

These Firms Keep Things Interesting

By CHARLES CRUMPLEY - 8/3/2009

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I was thumbing through Forbes magazine a few weeks ago, and came across an article about AeroVironment Inc. The story was about how the Monrovia company is developing an explosive so it can add a lethal punch to its little drone aircraft that are popular with American soldiers in Afghanistan.

It seems like AeroVironment is always doing something interesting. After all, it made the first successful human-powered aircraft; its Gossamer Albatross was pedaled over the English Channel 30 years ago. More recently, it was in the news for experimenting with sparrow-sized drones that could hover, hummingbird like. Maybe they could fly into an enemy command center, perch somewhere inconspicuous and transmit live audio and video back to the U.S. military.

That got me to rubbing my chin: Is AeroVironment the most interesting public company in Los Angeles County? Well, before we make that call, let's look at some competitors – the local companies that always seem to get your attention, no matter what.

- American Apparel Inc.

Founder Dov Charney may not be as sexually charged as he used to be, but he still seems hard-wired to inflict news on the waiting populace. Whether he's in a dust-up with Woody Allen or challenging immigration officials, he's one of those rare guys who seems comfortable making others uncomfortable.

Beyond Charney, the company itself is intriguing. A vertically integrated clothing designer, manufacturer and retailer that's still in the United States (and mostly Los Angeles)? And it survives by coming up with apparel that's trendy but not faddish? How long can that go on?

Well, so far, so good.

- J2 Global Communications.

I admit it. I've never been clear about what J2 sells. The company says it provides "value-added messaging and communications services," but what's that? The job description for a receptionist at an engineering firm?

What makes J2 more intriguing is that it has been under siege by short sellers for a long time. That's because most of J2's sales come from transmitting faxes via e-mail, a declining business, and because the company loses half its customers each year but manages to keep growing by acquiring other companies. And the shorts think J2 can't continue to keep balls in the air that way.

But J2's stock has stayed buoyant despite the shorts. For now, anyway.

- MannKind Corp.

It's unusual enough that Alfred Mann is in his 80s and still puts in 80-hour workweeks nurturing his innovative ventures. But the real story is the company MannKind, which Mann says may become the most significant thing he's ever done.

The big question: Can tiny MannKind succeed in developing and marketing an inhalable insulin device after Pfizer failed and Eli Lilly gave up? At times, it looked like the answer was no. But with the dedication of a True Believer with billions of dollars to bankroll him, Mann keeps breathing life into MannKind.

Oh, sure, there are other local public companies that are plenty interesting and could make the short list. Hot Topic, MGA Entertainment, Herbalife and Live Nation come to mind. But for my money, no one trumps AeroVironment, at least in terms of its fascinating products. (The hummingbird-like drone may be able to recharge itself by perching on an electric transmission line.)

Alas, AeroVironment seems like one of those companies destined to be bought up. That may be good for its stockholders, but if that happened, it may no longer be L.A.'s most interesting public company.

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