"I've never seen a market like this, even in the best of times." - Chris Lahiji

Dear Patrons,

This letter will most likely be my last comprehensive write-up until Labor Day. It may also be the longest thing I have written, so bear with me.

If you don't want to read this, then too-da-loo.

If you do, we are going to have some much-needed fun and amusement. :-)

The LD Micro Index was up slightly for the week.

**Sonic Foundry (SOFO)** has accepted Chairman Mark Burish's offer to acquire all the outstanding shares of the company not currently in his possession for $5.00 per share.

The offer represents a large premium to the closing price before SOFO formed a special committee to evaluate "strategic alternatives."

Sonic's share price has risen considerably since the COVID outbreak, because of the insatiable appetite for video technology and virtual learning.

We had the company present at our June Invitational back in 2016, and wish them nothing but success moving forward.

**Stick Together**

Things have been pretty depressing as of late. The power of cinema has helped people battle sadness for nearly a century now. Even in the depths of the Great Depression, folks would see films for both "escapism" and inspiration.

Gladiator has to be one of the greatest movies ever made. Russell Crowe was already a bonafide international star even before the film came out, but it cemented his legacy as one of the great actors in modern times.

"A Beautiful Mind," "Cinderella Man," and perhaps my second favorite movie of all time, "3:10 to Yuma," also come to mind when one thinks of the talented and hunky New Zealander.

However, this scene (blood, blood, everywhere) in Gladiator represents ass-whooping at its finest.

"*Whatever comes out of these gates, we've got a better chance of survival if we work together. Do you understand? If we stay together, we survive.*" - Maximus Decimus Meridius

I don't have to tell you what these words above mean, because they have never been more critical.
Thousands of people read our weekly missives for insight, humor, and highlights from the micro-cap world. It is hard for me to write anything without pissing off or offending a large contingency of people.

But I'll say it.

This country is not fighting COVID the way it should be. It has spread everywhere now because no national plan ever existed. Testing is still atrociously inadequate; control measures are non-existent, and many are still not taking this seriously.

My very own parents won't even comply with the "stay-at-home" measure and told me that I was a weenie. This statement is coming from two people that have not left the house since Clinton was President!

Hell, my mother has been to every single one of my events but has only come out once. The TV in her room was not working, and she needed some help from the hotel staff.

My gut is telling me that COVID will not be placed into submission anytime soon, and it will be a lingering threat to everyone.

Our elected leaders are not doing enough for the millions currently out of work. $1200 will not last very long.

Nor the hundreds of thousands of businesses that currently don't have a business for a multitude of reasons. Let's begin with, oh, I don't know...

LD.

LD Micro is a business, and historically a very accomplished one at that.

We employ a lot of outstanding individuals that work alongside us and pay a huge tax bill every single year. It is our duty and pleasure because I consider the U.S. to be the greatest country in the world.

Revenues are down 95% year over year. I wish I could say the same for our costs.

I am most likely not going to take a salary to ensure that our core team stays employed, can pay rent, and put food on the table.

On Monday, I began talking to our sponsors. The consensus was that "virtual" is a good platform for current conditions, but we need to have physical events as soon as we possibly can.

Everyone misses the social and physical aspects roughly sixty days in.

No one misses it more than I do.

No one is more social than me when it comes to these affairs, and no one loves hugging people more than I do. For me, it is a "high," and it is also cultural. I'm Persian and can't help it. We hug everything, including trees, pets, and flags.

Smiling, laughing, ribbing, poking fun, insulting, trash-talking, interacting, crying, surprising, handshaking, patting, and my personal favorite, hand gesturing like some crazed Italian whose team just got eliminated in the World Cup.
None of this stuff transfers well to the "virtual" world.

It has crushed my soul, and nothing can replace it without physical human interaction.

Things are so bad that I’d even golf with a left-handed Frenchman that lives close to me and wears white pants to corporate affairs.

Okay, maybe not that desperate, but getting there quickly.

Imagine working on the biggest project of your life, with the greatest obstacle in play.

For us, the threat is existential, and only our community can provide us the resources we need to advance micro-cap for the next generation.

I am doing my very best to convince people to "stay together" and fight this "thing" as one.

If I call you, then you know what's up. It is game time.

**Oracle of Omaha**

An overwhelming majority of people look at Warren Buffet as a deity. The facts are there. Their track record is unmatched, and the man has said a lot of useful things over the years.

"The first rule is not to lose. The second rule is not to forget the first rule," - Warren Buffett.

The only time I attended the annual gathering in Omaha was back in 2008, and it was only because of Harris Kupperman, one of the sharpest minds in the financial world today.

I can not disclose what exactly took place (drugs), except for the fact that I found myself waking up on top of a pool table in the recreational room of a Best Western. Luckily, no one tampered with my body. :-)

What woke me up was the constant buzzing of my phone.

Forty missed calls. Thirty-nine of them were from Harris.

I quickly go down to my room, grab some clothes, and run down to the stadium.

I am the only person on the streets in downtown Omaha with 50 miles an hour gusts hitting me head-on. I lost my hair and my hat!

"Where the hell were you?" - an agitated Harris asks.

"I was sleeping." - a half-conscious Lahiji replies.

"Get your ass in here."

"Yes, Sir."
Thirty-one thousand people were on hand at the Qwest Center that day.

The first guy I bumped into was Bill Gates chatting with our row. It turns out that Harris's homey spent the entire night out in the blistering cold to secure the first seats in the house, while I was busy losing my ass in cards, dice, and pool.

My favorite moment was when they would take questions from the audience. I think it was the last year they did this.

One guy would not stop asking asinine questions, to the point that the crowd started clapping in hopes that he would pass the "baton."

I fell out of my chair in gut-wrenching laughter when he responded, "thank you" after the applause. He thought it was for him. The crowd was just asking him to "wrap it up" in the kindest way possible.

It was a wonderful, eye-opening, and magical experience. One that I did not care about until yesterday when the Oracle came back to the podium.

No one has seen as much as this man or Charlie Munger, another gentleman that I have a tremendous amount of respect for, when it comes to accessing the current situation we all face.

Here are some of the highlights:

- He is not buying anything in size because he has "not seen anything attractive."
- "You can't rule out any possibility at this point."
- "We don't see all the problems on the first day."
- Announces that Berkshire Hathaway has sold all of its shares of United, Southwest, Delta Air Lines, and American Airlines.

We are naturally close to a lot of money managers, and one mentioned to us that he has never seen Buffett be this negative and uncertain when it comes to equities.

Actions always speak louder than words. Berkshire sold six billion worth of stocks last month, and currently has a cash position of $137 billion.

The Cherry Coke is flat, the See's candies are stale, and the Florsheim's don't fit.

"I don't mind. Do you have a pair in 11.5?"

**Unknown Caller**

The one good news from COVID is that the number of robocalls has come way down. Not even modern spammers have the ammunition necessary to sell or trick people into buying things during a pandemic.

I typically get between 30-50 calls a day, and I'll respond to about 3-5 of them.

One call that came in recently was from a blocked number, and I was "feeling lucky."

The person on the other end of the line sounded young. They would not give me their first name but mentioned that they were doing a study in class about people of influence in their respected fields, that get no recognition from the outside world.
Right up my alley!

The man wanted to interview me. I told him that I don't do over the phone interviews or talk with the media anymore because they never quote me accurately.

Unless you are QTR, Peter Schiff, or the fantastic Liz Claman, I am probably "too tired for your sh*t."

After several years at Fox News, I have been officially retired.

Gary, if you are reading this, I am ready to go back. I am like Rambo in Rambo VI. Just a blacksmith in a small village in Vietnam prepared to swing into action if needed.

I told this aspiring student to ask me all his questions over the phone, and that I'd be happy to answer them here. Written interviews are the best interviews, and I'd love for this person to have something meaningful in their life and use it as inspiration to do some big things later on.

Maybe that last sentence was a bit of a stretch.

Here are the questions and answers:

1. How old were you when you decided to learn about investments for the first time? A: I was 13.
2. Do you feel like you chose the right profession for you? A: No. I should have become a game show host. I'd do anything to host Family Feud just once.
3. What is the last thing you do before going to bed? A: Read.
4. If you went back in time, what is the first thing you would do? A: Bet on the Patriots in the late 3rd quarter against Atlanta in the Super Bowl.
5. If you died and spoke with God, what is the first question you would ask them? A: Who stole my Oakleys in the sixth grade?
6. Why are you so bitter in your writing? A: Let's just say that I am a glass "half-empty" type of guy.
7. Who is the funniest person in your business? A: Hands down, Chris Jarrous from Dunlap Equity.
8. When you were in college, which celebrity did you have a crush on? A: Vanessa Angel (Kingpin).
9. Who was the meanest star you ever met? A: Not even close. Bill Nye the Science Guy.
10. What is the one piece of advice you would give any entrepreneur? A: Try not to sign anything if you can help it.

If you are reading this, I will you well my anonymous friend.

**LD: Love and Devotion**

We have three big projects in the pipeline:

- The LD 500
- The "Rund Project" (mapping the universe)
Convos with Chris (a fresh perspective that is not market-related)
Bonus: The Upside Down Boys (I am the drummer)

It is 3:33 AM, and the owls are back.


May the Lord have mercy!

Be safe.

Use common sense.

I love you all very much.

CL

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**Can Multiverses Be Used for Interstellar Travel.**
Christian Galatti ([Phase IV Research](#))

Every amateur astronomer is disappointed with their first telescope. Stars are still just points of light. Planets are great but you have to make a big upgrade to professional if you want to track them across the sky. Nebulae are hazy things, and don’t look anything like their pictures without color. Saturn is the best you can hope for because nobody wants to settle for the Moon after searching the skies for an hour. When it’s freezing out it becomes really important to find something interesting to keep you in the game. One time I got lucky. Out of all the countless hours of seeing nothing special I saw something that can’t be explained...once...for 5 seconds.

The only time I saw a UFO it was quick. Satellites can have polar or geosynchronous orbits...and if you find one they are one of the fastest things that you can track across the night sky. On a clear night your eyes alone can see the dot just fly past everything else on a straight line track. Satellites go in one direction. They don’t go in reverse. They don’t make turns. Satellites just go straight. This thing didn’t just go straight.

It was a dot just like any other satellite dot but the telescope was pointed out to deep space as I flailed around to look for something interesting. Not the place a satellite would be. The dot went straight down the view of the telescope for 2 seconds. This was not strange, and I thought I found a rare but findable polar orbiting satellite. But, then the dot made a perfect little circle, and went straight back up whence it came...then gone. The whole thing took 5 seconds total. That is nothing compared to what happened this week.

Old TV shows like In Search Of and Project Blue Book looked for UFO’s every week. Countless videos, conventions, and abductees, have all issued claims. The mass sightings of the [Phoenix Lights](#) have never been explained, and Close Encounters of the Third Kind showed us that the government could be
in the know. Which was just proved true when the Navy declassified tracking images from authenticated Flir sensors that were aboard an F-18/A Super Hornet that pursued a UFO at 25000ft. My first thought was that the 1950’s got it right.

The ship was an archetypical flying saucer with no discernible propulsion that rotated the stern into a horizontal position as it accelerated into 120 knot winds. Like a super fast lemon meringue pie being thrown across the sky. Showing off right before it disappeared. It was acknowledging that it wanted to be seen, so it showed us the most incredible display of aerial physics imaginable. Something that can’t be done. It’s called the Gimbal sighting, and it could be the first officially recorded Contact with a machine not made anywhere near this solar system. The fighter pilot said there were lots of them. Now that it’s very likely we are not alone, how’d it get here.

There are over four thousand exoplanets. Only 160 are terrestrial, and none of them show any signs of aliens. No weird energy transmissions at all. Which means that wherever that ship came from it had to come from at least 5,000 light years away. The next closest galaxy to us is the Canis Major Overdensity 25K light years away. Then it gets really far out because our galaxy was recently found to be 150 thousand lightyears wide. Even at the speed of light other civilizations are too far away to get here. Those ships would have had to travel eons just to be caught on tape for 35 seconds. The physical parameters of this dimension can’t be overcome. But, how about if there were other universes, with different rules. It’s possible that they could be used for interstellar travel to get around the speed of light. To get around the physics that are uniform across this dimension. In 2015 Caltech found evidence of the multiverse, that we are just one of many dimensions, and that our universe is pushing against others. They even made a picture of what it could look like.

![Image](https://via.placeholder.com/150)

The fine tuning of parameters required to reproduce our present day Universe suggests that our Universe may simply be a region within an eternally inflating super-region. Many other regions beyond
our observable Universe would exist with each such region governed by a different set of physical parameters.

-Chary, Caltech, 2015.

Some scientists think that bubble universes may pop into existence all the time, and occasionally nudge ours. Some bubbles would inflate wildly, while others would collapse back on themselves. Our own bubble universe just happens to have the right amount of matter and other variables to endure and foster the creation of stars and planets.

Scientists using data from the European Space Agency’s Planck mission, in which NASA played an important role, have tested this alternate universe concept. They have found hints that our universe may have been bumped by another universe very different from ours.

Planck Data Center - Bubble Universes.

If that was an alien ship it got here through punching a hole in our universe to traverse through an alternate dimension where the speed of light was not absolute. It’s the only way the flying lemon meringue pie could travel thousands of lightyears to get here just to entertain the cameras for a few seconds. Something historic happened this week that didn’t have to do with sorrow (DOD footage of all three UFO sightings.) As a species we are finally figuring out how this place works.

Micro-cap equities - Top 25 - by Dragos Georgescu

<table>
<thead>
<tr>
<th>Rank</th>
<th>Ticker</th>
<th>Company</th>
<th>Sector</th>
<th>Industry Group</th>
<th>Market Cap</th>
<th>Dividend Yield</th>
<th>Quant Rank Percentile (%)</th>
<th>1 Year Return</th>
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<tbody>
<tr>
<td>1</td>
<td>FWX US Equity</td>
<td>Franklin Wireless Corp</td>
<td>Information Technology</td>
<td>Technology Hardware &amp; Equipment</td>
<td>$33 m</td>
<td>1.5%</td>
<td>&gt;92.8%</td>
<td>-37%</td>
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<td>2</td>
<td>EUA US Equity</td>
<td>Enelco Corp</td>
<td>Consumer Discretionary</td>
<td>Retailing</td>
<td>$50 m</td>
<td>1.2%</td>
<td>&gt;92.3%</td>
<td>-39%</td>
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<td>3</td>
<td>VOK US Equity</td>
<td>Vandenhoff Mining Resources Inc</td>
<td>Health Care</td>
<td>$17 m</td>
<td>2.6%</td>
<td>&gt;56.4%</td>
<td>-32.8%</td>
<td>-31%</td>
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<tr>
<td>4</td>
<td>RCM US Equity</td>
<td>Rhodeo USA Inc</td>
<td>Consumer Discretionary</td>
<td>Retailing</td>
<td>$180 m</td>
<td>2.8%</td>
<td>&gt;381.1%</td>
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<tr>
<td>5</td>
<td>DRB US Equity</td>
<td>QuickMove Technology Sales</td>
<td>Information Technology</td>
<td>Software &amp; Services</td>
<td>$78 m</td>
<td>3.9%</td>
<td>&gt;264.3%</td>
<td>-32%</td>
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<tr>
<td>6</td>
<td>GIS US Equity</td>
<td>Tel Holdings inc</td>
<td>Telecommunications</td>
<td>$24 m</td>
<td>3.8%</td>
<td>&gt;16.9%</td>
<td>-32%</td>
<td>-31%</td>
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<td>7</td>
<td>MCH US Equity</td>
<td>MatchTech Inc</td>
<td>Commercial &amp; Professional Serv</td>
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<td>&gt;294.3%</td>
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<td>8</td>
<td>DRA US Equity</td>
<td>Au Minerals Inc</td>
<td>Materials</td>
<td>$16 m</td>
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<td>&gt;254.3%</td>
<td>-31%</td>
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<td>9</td>
<td>SAVV US Equity</td>
<td>Cassava Sciences Inc</td>
<td>Health Care</td>
<td>Pharmaceuticals, Biotechnology</td>
<td>$185 m</td>
<td>3.4%</td>
<td>&gt;409.8%</td>
<td>-30%</td>
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<td>10</td>
<td>DASH US Equity</td>
<td>Convex Inc</td>
<td>Information Technology</td>
<td>Software &amp; Services</td>
<td>$89 m</td>
<td>6.6%</td>
<td>&gt;76.0%</td>
<td>-29%</td>
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<tr>
<td>11</td>
<td>CUSP US Equity</td>
<td>China Super Deal Inc</td>
<td>Consumer Staples</td>
<td>Food &amp; Snack Retailing</td>
<td>$82 m</td>
<td>5.8%</td>
<td>&gt;308.9%</td>
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<td>12</td>
<td>KUKK US Equity</td>
<td>China XU Core Inc</td>
<td>Information Technology</td>
<td>Software &amp; Services</td>
<td>$10 m</td>
<td>6.3%</td>
<td>&gt;394.5%</td>
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<td>MKN US Equity</td>
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<td>Materials</td>
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<td>$83 m</td>
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<td>&gt;385.0%</td>
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<td>&gt;290.6%</td>
<td>-29%</td>
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<td>15</td>
<td>PKH US Equity</td>
<td>Power Metals Corp</td>
<td>Materials</td>
<td></td>
<td>$62 m</td>
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<td>&gt;361.7%</td>
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<tr>
<td>16</td>
<td>VRT US Equity</td>
<td>Venturex Inc</td>
<td>Health Care</td>
<td>Pharmaceuticals, Biotechnology</td>
<td>$102 m</td>
<td>4.8%</td>
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<td>17</td>
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<td>Vermillion Inc</td>
<td>Health Care</td>
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<td>&gt;345.0%</td>
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<td>CNY US Equity</td>
<td>CyberEyes Corp</td>
<td>Information Technology</td>
<td>Semiclusters &amp; Semicluster</td>
<td>$174 m</td>
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<td>&gt;40.7%</td>
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<td>19</td>
<td>AMH US Equity</td>
<td>Apollo Recherche Inc</td>
<td>Health Care</td>
<td>Pharmaceuticals, Biotechnology</td>
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<td>4.1%</td>
<td>&gt;40.7%</td>
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<tr>
<td>20</td>
<td>MBUS US Equity</td>
<td>Braham Inc</td>
<td>Commercial &amp; Professional Serv</td>
<td>Retailing</td>
<td>$89 m</td>
<td>4.1%</td>
<td>&gt;375.0%</td>
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<td>21</td>
<td>BAH US Equity</td>
<td>Ballard Resources Ltd</td>
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<td>22</td>
<td>CAL US Equity</td>
<td>California Mining Corp PE</td>
<td>Materials</td>
<td></td>
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<td>23</td>
<td>CUSP US Equity</td>
<td>Chloride Biomedical Inc</td>
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<td>Pharmaceuticals, Biotechnology</td>
<td>$174 m</td>
<td>4.9%</td>
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<td>-28%</td>
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<tr>
<td>24</td>
<td>NSI US Equity</td>
<td>Nautiox Inc</td>
<td>Consumer Discretionary</td>
<td>Consumer Convenience &amp; Apparel</td>
<td>$174 m</td>
<td>4.9%</td>
<td>&gt;483.3%</td>
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<tr>
<td>25</td>
<td>TOLUS US Equity</td>
<td>Tolu Environmental Solutions</td>
<td>Industrials</td>
<td>Commercial &amp; Professional Serv</td>
<td>$71 m</td>
<td>4.9%</td>
<td>&gt;275.9%</td>
<td>-28%</td>
</tr>
</tbody>
</table>
In a rare occurrence, the LD Micro Index was in the green, while all others were firmly in the red on the week. Viva micro-caps!

Weekly Indicators for April 27 to May 1, 2020

**Biggest Movers In The Past Week**

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capricor Therapeutics Inc.</td>
<td>191.97%</td>
</tr>
<tr>
<td>Mohawk Group Holdings Inc.</td>
<td>100.00%</td>
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<tr>
<td>Gridsum Holding Inc.</td>
<td>98.00%</td>
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<tr>
<td>AgEagle Aerial Systems Inc.</td>
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<tr>
<td>Neonode Inc.</td>
<td>85.82%</td>
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<tr>
<td>Verus International Inc</td>
<td>-34.48%</td>
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<td>Second Sight Medical Products Inc.</td>
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<td>Blue Apron Holdings Inc. Class A</td>
<td>-39.44%</td>
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<tr>
<td>Sproutly Canada Inc.</td>
<td>-51.72%</td>
</tr>
<tr>
<td>Chesapeake Energy Corporation</td>
<td>-62.49%</td>
</tr>
</tbody>
</table>

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