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BY GENE G. MARCIAL

Titan could take public its thriving defense arm. Web collaboration from Centra may bloom, as travel withers. CompuDyne sees a spike in demand for security gear

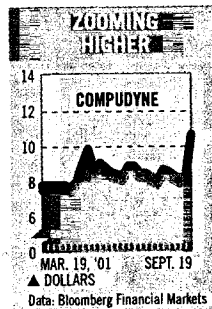
BEEFED-UP SECURITY FROM COMPUDYNE

Nobody on Wall Street follows CompuDyne (CDCY)—yet. But analyst coverage may come soon: In just two days, the stock zoomed from 8.25 to 12.40. It ended at 10.05 on Sept. 19. “Even at that price, the stock still looks reasonably priced,” says Jim Macdonald of First Analysis in Chicago, who follows the security-equipment industry. Bullet- and blast-proof doors and windows are CompuDyne’s specialty, hence the stock’s sharp rise on Sept. 17, when the market reopened.

CompuDyne, which is upgrading the doors and windows of U.S. embassies in 50 countries, is the outfit the White House and the Federal Reserve call to make sure their doors and windows can withstand assaults.

“Sales of the high-margin, blast-resistant products should grow from \$20 million to \$30 million or \$35 million in two years,” estimates CEO Martin Roenigk. CompuDyne also supplies security and specialty engineering and telecom products to the military and intelligence agencies, electronic security products for prisons, and all-steel jailhouses.

CompuDyne recently acquired Tiburon, a developer of 911-software for police, firefighters, and medical emergency people. Its products are being used in the rescue efforts at the World Trade Center, says Roenigk. He expects overall revenues to jump from \$130 million in 2000 to \$135 million in 2001 and to \$200 million in 2002. He sees earnings of 70¢ to 72¢ a share in 2001 and 84¢ to 86¢ in 2002, up from 2000’s 60¢.



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Read Gene Marcial's Inside Wall Street Online column Tuesday afternoons at www.businessweek.com/today.htm. And see him Fridays at 1:10 p.m. EST on CNN's *The Money Gang*.