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	Ticker	% Price Change	Price in 2009	Current Price	2011 / 2009 Price	Added Price	Price Diff %	Low Value	Mid Value	High Value	Low Sale%	Mid Sale%	Price (1,2,3)	Biz (1,2,3)	Personal Notes
x	**ORN**	-3.38%	$18.19	$5.71	0.31									3	inconsistent FCF
	BRLI	0.08%	$39.80	$12.77	0.32			$14.00	$19.00	$22.00	**8.8%**	**32.8%**		2	very good financials. All margins consistent for 10 years. But what is the growth driver? No moat business. Looks fairly priced at this level. Good CROIC, ROA, ROE.
x	**BVX**	4.65%	$6.53	$2.25	0.34									3	small medical device company. FCF shows history of losses. immediate pass.
x	**BAMM**	-7.84%	$6.72	$2.35	0.35	$2.60	-9.6%							3	previous holding. Selling for less than book value. Company cannot make more than cost of capital to grow. Operations were flat but now it has produced losses. Big family ownership but the trend of the industry makes BAMM a value trap. Intrinsic value will come down to meet price.
x	**LINC**	-3.42%	$20.98	$7.35	0.35	$8.57	-14.2%	$17.00	$22.55	$28.00	**56.8%**	**67.4%**		3	For profit education company. Much the same as CPLA, STRA. Margins are fairly more stable than the others. Is TTM figure reliable or will it be affected even more? Past 2 yr CROIC above 15%. Doesn't look sustainable based on history.
x	**CTRN**	0.00%	$28.39	$10.40	0.37	$10.30	1.0%							3	retailer of urban fashion. Pretty sure there are better competitors as investments
x	**AFAM**	-1.50%	$37.67	$14.43	0.38	$18.86	-23.5%	$36.36	$42.26	$49.51	**60.3%**	**65.9%**		3	Recently hit by Obama healthcare. good FCF, reduced debt in past 2 years. Very strong recent 5 year growth.
x	**ERII**	0.00%	$6.35	$2.50	0.39									3	short history. BIG drop in margins.Strong balance sheet though (how was the balance sheet financed? Equity dilution?) Very low CROIC. Not worth it.
	DGIT	-4.86%	$34.44	$13.69	0.40	$20.16	-32.1%	$28.00	$30.00	$44.00	**51.1%**	**54.4%**		2	good FCF, increasing CROIC in the past year and operations all around. Company looks to have turned around since 2009. Current price is close to no growth value. Can the company earn better returns than the cost of capital? P/FCF is 6-7 which is cheap.
x	**CPLA**	-1.28%	$81.62	$33.09	0.41	$32.00	3.4%	$54.37	$65.49	$70.00	**39.1%**	**49.5%**		3	dependent on favorable budgets from government for education sector. Is CPLA one of those affected? Buying back stock, no LT debt, strong balance sheet, increasing FCF without much divergence from owner earnings is good signs. EPV = 2x Repr. Moat. Check the moat checklist.
	LHCG	-4.19%	$32.51	$13.71	0.42									2	home healthcare company. Like AFAM. Good numbers but dependent on government whims.
x	**NCIT**	-4.32%	$26.83	$11.53	0.43									3	NCI, Inc. (NCI) is a provider of information technology (IT), engineering, logistics, and professional services and solutions to Federal Government agencies. Stay away from anything that is too connected to government. Their spending is based on budgets. Decreasing margins, big jump in TTM debt.
x	**STRA**	-0.07%	$217.13	$96.12	0.44	$87.82	9.5%	$90.00	$100.00	$127.00	0.0%	3.9%		3	Much like CPLA. Has fallen ALOT since 2009 when it looked way overvalued. How much of STRA is dependent on government funding? Cash converting MACHINE. >30% CROIC. Moat of EPV/Repr = 100/30 = 3
x	**PETS**	-2.13%	$19.66	$9.18	0.47	$10.00	-8.2%	$8.99	$11.25	$13.52	0.0%	18.4%		3	Pet pharmacy. VERY strong balance sheet but latest year seeing difficult results. buying back a lot of shares and paying 5% dividend. Margins decreasing for 4 years and will be 5th year of decline = eroding moat. EBIT will likely be 12%
x	**AACC**	-3.05%	$5.70	$2.86	0.50									3	classified as financial company.
x	**NTRI**	2.74%	$20.70	$11.62	0.56									3	Gross margins have been consistent but net margins in decline as well as FCF. No moat biz and a discretionary item. Could be a turnaround company but not counting on it. If business keeps declining, fair value looks to be at about $10.
x	**WWE**	-2.92%	$16.34	$9.31	0.57									3	
	DLB	-0.65%	$53.12	$30.50	0.57	$31.89	-4.4%	$32.04	$40.00	$50.00	4.8%	23.8%		2	Excluded from Windows 8 caused 30-40% drop. Everything else is good. Management has a big stake, numbers are excellent, growth is slowing because of drops in PC sales, but other audio channels such as content boxes are available. Conservative estimates put DLB at the lower range of valuation at current prices. If windows 8 drop was overdone, fair price should be $40.
x	**STRL**	-3.72%	$19.46	$11.40	0.59									3	issues debt and equity financing to get money. Thin margins in contracting and consulting business. MRQ shows big drop in cash as well. Nothing entirely impressive. Mediocre company.
x	**SHEN**	-3.07%	$17.74	$10.41	0.59									3	telecomm network company. high fixed capex. big increases in debt. big drop in margins. large acquisition leading to high intangibles or is it from spectrum holdings?
x	**RICK**	1.48%	$12.77	$7.53	0.59									3	
x	**ROCM**	-1.04%	$12.80	$7.59	0.59									3	good revenue growth and margins but cant convert it down to bottom line. Tell tale of weak management and competitive pressures as expenses are high in order to make sales.
x	**DDE**	1.40%	$3.65	$2.18	0.60									3	gambling company.
	MED	-1.70%	$22.34	$13.85	0.62	$17.14	-19.2%	$14.00	$15.50	$21.00	1.1%	10.6%		2	Good margins for a distributor. Lots of SG&A involved with business. Verify they are viable. Margin trend has been increasing 2009 and up. Increasing share count. Big increases in cash. Very healthy. Shareholders equity increased 10 yrs!. FCF +ve from 2008-2009. Looks like a great turnaround. Increase in DPO and inventory turnover. However, there is no moat.
x	**DRIV**	-3.41%	$26.51	$16.44	0.62									3	Went from average of 12% Operating margin to 3.6%. Huge increase in LT debt. From $8.8m to $354m. Not much growth in shareholders equity since 2007. New acquisitions every year. Lots of intangibles.
x	**TESS**	-2.92%	$21.79	$13.61	0.62									3	1.-2% net margin. Razor thin. Margins currently at the low range. If it increases slightly valuation can go up but is difficult with the business model. Debt is constantly increasing. Doesnt decrease. Capital structure doesn't look very good.
x	**GMCR**	4.88%	$83.49	$52.91	0.63	$43.71	21.0%						3	3	Green mountain coffee roasters. Enough said.
x	**TKLC**	-0.81%	$16.95	$10.99	0.65	$11.00	-0.1%							3	telecom network solutions company. No moat. EPV < Repr. NCAV makes up 50%. Intrinsic value doesn't rise. Asset play at best.
x	**IIVI**	-4.31%	$28.07	$18.21	0.65									3	Doesnt look cheap in terms of metrics. P/FCF of 36, P/tangBV of 2.7 is not cheap. Margins are stable and look to be on the rise. Does work for government (?). According to spreadsheet, received a lot of income from "other cash flow". Need to see where this comes from in more detail. EPV = Repr. No moat.
	UEIC	-0.57%	$24.28	$15.81	0.65	$17.28	-8.5%	$4.61	$9.76	$17.48	0.0%	0.0%		2	Interesting potential. No moat OEM business. Large increase in net receivables and inventory but looks like sales picked up. Need to look at detailed inventory. New short term debt with no LT debt could mean that they had a big order and needed financing to make the order. Gross margin of 31.5%, EBIT of 5.5%
x	**RENT**	-2.32%	$18.76	$13.06	0.70									3	latest fiscal year shows increase in revenue and drop in COGS, but ended the year at a loss. Low moat business. Pass
x	**LL**	-5.99%	$22.57	$15.85	0.70									3	lumber liquidators. specialty store. FCF losses. Owner earnings would be the better way to analyze. Cash flow from other is quite high. inventory turnover and age of inventory keeps increasing.
x	**AP**	-4.07%	$25.77	$18.17	0.71									3	Erratic cash flow with slowing sales. Low ROE and CROIC. Nothing impressive.
	SUPX	-2.39%	$25.65	$18.35	0.72									2	No long term debt. Good margins for semiconductor equipment manufacturer. Constantly needs to update products to keep up to date with new processes. FCF matches owner earnings well which means the financial is very clean and easy to understand. 5yr metrics are worse than 10yr. Mostly likely due to rapid changes in industry. Difficult industry.
x	**IART**	-2.15%	$39.60	$29.60	0.75	$37.70	-21.5%							3	Medical device company with 10 years of positive FCF, stable margins. However balance sheet is not as good as other medical device competitors. Has been taking on more debt. ROIC and CROIC average of 10 years if 9.6%. Not great but not bad. However based on the earnings power, company doesn't seem to have a moat. Looks like an average company that is fairly valued.
x	**RIMG**	0.09%	$15.00	$11.25	0.75	$11.00	2.3%							3	Burning CD's is a dying industry. I remember reading somewhere that management is not shareholder friendly. Selling below tangible book value but very healthy balance sheet. SG&A has increased 8 out of 9 years. Net income decreasing. FCF is also volatile. Not a stable business. ROE,ROA,ROIC,CROIC all in mid single digits now. Has declined a lot. Won't be able to pay back the opportunity cost.
x	**AIRT**	-1.67%	$10.89	$8.25	0.76									3	Very cheap based on numbers. P/tangBV = 0.7 but no opportunity for growth. Largest company is fedex. Trading below NCAV. Value trap imo.
V	**NPK**	-3.18%	$117.69	$90.81	0.77	$89.78	1.1%							1	Accounting is very straight. Easy to understand. Business has greatly improved since 2006-2007. Getting towards high operating efficiency. Did well even in recession and current year. Good margins. Large increase in receivables and inventory from 2006-2007 looks to have been solved now. Solvent with no short term or long term debt. Retained earnings and shareholders equity has increased for 10 straight years. Annual dividend of 8%??? Valuation looks excellent.
x	**KNX**	-1.92%	$18.50	$14.32	0.77									3	Truck logitics company. Very erratic. Hard to value. Dependent on gas prices and economy. Pass.
x	**HCSG**	-2.97%	$22.06	$17.33	0.79	$16.25	6.6%	$6.80	$9.80	$13.70	0.0%	0.0%		3	EPV > 2x Repr means there is a possibility of a moat, but the current price seems too high. F score of 7 shows that company is healthy. FCF past 5 yr averages drastically lower than past 10 yr avg but other ratios have increased by 1% or so. P/FCF is very high. Intrinsic value looks much lower. Pass
x	**NCI**	-2.64%	$13.01	$10.31	0.79									3	Margins declined for 3 years. Due to recession, consulting business not good. Big drop on cash. Only $0.4m left compared to $49m in 2009. For consulting, liabilities makes up 47% of balance sheet. Days Payable Outstanding is 8. Very likely lead to liquidity issue.
	QLGC	-3.48%	$17.82	$14.15	0.79									2	Cyclical business but profitable. Growth is limited but it looks like the business is solid. Good balance sheet, 5yr ROE 15.3% and 10yr ROE is 16.7%. EPV is > 2.5x Net repro value which suggests that a moat does exist. Hard to predict earnings or fcf because it is erractic but worth another look.
	NATI	-3.99%	$31.94	$25.75	0.81									2	Use their products at work. No moat engineering software. Easily replaceable. EPV suggests the same thing. Dependent on corporate spending. Efficiency increasing leading to highest margins achieved in its history. Growth is slow. Looks mediocre.

x	**PIKE**	-1.76%	$8.28	$6.68	0.81	$7.90	-15.4%							3	Currently in a decline. Business of providing energy solutions to utilities. Company financials is difficult to predict. Not overleveraged but can tell it is a bad business. Low and negative returns. No earnings predictability.
x	**BMI**	-4.15%	$36.90	$29.79	0.81	$32.00	-6.9%							3	Very cyclical. No moat. Hard to see the value in this one. Nothing really stands out. Easy pass.
X	**LDR**	-3.16%	$61.05	$49.39	0.81									3	ROE, ROA, ROIC, CROIC in constant decline.Company has a liquidity issue. Cash conversion cycle is bad for the balance sheet it has.
x	**ESE**	-3.46%	$32.99	$26.79	0.81	$30.00	-10.7%							3	Company with a steady income statement. Nothing shouts out. Balance sheet does shout a few things. Doubling of intangible assets in 2008 which has increased vs depreciated. Debt to equity is on the high side.
x	**ANGO**	-3.31%	$16.60	$13.73	0.83									3	Medical device with 10 years of history but only the last two years have been good. Lots of share dilution 5 years ago, with high intangible assets. ROE ROA and CROIC all in the low single digits. Management isn't effective.
	VIVO	-3.25%	$21.21	$17.58	0.83									2	Solid and stable margins. Does not pay taxes? If they have NOL's how long will it last? Very healthy, no debt and ROE is averaging 22% in past 5 years. Growth looks to be coming down to the 13% range. FCF positive for past 10 years. Worth looking further into but expectations are too high and looks to be fairly priced now. However, based on absolute PE method, 13% growth + 4.79% dividend produces a fair PE of 20 to 22.
x	**LUFK**	-4.49%	$77.64	$65.34	0.84									3	Cash flow is erratic. and CROIC is 0-1% since 2009. They can't perform in a recession margins have been squeezed considerably. No moat. Pass.
x	**EXAC**	-1.87%	$17.49	$14.73	0.84									3	top line growth but doesnt convert to bottom line. FCF very inconsistent. Large increase in long term debt. 1% CROIC.
x	**PRFT**	-3.27%	$10.44	$8.87	0.85									3	Ignoring 2009, margins have dropped nearly every year. Along with tight margins, this is a difficult business to run. Acquisitions every year. Pass
x	**ATNI**	-2.72%	$45.76	$39.04	0.85									3	makes a lot of money but doesnt looks like company will find it hard to earn more than the cost of capital. High fixed capex. EPV < Repr meaning the company does not utilize its assets. Issued a lot of debt recently.
x	**KDN**	-1.31%	$33.70	$29.31	0.87	$31.05	-5.6%	$24.00	$26.00	$34.00	0.0%	0.0%		3	Business has been stable as it sells recession proof industrial products. Company is very healthy with no debt so it's a matter of deciding whether the returns are sufficient. 2.58% dividend is good and easily covered by FCF. 2007-08 saw unusually high capex. A red flag is that management bought back shares in 2007-2008 when stock price was at its highest. Not a good impression of management. This is confirmed by low ROE, ROA, CROIC. Stock is likely to trade sideways as management wont be able to maximise the business.
x	**NGS**	-1.82%	$15.47	$13.48	0.87									3	High capital intensive. Margins are good, but it doesn't convert to bottom line. Wild FCF. Not a fan of such companies.
	APEI	-0.42%	$40.72	$35.85	0.88	$36.85	-2.7%	$24.00	$29.00	$41.00	0.0%	0.0%		2	For profit company but operates in a niche of military and public service communities. Increasing revenue for past 6 years and operating in the upper ranges of margins. No debt as it is an education company and numbers are clean and easy to read. Numbers scream quality but valuation is important. Reverse DCF @ 15% discount rate, 35% growth & $15mm FCF is current market price. Currently priced like a growth stock. Fair value PE is about 20 which turns out to be current levels.
	OMPI	-2.02%	$10.97	$9.69	0.88	$9.70	-0.1%							2	Margins declined for 3 years. Doesn't seem like the company is capable of passing on cost to the customer. Net margin of 14% in 2007 to 8.4% in 2010 and expected to be lower this year is a big decline. Book value has been erratic. Efficiency ratios are great though and healthy. Intangibles is higher than I like at 20% of assets. EPV is 2.5x reproduction value, so by the numbers, there is likely a moat and efficiency ratios shows that there is potential.
	HWCC	-3.25%	$12.78	$11.33	0.89	$12.93	-12.4%							2	Had a tough time in the recession but business looks like it is slowly recovering. Before the recession, returns were amazing at above 20%. Made an acquisition last year. Although FCF is positive, FCF growth is declining. If the company can return to pre recession operations, this company is undervalued. If not, it is a value trap.
	CBZ	-1.55%	$6.39	$5.70	0.89	$6.60	-13.6%							2	No moat biz with low margins but has been very stable. Intangibles has increased substantially along with debt. Makes acquisitions to grow and repurchases shares regulary without regard to stock price. Returns are average but valuations look good. EPV is less than net repro value and DCF shows it to be undervalued by about 30-40%. Reverse DCF using FCF of $40m @ 15% discount rate and 3% growth rate. "What is it NOT worth?"
x	**FSTR**	-4.65%	$29.66	$27.07	0.91									3	Made an acquisition within the year. Has paid off most of the debt. Cyclical but making money. However looks like a value trap as the growth and ROE, CROIC is not high enough to earn more than the cost of capital. No moat biz.
x	**MTRX**	-4.75%	$10.05	$9.22	0.92	$11.00	-16.2%							3	P/FCF of 20. Inconsistent FCF. Low margin business model. Efficiency ratios are also inconsistent. Current ratio has improved. Looks like company should be able to survive a recession, but will see top and bottom line drop if there is another recession.
x	**HTLD**	-2.35%	$14.46	$13.30	0.92	$13.66	-2.6%							3	Truck carrier company. Erratic and cyclical business. Better business models out there to invest in. Margins are excellent though. Gross margin avg of 65% over 10 years. Difficultly in business is seen by low single digit and sometimes negative CROIC. ROA and ROE is in the mid teens is good however. Close to no debt. Impressive for a capital intensive business.
x	**NWPX**	-0.04%	$24.35	$22.65	0.93	$25.25	-10.3%							3	Erratic FCF with consistent losses. Owner earnings show +ve values compared to FCF which means that the company requires lots of working capital. Differences between FCF and owner earnings is a sign of a leveraged company.
	AAON	-3.65%	$21.69	$20.35	0.94									2	Serves commercial market for air cons and replacement parts. Did well in recession but going down for 2 years. Looks like down cycle where cycle lasts for ~3years. Looks well managed. Repays debt, no LT debt, buys back shares. Not too sure about buying shares at high prices though.
	BOLT	-1.83%	$10.86	$10.20	0.94	$10.01	1.9%	$10.00	$14.00	$16.00	0.0%	27.1%	1	2	Written about BOLT many times. Cyclical company depended on oil prices. Times got hard when confronted with Gulf oil spill. Solid operating and profitable small cap company. Definitely has some form of competitive advantage in its industry. Growth is slow, even negative, at the moment, but operations is solid. If nothing happens for years, could continue to be labeled as a value trap.
	DECK	-1.95%	$104.46	$98.19	0.94	$104.00	-5.6%							2	Seller of the UGG boots and other footwear. Has seen excellent growth throughout the year. The Apple of footwear. Inventory growth is on the aggressive side with TTM inventory growth increasing by 96% compared to 46% the prior fiscal year.
	ASEI	-3.13%	$77.29	$72.79	0.94	$59.69	21.9%	$54.00	$65.00	$74.00	0.0%	0.0%		2	Government contracts lead to high revenue and margins. Based on earnings power it looks like company has a big moat. New xray machine technologies being used in airports for security. Security is continually an issue so demand will likely remain. 10 years of shareholders equity growth. Bought back a lot of stock in 2008 when prices were low. Lots of "sale of assets" in investing activities. Paid dividend since 2008. 5 yr ROE is 14.6% and CROIC is 13.6%. Very healthy. Just doesn't look cheap enough.
x	**ALGT**	-1.23%	$52.91	$49.98	0.94									3	Travel company that provides chartered air services as well as operating a small fleet of planes. P/FCF of 14 is very high and all businesses related to airplanes is going to have high capex. Evident in FCF. Pass.
	DIOD	-3.40%	$20.73	$19.86	0.96	$18.02	10.2%	$13.00	$14.40	$20.41	0.0%	0.0%		2	Made money during recession and latest year has been huge. Operating at the upper range of margins. Share count increases slightly each year. Revenue, receivables and inventory growth are aligned so the big increase isn't a warning. Short term debt is high but has been reduced over the past 2 years. Capex has increased from $50m in 2008 to $90m in TTM which is causing intrinsic value to remain flat.
x	**SSYS**	-2.87%	$29.05	$28.13	0.97									3	Looks like a no moat business with limited growth. Nothing outstanding that catches my eye.
x	**POWL**	-2.28%	$30.44	$29.99	0.99	$32.94	-9.0%	$35.00	$39.00	$41.00	14.3%	23.1%	2	3	Custom engineered products for electric control systems. Very inconsistent. Capex is relatively low but FCF is highly volatile. Paid back nearly all debt. Net margin is razor thin for a custom engineering business.
x	**RTI**	-4.83%	$24.89	$24.81	1.00	$28.79	-13.8%							3	Producer of titanium mill products. Only reason for the positive FCF past couple of years is due to a big reduction in capex. Seriously inconsistent business.
	CCF	-0.24%	$12.47	$12.47	1.00	$10.14	23.0%	$10.00	$11.28	$12.86	0.0%	0.0%		2	Highly subject to cycles. Boring business but no moat. COGS has been decreasing since 2008 leading to higher margins. Seems to acquire businesses as growth is limited. ROE, ROA and CROIC was low during 2009 but has climbed back up. CROIC of 14% is very good.
x	**IEC**	-0.99%	$5.78	$5.84	1.01	$5.92	-1.4%							3	Company has no cash on books? From the balance sheet alone, it looks like the company is run aggressively. Certain years where net receivables and inventory spikes are much too big. Recent acquisition and putting the assets on the books is causing the accounting to look funny. Altman and Beneish numbers agree. Better to wait more and see how it turns out.
x	**RMCF**	-1.69%	$8.55	$8.72	1.02	$8.55	2.0%							3	Chocolate francise company. Very clean, stable, healthy business. Good dividend but unlikely it will increase. Returns are fantastic but growth is close to non existent. Will likely remain in business the way it is. Don't expect too much. Sell as soon as intrinsic value is met. Reverse DCF of 12% discount rate, 12% growth at $3.3m FCF. Not very likely.
V	**CMTL**	-2.06%	$31.68	$32.40	1.02	$33.00	-1.8%							1	Made money in recession and revenue growth is still impressive at 30% last year. Most likely due to an acquisition in 2009-2010. Increase in growth has led to inefficiency showing margin decrease. Net margin has taken a big drop. If company can get back up to upper range of margins, intrinsic value will be much higher. Share count has increased. Warning is that revenue grew 30% but receivables grew 70% in 2010. Even with 15% discount rate and 10% growth off conservative FCF, valuation is compelling. 5year CROIC is 12% and 5 year FCF/Sales is 13%. Cash converting cow. NCAV of $16.7 and NNWC of $14.5. Meaning business is being priced for about $10.
x	**JDAS**	-1.50%	$28.73	$29.47	1.03	$27.50	7.2%							3	Decreasing SG&A is always a good sign but so has R&D. R&D expenditure of 20% from 2006 down to 11% in 2010. Interest income is about 4% of revenue. For a software company, net margin is extremely low. Big increase in intangibles and long term debt. Not well management.

V	**TECH**	-1.12%	$62.48	$64.52	1.03	$67.61	-4.6%	$57.00	$62.00		0.0%	0.0%	3	1	Impressed with consistency. Sells products for biotech equipment. Margins are stunning. 80% avg gross margins. 38-40% net margin. WOW. Growth isn't super high, average of 8-10%. No debt, extremely healthy. Positive FCF for more than 10 years. Low working capital. Definition of a perfect company but obviously looks to be trading at a premium given its fundamental excellence. Returns are extraordinary being just below 20%. Definitely one to watch.
x	**ICFI**	-3.57%	$23.21	$24.07	1.04									3	Short history with uptrend. Barely lost money in recession. Increased margins. Extremely high receivables and intangibles. Lots of acquisitions. Low CROIC and ROE of around 10% median over 5 years.
x	**MRTN**	-2.56%	$17.40	$18.26	1.05	$17.76	2.8%						3	3	FCF negative every year. This itself is impressive.
x	**QSFT**	-3.29%	$16.74	$17.62	1.05	$18.74	-6.0%							3	Software company. Intangibles has doubled since 2004 and growing. Very low debt as software companies are FCF cows. Surprising how a software company has low returns. Granted, they generate lots of cash so cost of capital would be lower than most companies, but returns below 10% does not indicate a competitive advantage.
x	**EBS**	-3.55%	$14.92	$15.75	1.06	$16.71	-5.7%	$8.00	$10.00	$20.00	0.0%	0.0%	3	3	Biopharm company. Seeing strong top line revenue growth with healthy balance sheet and strong margins, but FCF and owner earnings diverge which means that working capital isn't being managed effectively. Returns show good performance for last year, but it is only one year compared to negative returns past 5 years.
x	**NHC**	-2.30%	$37.05	$39.46	1.07	$33.66	17.2%							3	Healthcare center operating company. Always dependent on government. Unsystematic risk is too high. ROIC and CROIC too low with inconsistent FCF making it a diffcult one to judge immediately. Better healthcare operators out there.
x	**FORR**	-3.72%	$29.50	$31.56	1.07	$35.96	-12.2%		$23.00			0.0%	3	3	Independent research company. Fundamentals look a lot like other well run companies. Top line growth has increases YOY except for -3% drop in 2008, and slowing growth, but continual improvement. Margins are solid for a research company. E.g. outsourcing companies have net margins in 3-4% range, while FORR is in the 8% range. Very healthy balance sheet. No debt but starting to acquire businesses. Probably to offset slowing organic growth. Past 2 years has seen BV drop. Very little assets,
	JCS	-1.55%	$12.44	$13.31	1.07	$16.27	-18.2%	$11.00	$15.00	$23.00	0.0%	11.3%	2	2	Communications business that isn't mega high capex. Margins are at the highest peak. Fixed assets is a requirement and will continue to increase. Little intangibles required. Negligible debt. Returns aren't that great. FCF positive for past 10 years. Definitely some form of moat or company is able to make use of its assets well.
	HAE	-1.80%	$53.52	$57.27	1.07	$59.68	-4.0%	$68.00	$75.00	$79.00	15.8%	23.6%	2	2	Medical device company with consistent profit and growth. Margins are stable and consistent. One of the better medical device companies. Good solid margins. No compression of margins show that company is able to pass on cost. Good working capital management. Intangible assets has grown but not all from acquisitions so other things such as brand value is growing. Average of 10-12% performance is on par with other medical device companies. Not excellent, but good.
	MNRO	0.27%	$34.80	$37.63	1.08	$37.63	0.0%	$30.00	$38.00	$42.00	0.0%	1.0%	2	2	Car repair stores. Has been profitable for 10 years straight. FCF positive for 10 years straight. Made money during recession. Proven recession proof business. Margins has increased nicely. Low on cash, but low ST debt and long term debt. Has paid back a lot of LT debt. Acquires new locations for growth. Fixed capex business of around $20m. Fundamentals show that company could see more profits from improved operations over past 2 years.
	YDNT	-1.84%	$26.03	$28.33	1.09	$29.32	-3.4%						2	2	Sells supplies and equipment used by dental market. Recession proof market. 2002-2003 saw revenue growth and 2009 only 1.4% revenue drop. Strong margins and consistency is excellent. Cash is on the low side with receivables higher than what I would like but the receivables has also been consistent. Inventory management looks good as well. no big jumps or drops. Intangibles has increased steadily. No short term debt, long term debt is close to paid off. Not a cheap stock. Well management company. Looks fairly priced. Wouldn't mind owning at cheap price.
x	**BOOM**	-6.26%	$18.44	$20.36	1.10	$23.43	-13.1%							3	SG&A is consistently increasing. Operating and net margins are at its lowest levels yet. Financials took a turn for the worse from 2007 and numbers have declined since then. Past 2 years show horrific returns. Better opportunities elsewhere.
x	**GRC**	-3.41%	$23.95	$26.63	1.11	$26.56	0.3%						3	3	Makes pumps and other industrial parts. Has traded at higher than average multiples of earnings, book value, fcf. Returns are only average with inconsistent FCF. Don't see the value in this one.
	USPH	-0.52%	$17.19	$19.22	1.12	$17.56	9.5%	$30.00			35.9%		1	2	Physical therapy business. Increased sales every year. Debt amount is negligible. Intangible assets continue to increase every year. Low fixed asset business. Looks like MNRO in a way. Must make acquisitions of property in order to grow. Outstanding returns. 26% ROIC, 15% CROIC. Used to be a difference between FCF and Owner earnings, but working capital must be handled better now and more in the mature stages of business instead of growth stage.
x	**DRQ**	-2.07%	$56.39	$63.76	1.13	$65.54	-2.7%	$27.00	$35.00	$43.00	0.0%	0.0%	3	3	Sell products for offshore drilling. Cyclical company CROIC has been reduced by 50% last year compared to previous years. Not much debt for a cyclical company. Big slowdown in past 5 yr operations compared to past 10 years. FCF growth hasnt been consistent so DCF or Grahams will not work. EPV of 28 > net repro of 19. By the numbers, there is a moat.
x	**JJSF**	-2.89%	$42.71	$48.78	1.14	$50.95	-4.3%	$40.00	$53.00	$58.00	0.0%	8.0%	3	3	Snack food business. Recession proof. Excellent margin growth past two years. TTM numbers looking very good. Negligible debt. Very healthy. Needs to acquires brands to continue growth. More than 10 years of positive FCF. Currently trading at the 2nd highest levels in terms of ratios. ROE,ROA,ROIC,CROIC in the 10% avg range. Very good for the business. No moat however. Food brands are not a moat. Only an asset.
	SHOO	-3.64%	$28.39	$32.53	1.15	$33.56	-3.1%	$24.00	$33.00	$39.00	0.0%	1.4%		2	Increasing sales, margins, FCF since 2003. Excellent growth but it involves acquisitions. Receivables and inventory growth looks to be getting out of hand. In MRQ, inventory jumped 100%. No debt. ROE and CROIC is getting into the 20% range. Inventory turnover being managed well. However this is a retail and shoe business. No moat. I can easily buy another designer shoe.
x	**CASS**	-5.11%	$30.89	$35.62	1.15	$39.97	-10.9%						x	3	financial
x	**IPAR**	-4.20%	$13.72	$15.97	1.16	$19.43	-17.8%							3	Pefume company. No moat biz. Business is based on which celebrity branded perfume. Average returns. Inventory turnover is slowing which means products sit in warehouse longer. Firesale is steeper than 50% discounts. Healthy company though.
V	**CPSI**	-1.98%	$37.95	$44.45	1.17	$45.35	-2.0%	$30.00	$38.00	$47.00	0.0%	0.0%	3	1	Healthcare information technology company. Growth is inconsistent. Margins slightly declining. Most of the cash are in investments. FCF is steady but not much growth. Returns are on the highest side that I've seen. ROE CROIC average is 30%. Healthcare industry, but healthcare software system has to improve and Obama is behind it. FCF growth is low though..
	SYNA	-2.49%	$27.46	$32.46	1.18	$27.46	18.2%	$36.62	$41.00	$50.00	11.4%	20.8%		2	Made money during recession. Top line growth has slowed but still very good. Margins are consistent and impressive considering economic environment past few years. Great ROE,ROA, CROIC since 2008. What's the reason for the improvement? Is it sustainable? Very strong balance sheet. Less than 1% of intangibles. Performance and growth over the past 5 years compared to 10 years is very impressive.
x	**ANIK**	0.00%	$6.67	$7.90	1.18									3	mediocre company. Nothing special. No consistency, no proven management, no moat.
x	**ODC**	-1.63%	$16.73	$19.97	1.19	$19.50	2.4%							3	FCF inconsistent. Leveraged company. Low returns for a leveraged company. Looks like cost of capital is exceeding returns achieved. CROIC < 5%
x	**ICUI**	-2.18%	$35.30	$42.25	1.20	$40.33	4.8%						3	3	Average medical device company. Inventory increase of 130% in 2009 and receivable increase of 47% and 24% in 2008,2009. Red flag. No debt. Although FCF positive, not much growth expected. pretty much up and down.
x	**CNQR**	-0.96%	$38.82	$46.58	1.20	$48.04	-3.0%							3	Erratic company. Returns are < 5% which is horrible. Cash from working capital makes FCF seem higher than it is.
	JOSB	-1.54%	$42.94	$51.66	1.20	$53.71	-3.8%	$48.00	$55.00	$73.00	0.0%	6.1%	2	2	Men's formal clothing store. Each time I've looked at it, fundamentals are excellent. Great company at a fair price. No debt, no intangibles, growing tangible equity, growing margins, just outstanding all around. Fantastic returns of equity, ROIC, CROIC in 15% range. Use 10% discount rate with 13% growth. Definitely has a moat.
	AMSG	-2.83%	$20.53	$24.72	1.20	$25.90	-4.6%							2	Develops, acquires and operates Ambulance Surgery Centers. Niche company with decent revenue growth past 3 years. Profited during recession. Surgery is clearly recession proof business. Gross margins is at 57% which is fantastic and net margin is now 25%. In 2008, net margin was only 7%. Why the huge jump? Big increases in intangibles as the company acquires surgery centers. LT debt is high. Interesting company. $26 stock price reflects 0% growth, 15% discount rate, $120m FCF.
V	**OSII**	-3.01%	$28.96	$35.16	1.21	$37.76	-6.9%	$33.00	$38.00	$43.00	0.0%	7.5%	2	1	Healthcare information systems software provider. Still seeing huge revenue growth. Only flag is the rise in intangibles. Everything else is clean. Quantitatively looks fantastic still. Like a lot of quality companies, selling at high multiples. Returns on capital are fantastic. Very healthy. Consistent working capital management. Definitely one to keep on the buy list if it hits MOS price.
	AVAV	-1.51%	$25.26	$30.75	1.22	$32.95	-6.7%	$22.63	$28.00	$34.00	0.0%	0.0%	2	2	Financial statements are simple to understand. No debt, no intangible assets. Margins are good for the business. Average returns of ROE, ROA, ROIC, CROIC in the 8-9% range. Very healthy balance sheet.
x	**WDFC**	-3.24%	$31.94	$39.75	1.24	$42.52	-6.5%	$34.00	$40.00	$56.00	0.0%	0.6%	2	3	WD40. Moat, good fundamentals. Excellent returns. Always has been. Price is not cheap unless there is another global recession.
V	**NVEC**	-0.52%	$43.99	$55.03	1.25	$58.00	-5.1%	$42.00	$59.00	$77.00	0.0%	6.7%	2	1	Makes devices that use spintronics, a nanotechnology for transmitting data. Small company with FCF growth every year. See what's listed under sale of assets. Not much cash. Hasn't had much cash in its history of operations. Shares are not diluted. Company has grown significantly since the beginning. Returns on capital are excellent at > 19%. Not cheap in terms of multiples. EPV is 2x net repro suggesting that a moat does exist.

V	HITT	-3.15%	$40.25	$50.36	1.25	$53.80	-6.4%	$50.00	$57.00	$63.00	0.0%	11.6%	2	1	Makes integrated circuits, modules and other RF parts. Excellent growth on the top and bottom line. FCF growth is most impressive. Huge margins considering the industry. Must have an excellent moat. Watch the receivables growth. Lots of cash, no debt, no intangibles. First small acquisition in 10 years. Amazingly good fundamentals. ROE at 20%. CROIC at 15%.
x	TRCR	-1.08%	$20.40	$25.63	1.26	$26.01	-1.5%						3	3	Medical transcription company. Improvements in operations but difficult to measure as the company is small and is seeing fast growth. Returns are a little above average. Intangibles make up 50% of assets.
x	PRAA	-3.17%	$54.26	$68.36	1.26	$73.00	-6.4%						3	3	financial company. pass
	HEI	-2.27%	$44.63	$56.36	1.26	$58.91	-4.3%	$40.00	$60.00	$80.00	0.0%	6.1%	2	2	Has increased FCF for past 10 years. Owner earnings also tracks FCF well. Thus company is consistent and predictable. Issues debt as it is a capex intensive business. Acquires and sells assets each year. Could be why FCF has increased each year. Zero ST debt. Paid off close to all LT debt. Receivables and inventory has tracked sales growth. Looks like a well run, predictable and consistent company. Slightly above average returns. Downside is not much cash.
	NATH	0.56%	$14.94	$18.99	1.27	$19.00	-0.1%	$21.00	$27.00	$30.00	9.6%	29.7%	2	2	Nathan's restaurant. Can't say dining is a recession proof business. People will cut back during recessions. However, it is a steady business as reflected in FCF. Last year gross margin is 39% but TTM is 37%. So a little more room for improvement. Net margins has dropped from high of 17% in 2009 to TTM of 7%. Balance sheet is strengthening with increasing liquid assets. Intangibles has been amortized to a steady $1.4m on the books. Reduced from $3.7m in 2007. No debt. Clean balance sheet. No clear warning signs on the cash flow statement as well. Very steady and easy accounting. ROE has dropped but CROIC has inceased to 15%. Not cheap at 31x P/FCF.
x	QDEL	-2.06%	$13.05	$16.61	1.27	$17.09	-2.8%						3	3	Makes test equipment. Like Agilent. Very inconsistent company. Cursory glance indicates a bad company. Just pass.
x	CMN	-2.50%	$20.30	$26.12	1.29	$27.50	-5.0%		$25.00			0.0%	3	3	Sells products for infection prevention and control. Consistent FCF. Cash flow isn't affected by working capital. Issues a small amount of debt time to time but nothing alarming. Net receivables has jumped 44% in the last year so that has to be looked at closer. Average returns. In the 8% range.
x	ENSG	-2.08%	$17.45	$22.62	1.30	$22.90	-1.2%						3	3	Holding company of facilities for skilled nursing and rehab care services. Learnt my lesson. Healthcare has far too much regulation and political risk. Immediate pass now.
	~~CPKI~~	~~0.00%~~	~~$14.26~~	~~$18.51~~	~~1.30~~									2	California pizza. bought out.
	SYNT	-3.37%	$33.94	$44.13	1.30	$47.42	-6.9%	$41.00	$49.00	$54.00	0.0%	9.9%	2	2	Outsourcing company seeing good growth over past 5 years. Until 2004, fundamentals were stagnant with stronger top line growth from 2004 onwards. Seeing much stronger organic BV growth. Dependent on economy though. Company is very well run. Superb returns on equity, ROIC, CROIC in the 21-22% range.
x	GPRO	-1.01%	$43.70	$57.86	1.32	$60.00	-3.6%	$40.00	$50.00	$72.00	0.0%	0.0%	3	3	Makes molecular diagnostics products. High profit but lots of expenses. Short term debt due with zero long term debt. A couple of big acquisitions so far. Buys back shares to offset dilution + options. FCF positive since going public 9 years ago. Average returns, with a weakening balance sheet.
x	FWRD	-4.93%	$23.33	$31.08	1.33	$33.84	-8.2%	$16.00	$19.00		0.0%	0.0%	3	3	Air logisitics. Financials are pretty good for a capex heavy company. However, it is still cyclical and difficult to predict. Balance sheet is great. No debt with plenty of assets. Share count has reduced over the years and acquisitions have been limited. 2010 was abetter year after 2007-2009 declines. Not the best type of company, but management has done a good job. ROE, ROA,CROIC minus one time off years are good in the 12% range. Barely any growth though.
	JCOM	-3.56%	$21.13	$28.18	1.33	$29.00	-2.8%	$32.00	$39.00	$43.00	11.9%	27.7%	2	2	Provides cloud-based, value-added communication, messaging and data backup services to businesses. Has increased revenue every single year leading to very strong high margins. Shares outstanding is consistent. Clean and healthy balance sheet but quick ratio has dropped from 8 to 2 in the last year. No debt. Lots of acquisitions to grow. So far it looks like it has been working out but requires further investigation. 9 years of positive FCF. Very high returns on capital.
x	BRY	-1.65%	$29.43	$39.40	1.34	$43.10	-8.6%						3	3	Huge losses in FCF since 2006. Pass
x	ANSS	-0.17%	$43.36	$58.61	1.35	$57.70	1.6%	$47.00	$55.00	$61.00	0.0%	0.0%	2	3	Makes engineering simulation software. Low capex. has made some big acquisitions in the past 5 years. Debt is being reduced. Easily manageable. Compared to other SW companies I've seen, there are stronger ones with higher margins. Returns are average.
x	LNN	-5.30%	$39.15	$53.07	1.36	$59.00	-10.1%	$55.00	$60.00	$80.00	3.5%	11.6%	2	3	Provider of range of water management and road infrastructure products and services. Small acquisitions and small sale of assets. Not as much capex as I thought, but FCF is still inconsistent. Little debt easily covered. Tends to have large increases in net receivables. Can't see anything outstanding about the company except for good returns on capital last year, but those numbers are also inconsistent.
	ADTN	-2.98%	$22.88	$31.25	1.37	$33.60	-7.0%	$36.00	$40.00	$47.00	13.2%	21.9%	2	2	Makes network access solutions for communications networks. The Company major product categories are Carrier Systems, Business Networking and Loop Access. Rock solid margins, 2010 and TTM seeing big increases in operating and net margin but some of it is due to cost reduction. 2010 inventory increase of 62% is alarming compared to 25% sales increase. Fixed assets declining and zero intangible assets. No ST debt and LT debt is small and consistent. Recently acquired a small company. Purchased back shares at peaks.. Very good returns in the 15-20% range. Multiples are high. EPV is slightly higher than net repro value.
x	CVGW	-1.17%	$17.94	$24.51	1.37	$22.39	9.5%							3	Sells avocados and other perishable commodities. Thin margin business dependent on too many variables. Difficult to predict business. Pass
x	TISI	-2.88%	$18.25	$24.97	1.37	$25.00	-0.1%	$17.00	$20.00	$25.00	0.0%	0.0%	2	3	Construction service team for high temp and pressure piping. Numbers look like most outsourced service companies. i.e. average with big cycles.
x	AZZ	-2.91%	$29.99	$41.11	1.37	$41.00	0.3%	$50.00	$54.00	$62.00	17.8%	23.9%	2	3	Electrical equipment and components manufacturer. 2009 was the start of much higher margins. Turnaround? Company has high LT debt which doubled in 2011. Intangibles doubled in 2011. Looking at the cash flow statement, it was due to acquisition. The revenue from acquired company is making the company look better than it is. ROE and CROIC indicates that my theory is most likely correct.
V	FDS	-1.23%	$65.31	$90.05	1.38	$98.25	-8.3%	$86.00	$105.00	$119.00	0.0%	14.2%	2	1	Provides financial fundamental data and financial tools. Very profitable business. Huge margins. No debt, plenty of FCF. Latest ROE, ROIC, CROIC is ASTRONIMCAL at > 30%. If it ever comes down, buy buy buy. Definitely a moat.
	JKHY	-2.17%	$22.71	$31.57	1.39	$33.51	-5.8%	$30.00	$35.00	$37.00	0.0%	9.8%	2	2	Provides info processing solutions for banks. Excellent FCF. Consistent FCF growth for 10 years. Very impressive. Acquisitions were a part of it. Intangibles is very high making up 50% of assets. Software/services company so the returns are high. ROE and CROIC at 15%.
	USLM	0.00%	$37.95	$53.35	1.41	$53.30	0.1%							2	FCF and owner earnings in alignment and increasing since 2006. Looks like a turnaround. Regularly pays back debt without issuing shares. Capex has been slowly declining. Sign of company operating leanly? Tangible book values has grown for 10 years. Balance sheet has improved since 2006 as well. Price went up in recent weeks.
x	MTSC	-2.89%	$26.82	$38.28	1.43	$35.80	6.9%						3	3	Test equipment supplier. Numbers are average but trading at very high multiples. 25x P/FCF, 4.5x tangible BV. Balance sheet isn't stellar, but at consistent levels. Horrible FCF growth. Don't see the value or find anything special about this one.
x	GIFI	-2.09%	$18.56	$26.72	1.44	$29.25	-8.6%						3	3	Offshore drilling platform, hull and deck structure maker. Cyclical. High capex. Dependent on oil prices, regulations. Better to find a good driller instead. It will remove one extra variable.
x	ANEN	-2.35%	$12.12	$17.49	1.44	$18.40	-4.9%	$16.00	$17.50	$19.70	0.0%	0.1%	2	3	Provider of microelectronics, and microwave components and assemblies for the wireless and space and defense electronic markets. Volatile FCF. Only strong FCF since 2009 but 2009 was the peak. Repurchases stock each year. Shares reduced. Went from 0 debt to a small amount of debt. Must be directly related to the acquisition and it is the acquisition that drove the FCF jump. Big increase in cash. Average returns.
V	GGG	-1.79%	$28.08	$40.58	1.45	$43.00	-5.6%	$38.00	$49.00	$54.00	0.0%	17.2%	2	1	Sells equipment to handle fluids. Pumps, mixers, sprays. Margins are strong but not recession resistant. Guess it's because the products are bought by small buyers such as contractors in stead of by bigger businesses. If this company is a good one, compare the % of R&D and ROE,CROIC to competition. If less R&D is required but returns are higher or same, it is better. Intangible growth is high. Recent large issuance of debt. Fapex is fairly high, but FCF is still very good. Owner earnings and FCF tend to track well together. Pre-recession, company was doing 20% ROE and 30% CROIC. Inventory turns has reduced to 4 compared to 7 about 5 years ago.
x	BWLD	-2.89%	$42.25	$61.77	1.46	$64.00	-3.5%		$55.00			0.0%	3	3	Never understood BWLD. Pure growth company. Cash flow is horrible. Even a balance sheet analysis doesn't support the stock price. In terms of earnings, probably worth around $55 range.
x	VSAT	-2.40%	$30.14	$44.38	1.47	$44.50	-0.3%						3	3	Satellite and wireless communication company. Very high fixed capex requirements. Horrible type of company to invest in on a cash flow basis. Loses lots of money. Asset based valuation required. Highly leveraged company but the returns are embarrassingly low at 2-3%.
x	PEET	-1.61%	$36.82	$55.09	1.50	$56.70	-2.8%						3	3	Peet's Coffee. Coffee stocks have gone parabolic over the past 2 years. Made money during recession. Buying back when stock price is rocketing up. Not a good way to use shareholder capital. Doesn't give confidence to management. More like they want to promote the stock. Returns aren't even on the impressive side. Around 8-12% returns.
x	CSGP	-4.23%	$40.06	$60.03	1.50	$62.33	-3.7%	$30.00	$32.00	$34.00	0.0%	0.0%	3	3	Info, marketing and analytics services to real estate industry. Inconsistent numbers. EPS, FCF, Net receivables. Lots of sale of assets. Horrible returns. Pass
x	NEOG	-2.79%	$23.24	$35.57	1.53	$38.70	-8.1%	$16.00	$20.00	$28.00	0.0%	0.0%	3	3	Makes a diverse line of products dedicated to food and animal safety. FCF positive company. Cash comes from financing and they tend to spend for acquisitions and sale of assets. No debt, recent increases in cash. Increasing net receivables each year. Good margin consistency. ROE,ROA,ROIC,CROIC is around 10% mark so current multiples of 44x P/FCF, 8x tangBV 5x P/S is extremely high. 12% discount rate. 25% growth still not worth current price.

x	FELE	-3.37%	$28.93	$45.02	1.56	$47.00	-4.2%							3	Makes groundwater and fuel pumping systems. Consistent gross margins. Variable cost model.Operating margin can be higher. Looks like it had trouble during the recession. Not much growth on the bottom line or in FCF. LT debt tripled in 2007 and has remained at this level. Not paying back debt as quickly. Yearly acquisitions.
x	ZUMZ	-1.52%	$14.50	$22.65	1.56	$22.70	-0.2%	$16.00	$18.00	$25.00	0.0%	0.0%	2	3	Hot growth retail stock loved by Wall Street. Balance sheet is healthy and ZUMZ is a good retailer but just not cheap.
x	TYL	-2.53%	$19.36	$30.40	1.57	$32.50	-6.5%	$13.00	$19.00	$26.00	0.0%	0.0%	3	3	Provides info sys services to government agencies. Increasing margins with excellent growth. However, no cash. Will probably need equity financing or issue debt. Issued LT debt which amounts to 22% of total assets in 2011. Small frequent acquistions. Buys back shares every year even when prices are high. Either to offset options or doesn't make use of money smartly. ROE, CROIC is amazing at 20%. Clearly able to create value. But high growth stock. 7x P/B, 50x P/TangB, 25x P/FCF.
x	WXS	-2.51%	$30.52	$48.15	1.58	$50.80	-5.2%						3	3	Provides payment processing to US and Australian commercial and government vehicle fleet industry. Would have thought that the business would be stable but it isn't. High capex, negative cash from operations. Not a great business even if the margins are strong. Big amount of short term debt coming due.
x	GLF	-3.41%	$24.90	$39.39	1.58	$42.00	-6.2%						3	3	Offshore marine services. Inconsistent cash flow. Leveraged with high working capital. Currently in the trough of the cycle. Nothing to raise interest.
x	EML	-0.51%	$12.25	$19.55	1.60	$19.58	-0.2%						3	3	Makes industrial hardware, security products and metal products. Razor thin net margin. Inconsistent, cyclical. Very low returns. Pass
x	HOS	-1.47%	$19.15	$30.84	1.61	$31.50	-2.1%	$21.00	$25.00	$38.00	0.0%	0.0%	3	3	Supports offshore oil and gas exploration rigs. Slowdown due to economic and gulf crisis. Leveraged and very low returns on capital. < 5%. High chance that it won't be produce returns in excess of cost of capital.
x	RHT	-2.67%	$29.18	$47.73	1.64	$50.00	-4.5%	$30.00	$42.00	$54.00	0.0%	0.0%	3	3	Open source operating system. Has been hitting highs consistently since 2009. Seeing strong growth on the top and bottom line. Gotten rid of all debt. Acquisitions fairly common. Capex is high for a software company. There is also a lot of R&D. However, don't think it is worth the current price. Mediocre ROE,ROA,ROIC,CROIC. All consistently less than 8%. Using discount rate of 9% with growth rates of 13%, 20% and 25%.
x	IDCC	-5.93%	$26.50	$44.56	1.68	$44.90	-0.8%	$30.00	$37.00	$60.00	0.0%	0.0%	3	3	Provides advanced technologies that enable wireless communications. Spiked big time on rumors of competing takeover bids but has since come back to down to "reasonable" levels. Communication will only continue to become more important. Fundamentals are all over the place so a valuation will have to be based on the intellectual property i.e. asset valuation. Reduction in share count, plenty of cash vs debt, very high returns on equity on good years (>20%) but horrible in bad years. Doesn't require much assets for the business, but difficult to get into. Has a moat as it cant be copied easily.
x	RGLD	-2.89%	$44.00	$74.22	1.69	$76.70	-3.2%						3	3	FCF pass.
x	DAR	-1.65%	$8.10	$13.68	1.69	$13.90	-1.6%	$9.00	$14.00	$18.00	0.0%	2.3%	3	3	Cooking oil and bakery waste recycling and recovery solutions to the food industry. Full company description is in a dirty industry. EPV is much less than asset repro value however FCF is awesome. TTM FCF is triple the last year FCF. Need to verify. Margins have been increasing but shares are constantly diluted. There was a huge increase in liabilities last year, but half of it has been paid back.
V	EGOV	-2.16%	$7.47	$12.70	1.70	$13.00	-2.3%	$5.00	$7.40	$10.00	0.0%	0.0%	3	1	Provider of eGovernment services that assists governments use the Internet. 100% recession proof. Huge growth during recession. Lucrative working for the government. Seeing as how government agencies require secure and up to date systems, more growth is likely. No debt, close to 0 intangibles. Decline in BV. Pays dividend. Good FCF. Latest fiscal returns on capital is >30%! How likely to persist? Market is expecting strong growth at current prices.
x	PRO	-3.42%	$8.74	$14.96	1.71	$15.30	-2.2%	$8.00	$8.80	$10.80	0.0%	0.0%	3	3	Provides pricing and margin optimization software. Public history since 2005. Huge increase in SG&A in last fiscal year leading to loss. Looks to be a one time issue though. Balance sheet is very clean and simple. Operations went down with recession. Only slowly going back up.
	EXPO	-3.11%	$26.46	$46.04	1.74	$49.00	-6.0%	$48.00	$53.00	$58.00	4.1%	13.1%	2	2	Science and engineering consulting firm. One of the better consulting companies. Healthy balance sheet with no debt. Conservative receivables growth with good margins. Returns on capital are good. In the 12-15% range.
x	CTGX	-3.63%	$7.38	$13.01	1.76	$12.40	4.9%	$8.00	$9.00	$10.00	0.0%	0.0%	3	3	IT solutions and staffing company. Industry where margins are thin. Cyclical. Not good in current economic cycle. Operating margin and net margin has increased little by little. No debt, steady increase in bv. Cyclic business makes it difficult to analyze consistency in FCF. Low returns of < 10%.
	HMSY	-0.87%	$16.07	$28.50	1.77	$29.00	-1.7%		$24.00			0.0%	3	2	Cost containment, coordination of benefits and program integrity services for government and private healthcare payors and sponsors. FCF growth has been huge but if their major customers are medicaid, how will politics affect their future growth. Flush with cash, and decent returns on capital. Growth in revenue, receivables, cash are all good quality. Multiples are all very high though. Huge amount of growth makes it difficult to predict for a small company.
	HWKN	-5.03%	$20.33	$36.07	1.77	$38.20	-5.6%	$13.00	$19.60	$25.00	0.0%	0.0%	3	2	Distributes bulk chemicals and blends, manufactures and distributes specialty chemicals. Looks like a one off good year in 2009. 2008 and 2011 looks more like a normal year. Fairly low FCF/sales but FCF has been consistently positive. Earnings power is greater than the net repro value. Business model is interesting though. Learn more about the company.
V	BCPC	-2.86%	$21.80	$38.76	1.78	$39.90	-2.9%	$27.40	$30.00	$39.00	0.0%	0.0%	3	1	Incorporated in 1967, makes specialty performance ingredients and products for the food, nutritional, feed, pharmaceutical and medical sterilization industries. Boring niche industry. EPV is more than 2x greater than net repro cost. Looks like margins have normalized. Good balance sheet. Good cash flow statement with good FCF. Very good returns on capital. From the numbers it looks like a very high quality company. A lot of growth expectation in current stock price. 20% growth at 9% discount rate with $35m FCF.
	INFA	-2.86%	$25.27	$45.52	1.80	$47.70	-4.6%	$33.00	$36.00	$48.50	0.0%	0.0%	2	2	Enterprise data integration and data quality software. Fantastic margins, top line growth every year. SG&A is too high for my liking. Check whether it really is related to the company, or for compensation. Company has only been performing well since 2005. Intangible asset growth is too fast. Share count goes up and repurchases are made despite stock price. Probably to offset options. Was expecting better returns on capital. On the border line of good and average.
x	GWR	-2.70%	$31.69	$57.40	1.81	$58.50	-1.9%						3	3	Operates short line and regional freight railroads and provides railcar switching services. Not sure how to value railroads. Bad FCF, high fixed cost, high expenses, acquisitions. Reproduction value is too high, but earnings power isnt very good.
x	FRD	-0.58%	$5.60	$10.21	1.82	$10.70	-4.6%	$10.60	$11.88	$12.90	3.7%	14.1%	2	3	Steel processing, pipe manufacturing and processing, and steel and pipe distribution. Took a huge hit in 2010 but margins are back to 2009 levels. Does not perform well in a recession. Built up a lot of receivables in 2010. FCF is lackluster. Multiples are in "value" range though. 7x P/FCF 1.2x BV
x	GEOI	-3.29%	$13.49	$24.68	1.83	$27.00	-8.6%						3	3	Independent oil and gas company. Negative FCF, high capex, average returns on capital, average balance sheet. Average company.
x	FFIV	-3.26%	$54.68	$102.73	1.88	$113.00	-9.1%	$74.00	$95.00	$123.00	0.0%	0.0%	3	3	Networks, data storage, servers optimization. Fast growing company. Hot growth stock. Gross margins of 80%. Net margins continue to increase. Accounting looks good. Doesn't look like the company is growing by messing around with earnings quality. No Debt, lots of cash, intangible assets is reasonable and hasnt increased for 4 years. What are the numbers under "sale of assets"? Buying back shares at the peak. Expecting better ROE and CROIC looking at the margins but avg 5 yr is 11%. 11% discount rate, 30% growth @ $200m FCF gives $123 value at the highest.
V	RAVN	-4.27%	$30.84	$58.01	1.88	$61.20	-5.2%	$38.00	$45.00	$52.00	0.0%	0.0%	2	1	Industrial manufacturer. Positive FCF for 10 years, no debt, no stock issuance, very small acquisitions (if you can call it that), plenty of cash, healthy balance sheet. Very low SG&A. Wonderful. Currently at its peak in margins. Stock price has gone up a lot to reflect the strong business. Industrial manufacturer with ROE, CROIC in 25% range since 2005? Definitely can continue to grow.
x	MIDD	-3.09%	$46.04	$87.15	1.89	$89.00	-2.1%	$67.00	$75.00	$108.00	0.0%	0.0%	3	3	Sells cooking equipment in industrial kitchens. Company has always performed well but mostly it is from acquisitions. So far, all the acquisitions seem to be working. Margins are still high and consistent. Increases in LT debt, big increases in intangibles from all the acquisitions. Returns on equity are still high but slowing down. Could be catching up with them. EPV shows net repro to be double EPV. Could be a result of all the acquisitions not adding as much as it should be to earnings power.
V	HIBB	2.54%	$22.75	$44.40	1.95	$43.00	3.3%	$37.00	$39.00	$46.00	0.0%	0.0%	2	1	A sporting goods store business that has managed to grow revenues in recession. Margins have increased and at all time highs. Conservative inventory growth and receivables. Looks like the company manages its working capital extremely well. No intangibles, debt is close to 0. 5yr ROE, ROIC, CROIC is 23% for a sports retailer. Amazing.
	SAM	-1.89%	$47.38	$94.00	1.98	$96.90	-3.0%	$91.00	$107.50	$120.00	0.0%	12.6%	2	2	Bostom beer company. Only 1 year of FCF loss due to acquisition. Good FCF growth, recession proof. Very healthy, easy to understand. Net margin is increasing. At all time peaks. Last year produced the best returns on capital in its history at 30% where on average it is in the 17% range. There is a competitive advantage somewhere.
x	RAX	-3.65%	$19.65	$39.56	2.01	$41.00	-3.5%						3	3	Cloud service for hosting, email. I use them myself. Mammoth growth and continuing. Just hard to predict with such fast growth and the financial statements reflect that but returns on capital aren't quite as high as expected.
x	LABL	-1.38%	$12.44	$25.07	2.02	$25.40	-1.3%	$23.00	$28.00	$32.00	0.0%	10.5%	2	3	Creates labels for packages. Not the most consistent but company is turning back around. Receivables and inventory growth is much too high. Looks like the company is too aggressive. Evidenced by issuance of debt the past 5 years. Returns on equity are below the average threshold of 8%.

x	**ABCO**	-1.02%	$32.69	$68.11	2.08	$68.80	-1.0%						3	3	Provides web based intelligence, management and advisory services to the health care and education industries. Revenue growth is impressive outside of recessionary environment but margin is slowly declining. SG&A has gone up a lot. Receivables growth is too much. Pass.
x	**LXU**	-6.68%	$14.45	$30.85	2.13	$30.85	0.0%						3	3	Holding company for Climate Control Business. Air cons and heaters are a boring business. Margins have increased dramatically compared to 5-6 years ago. Debt exists, but interest payments are manageable. Good thing that it doesn't pay much in dividends because FCF is very inconsistent. Average company though. I've seen better.
x	**CRR**	-2.64%	$64.02	$140.96	2.20	$141.17	-0.1%						3	3	Software, and consulting services, spill prevention, containment and geotechnical monitoring. Balance sheet is healthy except for the receivables growth. Looks like company is making sales without collecting or giving generous terms in difficult periods. High working capital. Pays dividend but FCF can't cover it so they need to sell assets to build up cash position.
x	**BJRI**	-2.54%	$20.94	$46.44	2.22	$46.55	-0.2%						3	3	BJ restaurants. High working capital, negative FCF are the main drawbacks. For the same quantitative data, better companies out there.
x	**DXPE**	-5.41%	$11.94	$26.91	2.25	$28.45	-5.4%	$15.00	$29.80		0.0%	9.7%	3	3	Distributing maintenance, repair and operating (MRO) products, equipment and service to industrial customers. Earnings power lower than repro cost. Only recently FCF positive but still inconsistent. Not much capex required. However debt has to be issued and repaid each year. Not as pricey as some but the quality isn't high.
V	**DORM**	-0.81%	$16.34	$37.73	2.31	$38.00	-0.7%	$19.00	$26.00	$30.00	0.0%	0.0%	3	1	Supplier of automotive replacement parts. Another recession proof biz. Solid margins, with plenty of cash, no debt, good inventory management, growing BV, no change in intangibles. Very good company. Disappointment in CROIC. Much lower than ROE and ROIC because a certain amount of working capital is required for the business to run.
x	**LQDT**	-3.55%	$12.70	$30.70	2.42	$30.70	0.0%						3	3	Auction marketplace for surplus and salvage assets. Boring yet interesting business. Earnings power definitely reflects that. Base EPV is $21 vs $9 for asset reproduction value. Not much growth in earnings or cash flow. More like a cyclical with limited growth. Would also expect commodity prices to have something to do with revenue. Returns on equity are too low for my liking. Being priced like a big growth company.
x	**AIRM**	-0.91%	$29.14	$78.49	2.69	$78.35	0.2%		$71.78			0.0%		3	Air medical emergency transport services. Inconsistent fundamentals. High working capital. Inconsistent FCF. ROE is high in the 18% range, but CROIC is negative most of the time. Not good. Cash flow valuations are impossible. Earnings valuation possible, but if cash flow is terrible, it doesn't show the whole picture of the company. EPV confirms this with low EPV and high repro value. Easy pass.
x	**TIBX**	-0.97%	$9.59	$27.47	2.86	$27.30	0.6%	$14.00	$16.00	$22.00	0.0%	0.0%	3	3	Makes middleware and infrastructure software. Big margins as expected. Has reduced a lot of shares, good solid organic growth. Easily manageable debt. Lots of expensive acquisitions. Bought back a lot of the shares high prices + lots of acquisitions is a worry of whether they are good stewards of shareholder capital. FCF is still very positive, but coming from the acquisitions. Returns on equity is not as high as some other SW companies.
x	**TWIN**	-5.54%	$10.87	$42.14	3.88	$42.10	0.1%	$22.00	$24.00	$35.00	0.0%	0.0%	3	3	Sells marine and heavy duty off-highway power transmission equipment. Margins jumped by huge amounts from 2010. Margins look to be slightly above the normalized threshold. FCF is very lumpy. Not the best company so it's difficult to judge why the stock price went up so much without reading about business developments.
	ATRO	-0.15%	$8.40	$34.03	4.05	$34.03	0.0%	$18.00	$22.00	$26.50	0.0%	0.0%	3	2	Supplier of products to the aerospace and defense industries. Stock price has been astronomical. Growth has slowed down to normal rates after recession and business operations have improved. Margins are at highs, SG&A has been reduced the past 3 years. Dilution and a good size of debt due to one acquisition. Interest payments have gone up. Cash flows difficult to measure. Very inconsistent. Business is recession proof though. Top line growth even during recession. Aerospace and defense industry is too depended on government budget.