Aldila, Inc. (Buy)

Summary: Aldila, Inc., through its subsidiaries, engages in the design and manufacture of graphite (carbon fiber-based composite) golf shafts in the United States.

Company Highlights
- Aldila is diversified within the carbon fiber industry. The company manufactures golf shafts, hockey sticks and blades, and its subsidiary, Carbon Fiber LLC manufactures its own carbon fiber.
- Over the past year, the company has outperformed the S&P 500 by 90%.
- The company has ZERO debt.
- The company more than doubled its cash and marketable securities during 2004.

Major Risks
- Aldila has only shown significant profit over the short-term.
- The company lacks any major analyst coverage.
- Past trends have shown uncertainty within the carbon fiber industry.

Analysts Opinion: It is our opinion that this company will continue to grow and is a solid long-term investment. The discounted cash flows model effectively illustrates our projected outcome.