

## Three Solar Stocks You've Never Heard Of

### Special Report

If I asked you to name a solar stock, you'd probably say First Solar (NASDAQ: FSLR) or SunPower (NASDAQ: SPWRA), if you could name one at all...

Those are, after all, the two largest pure play U.S. solar companies.

If you were witty, you'd say GE (NYSE: GE) or Sharp (PK: SHCAY) or Sanyo or BP (NYSE: BP), and you'd still be right. Though those certainly aren't pure plays.

Even though GE expects \$3 billion in solar revenue per year by 2015, it will still be a small portion of its \$40 billion per year energy unit. Same with Sharp and BP. These companies make and sell a lot of solar panels because it's profitable for them. They know future growth is going to be huge.

But if you want to profit from solar alone, you'll need to take a different approach.

With that in mind, here are three solar companies with monster potential you likely haven't heard of.

#### The Supplier

Solar panels may soon be a commodity. That will be great for suppliers of systems to make solar panels, but it will be terrible for actual panel makers as lower margins put the squeeze on profitability.

The play you've never heard of here in Amtech Systems (NASDAQ: ASYS), maker of the furnaces, cell transfer systems, and vapor deposition products necessary to produce today's solar panels.

In other words, Amtech is the solar panel suppliers' supplier.

It has a P/E ratio less than five. And it's doubled revenues in the last year.

Amtech also has gross margins in excess of 35% — much higher than any solar panel producer.

And the best part is they win no matter which solar company wins: GE, First Solar, Sharp... it doesn't matter. They all need solar panel production equipment.

#### The Installer

Similarly, installers don't care much about which panel producers are successful, either.

They make their money by contracting with home and business owners to evaluate potential sites and install solar systems. In many cases, they also make a mint by taking a percentage of the tax breaks afforded to the owner of the system.

And Westinghouse Solar (yes, *that* Westinghouse!) (NASDAQ: WEST) is on the verge of becoming a key national player in that market...

Westinghouse says by "building upon our legacy of dependability, we are making residential solar power — like the sun itself — accessible to everyone."

It has a patented solar installation process which reduces parts by 80% and labor costs by 50%. And it's also selling installation systems through Lowe's and building a nationwide dealer network. You can even open one yourself! Think: the McDonald's of the solar industry.

#### The Linchpin

Solar panels generate DC power, much like batteries.

The grid needs AC power.

To make that happen, every single solar installation needs an inverter. And only a few companies make them.

The one you've never heard of is Power-One Inc. (NASDAQ: PWER). Industry reports show this company is on track to become one of the largest inverter suppliers in the world.

And like the two other companies mentioned in this report, Power-One can succeed no matter which panel technology or company dominates the market.

Not every panel supplier will succeed, but by focusing on a niche part of the market, the three solar stocks in this report should do quite well for your portfolio.

You can view the HTML version here: [Three Solar Stocks You've Never Heard Of](#)

only after reviewing the prospectus or financial statements of the company in question.