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HD **Anti-counterfeit mob in with a real chance**

BY TIM BOREHAM, CRITERION
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YPB Group (YPB) 42c IN glorious hindsight, YPB chief John Houston would not have listed the anti-counterfeiting mob via an existing shell company, former sapphire explorer AUV.

Generously, YPB's backers left some crumbs for the residual AUV holders who took advantage of the largesse and stampeded out of YPB when it relisted at 20c apiece on August 7. "While our guys were escrowed, the shell guys smashed the shares,'' Houston says.

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OK, Houston we hear you loud and clear. But since then YPB stock has traded as high as 40c on YPB's China-focused charter to smash the $1.8 billion counterfeiting market. YPB's core product remains RealProtection, an invisible tracer that can be applied to anything from fabrics to food.

In the lead-up to listing, Houston was contacted by the US-based David and Sam Gonen, who run the tech incubator Curious Minds.

YPB acquired their brainchild Brand Reporter, a white-labelled, app-based product that enables brand owners to trace and detect knock-off goods.

While YPB has owned Brand Reporter for less than a fortnight, Houston says the likely pricing will be $1000-$5000 a month per company. "If we get 1000 brands at $1000 a pop — which is not impossible — that's really good revenue,'' Houston says.

In a fortunate coincidence YPB secured the services of Gold Coast-based marketing guru Randall Griffis. A criminologist and former intelligence agent — keep that one quiet — Griffis was willing to relocate his family to LA to run Brand Reporter.

One question is if Brand Reporter has such promise, why did the Gonens sell the IP to YPB for $US485,000? Houston says there's a chasm between incubating an idea and commercialising the product — a point not lost on the Gonens, who took $US360,000 of the proceeds in YPB scrip.

We retain a spec buy, but expect a capital raising — sooner rather than later — to fund the expansion of Brand Reporter in the US and China.

ALS (ALQ) $5.77 WHEN a $2.77bn global assay testing group reports that things are pretty crook north of the Black Stump, should the entire mining services sector take note?

Formerly Campbell Brothers, ALS says that a mere eight weeks after guiding to a half-year profit of $74 million for the six months to September 30, this number is likely to come in at $64m (36 per cent below the previous year's $100m).

The malaise is more pricing than volume driven, with revenues expected to be $755m compared with $745m in the previous period. It's worth pointing out that ALS business covers 55 countries, across minerals, life sciences, environmental and energy. In other words a lot of it is non-resources stuff.

But the malaise is driven by the minerals division, with revenue down 25 per cent and in line with the global exploration decline.

As one of the bigger members of the sprawling sector, ALS won't provide succour to its peers — although none of them are quite the same. For instance we haven't heard much of late from explosives house Orica (ORI, $19.55), which also has a September 30 balance date. On balance, ALS is a long-term buy.

Ardent Leisure (AAD) $3.10 THE leisure operator is in the Australian Shareholders Association's good books after acceding to a plea by the small investor's champion to increase the size of its share **purchase** plan.

As is the norm, Ardent in early August announced a $50m insto placement, accompanied by an SPP capped at $15m.

Initially the raising was pitched at only a 4 per cent discount, $2.41 per stapled security, but Ardent shares took off after its well-received full year numbers.

With 30 per cent of easy gains on the table and holders rushing the offer, management agreed to lift the SPP cap to $20m. While applicants still face a scale back, the concession imbues that extra element of fairness.

Ardent argues that with 65 per cent of its register held by the instos, the placement proportion isn't out of whack with its spread of holders. The ASA had less luck with their entreaties to QBE Insurance, which on Friday closed a $160m SPP as an addendum to a $650m insto placement.

As with Ardent the offer was at a 4 per cent discount but an ensuing share run means there's a quick 20 per cent up for grabs. Buy.The Australian accepts no responsibility for stock recommendations. Readers should contact a licensed financial adviser. The author does not hold shares in the stocks mentioned.

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