



Beyond the Bowser Game Plan

Additional considerations when investing in small stocks

The majority of those who invest in penny stocks don't know what they're doing. Most will tend to buy one or two securities based off hearsay, hoping to have picked the next Microsoft or Amazon. Even those who subscribe to *The Bowser Report* can get overconfident and invest in a small number of stocks with the hope that each one will achieve rapid growth.

It's easy to anticipate high risk and high reward when investing in low-priced stocks. However, the Bowser Game Plan mitigates some of that risk by helping its followers remain disciplined. For more on the Game Plan, check out the May 2016 newsletter and the bottom of page two.

To get the most out of your small stock portfolio, there are many different considerations that you must take into account in order to avoid painful losses and achieve maximum gains. By combining Bowser Companies of the Month, the Bowser Game Plan and the additional factors presented in this article, you can grow your small account more quickly than before.

CUTTING COSTS

Last month, we outlined the thought process each investor should go through prior to funding a brokerage account. The cheapest broker was clearly Robinhood, with no fees or commissions. This is ideal for most investors, but Robinhood does limit the penny stocks you can trade so this may hinder Bowser investors. We also looked at E-Trade, TD Ameritrade and Scottrade, which were all viable options with relatively low fees and commissions. By carefully selecting your brokerage, you can avoid the common obstacle of overwhelming portfolio management fees.

Mutual funds and exchange-traded funds typically have multiple fees. While they should not be included in your Bowser portfolio, it's worth knowing the increased costs of these investment options. For the purposes of our newsletter, stick to Company of the Month recommendations.

HELPFUL TIP #1: To better understand the individual fees you may be subject to, make sure to call your current brokerage to research any potential fees that you might not be aware of.

MANAGING RISK

Risk management is difficult when investing in low-priced stocks due to the high volatility and lack of financial stability from the average microcap company. The simplest way to manage risk is to diversify your portfolio, which in terms of the Bowser Game Plan means purchasing 12 to 18 Companies of the Month.

HELPFUL TIP #2: To ensure that you are staying well-diversified, purchase each new recommendation and stick to the Bowser Game Plan for when to sell.

If you have a smaller portfolio value and you are being charged commission, you are limited as to how many positions you can take. One way to stay diversified with a smaller number of holdings is to not buy different stocks in the same industry. Check the companies' principal businesses to get an idea of their industries, or email me at faris@thebowserreport.com with any questions.

If your commissions are too high, you can cut down the total number of stocks in your portfolio, but that involves more inherent risk, which we are trying to avoid. Limiting your number of holdings is a last resort, and if you must do so, select only stocks that have promising industry outlooks, consistent channels of revenue and high liquidity. This will limit any type of sudden exposure to risk.

STAYING DISCIPLINED

Maintaining discipline when investing in low-priced stocks is easier said than done. Although we only pick the best long-term stocks, it's better not to marry one or two stocks in particular because it could result in risky portfolio weighting. Favoring any particular stock means that emotion is playing a role in your investing, and letting emotion play a part in portfolio management can hinder growth.

Make sure that you stick to the Game Plan in order to remove emotion and remain disciplined. The more you trust your investments and strategy, the less you'll let emotions dictate your investment decisions.

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UNDERSTANDING TAXES

The following explanation of taxes is based on the United States Tax Code. If you reside in another country, taxes you pay will likely differ.

In order to make investing a source of income or to build up a smaller account, it's vital to understand the taxes associated with gains and losses. Capital gains taxes are a big obstacle. All of your capital gains on investments will be taxed at a minimum rate of 10% and depending on your income tax bracket, you can pay up to just under 40% of your gains. The lowest tax bracket has a range of up to \$9,275. If you have a smaller account and your gains are below that limit, you will be taxed 10% on your gains.

Although *The Bowser Report* focuses on long-term investments, some of our stock recommendations have been delivering 100% gains quickly, so these taxes will apply to you if you sold in accordance with the Game Plan.

HELPFUL TIP #3: To build your account without the hassle of constant taxes, invest in stocks through your retirement plan. A 401(k), 403(b), Roth IRA and traditional IRA will not require you to pay taxes on capital gains up front.

BEING REALISTIC

Taxes bring many investors to reality, and while it is good to be realistic, it's also important to understand the potential that you have to grow your account. Bowser stocks have been showing considerable strength lately and have been outperforming the markets. Assuming a 20% annual gain, which is modest considering *The Bowser Report's* track record, you could build a \$5,000 account very quickly.

A 20% compounded gain over ten years on a

Network-1 settles litigations

Network-1 Technologies (NTIP), through its wholly-owned subsidiary, Mirror World Technologies, agreed to settle its patent litigation against Apple, Inc. Network-1 will receive \$25 million from Apple for the settlement and a fully paid-up license.

NTIP also agreed to settle its patent litigation against Sony and affiliated entities pending the US District Court for the Eastern District of Texas, Tyler Division, for the infringement of Network-1's Remote Power Patent.

Market Overview

BWSR AVG
↑ 5.7%

DJIA
↑ 1.9%

S&P 500
↑ 1.5%

RUS 2000
↑ 1.1%

NASDAQ
↑ 0.2%

Stocks realized a huge bounce following Brexit and unemployment fears within the United States. The Bowser average significantly outperformed with **Cemtrex, Inc. (CETX)**, **Iteris, Inc. (ITI)**, **MeetMe, Inc. (MEET)** and **Repro-Med Systems, Inc. (REPR)** all gaining over 40% in the past month. MEET was the largest gainer, soaring over \$6 following an acquisition announcement.

\$5,000 portfolio, assuming reinvestment without any further contribution, results in a total value of \$36,341. Although capital gains taxes would hamper some of that gain, it is still great growth within a relatively short time period.

If you use your knowledge of taxes to your advantage and you reinvest your money opposed to withdrawing it, then you can easily build up a small account.

CONCLUSION

Building a small account can be challenging. Without proper knowledge of potential costs and risk management, it's difficult to have consistent growth. If you stick to the Bowser Game Plan and keep a realistic mindset, typical obstacles for long-term investors can be avoided.

Taxes are a reality, but by investing through a retirement account, you can limit your immediate exposure. Individual portfolio management strategies will vary due to the many factors that impact your costs, but subscribers have been building their small accounts for decades by following our recommendations closely; keeping up-to-date with the information featured in our newsletters; and, understanding what factors affect their investments and how to mitigate or account for them.

Command Security wins contract

Command Security (MOC) announced its successful teaming in the award of a 10-year contract with a ceiling of \$3.3 billion with the DHS Transportation Security Administration.

Under the contract, MOC and its two associates, VMD Systems and AECOM, will be eligible to receive passenger and baggage screening contracts at any of the more than 435 airports that are chosen or elect to utilize private screening companies.

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

LRAD Corporation (LRAD), a former Company of the Month, designs and develops directed acoustic products that beam, focus, and control sound over different distances. Its products are directly sold to government, military, end-users and defense-related companies worldwide. The company was founded in 1980 and is headquartered in San Diego, CA.

Because of poor financials and a lack of large shareholder confidence in management, we recommended selling LRAD in August 2015. However, due to the reasons outlined below, we feel that the company is once again a viable investment option.

STRONG FINANCIALS

LRAD Corp. has popped up on our radar once again due to recent contract momentum. The company's financials have stabilized since we recommended selling LRAD.

The company's working capital is impressive for its size. If you glance at the table of financial figures, you can see the lack of an earnings trend over the past few years. However, what is not shown is LRAD's impressive current assets-to-liabilities ratio of 17.2. To put this figure into perspective, a good microcap company usually has a current ratio of 2.0.

The majority of its current assets are cash and cash equivalents of \$18,316,000. Investors may argue a lack of asset utilization, but cash has decreased by 23% over the past year while asset efficiency has increased, showing that LRAD is becoming more efficient.

The company, while growing rapidly, has avoided any long-term debt, eliminating long-term financial risk.

Although revenue was somewhat lacking in 2015, net income has increased from \$1,263,000 to \$9,688,000 over the past three years. With a profit margin of 54%, it's looking promising that the company will continue to deliver strong financials.

Half of LRAD Corp.'s float is held by institutional investors. This is a good sign for a microcap stock as it is more common to see insider ownership and not much institutional ownership. This allows for more insider buys and reassures investors of a bullish sentiment.

ADDING VALUE

Funds and institutions have taken such a liking to LRAD because of its ability to consistently increase shareholder value. Book value is trending upward on a fiscal year-to-year basis.

Investors were getting hasty since the company had not issued any major share buybacks in the past few years, but we don't see this as an issue because of the

company's increasing overall value and outperformance of the markets.

Also, to add shareholder value, on December 3, 2015, LRAD declared a \$0.01 dividend. The payout ratio is currently 8.34%, which is generous for a company of any size. The most recent dividend was paid out on June 30, 2016, marking the third consecutive quarterly dividend.

OUTSTANDING CATALYSTS

LRAD Corp. is known for its penetration of the mass notifications systems market and has a proprietary product. Out of the five larger companies that compete in this market, none of them have the clear voice systems of LRAD. Recent world events have increased demand for these systems and other systems don't allow for specifications pertaining to current issues.

To further back the quality of LRAD's technology, the company's LRAD RXL was recognized as the "Best

Acoustic Hailing Service" by the Government Security News. Additionally, the LRAD DS-60 was named as a finalist in the "Best Mass Notification System" category.

Lately, LRAD has been criticized for not landing a major government contract. However, the company

has consistently been awarded smaller contracts, including two in June: a \$714,000 award from the Southeast Asian Navy and a \$607,000 award from the Public Safety and Corrections Orders from Asia and Latin America. With these smaller contracts, LRAD has proven demand for its offerings.

OUTLOOK AND CONCLUSION

In the past, institutional investors were not pleased with LRAD. One beneficial owner, AWM Investment Company, sold \$760,000 of its position in November 2015. With orders regaining momentum, we believe the company is once again appealing to larger investors.

LRAD Corporation has a solid financial foundation and has been increasing shareholder value consistently. Contract momentum is heating up again and the stock should soar if a large government contract comes into play. It seems that impatient institutional investors have already decreased their positions and these sales are currently priced into the stock.

There is plenty of room for more catalysts to come into play with little risk at the current price level. With proprietary technology, recent market penetration, and the proper resources in place, LRAD is in a very good position for growth.

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	2014	2015	2016 (A)
REVENUES	\$24,591,000	\$16,784,000	\$6,424,000
INCOME(LOSS)	\$3,327,000	\$9,688,000	(\$1,045,000)
WORKING CAPITAL	\$27,680,000	\$25,602,000	\$22,477,000
BOOK VALUE	\$0.86	\$1.13	\$1.08
TOTAL SHARES	33,440,000	33,570,000	32,146,928
FLOAT	N/A	N/A	24,180,000
(A) SIX MONTHS ENDED 03/31/16			

MINIPRICED STOCKS IN BUYING RANGE

SYMBOLS: (A) NYSE MKT; (CM) NASDAQ CAPITAL MARKET, WAS THE SMALL CAP MARKET; (GM) NASDAQ GLOBAL MARKET, WAS NATIONAL MARKET; (N) NEW YORK STOCK EXCHANGE; (NR) NOT RATED; (QB) OTC QB MARKET; (QX) OTC QX MARKET; # PREVIOUSLY APPEARED ON LIST, BUT WAS REMOVED BECAUSE IT HAD RISEN ABOVE \$3.00/SHARE; FIGURES IN PARENTHESIS ARE LOSSES.

Date of Recommend & Market	Issue/Trading Symbol	Principal Business	Price 07/08/16	Long-term Debt (Millions)	Sales Updated Quarterly (Millions)	Income/Loss Updated Quarterly (Millions)	Shares Outstanding (Millions)	Bowser Rating
CATEGORY ONE: BEST COMPANIES (RATED 10+)								
07/13(CM)	LIGHTPATH TECH (LPTH)	OPTICAL COMPONENTS	1.65	\$0.214	\$17.0	\$0.716	15.5	11
03/15(A)	NETWORK-1 TECH. (NTIP)	INTELLECTUAL PROPERTY	2.82	\$0.000	\$16.6	\$4.107	23.3	10
11/15(QX)	OURPET'S COMPANY (OPCO)	PET SUPPLIES	0.87	\$3.998	\$24.4	\$1.390	17.6	10
04/15(QB)	SCOTT'S LIQUID GOLD (SLGD)	HOUSEHOLD AND BEAUTY PRODUCTS	1.39	\$0.000	\$29.2	\$4.780	11.7	10
02/16(QX)	SMITH-MIDLAND CORP. (SMID)	PRECAST CONCRETE PRODUCTS	2.54	\$2.391	\$33.1	\$1.479	4.9	10
06/16(A)	SUNWORKS, INC. (SUNW)	SOLAR ENERGY SYSTEMS	2.36	\$0.209	\$67.2	\$2.081	20.9	10
# 10/12(QB)	WHERE FOOD CMS FROM (WFCF)	FOOD VERIFICATION SERVICES	2.64	\$0.006	\$10.8	\$0.616	23.8	10
CATEGORY TWO: GOOD COMPANIES (RATED 8-9)								
# 05/14(CM)	CPS TECHNOLOGIES (CP SH)	ADVANCED MATERIAL SOLUTIONS	1.61	\$0.000	\$21.7	\$0.574	13.2	9
08/13(QB)	DIRECT INSITE CORP. (DIRI)	E-INVOICING SOLUTIONS	0.62	\$0.000	\$7.7	\$0.599	13.0	9
06/14(A)	DYNASIL CORP. (DYSL)	OPTICAL COMPONENTS	1.45	\$1.080	\$43.5	\$0.473	16.8	9
# 06/08(A)	FLEXIBLE SOLUTIONS (FSI)	SPECIALTY CHEMICALS	1.55	\$0.503	\$16.3	\$1.743	11.4	9
04/16(A)	GIGPEAK, INC. (GIG)	SEMICONDUCTOR AND SOFTWARE SOLUTIONS	1.99	\$0.000	\$40.4	\$1.249	54.3	9
# 06/12(A)	GOLDFIELD CORP. (GV)	NOW ABOVE \$3; SEE PAGE 5 (FOLLOW-THROUGH)						
# 12/15(A)	INFUSYSTEM HOLDINGS (INFU)	MEDICAL INFUSION PUMPS	2.86	\$32.433	\$68.7	\$4.653	22.6	8
12/14(QB)	INT'L BALER CORP. (IBAL)	BALING EQUIPMENT	2.10	\$0.000	\$18.5	\$0.901	5.2	9
07/16(CM)	LRAD CORP (LRAD)	ACOUSTIC SYSTEMS	1.85	\$0.000	\$14.3	\$7.847	31.8	8
01/15(N)	NEVADA GOLD & CASINOS (UWN)	GAMING OPERATIONS	1.83	\$18.594	\$66.7	\$2.131	17.8	9
11/14(QB)	NOBLE ROMAN'S (NROM)	PIZZA FRANCHISES AND LICENSES	0.57	\$0.000	\$7.7	\$0.788	20.8	9
02/15(GM)	NOVA LIFESTYLE INC. (NVFY)	FURNITURE MANUFACTURING/SALES	0.48	\$5.975	\$113.9	\$0.673	24.3	9
# 10/14(GM)	ROYAL BANCSHARES (RBPAA)	BANK HOLDING COMPANY	2.30	\$0.000	\$28.9	\$11.591	30.1	8
07/10(QB)	REPRO MED SYSTEMS (REPR)	DESIGN/PRODUCTION OF MED PRODUCTS	0.45	\$0.000	\$12.6	\$0.614	38.0	8
08/14(QB)	SONO-TEK CORP. (SOTK)	ULTRASONIC NOZZLES	0.90	\$1.176	\$11.8	\$0.548	15.0	8
CATEGORY THREE: SPECULATIVE COMPANIES (RATED 7 AND BELOW AND/OR NON-PROFITABLE)								
# 03/13(GM)	ADVANTAGE TECH (AEY)	CABLE TV EQUIPMENT	1.81	\$3.917	\$40.4	\$1.018	10.1	7
03/16(CM)	BROADWAY FINANCIAL (BYFC)	BANK HOLDING COMPANY	1.86	\$0.000	\$15.9	\$8.407	21.4	NR
05/16(CM)	CEMTREX, INC. (CETX)	NOW ABOVE \$3; SEE PAGE 5 (FOLLOW-THROUGH)						
03/14(A)	COMMAND SECURITY (MOC)	NOW ABOVE \$3; SEE PAGE 5 (FOLLOW-THROUGH)						
07/14(QB)	FITLIFE BRANDS (FTLF)	NUTRITIONAL SUPPLEMENTS	1.40	\$0.780	\$22.0	(\$0.310)	10.4	8
# 09/14(CM)	INFOSONICS CORP. (IFON)	MOBILE DEVICES PROVIDER	0.76	\$0.000	\$42.7	(\$2.678)	14.4	9
# 12/06(A)	ITERIS (ITI)	NOW ABOVE \$3; SEE PAGE 5 (FOLLOW-THROUGH)						
04/13(CM)	SPAR GROUP (SGRP)	MERCHANDISING AND MARKETING	0.99	\$4.027	\$116.6	\$0.827	20.6	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.

CATEGORY CHANGES

This month, we only had a handful of earnings announcements to report. However, a couple of category changes resulted:

- **Iteris (ITI)** saw its Bowser Rating fall from 10 to 8 as its earnings slid slightly year-over-year. As a result of this new rating, ITI is dropping from Category 1 to Category 2.
- **Scott's Liquid Gold (SLGD)** improved its Bowser Rating from 8 to 10 with its most recent earnings report. As a result, the company climbed from Category 2 to Category 1.

MeetMe to acquire Skout

MeetMe (MEET) announced the acquisition of Skout, a leading global mobile network for meeting people with annual revenues of \$23.8 million in 2015. MEET

will purchase the company for \$28.5 million in cash and approximately 5.37 million common shares.

The acquisition is expected to provide greater scale for monetization and increased profitability for the combined company.

Scott's Liquid Gold makes acquisition

Scott's Liquid Gold (SLGD) announced an acquisition of the Prell®, Denorex® and Zincon® brands of hair and scalp care products from Ultimark Products for approximately \$9.1 million, subject to adjustment.

"We are excited about our acquisition of these brands. They will be great additions to SLGD's existing health and beauty care portfolio of products," said Mark Goldstein, chairman, president and CEO of Scott's Liquid Gold. "This investment represents an important strategic opportunity."

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 **07/08/16** 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)	\$4.10(9)	02/12 \$2.05(8)	ITERIS (A:ITI)	\$3.40(7)	12/06 \$2.21(8)
CEMTREX, INC. (CM:CETX)	\$3.89(NR)	05/16 \$1.96(8)	MANHATTAN BRIDGE CAPITAL (CM:LOAN)	\$5.37(9)	02/10 \$1.10(9)
COMMAND SECURITY (A:MOC)	\$3.14(NR)	03/14 \$1.92(11)	MEETME INC. (CM:MEET)	\$5.84(10)	10/15 \$1.62(10)
DLH HOLDINGS (CM:DLHC)	\$5.24(10)	01/14 \$1.53(9)	PLANET PAYMENT (CM:PLPM)	\$4.04(10)	07/15 \$2.42(10)
ELECTROMED (A:ELMD)	\$4.07(10)	09/15 \$1.64(10)	RIVERVIEW BANCORP (GS:RVSB)	\$4.87(8)	06/13 \$2.30(9)
GOLDEN ENTERPRISES (GM:GLDC)	\$7.26(10)	02/09 \$2.35(9)	SIMULATIONS PLUS (CM:SLP)	\$7.71(10)	05/10 \$2.46(9)
GOLDFIELD CORP. (A:GV)	\$3.55(9)	06/12 \$1.58(8)	VIRCO MANUFACTURING (GM:VIRC)	\$4.67(9)	06/15 \$2.51(11)

THE FOLLOWING WE SAID SHOULD BE SOLD

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

AMERICAN SHARED HOSPITAL SERVICES (A:AMS)	\$2.17	12/15 \$1.62(NR)	FEMALE HEALTH COMPANY (CM:FHCO)	\$1.27	04/16 \$1.27(11)
CREATIVE LEARNING (QB:CLCN)	NOW IN BOWSER DATABASE		INNOVATIVE FOOD HOLDINGS (QB:IVFH)	\$0.40	11/15 \$0.70(NR)
ENERJEX RESOURCES (A:ENRJ)	\$0.27	09/15 \$0.51(NR)	WIRELESS TELECOM GROUP (A:WTT)	\$1.42	12/15 \$1.53(NR)
ENSERVCO (A:ENSV)	\$0.64	11/15 \$0.62(NR)			

BRIEFS

Cemtrex (CETX) announced that India's willingness to ratify the Paris Climate Accord further strengthens its prospects of opening up worldwide markets for VAMOX Greenhouse gas reduction technology. CETX also announced a share repurchase of up to one million shares over the next year. . . . **DLH Holdings (DLHC)** ranked third among the Top Five Veterans Affairs Budget Accounts in the Health Services Spending category. . . . **FitLife Brands (FTLF)** announced that the company had an extremely productive and successful outcome at the GNC Annual Global Franchise Convention. . . . **GigPeak (GIG)** joined the Russell 3000 Index. GIG also announced and closed a public offering of 11.3 million shares at \$2 per share. Certain insiders also offered up to 1,180,357

shares of common stock. . . . **Goldfield (GV)** reallocated responsibilities for its electrical construction operations to better continue the strong growth its had in recent years. . . . **Iteris (ITI)** launched ClearAg Insights, a new service that delivers targeted-purpose mobile apps to growers, agronomists and other agribusiness field staff members. . . . **LightPath Technologies (LPTH)** won a \$200,000 sub-award from the National Science Foundation for Phase II Small Business Innovation Research titled "Carbide bonded graphene coating for enhanced glass molding." . . . **MeetMe (MEET)** appointed current board member Spencer Rhodes as the sole non-executive chairman of the board. . . . **Noble Roman's (NRDM)** opened its first non-traditional franchise restaurant inside a Wal-Mart in Myrtle Beach, SC. . . . **Nova LifeStyle (NVFY)** announced key achievements in furthering

INSIDER TRANSACTIONS IN MARCH

COMPANY	SHARES TRADED	# OF TRADES	PRICE RANGE
Direct Insite	A - 11,295	3	\$0.00
Flexible Solutions	S - 20,000	1	\$1.40
FitLife Brands	A - 5,814	2	\$0.00
	S - 7,500	2	\$1.80
GigPeak	S - 679,600	9	\$2.00
	S - 30,000x	1	\$2.00
Goldfield	B - 40,000	1	\$1.45
International Baler	B - 11,901	6	\$2.00-\$2.05
MeetMe	S - 310,000	5	\$3.70-\$4.85
	OE - 75,000	1	\$1.00
Noble Roman's	B - 20,000	1	\$0.45
	S - 33,261	1	\$0.51
Nova Lifestyle	B - 20,000	1	\$2.00
Planet Payment	A - 59,260	4	\$0.00-\$4.05
	A - 14,815x	1	\$0.00
Repro-Med Systems	B - 85,384x	1	\$0.43
	A - 10,400	1	\$0.00
Riverview Bancorp	B - 14,328	2	\$4.65
Simulations Plus	OE - \$11,600	1	\$1.67
Virco Mfg.	D - 21,383	9	\$3.98-\$4.15
	A - 87,284	5	\$3.90

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

the company's export business in Dubai and Australia. . . . **OurPet's Company (OPCO)** announced the general licensing of U.S. Patent number 8,973,529, B1 to qualified companies. The technology relates to the application of a polymer material to the bottom of stainless steel pet bowls to minimize sliding and noise while pets are feeding. . . . **Planet Payment (PLPM)** joined the Russell 2000 Index. . . . **Riverview Bancorp (RVSB)** declared a quarterly dividend of \$0.02 per share payable on July 25 to shareholders of record as of July 12. . . . **Simulations Plus (SLP)** released preliminary revenues for 3Q of \$5.96 million compared to \$5.94 million for the same period in 2015. . . . **Smith-Midland's (SMID)** Easi-Span Building subsidiary became a spray aerator for the residents of Carpentersville, IL. . . . **SPAR Group (SGRP)** announced the resignation of Jill M. Blanchard, the company's CEO, to pursue other interests effective August 1, 2016. The company also appointed Steve Adolph as president of its international division.

BUCKAROOS SPEAK

DON'T FORGET ABOUT SCOTT'S LIQUID GOLD

In reading the June edition of The Bowser Report, I noticed that **Scott's Liquid Gold's (SLGD)** latest earnings report did not appear in the Earnings table on page 7, and its Bowser Rating remained at 8 in the stock tables on page 4.

--Matthew Kerr, Dayton, OH

Matthew is absolutely right. SLGD does not issue press releases for its quarterly earnings like most companies do, and we overlooked the most recent 10-Q SEC Filing when compiling the June 2016 newsletter.

To rectify this, we have included the earnings information in this month's newsletter and changed the company's Bowser Rating and category to reflect its improved quarter.

Thanks to Matthew for catching our error.

UNDERSTANDING VARIOUS ORDER TYPES

I understand a limit order to mean buying/selling at the price you indicate. Am I misunderstanding the meaning of "limit order"? How would I apply this to the Bowser Game Plan?

--Clark Gottschalk, Tampa, FL

Clark asks a great question and one that we'll likely address in more detail in a coming newsletter.

For the short explanation, Clark is right that a limit order indicates the price at which you would like to buy or sell a stock. To apply this to the Bowser Game Plan, after you buy a Bowser company, place a limit order for half of your shares at double the price you paid.

Say you bought 100 shares of Company XYZ at \$1 per share. Place a sell limit order for 50 shares at \$2 per share to fulfill the first part of the Selling Plan.

the Bowser Report's

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WARRANT REGISTER

THIS MONTH'S
BIGGEST GAINER
NXT-ID, INC.
UP **18%**

WARRANT BRIEFS

Associated Banc-Corp (ASB-WS) announced that Gale E. Klappa has been appointed to its board of directors. . . . **Bank of America (BAC-WTB)** appointed Michael D. White, the recently retired chairman, president and CEO of DIRECTV, as a director. . . . **Cellectar Biosciences, Inc. (CLRBW)** announced the results of a preliminary tumor-targeting study that showed its prototype paclitaxel chemotherapeutic conjugate may be up to 30 times more tumor

selective in comparison to free paclitaxel. CLRBW also announced the results of the first phase of a study of a radiotherapeutic isotope, which may be uniquely suited to treat micro-metastatic disease. . . . **NXT-ID, Inc. (NXTDW)** received a \$1.2 million dollar payment from WorldVentures as part of a total of \$2.5 million for the first production run of the DreamTrips SmartCards. . . . **xG Technology, Inc. (XGTIW)** announced a 1-for-12 reverse split of its common stock, which became effective as of the close of business on Monday, June 20, 2016.

Company	Market/Symbol	Principle Business	Stock Price 07/08/16	Warrant Price 07/08/16	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	17.11	1.60	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	13.17	0.08	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	3.26	0.43	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	11.95	1.00	0.50	5.75	01/23/19	11.5M	NR
CALL TERMS: Not callable									
Cellectar Biosciences 3301 Agriculture Dr., Madison, WI 53716, Tel: 608/441-8120, www.cellectar.com	CM:CLRBW	Biopharmaceuticals	3.31	0.29	0.10	46.80	08/20/19	0.4M	6
CALL TERMS: Not callable									
Citigroup 399 Park Ave., New York, NY 10043, Tel: 212/559-1000, www.citigroup.com	N:C-WTA	Investment banking	41.98	0.06	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	17.12	0.37	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	15.21	0.012	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	0.68	0.011	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	0.39	0.20	1.00	3.00	01/13/19	1.4M	6
CALL TERMS: Not callable									
TCF Financial 200 Lake Street East, Wayzata, MN 55391, Tel: 952/745-2760, www.tcfbank.com	N:TCB-WT	Bank holding company	12.44	1.23	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	1.00	1.06	1.00	82.44	07/22/18	0.1M	8
CALL TERMS: \$13.75 for 20 consecutive days									

Beginner's Portfolio Up 234%

BOUGHT: SUNW @ \$2.36/share plus \$10 commissions = \$482.

SOLD: ELMD (50 shares) @ \$3.90/share less \$10 commissions = \$185

ITI (50 shares) @ \$3.24/share less \$10 commissions = \$152

MEET (50 shares) @ \$5.44/share less \$10 commissions = \$262

Cost		07/08/16	Cost		07/08/16	Cost		07/08/16	Proceeds
AAME	280/Mar '12	410	RBPA	188/Nov '14	230	OPCO+	196/Dec '15	174	From Sales 10,110 185 152 262 (482)
ITI*	162/Aug '12	170	DIRI	75/Dec '14	62	INFU+	608/Jan '16	572	
SGRP	178/Apr '13	99	NTIP	235/Apr '15	282	PLPM+	590/Jan '16	808	
AEY	248/May '13	181	UWN	180/Jul '15	183	SMID+	540/Mar '16	508	
MOC	209/May '14	314	SLGD	122/Jul '15	139	BYFC+	398/Apr '16	372	
DYSL	185/Aug '14	145	MEET	272/Nov '15	584	SUNW+	482/Jul '16	472	
							Current Holdings Value:	5,705	10,227
Original cost for all stocks: \$4,766							*Half of original holdings	Proceeds from Sales:	10,227
							†Bought 200 Shares	Total Value of Portfolio:	15,932

Gain: 15,932 minus 4,766 = 11,166

Percentage of gain: 11,166 divided by 4,766 x 100 = 234.3

Compound Annual Growth Rate: 8.48%

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

Lots of activity this month as we had two doubles (ITI and MEET) and one previous double drop 25% from its recent high (ELMD).

EARNINGS

	Quarter Ended	Current Sales	Same Period Last Year	Current Earnings	Same Period Last Year	Comments
Command Security (MOC)	03/31/16	\$31,449,329	\$32,684,328	(\$1,355,119)	\$161	(A)
Iteris, Inc. (ITI)	03/31/16	\$19,796,000	\$18,045,000	(\$1,292,000)	(\$766,000)	(B)
Repro-Med Systems (REPR)	05/31/16	\$2,990,166	\$2,630,545	(\$233,314)	(\$64,640)	(C)
Scott's Liquid Gold (SLGD)	03/31/16	\$7,855,900	\$6,948,200	\$756,500	\$683,600	(D)
Virco Manufacturing (VIRC)	04/30/16	\$20,827,000	\$23,048,000	(\$3,138,000)	(\$3,178,000)	(E)

(A) "Needless to say, this has been a challenging year for the company," stated Craig P. Coy, MOC's CEO.

"While challenges certainly remain, given the new business contracts for which we have recently begun work and the opportunities the company sees ahead, management believes MOC is well positioned for strong revenue growth and increased operating income in fiscal year 2017."

(B) Joe Bergera, president and CEO of ITI: "ITI is pleased to report record revenue and backlog for the fiscal fourth quarter and year end due to continued growth in the transportation segments, as well as the beginning of revenue contribution from the digital agriculture platform, ClearAg."

\$9.1 million of ITI's annual loss of \$12.3 million was a result of income expense. The company reported a \$3.5 million operating loss due to a 13% increase in operating expenses.

(C) REPR's net loss grew due to a sharp increase in operating expenses, which went up \$709,691 year-over-year, or 44%.

(D) See Page 6 (Buckaroos Speak) for more on SLGD's earnings announcement.

(E) "One of the essential challenges in our industry is seasonality. Because most of our shipments can only be received when schools are out of session, summer is our busiest shipping season," explained VIRC's chairman and CEO, Robert Virtue. "As schools across the country have shifted to progressively earlier start dates--now August as compared to post-Labor Day a decade ago--our window for deliveries has narrowed. This narrowing has occurred at both ends of summer. For this reason, when we see good strength on incoming orders--even if that strength is offset by a slow start to actual shipments--we gain confidence for the overall trend. At this time of year, the scale of our backlog is significantly bigger than actual shipments. So, by combining these two numbers, we sample a bigger data set and get a more accurate picture of demand. Given the moderate increase in this year's figure, we're cautiously optimistic that summer results will continue to show improvement."

NOTES BY THE EDITOR

This has been a great month for Bowser stocks. Even though there has been unusual market movement, some of our recommendations saw huge gains. Bowser companies averaged a 5.7% gain for the past month with a 50/50 split between gainers and losers. This is very uncommon and it shows that some stocks are performing far better.

Although the daily alerts are detailed and informative, some stocks make large moves on a monthly basis without getting a single alert. This is mainly because of gradual gaining stocks like **Iteris, Inc.**



(ITI) and MeetMe, Inc. (MEET) that are just recently starting to pick up significant price momentum.

The catalysts for many of this month's gainers were mainly earnings releases, acquisitions and contract awards. It's important to note that our recommendations perform well opposed to just surviving the current market state. By picking companies that are fundamentally sound with multiple potential catalysts, it is evident that these gains will remain present on a long-term basis.

The July 2016 Bowser Database will publish at the end of this month. You can purchase your copy online by visiting www.thebowserreport.com/bowser-database/ and clicking the "Purchase" button.

The *Database* publishes quarterly and is available for purchase as a single issue (\$25) or an annual subscription (\$79/year).

FIVE BOWSER STOCKS UP AND DOWN

MEETME	UP	48%	GIGPEAK	DOWN	30%
REPRO-MED SYSTEMS	UP	43%	ROYAL BANCSHARES	DOWN	16%
CEMTREX	UP	41%	NOVA LIFESTYLE	DOWN	16%
ITERIS	UP	40%	CPS TECHNOLOGIES	DOWN	15%
COMMAND SECURITY	UP	30%	INFOSONICS	DOWN	11%