Down in the weeds is a new series for 2010 which looks at small quoted companies in the defence supply chain. Our first is Scotty Group, selected because the editor is a shareholder who bought them in the glory days when the company was a booming high tech media business. They've hung in, restructured, and now aim primarily at government, military and aviation markets. Maybe one day he'll get his money back.....

The company has completed the research and development phase of a PV contract for Eurocopter, which culminated in delivery of three systems to equip two helicopters for flight test and qualification. In June 2009 they secured a contract worth 8.3 million Euros, with deliveries lasting up to 2011.

It is undertaking an upgrade programme for the Personnel Recovery System for Eurocopter's CH-53 GS helicopters. This enables the location of military personnel in the field to be monitored remotely so they can be rescued where necessary. It received a 1 million Euro contract in October.

In September the company started engineering and installation of its aero-certified beyond-line-of-sight communications system for government and civilian use. The $300,000 order was received from Stevens Aviation Inc with whom they had earlier signed a Reseller agreement.

At the same time the company announced a 700,000 Euro order for videoconferencing equipment for the German Armed Forces, which included remote telemedicine support for the German Navy. The first equipment was delivered in October and the order should be complete shortly. A follow on order worth 555,000 Euros was announced on 22 December.

In its last full year the company made a pre tax profit of £328,000 on a turnover of £5,426,000. Share price over 52 weeks : high 70.5p low 29.5p

Website : http://www.scottygroup.com