

ONTHEMARK INVESTING CLUB LLC MINUTES OF APRIL 11, 2012

The monthly meeting of the ONTHEMARK Investing Club took place via web cast on April 11th, 2012 at 7:00 p.m. Members present were: Linda Bates, Mark Bates, Mike Bates, Sue Bates, Tony Kern, Dan Miley, Cindy Spyhalski and Ed Spyhalski. Absent were Kevin Boggs, Joe Kipp, Roger Kobel, Bill Lupone, Pavel Matskevich, Mike McCarl, and Steve Newsome.

Welcome

Mark Bates welcomed everyone to the meeting and the roll was taken.

Review of Last Meeting

Dan Miley asked if anyone had any changes to the minutes from the last meeting. The minutes were approved as written.

Treasurer's Report

Mark reviewed the financial reports. He reported that LECO hit its stoploss on ____ . As a result of the sale, the club realized a gain of 9.5%. The club's current holdings include CELG up 17% and ORLY up 21% as of today. The club has experienced a 12.6% return since its inception and the S&P is up ____ for the same period. Dan stated that we should congratulate ourselves for a job well done and Mark seconded that motion. As of March 31st, the club's value per unit is \$10.63. Petty cash is \$194.

Market Overview

Mark felt that the market has dropped as a correction but went up today. On a technical basis the market hit a resistance. There is a weakness in the S&P market. More securities are in sell status than in a buy status. Mark thinks that the market might be ready to drop.

Existing Investments

CELG & ORLY – Dan suggested that the club continue to hold both of these stocks. He believes ORLY has the potential to hit \$100. Mark commented that the technical analysis on both these stocks is not that good and suggested that perhaps the stoplosses should be tightened to protect the club's gains. Mike Bates moved that once the club is close to meeting its objective on a stock, the stoploss be tightened. He suggested that once a stock hits a 20% gain, the stoploss should be cut by half as a means to protect the gain. Dan seconded the motion and the motion was unanimously approved by those present. Dan asked if any club members wanted to review any previously held stocks. There was no interest at this time.

Security Analysis

Coinstar – Dan explained that Coinstar not only has its coin counting machines distributed in retail business across the U.S., Canada, Puerto Rico, Ireland, and the United Kingdom, but it also has its own walk-up video rental Red Box. He feels that the stock is greatly undervalued. Based on his analysis the stock which is currently at \$63 should be selling at \$93. The company's growth strategy is to expand into more locations and to develop a streaming service. A streaming service would eliminate the wear and tear on videos. Mark stated that at many banks coin counting is free. Dan said that the company works with retailers by issuing store credits. The company also has a "new venture" division that is trying to find other services that can help business grow. Ed Spyhalski stated that value line recommend the stock and that they anticipate the price going up to \$163. Mark stated that all the technical analysts that he follows like it. Dan feels \$83 would be a good target price. Dan moved that the club purchase Coinstar. Mark modified the motion to purchase Coinstar after it clears \$68 (which is a resistance line) and holds for 3 days and that an 8% trailing stoploss be set. Dan seconded that motion and the motion was unanimously approved by those present. Mark suggested that 1/7 portion be purchased which would be about 100 shares. Those present unanimously agreed.

Next Meeting

The next meeting will be on Wednesday, May 9th, at 7:00 p.m. Mark said that Roger Kobel made a suggestion that Dan present a study on intrinsic value.

Respectfully submitted,

Linda Bates, Secretary

Attest:

Daniel L. Miley, President