theGeorgeInvestmentsView

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Spring 2006 volume 11 number 2

a stetson university publication

THE NEWS–JOURNAL
DAYTONA BEACH, FL
APRIL 13, 2006

"SCHOOL'S STOCK TEAM WINS AGAIN"

DeLand — For the sixth straight year, Stetson University's Roland George Investments Program took a top honor at the University of Dayton's annual Redefining Investment Strategy Education Symposium at Dayton, Ohio.

Stetson placed first earlier this month in the undergraduate equity growth portfolio category, with a gross return of 15 percent. Stetson teams have placed first in every equity category they have entered: growth, value and blend as well as finishing first twice in the undergraduate fixed income category. The first repeat winner in RISE competition history, Stetson now has more first–place finishes than any other school.

Team is elated with the news of their "win"!

"This year was especially gratifying to us for two reasons," said Larry Belcher, director of the Roland and Sarah George Invest–ments Institute. "First, this is arguably the most difficult category to win. Second, this was the only category in which we finished second in the past, so it was especially sweet when they called out our name."

The team included seniors Kelli Dreves, Vero Beach; Blake Simpson, Pensacola; and Stetson MBA student Dilshod Saidov, Tashkent, Uzbekistan.

The fixed income portion of the George portfolio is valued at $1.35 million and received a 1.27 percent return in 2005.

editor's note –

by Tucker Robinson

With the combination of good leadership and hard work, the Roland George Invest–ments Program students analyzed all the factors that affect the markets, purchasing stocks only after everything looked good. Successfully managing our growth portfolio with this careful planning and overall knowledge, we netted a return of 15% allowing us to receive top honors at this year's RISE competition once again. This solid gain also added to the portfolio creating more cash to buy additional investments.

Adding to what seemed like more bonds than we could handle, the spring class liquidated our positions on all but one Government Treasury security and purchased additional bonds – including Anheuser–Busch and Caterpillar – that show promise of higher earnings. Hopefully interest rates will stay where they are now so that our bond portfolio will once again have good returns.

The George class also had a great time visiting New York City in March. While in the city the class visited the New York Stock Exchange, the New York Mercantile Exchange and financial

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what's *inside*

portfolio manager's report

by Kelli Dreves

Going into the summer, the market follows a continuation of poor sentiment from prior months. Much of the outlook comes from the fear of the Fed raising interest rates too sharply, causing economic growth to slow tremendously. There have been some moves in the market lately with no news behind them. But it's suspected that fearful sentiments of the avian bird flu, volatile oil prices, and rising interest rates to be the culprit, turning the market slightly bearish going into the summer. With the hurricane season expected to be quite eventful, there is no telling what could happen. April showed a surprising increase in home sales, which has helped eased some of the fears. The U.S. economy still seems to be strong, but it seems to be slowing to a more modest growth rate. The slower housing sector and higher gas prices have wreaked havoc on consumer spending causing the personal savings rate and discretionary spending to fall. The labor market has shown continued productivity growth, which has helped keep inreases of labor costs low. However, the dollar is expected to have more downward pressure.

Despite the negative outlook in the market recently, the Roland George Investments Program has accepted the challenge and remained hopeful. Due to certain sectors being more volatile and risky, especially energy, the George Program has decided to stay underweighted in the energy sector. Our portfolio is overweighted in the Healthcare and Financial sectors due to the outstanding growth and return within those industries, especially with our history of exceptional stock selection in those sectors. The market may not be off to a good start this year, but the George Program has begun yet another successful year. More importantly, the knowledge and experience we gain along the way still remains to be our greatest return.

purchases

Movado Group, Inc. (MOV) engages in the design, manufacture, distribution, and retail of watches, as well as proprietary jewelry and accessory products. It sells its watches under the brands, Movado, Ebel, Concord, ESQ, Coach, Hugo Boss, and Tommy Hilfiger in the exclusive, luxury, premium, moderate, and fashion market categories. Their strategies that have positioned the company to increase their market share as well as their profitability are to limit exposure to the challenging and competitive lower end of the watch market; increase licensing partnerships in premium fashion brands with expected high–growth; increase their multichannel distribution in the U.S. and abroad; increase investments in improving their market positioning of their brands; and increase their retail business.

Rogers Corporation (ROG) manufactures specialty polymer composite materials for applications in wireless communications, computers, imaging, transportation, and consumer products. The company has three main business segments: high performance foams, printed circuit materials, and polymer materials and components. Two–thirds of Rogers Corporation's sales are overseas, with 48% of their sales in Asia. Some of their larger competitors are Dow Chemicals, 3M Company, and Dupont. While sales continue to grow steadily for their major product lines, the most promising prospect for growth comes from their DUREL® 3 patented electroluminescent lighting systems. Durel is a flexible paper–thin lighting device (think Indiglo in watches) used in small electronics. Demand is increasing as cell phones become thinner, namely the Motorola Razor phone.

Tower Group (TWGP) delivers a broad range of property and casualty insurance products and services through an extensive network of (independent) wholesale and retail brokers and agents. They primarily service small to mid–sized businesses and individuals in New York City and surrounding areas. This company has seen amazing growth. They went public in October 2004 and since then have had extraordinary revenue as well as net income growth. Currently they are in the process of expanding into other states, such as New Jersey and Pennsylvania.

Radiation Therapy (RTSX) provides radiation therapy treatments to cancer patients in the United States. They own, operate, and manage treatment centers that primarily focus on providing radiation treatment alternatives. They have recently expanded their affiliations with physicians specializing in other areas including gynecology, gyne–cological and surgical oncology, and urology in their local markets to strengthen their clinical working relationships. They currently plan to develop new treatment centers in their new local markets in Palm Springs, California and Scottsdale, Arizona, as well as add centers to their existing markets in southwest Florida.

Flanders Corporation (FLDR) engages in the design, manufacture, and marketing of air filters and related products. Flanders Corporation also designs and manufactures their own production equipment to automate its processes and glass–based air filter media for certain products. Operations efficiency is very important to Flanders. In order to reduce costs to the most minimal level, they have decided to move from semi–automated production lines to fully–automated production lines in 2006. This will greatly reduce labor costs and increase speed of manufacturing.

Pioneer Drilling Company (PDC) is one of the few pure–play contract land drilling companies left. Until 2004, the company concentrated solely on natural gas drilling. However, an acquisition in November of that year has allowed the company to move into oil drilling. The company earns revenues by providing drilling services to oil and gas exploration and production companies. In the last six years, the company has increased the size of its fleet from 8 to 57 rigs through a combined strategy of both organic and inorganic growth.

Radvision, Inc. (RVSN) is engaged in the design, development and supply of products and technology that enable real–time voice, video and data communication over packet networks, including the Internet and other Internet protocol (IP) networks. Today RADVISION is the world's leading provider of high quality, scalable and easy–to–use products and technologies for video conferencing, video telephony, and the development of converged voice, video and data over IP and 3G networks. RADVISION has over 350 customers around the globe, from Fortune 1000 companies, telecom giants, and innovative start–ups.

sales

Brightpoint, Inc. (CELL) is a distributor of wireless devices and accessories; they also provide logistics services to major mobile operators in several countries. Although the outlook for Brightpoint is optimistic, the stock is not without risk. If an overall market slowdown were to happen, Brightpoint as a "growth stock" would be a dangerous investment. The stock's overvaluation comes from a positive earnings surprise. Even when figured conservatively, the P/E ratio is higher than the industry average. The five–year historical growth rate of 52% is unsustainable, especially if the tail end of the market's recovery stalls out. With a beta of 2.6 it is easily the riskiest stock in its industry.

NovaMed, Inc. (NOVA) owns and operates over 28 ambulatory surgery centers, or ASCs, throughout the United States. NovaMed also owns and operates a wholesale optical products business that finishes, surfaces, and distributes both corrective lenses and eyeglass lenses. Their financial statements have shown stable revenues throughout the past few years, with an increase in operating expenses which has caused their net income to steadily decrease. With the portfolio already being over–weighted in the healthcare sector, we decided to let go of this laggard.

WCI Communities (WCI) caters to primary, retirement, and second–home buyers in Florida, New York, New Jersey, Connecticut, Maryland, and Virginia. The company offers traditional and tower home choices with prices from the low $200,000s to more than $10 million and features a wide array of recreational amenities in its communities. In addition to home building, WCI generates revenues from its Prudential Florida WCI Realty Division, its mortgage and title businesses, and its amenities, as well as through land sales and joint ventures. Homebuilders peaked last summer but are, as of this writing, down about 21% as a group. Much of this loss is due to fewer housing starts. The housing market is very volatile and unstable which would have left a burden on the portfolio.

Sector Allocation

RGIP		**S&P 500**	
Basic Materials	5.3%		
Consumer Goods	11.5%	Consumer Goods	9.7%
—	—	Energy	6.9%
Financial	21.3%	Financial	20.3%
—	—	Hardware	10.8%
Healthcare	27.2%	Healthcare	14.4%
Industrials	11.2%	Industrials	13.7%
—	—	Media	4.6%
Services	11.9%	Services	12.3%
Technology	11.6%	Techonology	7.3%
Total	***100.0%***	***Total***	***100.0%***

By Frank Wan

Verizon Communications provides communication services worldwide. The company operates through four segments: Domestic Telecom; Domestic Wireless; Information Services; and International. The company was incorporated in 1983 as Bell Atlantic Corporation and changed its name to Verizon Communications, Inc., in 2000.

Currently, the bond has a coupon of 5.35%, YTM of 5.622%, triple A rating, and it is priced at 99.05 with a make–whole call provision of +20 basis points.

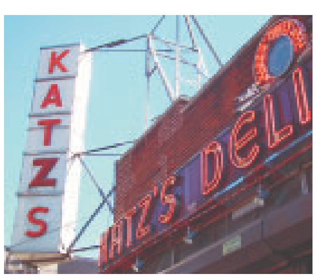
Given the current economic conditions, I believe the Fed will raise the interest rate by 25 basis points due to the rise in inflation, healthy unemployment rates, and strong GDP growth.

With a flat yield curve that is gradually declining, I believe we can benefit from Verizon's bond price, duration, low–reinvestment risk, and call provision.

The risks involved in purchasing this security are credit risk and call provision risk. Given the rating is triple A, with no room to improve, the bond may face possible downgrades in the future. However, I don't foresee any dramatic changes in Verizon's rating outlook due to the historical growth and future growth of the company. The second risk involves the make–whole call provision.

According to Bloomberg's Net Gain With Varying Yield Shifts Chart, the call provision would not be implemented until the interest rate declines 570 basis points. In this case, we can only benefit from the 20 basis–point make–whole call provision.

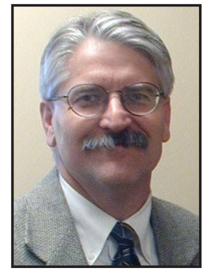
In conclusion, taking a position in Verizon Communications will diversify our portfolio, as well as generate a higher total return.



NYC skyline architecture as viewed by Frank Wan on spring break.

different stocks, different students, different year - *same results*

director's *update*
by Dr. Larry Belcher



Springtime in DeLand is usually busy. Students begin the final push toward summer vacation, graduate school, or job hunting. We have banquets honoring the best and brightest, a faculty appreciation dinner, and numerous activities that consume lots of time. For the past six years, students from Stetson University's Roland George Investments Program have ventured to Dayton, Ohio to the University of Dayton's annual Redefining Investment Strategy Education (RISE) Symposium. We hear from top investment analysts, practitioners, and policy makers from around the world. It is an incredibly long and tiring, but fruitful several days. The highlight for us is always the competition among student–managed funds. This has been steadily de–emphasized each year to the point that we simply submit returns and wait. The results are announced at the dinner on the last night of the symposium.

We always approach that night with excitement as the results are read. That and we get to tour the U.S. Air Force Museum before dinner, which is really neat. We never know how many schools enter or who we compete against, as this is how the competition is run. This year we continued our ***HOT*** streak for another year, winning in the undergraduate equity growth category. This means that in the six years of the symposium, Stetson teams have placed an incredible five firsts and one second place! Dr. Jim Mallett went with us this year and we turned to one another after the results were announced. Jim said, "Well, I guess we can no longer call it dumb luck, they really must know something!" It was in jest, but it is true. Our students really do know a lot.

After we got back, I was speaking with Mr. Frank Gaylord at the George Awards Dinner. I always felt that one of the strengths of the George Program was the lack of constraints placed on the students in terms of security selection and trading. Mr. Gaylord told me that was at Mrs. George's insistence and the University really fought it. Mrs. George prevailed, much to our benefit!

We can certainly continue to celebrate the generosity of the George family as it has been an integral part of the success of the program over time. A reporter called and did an extensive story on the George program. He calculated our after–expense annual return over the program's existence at 6.5% per year. He was astounded at this and the fact that we basically let the money lie all summer! He could not believe that we were this successful and that it was 21 year–olds doing it — but that is the beauty and strength of our program. Different stocks, different students, different year, same results. And we are trying to keep it that way. As always, if you would like to participate, commit resources, or just give me suggestions, my email is lbelcher@stetson.edu.

CATERPILLAR®

by Tyler Herbert

For 80 years, Caterpillar Inc. has been building the world's infrastructure and, in partnership with its worldwide dealer network, is driving positive and sustainable change on every continent. With 2004 sales and revenues of $30.25 billion, Caterpillar is a technology leader and the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines and industrial gas turbines. Caterpillar is a technology leader and the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines and industrial gas turbines.

Sales and revenues in 2005 of $36.34 billion were up $6.03 billion, or 20 percent, from 2004. The increase was a result of $3.72 billion of higher sales volume, $1.827 billion of improved price realization and a $363 million increase in Financial Products revenues. Approximately half of all sales were to customers outside of the United States, maintaining Caterpillar's position as a global supplier and leading U.S. exporter.

According to Moody's, this bond has had an A2 rating since June of 1995, and the outlook is stable, as it has been since February of 2000. According to Standard & Poor's this bond has had an A rating since June of 2003, the outlook is stable, and has been since July of 2005.

This bond sees a positive return with a yield shift up to 150 basis points, and beyond. Under a predicted shift of 25 to 50 bps, this bond will see a strong net gain. Our break even point is between a decrease of 225-300 bp change, which is predicted to be highly unlikely in an ever-increasing interest rate environment.

Our Caterpillar bond outperforms the benchmark Treasury in almost any interest rate environment, at least chiefly in the ones we have forecasted. Caterpillar is a very solid company, and has a long history of strong performance. The Company and bond ratings of A2 are likely to remain constant, and indicate that this bond has a very low chance of default, but because this is riskier than a treasury, will contribute to a return higher than what a treasury would provide.

This bond fits both the maturity and duration requirements of our portfolio, will lower our holding of cash, and provide a solid coupon. Based upon this analysis and the company's strong financials, the Roland George Program entered into a new position in this bond.

RADVISION

by Dilshod Saidov

Founded in 1992, RADVISION is the world's leading provider of high quality, scalable and easy–to–use products and technologies for video conferencing, video telephony, and the development of converged voice, video and data over Internet Protocol (IP) and Third Generation (3G) networks. Millions of people around the world today communicate over a wide variety of networks using products and solutions based on or built around RADVISION's video–conferencing, video telephony, and software development solutions. The company markets and sells its products through multiple channels in North and South America, Europe, the Middle East and the Far East.

RADVISION has a dedicated team of support engineers to help customers meet their business objectives.

Radvision has over 350 customers around the globe, from Fortune 1000 companies, telecom giants, and innovative start–ups including Alcatel, AT&T, Bosch, Cisco Systems, Ericsson, Motorola, Microsoft, NTT, Nortel Networks, Philips Electronics, Siemens, and 3Com. RADVISION equipment can be found in enterprises, organizations along with wireline and wireless service provider networks worldwide.

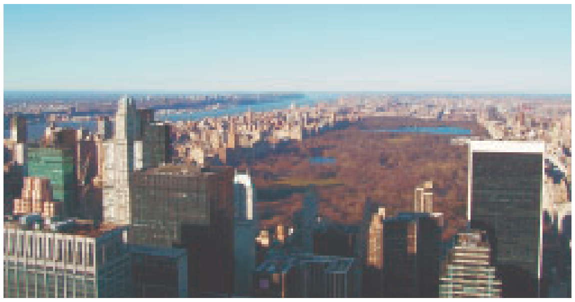
Radvision is a profitable public company with revenues of over $74 million and net income of $14.7 million for 2005. The company also maintains a strong cash position, with over $125 million in liquid assets and no debt. The company has been profitable since Q1, 2001.

S&P analysts are forecasting strong growth in the telecom industry within the next four to five years. The market should benefit from an intensifying competitive environment as telecom and cable operators race to build a single, unified voice and data network. New technologies like VoIP (voice over Internet Protocol), FTTP (fiber to the premise), IPTV (Internet Protocol Television), and Wi–Max (worldwide interoperability for microwave access), are gaining acceptance. They believe wireless infrastructure equipment manufacturers should benefit over the next couple of years from commercial network launches of third–generation (3G) digital networks.

RADVISION is pursuing an aggressive marketing campaign throughout the world, which landed them partnership and licensing agreements with Microsoft, Intel and others. Given the unique position of RADVISION and future prospects of the collaborative communication industry, I believe RADVISION earnings should grow at 25–30% over the fiscal year 2006. RADVISION went public in 2000 and is headquartered in Tel Aviv, Israel.

Business and pleasure!

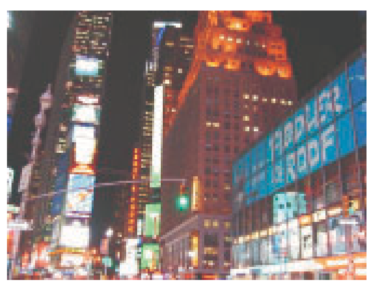
Photos by Tyler Herbert



Overview of Central Park

Subway experience!

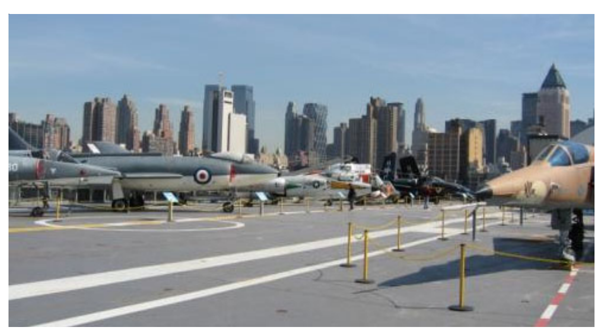
Metro Museum
Photos by Dilshod Saidov



No matter how cold, some still ice skate at Rockefellar Center!

Chinatown feast

Photos by Frank Wan



Visit to USS Intrepid, Sea & Air Museum on the Hudson River

Photos by Robert Higgins

"favorite part of the trip was the guided tour of the New York Mercantile Exchange..."

by Gretchen Jewell

Over Spring Break, the George Students experienced everything from Wallstreet to Little Italy and The Trump Tower to Katz's Deli. The trip included group travel throughout the city to many financial landmarks, such as Goldman Sachs, The New York Stock Exchange, The New York Mercantile Exchange, and the famous Wall Street. Though the trip was structured, the students had time to travel to their favorite sights as well. Many students chose to cross the Hudson River and see the Statue of Liberty, while others chose to spend their free time examining New York from a bird's eye view on the top of the Empire State Building. During the spring break trip George Students could be seen showing their respects at the 9/11 Memorial on Ground Zero, visiting the USS Intrepid at the Sea and Air Museum on the Hudson River, or ice skating at Rockefellar Center.

Most students said their favorite part of the trip was the guided tour of the New York Mercantile Exchange. During this tour, the entire group got an in depth history lesson on the NY Merc as well as the opportunity to step onto the floor of the exchange witnessing the day's close at the Oil Futures pit. The noise and the energy right before the close left a lasting impression on the entire group.

The students also received a guided tour of the NYSE just days before the exchange went public. While the floor of the NYSE was less dynamic than that of the NY Merc, the experience was just as memorable. Most of the students observed the exchange from the second floor, looking down as the floor traders worked at their stations. Due to the high security at the NYSE, only a select few from the George group were allowed to walk down to the floor level for an extended tour.

The effort and funding assistance made possible by Dr. K. C. Ma, as well as Dr. Larry Belcher and Dean Jim Scheiner, to make an experience of this magnitude available is a clear representation of how they and Stetson are dedicated to our Roland George Investments Program. Each of us greatly appreciate the opportunity of a life time for this kind of trip on Spring Break.

Waiting to go through security to enter the NYSE, the current George Students huddle for warmth and pose for a picture with Dr. KC Ma and Gage Gorman (RGIP Alumnus 2003).

editor's note —

continued from page 1

firms, including Goldman Sachs, that make the city famous. Everyone also enjoyed fantastic food and drink while staying in the center of the city's financial district. After a week in the cold northeast, though, we were all happy to come back to Florida and the great weather that makes living here seem like an easy decision.

As the year ends and the students go off in their various directions, they can all leave knowing they are winners. This achievement should bring personal satisfaction to all of us in the Roland George Investments Program — and the feeling that every one of us is capable of doing big things in life. Maybe one day we can all roll back to the Business School in our own Porsche so we don't have to borrow our professor's.

Shortly after arriving in New York and checking into the hotel, the group headed to Katz's Deli. The students enjoyed visiting the place from the film "When Harry Met Sally".

healthcare issues on the rise . . .

our fixed income portfolio should benefit from the "baby boomers"

treatment technology —

by Liz Masih-Das

In 2006, the American Cancer Society estimates there will be 1.5 million new cancer cases diagnosed in the United States and that cancer will account for one in every four deaths. Cancer is the second leading cause of death in the United States, exceeded only by heart disease.[1] Individuals diagnosed with cancer have four general treatment options: radiation therapy, surgery to remove tumors, chemotherapy, or biological therapy (treatment to restore the ability of the immune system to fight infection and disease). According to the American Society for Therapeutic Radiology and Oncology, approximately 50% to 60% of patients diagnosed with cancer receive radiation therapy. The S&P has a positive outlook on the medical device, managed care, and hospital sectors. According to Standard & Poor's analysts, the Healthcare industry, excluding pharmaceuticals, is expected to grow 15%-20% in the next fiscal year. Growth in the radiation therapy market will be driven by:

- aging of the population in the U.S. — 77% of all cancers are diagnosed in people over age 55;
- earlier diction and diagnose of cancer;
- increased knowledge and demand for advanced treatments by patients;
- growing utilization of advanced treatment technologies;
- discovery of new means of delivering radiation therapy for the treatment of cancer.

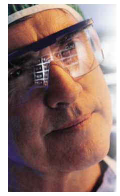
Radiation Therapy Services, Inc., provides radiation therapy treatments to cancer patients in the United States. It owns, operates, and manages treatment centers that primarily focus on providing radiation treatment alternatives. These centers, which are freestanding and hospital based, provide a full spectrum of services to cancer patients, including conventional external beam radiation and advanced services such as prostate seed implants (brachytherapy), 3D conformal treatment planning, and Intensity Modulated Radiation Therapy (IMRT). The company's radiation therapies are referred by primary care physicians, medical oncologists, surgical oncologists, urologists, pulmonologists, neurosurgeons, and other physicians. As of March 10, 2006, the company operated 69 treatment centers located in 14 of our 50 states. They have recently expanded their affiliations with physicians specializing in other areas including gynecology, gynecological and surgical oncology, and urology in their local markets to strengthen their clinical working relationships.[2]

The company's growth strategy is to expand through new treatment center development. They currently plan to develop new treatment centers in their new local markets in Palm Springs, California and Scottsdale, Arizona, as well as add centers to our existing markets in southwest Florida. They also plan to expand through strategic alliances and joint ventures. Through RTSX's experience in the design and construction of radiation treatment centers, they have an interest in developing new treatment centers within their existing markets. In addition, the company intends to grow through affiliations with other Oncologists and Specialists.[3]

Given the stock's growth opportunities and undervalued pricing position, I believe purchasing Radiation Therapy Service's stock will greatly benefit the portfolio. The company differentiates itself by offering a full spectrum of radiation therapy alternatives. In more recent years, the company has invested in technology that use more advanced methods for radiation treatments. Utilizing these methods has resulted in more effective treatment that minimizes the harm to healthy tissues that surround the tumor and therefore result in fewer side effects.

[1] http://biz.yahoo.com/rb/060331/markets_stocks.html?.v=23
[2] www.rtsx.com
[3] FY2005 10-k Report, page 5

medical instruments and supplies



AngioDynamics®

INCORPORATED

by Frank Wan

September, 2005, celebrated the 60th birthday of the first baby boomer. With baby boomers aging — retirees increasing — the healthcare industry will remain strong for the next decade. Based on the 7% growth in healthcare and the aging population, this industry is expected to explode in growth. "Supplies form the largest part of the industry, accounting for 52% of sales. Cardiology and diagnostics equipment account for a further 10% each, although the optimistic outlook for cardiology equipment could result in the sector accounting for a growing proportion of the market. Orthopedic products are another growth sector, currently at 8% of the market. Other notable segments include laboratory equipment (8%), ophthalmology (4%) and respiratory products (3%)."[1] With increasing domestic and international growth, the industry is at a comfortable position for a prosperous future.

AngioDynamics, Inc., "engages in the design, development, manufacture, and marketing of medical devices for the minimally invasive diagnosis and treatment of peripheral vascular disease. Its products include angiographic catheters, hemodialysis catheters, plasma thromboplastin antecedent dilation catheters, thrombolytic products, image-guided vascular access products, endovascular laser venous system products, and drainage products. The company's therapeutic and diagnostic devices enable interventional radiologists, vascular surgeons, and others to treat peripheral vascular diseases and other non-coronary diseases. AngioDynamics sells its products primarily in the United States, Europe, and Japan. The company was cofounded by Eamonn P. Hobbs in 1988. It was formerly known as A.D., Inc. and changed its name to AngioDynamics, Inc. in 1996. AngioDynamics is headquartered in Queensbury, New York."[2]

On March 21, 2006, AngioDynamics announced financial results for the third quarter. The company increased net income by 73% on record revenue. With revised financial guidance upward the company is expected to grow at record pace.

- "Net sales up 28% over the fiscal 2005 third quarter to a record $19.8 million;
- Gross profit up 35% over the fiscal 2005 third quarter to $11.5 million;
- Gross profit margin up 300 basis points over the fiscal 2005 third quarter to 58%;
- Net sales for the third quarter of fiscal 2006 increased 28% to $19.8 million, up from $15.5 million for the third quarter of fiscal 2005.

This increase was primarily due to strong growth from the company's newest products, along with continued market share gains across our diversified product portfolio. All of the revenue gains were due to increases in unit sales."[3]

"We are extremely proud to continue to post record sales, spurred by excellent unit growth across our key product lines," commented Eamonn P. Hobbs, president and chief executive officer of AngioDynamics. "We began our nationwide launch of the TOTAL ABSCESSION™ general drainage catheter in December, and with sales of $221,000 for the fiscal quarter, we are off to a healthy start."

Currently, the street recommends investors to "buy". With the fair value calculation, and the growth of the health industry, I highly recommend holding the stock. With record growth, sales, revenue and profit, the company seems stable to continue a 25% growth trend for the next five years. Disregard the economy, people will always need medical treatments, especially the necessary products AngioDynamics is offering.

Furthermore, our position in the portfolio has been increased by 500 shares.

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[1] Investors.reuters.com

[2] Investors.reuters.com

[3] Moneycentral.msn.com

UnitedHealth Group

by Dilshod Saidov

UnitedHealth Group, Inc., is a diversified health and well–being company, serving approximately 65 million Americans. The Company provides individuals with access to healthcare services and resources through more than 500,000 physicians and other care providers and 4,600 hospitals across the United States. UnitedHealth Group conducts its operations through four operating divisions: Uniprise, Health Care Services, Specialized Care Services (SCS) and Ingenix.

As the largest company in the Managed Healthcare industry, UnitedHealth Group shows a market capitalization of $68 billion (as of April 25, 2006) and fiscal 2005 revenue of $45 billion. UnitedHealth Group competes with Aetna, Inc., Cigna Corporation, Coventry Health Care, Inc., Humana, Inc., and WellPoint, Inc.

On December 20, 2005, the company acquired PacifiCare Health Systems, Inc. PacifiCare offers managed care and other health insurance products to employer groups, individuals and Medicare beneficiaries. It has approximately 3.1 million health plan members, including 2.4 million commercial members and 750,000 senior members, as well as approximately 12 million specialty plan members nationwide.

UnitedHealth Group was founded in 1974. It was formerly known as United HealthCare Corporation and changed its name to UnitedHealth Group in 1998. The company is headquartered in Minnetonka, Minnesota.

Forecasting another 25 BPS hike in interest rates, I recommended the Roland George Investments Program to enter into $100,000 position of 4.125% UNH callable bond with maturity at August 15, 2009. Moody's rating for the current bond is A2. Company executives reaffirm the company's financial forecasts, including "strong revenue growth, outstanding cash generation and a very positive earnings performance," in the regulatory filing.[1]

[1] Reuters

FLANDERS
FOREMOST IN AIR FILTRATION

by Blake Simpson

Flanders Corporation engages in the design, manufacture, and marketing of air filters and related products. Its products include a wide range of filtration for residential, industrial, manufacturing and commercial use. The company designs and manufactures its own production equipment to automate its processes and glass–based air filter media for certain products.

The growth strategy for Flanders focuses on a few different areas. First, new product growth. Flanders introduced 5 new patents in 2005 associated with the new "nested" filter. Flanders has also introduced an improved filter for HEPA systems as well as a far superior (compared to competitors) filter to extend the life of HVAC equipment while making the air healthier. Co–branding is another area that Flanders plans to focus energy in order to achieve growth. The company has been working on production and marketing of products with Arm & Hammer and Lysol. Operations efficiency is very important to Flanders. In order to reduce costs to the most minimal level they have decided to move from semi–automated production lines to fully automated production lines in 2006.

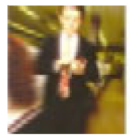
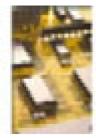
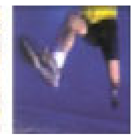
Flanders is also working with the government in order to adapt their containment control technology so it may be used to "harden" large buildings against the threat of biochemical attacks. While complete protection is impossible, Flanders is successful in using HEPA filtration to lower fatality risk in such a situation.

It sells its products through retailers, wholesalers, and distributors, along with domestic specialty clean–room contractors primarily in the United States, Europe, and the Pacific Rim. The company was incorporated in 1986, went public in 1996 and is headquartered in St. Petersburg, Florida.

Flanders is a great company in a stable industry. The company has several large corporate customers such as: Abott Laboratories, Home Depot, Wal–Mart, Merck, and Motorola. This holding will diversify our portfolio in a segment other than technology and healthcare. Flanders is a growing company that is just beginning to tap the strong future potential. With the detailed organic growth plan that management should have no problem enacting, Flanders will be a force to be reckoned with in the air filter world. The fundamentals are very strong and the company is nearly 30% undervalued.

ROGERS CORPORATION

by Evan Alexander

Rogers Corporation manufactures specialty polymer composite materials for applications in wireless communications, computers, imaging, transportation, and consumer products. The company has three main business segments; high performance foams, printed circuit materials, and polymer materials and components. Its products are based on its core technologies polymers, fillers and adhesion. Headquartered in Rogers, CT, Rogers Corp. is a global enterprise with manufacturing facilities located in the United States, Europe, China, and Korea. Two–thirds of Rogers Corp.'s sales are overseas and 48% of their sales are in Asia. Some of their larger competitors are Dow Chemicals, 3M Company, and Dupont. While sales continue to grow steadily for their major product lines, the most promising prospect for growth comes from their DUREL® 3 patented electroluminescent lighting systems. Durel is a flexible paper–thin lighting device — think Indiglo in watches — used in small electronics. Demand is increasing as cell phones become thinner namely for the Motorola Razor phone. As of now the Durel accounts for almost 60 million of the 360 million net sales. Edward J. Joyce, Manager of Investor and Public Relations for Rogers Corp. says that they expect the sales for Durel to, at the very least, double in the next 12 to 18 months. The growth from Durel should help Rogers Corp. to significantly outperform the industry.

A member of the S&P SmallCap 600 Index, Rogers Corp. has outperformed that index by almost 10% over the last 12 months. The company operates with a 41% larger gross margin than the industry and within its sub–industry Rogers Corp. is second in market capitalization to Cognex Corp. and has the highest return on equity — 15.8%[1]. They haven't had any significant long-term debt since 2001 and they are 50% more liquid than the industry average with a current ratio of 3.2. Rogers Corp.'s five–year historical growth rate is only 8%, but it is predicted to jump to a 20% growth rate over the next 12 months to bring the company back to operating at historical highs.

The outlook for Rogers Corp.'s sub–industry of electronic equipment manufacturing is neutral. Year to date, the industry's index rose 9% which is significantly higher than the S&P 1500 which rose only 2.9%[2]. With fluctuating oil prices, it is difficult to make a solid prediction for the industry, but it is expected to at least match the S&P 1500 for 2006, but a greater upturn is expected. The industry's fundamentals have stabilized with less inventory, more efficient production, and disciplined spending plans, which translates into revenue growth reaching the bottom line much faster. Long–term estimates are positive because technological and process innovations will help to prompt demand and therefore earnings.

So far this year Rogers Corp. has been operating above both the 50– and 200–day moving averages. For the last 18 months the stock has been operating in the middle of its support channel, but just recently it has become bullish and is challenging the upper resistance. The spike in volume will help it to break through on its way to historical highs.

I believe that there are many factors that make Rogers Corp. a great position for the Roland George Investments Program. Many of the indexes (that include Rogers Corp.) are showing positive growth for the year. While the outlook for the industry is neutral, the increase in demand for DUREL 3 should drive earnings up past the industry significantly for the next 12 to 18 months. The fair value for Rogers Corp. is approximately $30 above the current price, making it over 50% undervalued. All of the technical factors also point to success for Rogers Corp. and analysts suggest it is a "strong buy".

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[1] S&P stock reports
[2] MSN Money

". . . long history of strong performance"

by John Christiansen

Anheuser–Busch is the leading national brewer of beer, manufacturing half of all beer nationwide. Their operations consist of domestic beer, international beer, packaging, and entertainment (nine theme parks). Their net sales come mostly from domestic beer (75.8%), with international beer, packaging, and entertainment making up 6.4%, 10.4%, 7.4%, respectively. Anheuser–Busch's operations and resources are focused on beer, adventure park entertainment and packaging. They also have interests in aluminum beverage container recycling, malt production, rice milling, real estate development, turf farming, metalized paper label printing and transportation services. [1]

"Responsibility Matters" is a corporate campaign in which Anheuser–Busch has "invested more than a half–billion dollars in a comprehensive portfolio of more than two dozen community–based programs and national advertising campaigns to promote responsible drinking and help prevent underage drinking and drunk driving." [2] Even though they have been faced with certain legal proceedings in the past couple of years, mostly related to underage drinking, the company "believes that it has strong legal and factual defenses to these class actions and intends to defend itself vigorously." [3]

Anheuser Busch is a solid company. The company has increased dividends for 28 consecutive years, and up until recently, had double digit earnings growth for 24 consecutive quarters.[4] Beer sales had peaked in 1995, with sales declining in the subsequent years. Consumer tastes seem to have shifted to spirits and wine. Though beer sales overall have been decreasing, light beer sales have been increasing. Bud Light is America's top–selling light beer.[5] In the near future they will also become the U.S. importer of Tiger beer, a leading Singapore brand, which will help them capitalize on the growing import beer market. This, along with a similar deal made with Grolsch, are moves to push into the high–end beer category.[6]

Anheuser Busch is a very stable company, and has a long history of strong performance. The Company and bond ratings of A1 are likely to remain constant, and indicate that this bond has a very low chance of default. However, because this is riskier than a treasury, it will contribute to a higher return. Adding this bond to our portfolio will lower our holding of cash, provide a high coupon, and provide total return higher than that of a five–year note.

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[1]http://www.anheuser-busch.com

[2]Ibid.

[3]Ibid.

[4]http://www.fool.com/News/mft/2006/mft06031612.htm?source=eptyholnk303100&logvisit=y&npu=y

[5]http://yahoo.businessweek.com/bwdaily/dnflash/mar2006/nf20060317_5363_db016.htm

[6]http://www.anheuserbusch.com/news/tigerbeer_031306.htm

". . .poised to continue rapid growth..."

PIONEER DRILLING COMPANY

by Trevor Whitley

Pioneer Drilling is one of the few pure–play contract land drilling companies left in the U.S. Until 2004, the company was concentrated solely on natural gas drilling, but an acquisition in November of that year has allowed the company to move into oil drilling. Oil currently accounts for about 5% of revenues, and PDC will most likely remain a dominantly gas drilling company. The company earns revenues by providing drilling services to oil and gas exploration and production companies. While majority of their business comes from independent exploration companies, some portion of their business does come from the major energy companies. Pioneer currently operates 57 drilling rigs in Texas, Oklahoma, Utah, and North Dakota capable of drilling anywhere from 7,500 to 18,000 feet in depth. In addition to the actual drilling rigs, Pioneer provides the drilling crews, and any additional equipment needed to operate the rig efficiently. Pioneer recently began a rig–build program and will add 13 new premium rigs to their drilling fleet by the end of calendar year 2006. In the last six years, the company has increased the size of its fleet from 8 to 57 rigs through a combined strategy of both organic and inorganic growth. CEO W. Stacey Locke stated on the most recent earnings call that the company's growth strategy is dependant on the business cycles of the drilling industry.[1] During periods of cyclical growth, they will focus on organic growth and rig–upgrades, as they are currently. During a counter–cyclical phase, they will focus on making acquisitions at the right price.

Pioneer has seen a rapid rise in production and profitability during the past 18 months coinciding with the rise in energy prices. The demand for natural gas in the US currently far exceeds the supply, and the company does not project that supply will catch up until the latter half of calendar 2007, or early 2008. Until that time, Pioneer will continue to engage in its rapid new–build and upgrade programs to ensure that they not only grow their fleet, but also have a premium quality fleet. Pioneer currently is debt–free and will remain so until they experience the counter–cyclical phase, when they will use leverage to make acquisitions.

PDC has considerably strengthened their balance sheet of the past twelve months, as the industry entered back into a cyclical growth phase. During that time, PDC paid off their debt obligations, and also experienced incredible top and bottom line growth. They are financing their current new–build and upgrade programs entirely through internal cash flow, and new stock offerings. PDC has issued 10 million new shares over the previous twelve months.

They operate a fleet of 57 premium quality rigs, and are building new rigs at a rate of two to three per quarter through the end of calendar 2006. The company is also engaged in a rig–upgrade program which has upgraded 17 rigs through the first nine months of fiscal 2006, at a rate of $1 million per rig. Both of these capital expenditure projects are financed through internal cash–flow and equity financing, as the company is essentially debt–free. The rest of the financials are strong, and PDC is poised to continue rapid growth over the next 12–18 months – as the demand for natural gas continues to outpace supply. The stock has taken a 30% hit in recent months, largely due to natural gas prices and technical selling triggered by the actions of CHK, making it incredibly undervalued (by up to 64%). Based on all these factors, I strongly recommended the purchase of PDC, with a 12–month target price of $25.00.

The Oil & Natural Gas Industry is a highly cyclical industry, with periods of robust growth followed by periods of stagnation and consolidation. It is also an industry tied largely to the price of the underlying commodities — crude oil and natural gas. This industry has been experiencing one such period of robust growth over the past 18 months, but indications are that the industry is not yet finished. This growth should be seen both on land and offshore, as well as in oil drilling and natural gas drilling.

[1] Webcast, Feb. 2, 2006

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The *George Investment View* is intended to be an educational document. Investment views belong to the authors and not Stetson University.

The Roland George Investments Program was created in 1980 by Sarah George to provide a unique experience for future investment professionals. This bequest was intended to honor her husband, Roland, who, after completing his education, began to ply his trade and promptly lost money. Mr. George decided that serious flaws were evident in the traditional educational process for future investors since by over-coming his formal education he was able to master investing and in short, accumulate wealth.

From this start, Mr. George formed the ideas of creating an investment curriculum that combined academic theory with real world experience. This dream came true when Sarah George funded the Roland George Investments Program. This program provides support for the applied investments program at Stetson University where students manage a portfolio valued at over $2.8 million dollars. Insights are gained through contact with professionals such as Robert Stovall, CFA, of Wood Asset Management, Inc., Sarasota, FL.

For information on the Roland George Investments Program contact Dr. Larry Belcher at 386-822-7442.

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