



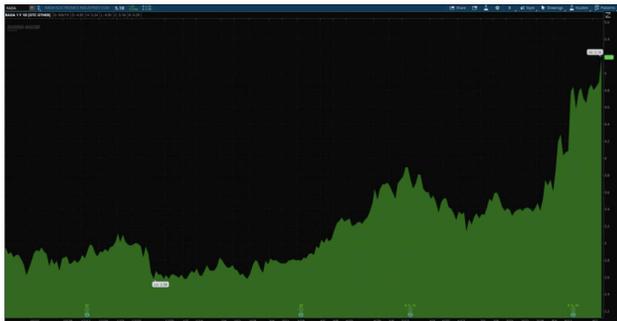
RADA Electronic (RADA): A Case Study *Diving deep into RADA's recent growth drivers*

RADA Electronic Industries Ltd. (RADA) shares surged to a new 52-week high on August 13, just one week after new orders were announced. The stock jumped two more times on high relative volume over the following week, holding on its gains since.

Analyzing the four main drivers of RADA's success provides investors with an understanding of how to see beyond high growth rates and recognize healthy growth that underscores sustainable and rapid appreciation in share price.

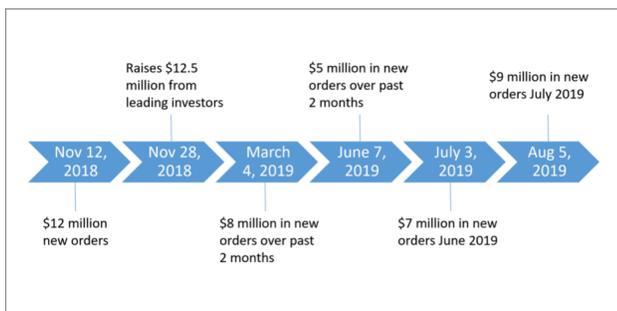
Contract Momentum

RADA shares have gained 109% since hitting a 52-week low back in December 2018. Below is a chart of the stock price since October 2018:



At the root of RADA Electronic's growth has been the company's ability to secure contracts over the past year, with the most aggressive rise in share price coming after updated guidance due to increased contract activity. Guidance is key since most of the recent contracts won't immediately appear in a company's financials.

Let's take a look at RADA's contract momentum that led to increased positive outlook:

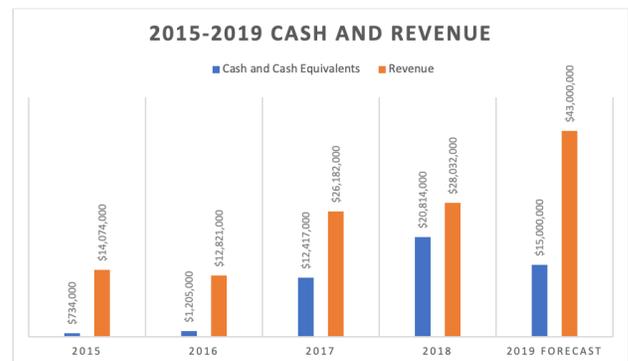


Contract activity picked up in March 2019 with the announcement of \$8 million in new orders. Software-defined radars for counter rocket artillery and mortar, counter UAV and short-range air defense accounted for \$5 million of the total \$8 million in new orders in March. They were significant as they were from new defense customers with the potential for greater follow-on orders in the future. New customers that are likely to repurchase products and services in the future are great for sustainable growth. Not only do they create potential, but they also add diversity to a company's customer base, which lowers overall risk.

Sustainable Growth

Winning new orders is essential, but without capital to support the new business, RADA wouldn't be able to grow. Therefore, important to the growth of any company is the necessary capital to support expansion. On this note, RADA Electronic's management team ensured investors that the company has enough capital to support its potential growth, raising \$12.5 million from leading investors after announcing \$12 million in new orders.

To demonstrate RADA's liquidity position, below is a chart of its revenue and cash from 2015 through 2019 (forecasted sales and second quarter cash balance):



The jump in cash from 2016 to 2017 set the stage for the recent growth. While offerings are typically viewed in a negative light and RADA recently raised capital through a share offering, they can be

Continued on the page 2...

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great tools if their purpose is to support growth. Because RADA hasn't executed a reverse split and is already listed on a major exchange, the chances a secondary offering with intent to dilute shareholder value are slim, reducing the risk to existing shareholders.

Press Releases

The way that management and investors relations convey information to the public is vital as well. The Bowser Report featured a RADA communication as an example of the ideal press release in the July issue. The company's releases include quantifiable information: order totals, delivery dates and which products were ordered. In addition, RADA does a great job of spacing out these press releases and updates revenue guidance after multiple sizable orders.

To prove the importance of a solid communication strategy, Flexible Solutions Int'l (FSI) recently reported a 60% increase in revenue (slightly higher than RADA's growth), but shares dropped over 40% from the 52-week high. Management dramatically increased guidance in one press release, only to have unforeseen weather circumstances hurt growth later. Handling the release of information more effectively could've prevented FSI's sizable drop in share price and rewarded shareholders for top line growth. Unfortunately, the most exciting growth stories don't always make for the strongest movers.

Management Efficiency

The final piece to RADA's success has been the ability of management to leverage its proprietary technology and various competitive advantages. One overlooked aspect that The Bowser Report tries to emphasize when recommending a company is the people behind the major decisions. If the leaders don't have the initiative and ambition to maximize shareholder value, then even the

Market Overview

BWSR AVG ↓ 1.2%	S&P 500 ↑ 1.6%	NASDAQ ↑ 1.2%	DJIA ↑ 1.2%	RUS 2000 ↓ 1.9%
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Major index posted mixed results with small caps underperforming. Volume dropped off substantially and stocks slowly recovered from last month's pullback. Bowser stocks showed relative strength relative to small stocks (as indicated by the Russell 2000), with multiple recommendations hitting new all-time highs. **SeaChange Int'l (SEAC)** led the way for the second consecutive month and hit a new 52-week high, gaining 55% on high volume.

best company could plateau.

RADAElectronic's CEO Dov Sella has been the backbone of the company and always puts shareholders first. Sella sits down with investors regularly and has one-on-one meetings to answer any questions. This level of transparency is rare nowadays and should never be taken for granted.

The management team also frequently presents at conferences to market its products, build the brand and maintain an industry presence. This separates RADA from other companies, as there are plenty of examples where executives stop attending conferences and/or dramatically decrease funding for research and development, which is the beginning of the end.

Conclusion

The Bowser Report's system focuses on the underlying company. However, some of the most rapidly growing companies out there are hurting shareholders more than they're helping. RADA is a perfect example of how contract momentum, efficient capital usage, transparent communication and a productive management team can provide shareholders with great returns. Looking beyond a high growth rate leads to the best investment opportunities.

The Bowser Game Plan

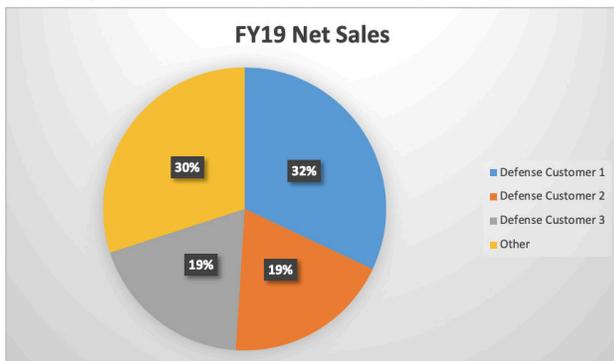
1. DO NOT PAY more than \$3/share for a stock.
2. CREATE A PORTFOLIO of 12 to 18 stocks. **Diversification is important.**
3. DO NOT SELL when a stock goes above \$3/share and is moved to Page 5.
4. DO NOT SELL when a stock moves to a lower category.
5. SELLING PLAN: Sell half of your holdings when the 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

TechPrecision Corp. (TPCS) manufactures and sells precision, large-scale fabricated and machined metal components and systems primarily in the United States. The company offers custom components for ships and submarines, aerospace equipment, nuclear power plants and large scale medical systems and provides manufacturing engineering services to assist customers. TPCS was founded in 1956 and has 95 full time employees.

Sales Breakdown

The majority of TechPrecision's sales come from just three customers. While this is extremely common in the industry and allows for significant growth with a new customer or project, such a high customer concentration poses a risk if TPCS were to lose one of its top three customers. Below is a chart showing its net sales for its defense customers, which account for 84% of the company's total sales:



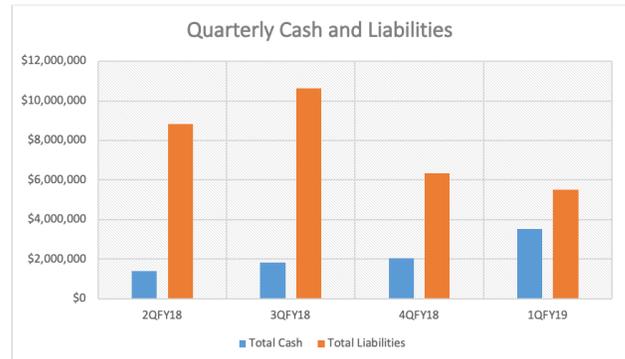
The company has provided products and services for some of the largest domestic defense contractors. Unfortunately, management is discrete and unable to go into detail about these customers and projects.

Financials

TechPrecision has a strong foundation for growth with its healthy balance sheet. A current ratio of 3.8 shows that liquidity risk is minimal and reduces the immediate financial associated with the loss of a major customer.

Driving the high ratio is a large cash position that the company has built up over the years. While TPCS could make effective use of its cash by paying down its long-term debt, it's hard

to downplay the company's efforts to lower its total liabilities. Below is a chart of the company's total cash and liabilities over the years:



Over the past four quarters, TechPrecision's cash position has increased from \$1.4 million to \$3.5 million, while its total liabilities (including long-term debt) have dwindled to \$5.5 million. Although TPCS did not receive a point for

its Bowser Rating due to its long-term debt, its financial efficiency clearly shows an effort to minimize liquidity risk while eliminating outstanding debt.

It's also noteworthy that the executives do not take a large cut out of the company's earnings. CEO Alexander Shen and CFO Thomas Sammons have salaries of \$303,590 and \$210,190, respectively. Both executives have worked together for quite some time and adequately compensate themselves to avoid diluting shareholder value. While it's not game-changing for executives to take lower pay, it is refreshing to see a management team put shareholders first in a company's early stages of growth.

Outlook and Risks

The outlook for TechPrecision is heavily dependent on U.S. Navy spending. More specifically, the

Continued on page 7...

	2017	2018	2019
REVENUES	\$18,550,674	\$18,729,994	\$16,702,558
INCOME (LOSS)	\$5,080,169	(\$265,908)	\$1,100,676
WORKING CAPITAL	\$4,978,902	\$4,942,164	\$6,250,662
BOOK VALUE	\$0.28	\$0.28	\$0.34
TOTAL SHARES	27,908,155	28,824,593	28,878,780
FLOAT	N/A	N/A	26,910,000

TECHPRECISION CORPORATION
OTCQB: TPCS
BOWSER RATING: 8
 \$1.59 SHARE PRICE
 \$0.70 52-WEEK LOW | \$1.78 52-WEEK HIGH

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 09/06/19	Long-term Debt (Millions)	Sales Updated Quarterly (Millions)	Income/Loss Updated Quarterly (Millions)	Shares Outstanding (Millions)	Bowser Rating
CATEGORY ONE: BEST COMPANIES (RATED 10+)								
02/18(QB)	ALTIGEN COMMUNICATION (ATGN)	CLOUD-BASED IP SOLUTIONS	1.11	\$0.000	\$10.7	\$6.187	22.9	10
06/19(N)	HC2 HOLDINGS (HCHC)	DIVERSIFIED HOLDING COMPANY	2.08	\$762.000	\$2,014.5	\$194.196	44.8	12
12/17(QB)	LEATT CORP. (LEAT)	PERSONAL PROTECTIVE EQUIPMENT	1.66	\$0.000	\$25.5	\$1.188	5.4	12
02/15(GM)	NOVA LIFESTYLE INC. (NVFY)	FURNITURE MANUFACTURING/SALES	0.77	\$0.000	\$115.3	\$7.435	27.6	10
# 05/18(CM)	TAITRON COMPONENTS (TAIT)	ELECTRONIC COMPONENTS	2.77	\$0.000	\$7.6	\$1.360	4.9	11
		Office: 28040 West Harrison Pkwy., Valencia, CA 91355, Tel: (661) 257-6060, www.taitroncomponents.com						
# 10/12(QB)	WHERE FD CMS FROM (WFCF)	FOOD VERIFICATION SERVICES	1.70	\$0.028	\$18.6	\$0.806	24.8	10
CATEGORY TWO: GOOD COMPANIES (RATED 8-9)								
04/19(N)	ARC DOCUMENT SOLUTIONS (ARC)	DOCUMENT SOLUTIONS	1.43	\$63.537	\$394.9	\$5.287	46.1	8
# 07/18(CM)	B.O.S BETTER ONLINE (BOSC)	RFID AND MOBILE SOLUTIONS	2.70	\$2.280	\$33.4	\$0.769	4.3	9
06/14(A)	DYNASIL CORP. (DYSL)	Privatized						
03/19(CM)	INSIGNIA SYSTEMS (ISIG)	MARKETING SERVICES	1.06	\$0.000	\$30.9	\$0.467	11.9	9
12/14(QB)	INT'L BALER CORP. (IBAL)	BALING EQUIPMENT	1.56	\$0.000	\$12.3	\$0.312	5.2	9
05/19(N)	SAFE BULKERS (SB)	MARINE DRY BULK TRANSPORTATION	2.05	\$538.508	\$198.0	\$15.765	101.5	9
01/18(QX)	SINGING MACHINE CO. (SMDM)	KARAOKE AUDIO EQUIPMENT	0.28	\$0.000	\$49.5	\$0.796	38.4	8
08/14(QB)	SONO-TEK CORP. (SOTK)	ULTRASONIC NOZZLES	2.46	\$0.666	\$11.7	\$0.165	15.3	8
09/19(QB)	TECHPRECISION (TPCS)	METAL COMPONENTS AND SYSTEMS	1.59	\$3.205	\$16.9	\$1.158	29.3	8
08/19(QB)	TRXADE GROUP (TRXD)	WEB-BASED MARKETPLACE	1.00	\$0.522	\$5.6	\$0.090	33.7	9
CATEGORY THREE: SPECULATIVE COMPANIES (RATED 7 AND BELOW AND/OR NON-PROFITABLE)								
10/18(CM)	AEHR TEST SYSTEMS (AEHR)	SEMICONDUCTOR TEST EQUIPMENT	1.40	\$0.000	\$21.1	(\$5.235)	22.6	7
03/16(CM)	BROADWAY FINANCIAL (BYFC)	BANK HOLDING COMPANY	1.78	\$79.845	\$12.7	\$1.168	19.1	7
# 05/14(CM)	CPS TECHNOLOGIES (CPST)	ADVANCED MATERIAL SOLUTIONS	1.01	\$0.000	\$24.9	(\$4.199)	13.2	9
01/19(CM)	FORWARD INDUSTRIES (FORD)	CARRYING CASES AND ACCESSORIES	1.17	\$0.000	\$37.9	(\$1.617)	9.5	9
12/16(QB)	FRANKLIN WIRELESS (FKWL)	WIRELESS SOLUTIONS	2.63	\$0.000	\$37.5	(\$1.081)	10.5	NR
# 08/16(CM)	FULL HOUSE RESORTS (FLL)	CASINO OPERATIONS	1.90	\$111.501	\$166.4	(\$1.702)	27.0	9
05/17(QB)	GALAXY GAMING (GLXZ)	GAMING INDUSTRY PRODUCTS	1.84	\$47.232	\$20.4	\$2.794	17.8	7
# 12/18(CM)	GSE SYSTEMS (GVP)	DATA ACCESS AND MANAGEMENT	1.74	\$16.352	\$90.3	(\$4.200)	20.1	NR
10/17(QB)	INNOVATIVE FOOD (IVFH)	FOOD PRODUCTS AND SERVICES	0.53	\$0.464	\$56.8	\$1.102	33.8	7
10/16(CM)	KOSS CORPORATION (KOSS)	STEREO ACCESSORIES	1.95	\$0.000	\$24.1	(\$0.964)	7.4	8
07/13(CM)	LIGHTPATH TECH (LPTH)	OPTICAL COMPONENTS	0.76	\$5.141	\$33.1	(\$1.726)	25.8	7
04/17(QB)	MAMAMANCINI'S (MMMB)	FOOD PRODUCTS	0.49	\$5.168	\$28.5	\$0.550	31.6	7
06/17(QB)	MIKROS SYSTEMS (MKRS)	ADVANCED MAINTENANCE PRODUCTS	0.19	\$0.341	\$8.1	\$0.257	35.6	7
# 08/17(CM)	NATIONAL HOLDINGS (NHLD)	INVESTMENT BANKING	2.35	\$0.000	\$205.4	(\$3.047)	12.9	8
# 01/17(GS)	ONE HOSPITALITY GROUP (STKS)	GLOBAL RESTAURANT OPERATIONS	3.20	\$11.238	\$92.2	\$3.395	28.6	7
		Office: 411 West 14th St., 2nd Fl., New York, NY 10014, Tel: (646) 624-2400, www.togrp.com						
09/18(CM)	SCHMITT INDUSTRIES (SMIT)	SCIENTIFIC AND TECH INSTRUMENTS	2.12	\$0.000	\$13.8	(\$1.107)	4.0	NR
11/18(GS)	SEACHANGE INT'L (SEAC)	Now above \$3 per share; See page 5 (Follow-through)						
# 09/16(CM)	SOCKET MOBILE (SCKT)	DATA CAPTURE PRODUCTS	2.40	\$0.583	\$18.0	(\$0.076)	6.0	8
02/19(QB)	TSS, INC. (TSSI)	END-USER AND ENTERPRISE SYSTEMS	0.94	\$1.928	\$20.3	\$1.914	17.5	NR
06/18(GS)	U.S. AUTO PARTS (PRTS)	AFTERMARKET AUTO PARTS	1.50	\$0.000	\$282.5	(\$10.177)	35.5	NR
# 09/17(CM)	VIRTA (VTSI)	LAW ENFORCEMENT TRAINING SYSTEMS	2.86	\$0.000	\$12.2	(\$2.156)	7.7	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

Earnings season was good to Bowser stocks as four companies are moving up, and only one is moving down. Of the stocks that reported earnings on page 4, six Bowser Ratings went up, three went down and seven stayed flat.

Broadway Financial Corp. (BYFC) is the company moving down, from Cat. 2 to Cat. 3, with its Bowser Rating falling from 8 to 7.

The companies moving up are as follows:

- **ARC Document Solutions (ARC)** from Cat. 3 to Cat. 2, Bowser Rating from 7 to 8;
- **Leatt Corp. (LEAT)** from Cat. 2 to Cat. 1, Bowser Rating from 8 to 12. Sharing outstanding is the only criterion that LEAT did not receive a point for;
- **Signing Machine (SMDM)** from Cat. 3 to Cat. 2, Bowser Rating from NR to 8; and
- **Where Food Comes From (WFCF)** from Cat. 3 to Cat. 1, Bowser Rating from 7 to 10.

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 09/06/19 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
CENTRAL FEDERAL CORP. (CM:CFBK)	\$12.00(11)	03/17 \$9.00(11)	LRAD CORP. (CM:LRAD)	\$3.38(9)	07/16 \$1.85(8)
*Price adjusted for 1-for-5 reverse split Aug. '18			MANHATTAN BRIDGE CAPITAL (CM:LOAN)	\$6.15(10)	02/10 \$1.10(9)
DLH HOLDINGS (CM:DLHC)	\$4.12(NR)	01/14 \$1.53(9)	ONE GROUP HOSPITALITY (QB:STKS)	Now \$2.87; See page 4	
ELECTROMED (A:ELMD)	\$5.30(7)	09/15 \$1.64(10)	RADA ELECTRONIC (CM:RADA)	\$5.18(7)	03/18 \$2.16(10)
EMMIS COMMUNICATIONS (GS:EMMS)	\$5.96(NR)	07/17 \$2.92(8)	REPRO MED SYSTEMS (QB:REPR)	\$3.91(8)	07/10 \$0.16(8)
FLEXIBLE SOLUTIONS (A:FSI)	Now in Bowser Database		RIVERVIEW BANCORP (GS:RVSB)	\$7.28(9)	06/13 \$2.30(9)
INFUSYSTEM HOLDINGS (A:INFU)	\$5.05(7)	12/15 \$2.88(8)	SMITH-MIDLAND (QX:SMID)	\$7.65(8)	02/16 \$2.38(10)
ITERIS (A:ITI)	\$5.24(7)	12/06 \$2.21(8)	TABLE TRAC (QB:TBTC)	\$3.15(10)	07/19 \$2.40(8)
LANTRONIX (CM:LTRX)	\$3.59(11)	11/17 \$1.82(8)	TAITRON COMPONENTS (CM:TAIT)	\$3.15(11)	05/18 \$1.44(11)
LIBERATED SYNDICATION (QB:LSYN)	\$3.10(8)	08/18 \$1.61(8)	VIRCO MANUFACTURING (GM:VIRC)	\$4.45(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)

CCA INDUSTRIES (N:CAW)	\$2.79	02/19 \$1.34	NOBLE ROMAN'S (CM:NROM)	\$0.49	06/19 \$0.64
CEMTREX, INC. (CM:CETX)	\$1.52	01/19 \$0.81	SPAR GROUP (CM:SGRP)	\$1.02	06/19 \$0.69
CHINA NEW BORUN (N:BORN)	\$0.17	06/19 \$0.27	SUNWORKS, INC. (A:SUNW)	Now in Bowser Database	

BRIEFS

Electromed (ELMD) entered into an agreement with two Home Medical Equipment distributors – one national and one regional – to distribute and sell the SmartVest® Airway Clearance System. . . . **Full House Resorts' (FLL)** SYNKROS® casino management system will be used at Billy's Casino and Hotel in Cripple Creek, CO, and Rising Star Casino Resort in Rising Sun, IN. . . . **GSE Systems (GVP)** delivered and commissioned three additional full-scope simulators for Southern Nuclear's new operations training centers. GVP also received a contract from a major US nuclear operating company to deliver a data validation & reconciliation solution. . . . **InfuSystem (INFU)** announced a new service partnership with Eitan Group, a global leader in advanced infusion therapy solutions across the

care continuum. . . . **Insignia Systems (ISIG)** opened its first interactive retail marketing lab. . . . **Iteris (ITI)** received a \$1 million contract to update the Florida Department of Transportation's Statewide Intelligent Transportation Systems architecture and seven regional ITS architectures. ITI was selected by the Minnesota Department of Transportation to provide its ClearGuide™ solution in support of the statewide transportation operations program. Finally, ITI announced KWS SAAT will use its ClearAg® environmental intelligence solution. . . . **Lantronix (LTRX)** launched the S40 Series of ruggedized low-power radio nodes for metering and environment monitoring. . . . **LRAD Corp. (LRAD)** received \$1 million in defense orders for the U.S. Air Force and a NATO army. LRAD also received a follow-on \$5.4 million order from the U.S. Army. . . . **National Holdings**

(NHLD) entered into a definitive purchase agreement to acquire Winslow, Evans & Crocker, Inc., a full-service investment firm. . . . **RADA Electronic (RADA)** will unveil two new radars, the aCHR and the xMHR, at the DSEI 2019 Defense and Security exhibition and conference taking place in London. . . . **Socket Mobile (SCKT)** announced a durable barcode scanner series – the D800, D840 and D860 – for users who want to advance their mobile scanning options with drop protection and improved charging options. SCKT also expanded its SocketScan® 700 Series to include the S760 - a multi-use barcode scanner that includes scanning DotCode and most international travel IDs and passports. . . . **SmithMidland's (SMID)** precast concrete temporary barrier designs were approved by the Alabama and North Carolina Departments of Transportation. The company's products will also be used to clad the exterior of the new "Slugger" project in Greensboro, NC. . . . **Schmitt Industries (SMIT)** CFO, Ann M. Ferguson, submitted her letter of resignation, effective November 30, 2019. . . . **VirTra (VTSI)** received a \$1.1 million order for equipment and services from the United States Secret Service.

INSIDER TRANSACTIONS

COMPANY	SHARES TRADED	# OF TRADES	PRICE RANGE
Atlantic American	B-18,837	2	\$0.00
CPS Technologies	A-1,000	1	\$1.05
DLH Holdings	B-8,488x	3	\$4.25
	B-1,512	1	\$4.25
Dynasil Corp.	A-20,000	1	\$0.82
Emmis Communications	D-44,839	1	\$5.25
	A-30,000	1	\$0.00
Galaxy Gaming	D-100,000	5	\$1.58-\$1.60
	OE-25,000	1	\$0.39
InfuSystem Holdings	B-75,032x	6	\$4.74-\$4.95
Iteris	OE-5,000x	1	\$1.73
Innovative Food	B-779,018x	5	\$0.54-\$0.57
LRAD Corp.	S-100,000x	1	\$4.01
Lantronix	OE-40,000	1	\$2.03
	D-22,493	1	\$3.61
National Holdings Corp.	D-8,493	2	\$2.79
U.S. Auto Parts Network	B-618,080x	8	\$1.14-\$1.43
	D-371,704	1	\$1.18
	B-4,500	2	\$1.12-\$1.18
Repro Med Systems	OE-1,000,000x	1	\$0.45
	OE-95,000	1	\$0.36
Riverview Bancorp	OE-12,000	1	\$3.84
	B-10,000	1	\$7.57
Sono-Tek Corp.	S-53,810	10	\$2.31-\$2.63

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.

BUCKAROOS SPEAK

Repro Med exit point

*I didn't buy **Repro Med Systems (REPR)** until \$1.50 and it hit \$4. Was I supposed to sell at 100%? Do I just keep holding?*

-Josh M.

Repro Med is turning into one of our top all-time gainers. At its recent all-time high of \$4.26 per share, it surpassed a 2,562% gain. When it comes to purchasing a recommendation, you can definitely purchase a stock at a higher price than it was recommended so long as it doesn't surpass \$3 per share, is profitable and has a Bowser Rating of 8 or higher.

The same Selling Rule still applies for selling

half of your position when the stock doubles from your entry point. Therefore, you should have sold half at \$3 per share and then trailed a stop order at 25%.

We actually covered how this would work in our latest YouTube video with REPR as the example.

Now in Bowser Database

This month, we elected to move Flexible Solutions (FSI) out of the newsletter and into The Bowser Database. We originally recommended FSI in 2008, and the company appreciated above \$3 per share a couple of times. If you entered in recently, your position likely double and has since fallen 25%. If it hasn't doubled, continue to follow the Selling Plan (reference page 2).

COMPANY OF THE MONTH... CONTINUED

company could potentially benefit from the spending on the Columbia class submarine and three Virginia class submarines. Although the spending for these four submarines totals \$12.4 billion, only about \$100 million is available to TPCS over the next 24 months according CEO Alexander Shen. Still, considering the company reported \$16.7 million in revenue for fiscal 2019, even a small portion of the \$100 million would be huge for the company's top-line growth, making TPCS an appealing buy despite its run up over the past year.

Beyond the risk of TechPrecision's top heavy customer base, production capacity could be a limiting factor in its ability to capture revenue growth in a short period of time. However, management is aware of this concern and has emphasized that the company is fully capable of producing the necessary parts and components for any new orders.

With regards to military spending outlook, The Bowser Report has mentioned numerous times in the past two years that the U.S. is projecting much more defense spending in the coming years. U.S. Navy spending has increased over the past three years and looks to continue increasing at the average rate. With these forecasts in mind, additional risk from a lackluster budget is minimal.

Acquisition Potential

While it's not common to see an high number

of acquisitions in this industry, it's probable that TechPrecision will be a buyout target down the road. The company's consistent profitability and low operating expenses pair well with its healthy balance sheet, eliminating the risk a larger company would expect when acquiring TPCS.

Additionally, if TechPrecision continues taking business away from some of the bigger names such as Huntington Ingalls (HII) and Northrop Grumman (NOC), it will become even more appealing for a buyout to simply eliminate the competition. However unlikely this is to happen short-term, a long-term holder of the stock will have to be aware of the possibility of a buyout if TPCS maintains its growth.

Conclusion

TechPrecision has outstanding cash flow, improving financials and a healthy balance sheet. With \$100 million in potential additional revenue over the next 24 months, those fundamentals are very likely to improve even more. Moving forward, significant top-line growth and elimination of the company's outstanding debt will be the keys to success. With minimal financial risk and strong growth potential, TPCS is not only a strong growth stock, but a likely long-term buyout candidate as well with many larger companies operating in the industry.

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Full House expands offerings

Full House Resorts (FLL) expanded its product offerings by signing contracts to enter into a multi-million-dollar, long-term partnership with sports betting operator, Smarkets, to offer online sports wagering in Indiana and Colorado.

The Indiana sports betting legislation became

law after Governor Eric Holcomb signed the measure in May of this year, exactly one year after the US Supreme Court's decision to strike down the federal law restricting American sports betting.

Meanwhile, Colorado residents will vote this November to ratify sports betting bill, HB 19-1327. If approved, online sports wagering could be available in the Centennial State by Spring 2020.

Beginner's Portfolio Up 265%

BOUGHT: None this month

SOLD: RADA (100 shares) @ \$4.52 per share less \$10 commissions = \$442

Cost		09/06/19	Cost		09/06/19	Cost		09/06/19	Proceeds
AAME	280/Mar '12	275	LEAT†	488/Jan '18	332	AEHR†	368/Dec '18	280	From Sales
BYFC†	398/Apr '16	356	RADA†	452/Apr '18	518	SEAC†	362/Dec '18	614	
MMMB†	200/Jun '17	98	PRTS†	318/Jul '18	300	TSSI†	198/Mar '19	188	
EMMS†	560/Aug '17	964	BOSC†	510/Aug '18	540	ISIG†	262/Apr '19	212	9,799
NHLD†	546/Sep '17	470	LSYN†	334/Sep '18	620	SB†	390/Jul '19	410	
VTSI†	560/Dec '17	572	SMIT†	578/Oct '18	424	HCHC†	460/Jul '19	416	
						Current Holdings Value:		7,589	
Original cost for all stocks: \$4,766			*Half of original holdings			Proceeds from Sales:		9,799	
			†Bought 200 Shares			Total Value of Portfolio:		17,388	

Gain: 17,388 minus 4,766 = 12,622

Percentage of gain: 12,622 divided by 4,766 x 100 = 264.8

Compound Annual Growth Rate: 7.46%

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

Despite a lackluster performance from Bowser stocks as a whole (see page 2, Market Overview), the Beginner's Portfolio soared on strong gains from **RADA Electronic (RADA)**, which we sold half of at the double, **SeaChange Int'l (SEAC)**, **TSS, Inc. (TSSI)** and **U.S. Auto Parts (PRTS)**.

EARNINGS

	Quarter	Current	Same	Current	Same	
	<u>Ended</u>	<u>Sales</u>	<u>Period</u>	<u>Earnings</u>	<u>Period</u>	<u>Comments</u>
			<u>Last Year</u>		<u>Last Year</u>	
ARC Document Solutions (ARC)	06/30/19	\$98,873,000	\$104,190,000	\$3,896,000	\$1,840,000	
Better Online Solutions (BOSC)	06/30/19	\$8,786,000	\$7,552,000	\$20,000	\$192,000	
Broadway Financial (BYFC)	06/30/19	\$4,224,000	\$3,804,000	(\$135,000)	(\$127,000)	
DLH Holdings (DLHC)	06/30/19	\$38,700,000	\$36,131,000	\$803,000	\$1,614,000	
Foward Industries (FORD)	06/30/19	\$9,909,452	\$9,539,539	(\$104,062)	\$235,484	
Flexible Solutions (FSI)	03/31/19	\$6,770,440	\$4,137,545	(\$27,733)	\$2,135,960	
Galaxy Gaming (GLXZ)	06/30/19	\$5,399,000	\$4,536,000	\$1,055,000	(\$596,000)	
GSE Systems (GVP)	06/30/19	\$23,458,000	\$24,698,000	(\$125,000)	\$981,000	
InfuSystem Holdings (INFU)	06/30/19	\$19,723,000	\$16,415,000	\$381,000	(\$505,000)	
Innovative Foods (IVFH)	06/30/19	\$13,925,451	\$11,989,003	\$22,104	\$330,243	
Leatt Corp. (LEAT)	06/30/19	\$5,277,066	\$4,795,863	\$73,700	(\$49,455)	
LRAD Corp. (LRAD)	06/30/19	\$8,864,000	\$7,514,000	\$638,000	(\$80,000)	
Liberated Syndication (LSYN)	06/30/19	\$5,700,635	\$5,305,762	\$847,979	\$822,566	
U.S. Auto Parts (PRTS)	06/29/19	\$73,690,000	\$76,970,000	(\$1,460,000)	(\$800,000)	
RADA Electronic Industries (RADA)	06/30/19	\$10,027,000	\$6,576,000	(\$842,000)	\$12,000	
Repro Med Systems (REPR)	06/30/19	\$5,348,812	\$4,502,326	\$78,183	\$475,723	
SeaChange International (SEAC)	07/31/19	\$18,812,000	\$11,901,000	(\$174,000)	(\$9,080,000)	
Singing Machine (SMDM)	06/30/19	\$4,809,040	\$1,836,511	(\$869,581)	(\$1,034,151)	
Smith-Midland (SMID)	06/30/19	\$10,852,000	\$9,833,000	\$273,000	\$691,000	
One Hospitality Group (STKS)	06/30/19	\$23,599,000	\$20,311,000	(\$163,000)	\$314,000	
TSS, Inc. (TSSI)	06/30/19	\$3,539,000	\$5,367,000	(\$94,000)	\$319,000	
VirTra, Inc. (VTSI)	06/30/19	\$3,002,381	\$8,278,579	(\$633,731)	\$2,112,937	
Where Food Comes From (WFCF)	06/30/19	\$4,888,259	\$4,438,308	\$304,454	\$165,065	

NOTES BY THE EDITOR

August was a significant month for many of our recommendations. Despite the low volume we usually see during the summer, our recommendations had numerous significant headlines and many hit new 52-week highs.



SeaChange Int'l (SEAC), RADA Electronic Industries Ltd. (RADA), and Trxade Group (TRXD) all hit new 52-week highs on high relative volume. These gainers

provided a breath of fresh air from all the market volatility that's resulted from political headlines.

Our brand new website hit a speed bump but will be launching this month! Our

programming team and Publisher Thomas Rice have been working overtime to ensure that the website is easier to use and more responsive than ever.

For those of you who want to learn more about investing in small caps, a brand new video is available on our YouTube channel. The latest video covers how to use the different types of stop orders. Enjoy the content and feel free to comment any suggestions for more videos!

FIVE BOWSER STOCKS UP AND DOWN

SeaChange Int'l	UP	55%	ARC Document Solutions	DOWN	26%
RADA Electronic Ind.	UP	55%	GSE Systems	DOWN	24%
Trxade Group	UP	43%	Mikros Systems	DOWN	17%
TSS, Inc.	UP	29%	DLH Holdings	DOWN	17%
U.S. Auto Parts	UP	27%	Leatt Corp.	DOWN	17%