

Engineering its future

The year has begun with concerns over recessionary trends in the US. Fed Chairman Ben Bernanke's comments earlier this month inspired little optimism. Against this backdrop, it seems prudent to consider companies that have a global presence and those that are making innovative changes to weather the storm.

Founded in 1993 and headquartered in California, Worldwide Manufacturing USA Inc (WWMU: OTCBB) is a contract manufacturer and engineering services company with a presence in the US and in China. Last month, the company named Jeff Watson as President. Mr. Watson brought with him more than twenty-three years of manufacturing experience. Prior to joining Worldwide Manufacturing, Mr. Watson was President of Joslyn Sunbank Company, which manufactures electrical cable accessories, connectors and flexible conduit systems. Joslyn Sunbank is an ISO 9001:2000 certified company and a division of Danaher Corporation, a leading industrial company that features in the fortune 500 list. While at Joslyn Sunbank, Mr. Watson played a key role in ensuring that the company's profitability improved significantly through robust organic revenue growth.

At Worldwide Manufacturing, Mr. Watson is to focus on creating marketing strategies and assume the responsibility for the company's manufacturing operations, while CEO Jimmy Wang would focus on acquisitions, new project development and capital markets. Mr. Wang stated that Mr. Watson's experience and knowledge would "contribute greatly to the rapid business growth of Worldwide in the next few years."

Addressing the growing demand for alternative energy, Worldwide Manufacturing has plans to make a foray into this sector. As part of this move, it would change its name to Worldwide Energy and Manufacturing USA Inc and manufacture photovoltaic cells and modules for residential, commercial, industrial and public utility applications.

The company had reported record revenues for the third quarter, continuing its trend of achieving record revenues in the first and second quarter. Revenues in the three months ending September 30, 2007 grew about 6% to almost \$3 million, backed by a rise in orders. Net profits before tax had plunged, however, by almost 67% to about \$137,553, with a rise in public cost as well as expenses incurred in identifying acquisition targets. The company's gross profits climbed 9% and gross margins remained healthy.

Worldwide Manufacturing continues to witness healthy demand for its products. The company's plans to manufacture solar modules are encouraging and its significant manufacturing capability in China can be put to use for this purpose. Worldwide Manufacturing expects its solar module plans and the continued expansion of its product lines to yield approximately \$35 million in revenues and net income of \$2.35 million this year. The company has generated a return on equity of 26.41%, which is impressive.

The writer does not own shares in the above stocks.

About the Author

Priya Nigam writes articles about Penny Stocks on OTCBB . She is a professional writer and the views and statements expressed here are for information purposes only.

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