

# Mossberg's Investor Digest

October 2014

Issue #76

## From the Editor...

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**Is the blood in the streets for Microcaps?** As I look at the performance of the smallest ideas profiled in the Digest and the performance in my own portfolio, this past year has been awful for the smallest of stocks.

**This year, there is a 13 % point difference in the performance of the large and small stocks** – The smallest stocks, as measured by the Russell Microcap Index have declined 6% so far this year, and are off 13% from their highs; while comparably the largest stocks, as represented by the S&P 500, have increased 6% for the year, and are 2% below their highs.

The problem with benchmarking microcap stocks is that there is not a real index that tracks the smallest of companies. The Russell Microcap index measures the smallest 1,000 securities in the small cap Russell 2000 Index, plus the next 1,000 smallest eligible securities by market cap. The average market cap is \$455 Million (median is \$198 million). While this is much smaller than the \$27 billion average market cap for the S&P 500, it is still less indicative of average microcap stock, which I define as below \$100 million in capitalization.

**Funds are going to Cash** - I've spoken to two hedge funds in the past month that have told me they are 100% cash right now. I've heard this from several others who built a substantial cash position and are waiting for some "event" to happen, which will create a buying opportunity.

So the old adage about buying stocks when the blood is in the streets is an interesting one. The hard part is figuring out if things are as bad as they are going to get, or will they get worse. There are obviously lots of things to worry about, which is always the case in any market. However, with many of the smallest stocks trading near their lows, seems like now is the time to start adding to, or initiating positions. Even if things get worse, if you choose stocks based on fundamentals, you will be much more likely to succeed.

Thank you for your interest in Mossberg's Investor Digest.

Dave Mossberg

## October 2014 Issue

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**Chart Industries, Inc. (NASDAQ:GTLS) - \$43.43, October 13, 2014, Page 3** – Chart Industries, Inc. is an independent global manufacturer of highly engineered equipment used in the production, storage and end-use of hydrocarbon and industrial gases. This is a company in a solid, long-term business, with a great business model in an expanding business that is not going away anytime soon. Investors who can tolerate some of the lumpiness of the company's business results, and see to the future may be rewarded with steady improvement in the stock.

**MRI Interventions, Inc. (OTC BB: MRIC) - \$1.06, October 16, 2014, Page 4** – MRI Interventions provides a next-generation platform that enables real-time, MRI-guided, minimally invasive brain surgery through its ClearPoint neuro intervention system. With a new CEO in place, strong revenue growth and exciting future opportunities, this stock is an interesting long-term investment, despite the challenges of commercializing new technologies. The potential market is huge and growing and the technology is proven.

**Franklin Electric Co., Inc. (NASDAQ:FELE) - \$36.21, October 23, 2014, Page 5** – Franklin Electric Co. produces and sells systems and components for the movement of water and automotive fuels. It is the number one global supplier in many of its markets. The company's global growth and opportunities bode well for long-term continuation of record sales and earnings.

**Avigilon Corporation (TSX:AVO.TO) - \$15.88, October 29, 2014, Page 6** – Avigilon Corporation designs and manufactures all aspects of high-definition security solutions; software, cameras, lenses, encoders, network switches, workstations, analytics. With expectations of revenues doubling to \$500 million by 2016 while still achieving EBITDA of up to 25%, as well as an attractive cash position and the possibility of a NASDAQ listing, this stock is an attractive investment.

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# Mossberg's Investor Digest

## Mossberg's Investor Digest Idea Performance

The table below shows selected ideas published from September 2012 until September 2014. The overall performance number includes all ideas published since September 2012, including those not shown. **Performance data quoted represents past performance and does not guarantee future results.** Current performance of ideas may be lower or higher than the performance quoted.

Company	Pub. Date	Original Price	Recent Price	Change	Russell 3000 Change Since Pub. Date	Relative Perf. vs. Russell 3000
Zale Corporation (ZLC)	17-Sep-12	\$5.87	\$21.00	257.8%	36.8%	225.0%
Air Transport Services Group, Inc. (ATSG)	24-Sep-12	\$4.67	\$7.99	71.1%	37.3%	38.0%
GameStop Corp. (NYSE: GME)	4-Oct-12	\$22.37	\$41.61	86.0%	37.1%	53.2%
Sycamore Networks, Inc. (NASDAQ:SCMR)	11-Oct-12	\$0.51	\$0.36	-29.4%	39.7%	-64.8%
Gaiam Inc. (GAI)	7-Nov-12	\$2.94	\$7.51	155.4%	43.2%	116.3%
Green Dot Corporation (NASDAQ:GDOT)	26-Nov-12	\$11.71	\$21.28	81.7%	42.0%	43.5%
Sealed Air Corporation (NYSE:SEE)	16-Dec-12	\$16.13	\$34.80	115.7%	41.0%	78.7%
Westmoreland Coal Co. (NASDAQ:WLB)	17-Dec-12	\$10.02	\$33.96	238.9%	39.4%	203.3%
DHX Media Ltd. (TSX:DHX.TO)	12-Jan-13	\$1.86	\$9.45	408.1%	34.9%	376.0%
Mood Media Corporation (TSX:MM.TO)	20-Jan-13	\$1.93	\$0.53	-72.5%	33.5%	-103.2%
MVC Capital, Inc. (NYSE:MVC)	12-Feb-13	\$12.24	\$11.19	-8.6%	30.4%	-36.1%
eGain Corporation (Nasdaq:EGAN)	15-Feb-13	\$7.50	\$4.24	-43.5%	30.3%	-71.1%
Palomar Medical Technologies, Inc. (NASDAQ:PMTI)	6-Mar-13	\$11.91	\$13.65	14.6%	28.6%	-10.9%
Global Power Equipment Group Inc. (NASDAQ:GLPW)	7-Mar-13	\$16.93	\$13.24	-21.8%	28.3%	-47.1%
Tutor Perini (NYSE: TPC)	16-Apr-13	\$16.76	\$27.51	64.1%	26.3%	41.5%
Carbonite (Nasdaq: CARB)	17-Apr-13	\$9.96	\$10.37	4.1%	28.2%	-20.1%
Axesstel (Nasdaq:AXST)	12-May-13	\$1.30	\$0.07	-94.6%	21.4%	-113.2%
Keweenaw Land Association (OTC: KEWL)	21-May-13	\$75.00	\$100.00	33.3%	18.9%	17.1%
CafePress Inc. (NASDAQ:PRSS)	4-Jun-13	\$6.81	\$2.94	-56.8%	21.8%	-75.4%
Carrols Restaurant Group, Inc. (NASDAQ:TAST)	11-Jun-13	\$5.83	\$7.80	33.8%	22.1%	14.8%
Syneron Medical Ltd. (NASDAQ:ELOS)	17-Jul-13	\$8.68	\$8.90	2.5%	17.7%	-12.8%
BGC Parnters, Inc. (NASDAQ:BGCP)	22-Jul-13	\$6.47	\$7.95	22.9%	16.7%	8.4%
FelCor Lodging Trust (NYSE:FCH)	8-Aug-13	\$5.95	\$10.44	75.5%	16.4%	61.0%
Hydrogenics Corp. (NASDAQ:HYGS)	13-Aug-13	\$11.06	\$16.61	50.2%	16.6%	35.5%
Famous Dave's (NASDAQ:DAVE)	19-Sep-13	\$16.14	\$26.06	61.5%	14.3%	48.6%
Alteva, Inc. (NYSE:ALTV)	23-Sep-13	\$7.26	\$7.06	-2.8%	15.6%	-17.1%
Blue Earth Inc. (OTCQB:BBLU)	16-Oct-13	\$3.09	\$1.40	-54.7%	14.1%	-68.1%
EveryWare Global, Inc. (NASDAQ:EVRY)	24-Oct-13	\$10.81	\$1.61	-85.1%	12.0%	-96.8%
Winmark Corporation (NASDAQ:WINA)	10-Nov-13	\$73.84	\$82.31	11.5%	11.4%	0.9%
Regional Management Corp. (NYSE:RM)	18-Nov-13	\$32.54	\$17.83	-45.2%	10.2%	-54.4%
Power REIT (NYSE:PW)	7-Dec-13	\$8.31	\$10.21	22.8%	9.2%	14.3%
Aggreko plc (OTC:ARGKF)	7-Dec-13	\$27.79	\$23.95	-13.8%	9.2%	-22.3%
Spark Networks, Inc. (NYSE MKT:LOV)	15-Jan-14	\$6.18	\$4.16	-32.7%	6.3%	-38.4%
News Corporation (NASDAQ:NWSA)	21-Jan-14	\$16.76	\$15.60	-6.9%	6.5%	-12.9%
A.H. Belo Corporation (NYSE:AHC)	5-Feb-14	\$7.82	\$11.69	49.5%	12.2%	37.5%
O2Micro International (NASDAQ:OIMM)	12-Feb-14	\$3.36	\$1.90	-43.5%	8.0%	-51.4%
Arcos Dorados (NYSE:ARCO)	7-Mar-14	\$9.38	\$6.24	-33.5%	4.3%	-38.0%
Cimatron Ltd.(NASDAQ:CIMT)	21-Mar-14	\$7.85	\$5.65	-28.0%	5.9%	-33.6%
WidePoint Corp. (NYSE MKT:WYY)	4-Apr-14	\$1.51	\$1.60	6.0%	5.5%	0.7%
Allied Motion Tech. Inc. (NASDAQ:AMOT)	10-Apr-14	\$12.00	\$14.76	23.0%	7.4%	16.0%
Monitise PLC (OTCPK:MONIF)	12-May-14	\$1.08	\$0.50	-53.5%	4.2%	-57.1%
Darling Ingredients Inc. (NYSE: DAR)	27-May-14	\$19.67	\$17.52	-10.9%	3.3%	-14.1%
MOCOC, Inc. (NASDAQ:MOCO)	9-Jun-14	\$15.25	\$15.22	-0.2%	1.2%	-1.4%
Global Power Equipment Inc. (NASDAQ:GLPW)	26-Jun-14	\$16.52	\$13.24	-19.9%	0.8%	-21.0%
Maxwell Technologies, Inc. (NASDAQ:MXWL)	20-Jul-14	\$12.77	\$11.16	-12.6%	0.2%	-12.7%
Tower Semiconductor Ltd. (NASDAQ:TSEM)	23-Jul-14	\$10.90	\$9.51	-12.8%	-0.3%	-12.5%
Bolt Technology Corp. (NASDAQ:BOLT)	5-Aug-14	\$17.43	\$21.95	25.9%	3.1%	22.5%
Tribune Publishing Corp. (NYSE:TPUB)	20-Aug-14	\$19.55	\$19.15	-2.0%	-0.4%	-2.0%
Helen of Troy (NASDAQ:HELE)	15-Sep-14	\$54.62	\$61.41	12.4%	-0.1%	12.4%
SMTP, Inc. (NASDAQ:SMTP)	16-Sep-14	\$6.26	\$6.18	-1.3%	-0.8%	-0.6%
<b>Overall Performance since September 2012</b>				<b>17.6%</b>	<b>15.7%</b>	<b>1.9%</b>

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## Best Idea Profile:

## Chart Industries, Inc. (NASDAQ:GTLS)

### DESCRIPTION:

Chart Industries, Inc. is an independent global manufacturer of highly engineered equipment used in the production, storage and end-use of hydrocarbon and industrial gases. The majority of Chart's products are used throughout the liquid gas supply chain for purification, liquefaction, distribution, and storage applications. It operates through three primary divisions that are focused on its end users. The biomedical division focuses on users of cryogenic liquids and gases such as home respiratory and long-term care users of respiratory care products, as well as laboratory, medical, military and aerospace applications. The distribution and storage division helps gas customers distribute and store nitrogen, argon, oxygen, carbon dioxide and natural gas for industrial commercial, medical and scientific application. The energy and chemicals division sells cryogenic gas processing systems and heat exchangers. Chart has domestic operations located across the United States and an international presence in Asia, Australia and Europe, employing more than 5,000 people worldwide. Headquarters are in Garfield Heights, Ohio.

### KEY INVESTMENT CONSIDERATIONS:

**Growth of Natural Gas** – Natural gas is poised to overtake coal as the world's second largest fuel source. Liquefied natural gas (LNG) is expected to take an increasing share of the overall gas supply, which feeds into Chart's core competencies. Chart provides a complete solution for liquefaction, distribution, storage and end use of LNG. Energy end-users represent over half of sales. Energy production, storage, and transportation will be a solid, although not necessarily smooth market for a long while. In late July management announced several contracts for its LNG liquefaction products and services; one is with Bechtel and another is with Black & Veatch. These contracts are indicative of the quality demand the company is experiencing. Together with another contract in the second quarter, this represents an excess of \$80 million of new LNG awards for the energy and chemical business. Demand for small to mid-scale liquefaction plants continues to grow and represents a cost-effective way to provide LNG as a fuel for transportation.

**Widespread Footprint** – Almost 60% of sales come from outside the U.S., with China a growing customer. The energy industry is the largest end-user of Chart's products, and bio-medical users make up a quarter. Chart's top ten customers represent about a third of

revenues. Chart's broad expertise provides a natural barrier to entry, and with its revenue growth outpacing the industry average, this dominance should continue.

**China Opportunities** – Chart's China sales in the first half of 2014 were disappointing, but as it was primarily a timing issue, growth in this area should emerge.

**Price Overcorrection** – The stock reached an all-time high in October 2013, after rising more than five-fold in three years. The stock experienced quite drastic correction, after management lowered the company's 2014 outlook, and multiple analysts downgraded the stock. This is a company in a solid, long-term business, with a great business model in an expanding business that is not going away anytime soon.

**Outlook** – Management's revised outlook as detailed in its last earnings call in July included sales for 2014 of approximately \$1.2 billion and diluted earnings per share in the range of \$2.85 to \$3.15. The next earnings call will be on October 30.

### VALUATION:

Investors who can tolerate some of the lumpiness of the company's business results, and see to the future may be rewarded with steady improvement in the stock.

#### Chart Industries, Inc. (NASDAQ:GTLS)

Investment Data (as of 10/10/14)

<b>Recent Price</b>	<b>\$43.43</b>
52-Week Range	\$42.51 - \$130.80
Fiscal Year End	Dec
Dividend	NA
Yield	NA
Shares Outstanding	30.5 M
Average Trading Volume (3 mos)	613k
Market Capitalization	\$1.3 B
Cash	\$142.7 M
Long-term Debt	\$273.1 M
Enterprise Value (EV)	\$1.5 B
Book Value	\$27.77
TTM Revenue	\$1.2 B
P/ Revenue	1.2x
TTM EPS	\$2.48
P/ EPS	17.5x
TTM EBITDA	\$178.1 M
EV/ EBITDA	8.3x

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## Best Idea Profile:

## MRI Interventions, Inc. (OTC BB:MRIC)

### DESCRIPTION:

MRI Interventions provides a next-generation platform that enables real-time, MRI-guided, minimally invasive brain surgery through its ClearPoint neuro intervention system. Neurological disorders that can be addressed include Parkinson's Disease, Epilepsy, brain tumor, obsessive compulsive disease, major depression, Dystonia, Alzheimer's and Huntington's disease. There are 2.2 million patients in the U.S. and more than 4 million worldwide that are resistant to other treatments and, therefore, possibly candidates for electrode placement, direct drug delivery or focal ablation that can be enhanced by ClearPoint. MRI Interventions is based in Memphis, Tennessee.

### KEY INVESTMENT CONSIDERATIONS:

**Paradigm Shift** – Image guidance used for neurosurgery is in its early stages and will proliferate as it has in other types of applications. Real-time image guidance has revolutionized minimally invasive surgical options in cardiovascular, orthopedic and abdominal surgery. It is now present in almost 8 million of these surgeries annually. This is because it offers patients shorter hospital stays, faster recovery times, less discomfort and lower rates of complications. Real-time MRI guidance is gaining traction and shifting paradigms in the way neurosurgical procedures are performed and MRI Interventions is at the forefront of this transformation. Basically, without the company's ClearPoint, minimally invasive neuro procedures are performed blind.

**Impressive User List** – ClearPoint is being utilized in 37 sites, including seven of the top 15 hospitals engaged in neurology and neurosurgery. It has been implemented across all major medical scanner platforms, including Siemens, Philips, and GE Healthcare. And its support across academia is demonstrated by the growing recognition in conference presentations and journal publications.

**Real Growth** – Management estimates ClearPoint's market opportunity at more than \$16 billion in the U.S. and \$30 billion worldwide. It has 100 issued patents and 95 patent applications pending to protect its position of strength. It has grown its internal structure to support the growth in revenues, with its sales organization hiring extensively from relevant top-name corporations.

**Recurring Revenue Model** – MRI Interventions' razor/razorblade business model is attractive because of

its combination of hardware and software sales, requiring follow-up sales of disposable products for each procedure. The hardware costs \$115,000 that is paid upfront or over time. Each procedure then uses \$7,300 in disposable products that have strong margins. The company recorded eight consecutive quarters of sequential growth in disposable product revenues, a trend that ended in the third quarter which was still the second highest ever. Capital product revenues will vary quarter to quarter.

**Drug Delivery Opportunity** – The company's participation in drug delivery clinical trials is increasing: two for Parkinson's and four for brain tumors. There are major challenges in delivering drugs to the brain because of the brain's ability to block almost all drugs and because, without guidance, the target for delivery is often obscure. ClearPoint allows more selective targeting, which reduces dosage levels and unwanted side effects. This participation has potentially huge upside potential with little financial risk to the company.

### VALUATION:

With a new CEO in place, strong revenue growth and exciting future opportunities, this stock is an interesting long-term investment, despite the challenges of commercializing new technologies. The potential market is huge and growing and the technology is proven.

#### MRI Interventions, Inc. (OTC BB:MRIC)

Investment Data (as of 10/15/14)

<b>Recent Price</b>	<b>\$1.06</b>
52-Week Range	\$0.65 - \$1.75
Fiscal Year End	Dec
Dividend	NA
Yield	NA
Shares Outstanding	59.0 M
Average Trading Volume (3 mos)	60k
Market Capitalization	\$62.5 M
Cash	\$4.1 M
Long-term Debt	\$7.5 M
Enterprise Value (EV)	\$68.3 M
Book Value	\$(0.08)
TTM Revenue	\$4.1 M
P/ Revenue	15.8x
TTM EPS	\$(0.07)
P/ EPS	NA
TTM EBITDA	\$(7.9) M
EV/ EBITDA	-8.7 x

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## Best Idea Profile:

## Franklin Electric Co., Inc. (NASDAQ:FELE)

### DESCRIPTION:

Franklin Electric Co. produces and sells systems and components for the movement of water and automotive fuels. It is the number one global supplier in many of its markets. Franklin Fueling Systems provides petroleum fueling products ranging from service station hardware to submersible and surface pumping systems and piping. Franklin Water Systems serves agricultural, residential, industrial, community and commercial needs with products including sewer systems, irrigation, HVAC, water transfer and recirculation. Water Systems represents more than three-quarters of the company's business. Franklin transformed itself from a motor company with only 2,000 products to the diversified company it is today with more than 40,000 products. Franklin, founded in 1944, is based in Fort Wayne, Indiana and has manufacturing and distribution facilities worldwide.

### KEY INVESTMENT CONSIDERATIONS:

**Global Growth** – Not surprisingly, the biggest growth markets are coming from outside of the U.S. Although almost half of water systems sales came from the U.S. in 2013, the compound annual growth rate is 13%, compared with the 24% growth from the developing world. Fueling systems shows a similar comparison; with more room for growth as fueling stations outside the U.S. have greater technological growth opportunities. There are probably well more than half of all stations left in the world to convert to the more efficient pressure pumping systems; whereas, in the U.S., more than 90% have been converted. Additionally new passenger vehicle sales growth in China, India and Latin America is expected to far exceed that in North America.

**Consistency of Growth** – Franklin has recorded 19 quarters of consecutive adjusted earnings per share growth. And its growth in developing regions has been 21% per year in the last decade. There has been a short-term disruption in North American sales as the company has realigned its distribution from a national distributor to regional distributors, but this only represents 3% of sales. Inventory levels are rebalancing and the expansion of product line offerings through the new outlets should begin benefitting sales and earnings beginning in the second half of 2014.

**Acquisition Minded** – Over the last decade, Franklin has averaged one to two acquisitions per year and management sees plenty of opportunity for bolt-on

acquisitions in the fragmented global markets it observes.

**Dividend Growth** – Franklin has increased its annual dividend for 22 consecutive years and currently pays \$0.36 annualized. Its shareowner return is 27% over the past five years and 53% at the end of 2013.

**Consistency of Management** – Although the company appointed a new chief executive officer, he has been with the company for 25 years and was instrumental in establishing the current corporate strategy. Therefore, the growth through new products, emerging market expansion and acquisitions should continue without disruption.

### VALUATION:

Why buy Franklin Electric? Franklin has repurchased 140,000 shares in the open market through the second quarter, and has substantial cash. It has a history of returning value to its shareholders. And lastly, its global growth and opportunities bode well for long-term continuation of record sales and earnings. Franklin will report third-quarter earnings on October 29, and is expecting overall company adjusted earnings per share to grow 3% to 5% in the third quarter.

#### Franklin Electric Co., Inc. (NASDAQ:FELE)

Investment Data (as of 10/22/14)

<b>Recent Price</b>	<b>\$36.21</b>
52-Week Range	\$33.57 - \$46.11
Fiscal Year End	Dec 28
Dividend	\$0.36
Yield	1.0%
Shares Outstanding	47.6 M
Average Trading Volume (3 mos)	147k
Market Capitalization	\$1.7 B
Cash	\$87.7 M
Long-term Debt	\$245.2 M
Enterprise Value (EV)	\$1.9 B
Book Value	\$13.41
TTM Revenue	\$995.4 M
P/ Revenue	1.8 x
TTM EPS	\$1.68
P/ EPS	21.6 x
TTM EBITDA	\$165.9 M
EV/ EBITDA	11.6 x

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## Best Idea Profile:

## Avigilon Corporation (TSX:AVO.TO)

### DESCRIPTION:

Avigilon Corporation designs and manufactures all aspects of high-definition security solutions; software, cameras, lenses, encoders, network switches, workstations, analytics. These components can be sold separately or in combination to provide customers with a customizable end-to-end video surveillance solution. Its systems, installed in more than 24,000 sites in 113 countries, allow high image quality, and less bandwidth and storage than its competitors. Avigilon products are found in schools, casinos, airports, health care centers, government facilities, financial institutions, and retailers. Founded in 2004, the company first offered its stock publicly in 2011. It is headquartered in Vancouver, Canada.

### KEY INVESTMENT CONSIDERATIONS:

**Dynamic Industry** – The video surveillance market is rapidly growing as the need increases for public safety, asset protection, theft prevention, liability management, and regulatory compliance. Industry experts forecast the surveillance security system industry is growing at a 16.4% compound annual growth rate from \$12.6 billion in 2012 to \$23.2 billion in 2016. The growth is driven by the emphasis put on security in all corners of the world. The industry is transitioning from analog, which is in most surveillance cameras in use today, to digital surveillance technologies. Suppliers are rushing to convert their current customers to digital from their legacy systems, while new businesses are implementing the updated technologies. It is a very fragmented industry; therefore, even with industry-leading technology, Avigilon may soon achieve a miniscule 2% of the market, and the largest player has less than 6%.

**Superior Offerings** – Avigilon's uniqueness is in its complete end-to-end offerings. It has a superior software platform, which is the critical differentiator as hardware becomes more of the commodity piece of the puzzle. Its software records, replays and analyzes data and is extremely easy to integrate with most all existing hardware platforms.

**Scalable Business** – As the installed base increases, selling expenses will decrease and margins will increase as Avigilon can resell and upgrade significantly more efficiently. Approximately 80% of new customers already have some type of surveillance solution but are upgrading to digital. Avigilon uses more than 2,000 resellers, as well as an inside sales department and a business development department focused on longer

lead-time enterprise opportunities, to sell in more than 113 countries. Capturing market share is a primary objective for Avigilon at this critical juncture in the industry's evolution.

**Acquisition** – Avigilon acquired VideoIQ, Inc. in January 2014. The benefit of its real-time intelligent video analytics is the ability to pick up visual cues and provide a proactive way of not just recording, but preventing criminal activity. The software is customizable, can deliver real time data, and can also learn over time. VideoIQ has a strong patent portfolio with 40 patents granted or pending internationally. Full integration will be completed within a year and a half.

### VALUATION:

Avigilon stock rose rapidly until second quarter results caused the stock to drop 20% as investors were concerned about the rise in expenses. However, management has explained its willingness to sacrifice some short-term margins in order to bolster its sales and marketing efforts and continue its investment in research and development. With expectations of revenues doubling to \$500 million by 2016 while still achieving EBITDA of up to 25%, as well as an attractive cash position and the possibility of a NASDAQ listing, this stock is an attractive investment. Third-quarter results will be reported on November 4.

### Avigilon Corporation (TSX:AVO.TO)

Investment Data (as of 10/28/14)

<b>Recent Price</b>	<b>\$15.88</b>
52-Week Range	\$13.15 - \$34.50
Fiscal Year End	Dec
Dividend	NA
Yield	NA
Shares Outstanding	46.5 M
Average Trading Volume (3 mos)	431k
Market Capitalization	\$742 M
Cash	\$157 M
Long-term Debt	0
Enterprise Value (EV)	\$556 M
Book Value	\$5.90
TTM Revenue	\$228 M
P/ Revenue	3x
TTM EPS	\$0.60
P/ EPS	27x
TTM EBITDA	\$39 M
EV/ EBITDA	14x

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The value proposition of the digest is essentially an "Idea Generator". During the course of my 17-year career in capital markets, I've had the chance to meet and work closely with some very smart professional investors who have consistent track records of outperforming the market indexes. Some of these investors, which include mutual fund managers, hedge fund managers, and other professional investors, are kind enough to share their best ideas with me. I conduct my own analysis of their ideas and publish summaries of those ideas I think represent timely investment opportunities. Over time, I trust the majority of these ideas will pan out and help subscribers generate index-beating returns.

The goal of the Best Idea Profiles in this newsletter is to describe all of relevant investment merits and risks of a company in one page. It is not intended to be an exhaustive report including every detail of a company. With limited space available, I am forced to include only those data points that I feel are most important for subscribers to know before they begin their own due diligence. Thank you for your interest in Mossberg's Investor Digest.

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