROS INC (CM:SPRO)	\$2.01(NR)	11/14 \$1.85(NR)
INTELLIGENT SYSTEMS (A:INS)	\$2.86(NR)	12/14 \$1.69(NR)			

BRIEFS

ADDvantage Technologies (AEY) opened Tulsat-Arizona, a new subsidiary in Phoenix, AZ, that will primarily provide cable equipment repair services for customers in the region, and expand the company's equipment sales' reach in the Southwest. . . . **American Shared Hospital Services (AMS)** announced the Centers for Medicare and Medicaid Services proposed 2016 gamma knife and proton therapy reimbursement rate, which ranges from \$519, a 2.1% increase, for a simple treatment without compensation, to \$1,152, a 7.5% increase, for an intermediate or complex treatment. . . . **Direct Insite (DIRI)** was recognized by *CIO Review* magazine as one of 20 companies that are at the forefront of providing Corporate Finance Tech Solutions and impacting the marketplace. . . . **Flexible Solutions (FSI)** announced a decrease in 2Q 2015 revenues, which fell 9% year-over-year, from \$4.3 million to \$3.9 million. . . . **IEC Electronics (IEC)** sold its Southern California Braiding Company business to DCX-CHOL Enterprises for approximately \$2.5 million. . . . **Innovative Food Holdings (IVFH)** paid \$890,000 to acquire a 28,000 square-foot distribution

center in Broadview, IL that more than doubles the company's distribution capacity. . . . **Iteris Inc. (ITI)** received a \$2.1 million traffic signal synchronization contract from the Orange County (CA) Transportation Authority to upgrade traffic signal infrastructure and signal timing. The company also announced that the U.S. Patent and Trademark Office awarded five patents for key harvesting technologies that make up ClearAg™. . . . **Key Tronic (KTCC)** appointed Brett R. Larsen as executive vice president of administration, chief financial officer and treasurer. . . . **LightPath Technologies (LPTH)** reported preliminary 4Q 2015 results, which include revenue of \$4.3 to \$4.5 million and a 12-month backlog of \$6.5 million. . . . **Manhattan Bridge Capital** announced an \$0.08 per share cash dividend payable on October 15 to shareholders of record as of October 9. . . . **Noble Roman's (NROM)** secured a \$600,000 note with a July 1, 2017 maturity date. The company also issued a warrant that will expire on July 1, 2020 for the purchase of up to 300,000 shares of common stock at \$2.00 per share. Lastly, NROM hired Fred Ruehl as vice president of supermarket development, procurement and distribution; hired an additional franchise sales executive; and, entered into an arrangement with a national franchise broker to assist in acceleration of franchise and licensing sales. . . . **Nova Lifestyle (NVFY)** engaged a subsidiary of Everbright Securities and China Everbright as a financial advisor to explore strategic options and unlock significant value for current shareholders. NVFY also will launch modern lifestyle furniture products at the Summer 2015 Las Vegas Market trade show. . . . **Simulations Plus (SLP)** extended its current agreement with the the U.S. National Institute of Environmental Health Sciences (NIEHS) for an additional three-year term.

INSIDER TRANSACTIONS IN JULY

COMPANY	SHARES TRADED	# OF TRADES	PRICE RANGE
American Shared	A-400,000	1	\$0
	D-400,000	1	\$0
International Baler	B-8,400	3	\$1.73-1.75
LightPath Tech.	A-1,942	2	\$1.58
Manhattan Bridge	OE-7,000	1	\$1.21
Network-1 Tech.	S-10,000	1	\$2.17
Nevada Gold & Cas.	OE-20,000	1	\$1.25-1.57
Repro-Med Systems	B-40,600	2	\$0.31-0.35
Royal Bancshares	A-4,212	3	\$1.78
	D-200	1	\$0
Tucows Inc.	OE-7,500	1	\$8.92-15.51
	OE-9,375x	1	\$2.48

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
ASSOCIATED BANK
UP 4%

WARRANT REGISTER

Associated Bank joins film festival

Associated Banc-Corp. (ASB-WS) was named the Bank of the Milwaukee Film Festival. The company signed a multi-year agreement, through which it will assist in the promotion and programming of the festival throughout the year.

Blue Bird releases new bus

Blue Bird (BLDW) announced the gasoline-powered Type C Vision school bus, which was designed to make ownership more affordable and to provide easier maintenance.

The benefits of this latest model include:

- Lower upfront price
- Minimal emissions hardware to maintain
- Outstanding cold weather starting capability
- Familiarity of engine for mechanics
- Quiet and smooth operation
- 5 year/unlimited mileage warranty

"With an attractive upfront price, Blue Bird's new gasoline-powered Vision bus will provide a very affordable option to customers and keep the total cost of ownership as low as possible," said Phil Horlock, president and CEO of Blue Bird. "Maintenance and service of this proven and modern gasoline engine is simpler for technicians, while the bus is powerful and quiet to drive."

Dynegy announces share repurchase

Dynegy Inc. (DYN-WT) announced a \$250 million share repurchase program to return value to shareholders. The company hopes to conclude the repurchases in 2016 as shares will be purchased from time-to-time at management's discretion at prevailing market prices.

While this repurchase does not directly affect the warrants, the hope is that returning value to common stockholders will increase the value of the warrants as well.

FairPoint starts Vermont contract

FairPoint Communications (FRPZW) took over and began work on Vermont's enhanced 911 telephone system. The contract under which FRP is working is a five-year, \$11.2 million deal.

The Vermont Enhanced 9-1-1 Board likes FairPoint because the company has kept on budget, stuck to deadlines and is better at handling 911 requests that come through text message.

Nxt-ID wins multiple patents

Nxt-ID, Inc. (NXTDW) filed provisional patents for its behavioral-directed authentication method and system, its personalized tokenization system and method and its electronic crypto-currency management method and system.

Company	Market/Symbol	Principle Business	Stock Price 08/07/15	Warrant Price 08/07/15	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	19.72	2.91	1.00	19.77	11/21/18	4.0M	8
CALL TERMS: Not callable									
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	17.75	0.47	1.00	30.79	10/28/18	121.8M	10
CALL TERMS: Not callable									
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	5.77	1.57	1.00	11.00	05/09/17	8.0M	7
CALL TERMS: Not callable									
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	13.05	1.38	0.50	5.75	01/23/19	11.5M	NR
CALL TERMS: Not callable									
Citigroup 399 Park Ave., New York, NY 10043, Tel: 212/559-1000, www.citigroup.com	N:C-WTA	Investment banking	57.91	0.69	0.10	106.10	01/04/19	2.6M	8
CALL TERMS: Not callable; exercise price adj. for dividends above \$.01									
Dynegy, Inc. 601 Travis St., Ste. 1400, Houston, TX 77002, Tel: 713/507-6400, www.dynegy.com	N:DYN-WT	Electric energy/related services	22.72	1.60	1.00	40.00	10/02/17	15.6M	9
CALL TERMS: Not callable									
FairPoint Communications 521 E. Morehead St., Ste. 250, Charlotte, NC 28202, Tel: 704/344-8180, www.fairpoint.com	OTC:FRPZW	Communications in New England	17.62	0.05	1.00	48.81	01/24/18	3.6M	8
CALL TERMS: Not callable									
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	1.07	0.05	1.00	4.00	03/26/18	8.0M	7
CALL TERMS: 150% of strike price									
Nxt-ID, Inc. One Reservoir Corporate Centre, Ste. 402, Shelton, CT 06484, Tel: 203/242-3076, www.nxt-id.com	CM:NXTDW	Biometric solutions	1.15	0.69	1.00	3.00	01/13/19	1.4M	6
CALL TERMS: Not callable									
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	1.80	0.0145	1.00	5.75	05/04/16	6.8M	10
CALL TERMS: \$8.00 for 20 out of 30 days									
TCF Financial 200 Lake Street East, Wayzata, MN 55391, Tel: 952/745-2760, www.tcfbank.com	N:TCB-WT	Bank holding company	16.53	2.80	1.00	16.93	11/14/18	3.2M	8
CALL TERMS: Not callable									
xG Technology 240 South Pineapple Ave., Cte. 701, Sarasota, FL 34236, Tel: 941/953-9035, www.xgtechnology.com	CM:XGTIW	Wireless network communications	1.57	0.17	1.00	6.87	07/22/18	0.7M	8
CALL TERMS: \$13.75 for 20 consecutive days									

Beginner's Portfolio Up 215%

BOUGHT: None this month

SOLD: NEWT (10 Shares) @ \$18.70 less \$10 commissions = \$177

BOUGHT		08/07/15		SOLD		08/07/15		Proceeds	
Cost	08/07/15	Cost	08/07/15	Cost	08/07/15	Cost	08/07/15	From Sales	
AAME	280/Mar '12	371	AEY	248/May '13	224	RBPA	188/Nov '14	205	11,515
AMS	308/June '12	251	IVFH	134/Jan '14	106	DIRI	75/Dec '14	98	
ITI	162/Aug '12	188	MOC	209/May '14	169	NROM	216/Dec '14	177	177
†NEWT	187/Sep '12	185	DLHC	210/May '14	257	NTIP	235/Apr '15	213	11,692
WTT	189/Apr '13	186	DYSL	185/Aug '14	144	UWN	180/Jul '15	158	
SGRP	178/Apr '13	130	IFON	190/Oct '14	147	SLGD	122/Jul '15	98	
							3,307		
Original cost for all stocks: \$4,766			*50 Shares				Proceeds from Sales:	11,692	
			†10 Shares				Current Value of Portfolio:	14,999	

Gain: 14,999 minus 4,766 = 10,233

Percentage of gain: 10,233 divided by 4,766 x 100 = 214.7

Compound Annual Growth Rate: 8.58%

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

As you can see from the Market Overview on page 2, the past month was hard on small stocks (Russell 2000 -3.2%). And, the Beginner's Portfolio came away a little battered, down almost 2% in total value. Despite that, the Portfolio had a double: NEWT, which climbed to \$19.82 before sliding back to \$18.50. The stock doubled for us at \$18.70.

EARNINGS

	Quarter Ended	Current Sales	Same Period Last Year	Current Earnings	Same Period Last Year	Comments
Command Security (MOC)	06/30/15	\$33,661,061	\$37,610,628	\$328,152	\$691,077	(A)
CPS Technologies (CPSH)	06/27/15	\$5,635,889	\$5,134,662	\$113,832	(\$57,417)	
DLH Holdings (DLHC)	06/30/15	\$16,781,000	\$15,692,000	\$437,000	\$251,000	
Evolving Systems (EVOL)	06/30/15	\$6,071,000	\$7,939,000	\$780,000	\$1,676,000	(B)
Golden Enterprises (GLDC)	05/29/15	\$34,048,700	\$35,127,812	\$693,365	\$684,958	
IEC Electronics (IEC)	06/26/15	\$34,444,000	\$32,992,000	(\$4,017,000)	(\$60,000)	(B)
InfoSonics Corp. (IFON)	06/30/15	\$10,945,000	\$10,445,000	(\$678,000)	\$109,000	(C)
LRAD Corp. (LRAD)	06/30/15	\$3,506,000	\$8,004,000	(\$64,000)	\$1,943,000	(D)
Manhattan Bridge Capital (LOAN)	06/30/15	\$911,954	\$630,082	\$530,439	\$420,976	
Nevada Gold & Casinos (UWN)	04/30/15	\$14,309,932	\$14,093,561	\$588,872	\$646,089	
Newtek Business Services (NEWT)	06/30/15	\$5,606,000	\$38,128,000	\$4,876,000	\$1,378,000	(E)
Planet Payment (PLPM)	06/30/15	\$12,683,359	\$11,884,605	\$1,875,328	\$1,509,414	
Repro-Med Systems (REPR)	05/31/15	\$2,630,545	\$2,637,021	(\$64,640)	\$158,056	
Riverview Bancorp (RVSB)	06/30/15	\$10,110,000	\$9,076,000	\$1,595,000	\$740,000	
Royal Bancshares of PA (RBPA)	06/30/15	\$8,354,000	\$8,025,000	\$1,612,000	\$1,447,000	
Sono-Tek Corp. (SOTK)	05/31/15	\$2,882,897	\$2,420,699	\$154,022	\$66,642	
Tucows Inc. (TCX)	06/30/15	\$42,889,220	\$35,588,001	\$2,284,995	\$1,347,182	(B)
Where Food Comes From (WFCF)	06/30/15	\$2,479,128	\$1,978,493	\$122,152	\$51,933	(F)

(A) The decrease in MOC's revenues was primarily due to the loss of the Western region services contract with a major transportation company and a decline in healthcare-related security services, partly offset by increases in aviation and construction related security services.

(B) EVOL, IEC and TCX are now in The Bowser Database (dropped 25%).

(C) See Page 2 for more on IFON's quarterly report.

(D) See LRAD's Sell Recommendation on Page 4.

(E) NEWT now reports investment income versus revenues and net increase in net assets versus net income.

(F) "In addition to demand for source verification from the USDA's Animal Disease Traceability Program, WFCF is seeing interest in non-GMO, organic and sustainable production practices. Involvement with the pilot project for sustainable beef in Canada continues to deepen and McDonald's leadership is an indicator of a much larger movement in North America," stated CEO John Saunders.

NOTES BY THE EDITOR

Winston Churchill once said, "To improve is to change." My goal is to constantly improve our newsletter. Nowadays, information (especially financial information) moves a lot faster. And, there is much more of it.



That said, a monthly newsletter can fall behind pretty easily. To address this, **we are going to launch a weekly update that follows all of our current Companies of the Month.**

The update will only be available online because of cost restrictions. However, we want everyone to have

FIVE BOWSER STOCKS UP AND DOWN

NOVA LIFESTYLE	UP	28%	FLEXIBLE SOL	DOWN	49%
NETWORK-1 TECH	UP	16%	INFOSONICS	DOWN	46%
PLANET PAYMENT	UP	15%	ENSERVCO	DOWN	31%
ITERIS	UP	5%	REPRO-MED	DOWN	27%
SONO-TEK	UP	3%	GOLDFIELD	DOWN	19%

the same opportunity to receive this information. So, current print subscribers can switch to the online version and receive an extra month OR opt to receive both versions for free (no extra month).

This offer will last until October 1, 2015. To take advantage, please either mail us a letter that includes your request/email address, send us an email with the same information or give us a call.

It is important to understand two things about this new offering:

1. *No recommendations* (buy or sell) will be made; and
2. *This will not change the information presented in the monthly newlsetter* in any way.

The first weekly update will go out via email on August 23. The first month will be a trial period. If we get a good response, we will continue to publish the weekly updates. For questions, contact us please!