

Interactive Instruments, Inc.

Robert Skala, President
James Hutchison, Vice President

Success Magazine: What was the original focus of your business and how has that evolved?

Interactive Instruments: The original company focus was to design and manufacture technology education equipment for the high school market. Soon after starting the company we began receiving requests to help design various systems for local businesses. We quickly earned the reputation as a progressive design service company, differentiating us from machine shops in the area.

SM: What types of products do you manufacture?

II: Our desktop wind tunnel is used for demonstrating aerodynamic principles of flight. Our desktop materials tester demonstrates the mechanical properties of various metals and plastics, giving students the hands-on experience found only at the college level. These systems are designed to instruct students from the pre-engineering high school to graduate level. We also manufacture a line of laboratory quality materials testers for businesses and universities, used to analyze characteristics of various metals.

SM: Who are your biggest clients?

II: Creative Learning Systems, based in Colorado; Depco, from Kansas; and Project Lead the Way from Clifton Park, NY are all responsible for our success by promoting our line of equipment. We also supply our design and manufacturing services to many local companies such as Plug Power, X-Ray Optical, and GE Global Research.

SM: Are you able to develop new, more complex products or do you stick to a specific line?

II: When we first started the company, we decided to invest heavily in advanced computer design and manufacturing tools. We purchased an advanced productivity package, Pro-Engineer, not a typical purchase for a small startup company. Pro-Engineer helps design complex components and create instructions for our computer controlled machining equipment. We have several multi-axis wire EDM and 5-axis mills, which we use to manufacture anything from simple to complex components. It has allowed us to accept designs that are considered too complex for even the most progressive companies.

SM: What type of work do you usually handle?

II: We only take on those projects we know we can add value to, and are confident in. It is important that we deliver a product that is satisfactory to the customer and to us. We have successfully delivered many mechanical, electronic, and electro-mechanical projects that have been rejected by other companies for being too complex.

SM: How did the two of you start working together?

II: Jim worked in airfoil manufacturing at GE in Schenectady and Bob went to work for Smith Corona in Cortland, NY as an electronic engineer. Jim received a request to design a machine to test various model bridges for a local school. He designed the hardware, but his company didn't have the resources to design the control electronics so Bob was requested to develop the controls. The project was so successful

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it was manufactured and distributed nationally to hundreds of schools. The design turned out to be one of the first systems designed specifically for the technology education market. After seeing the potential growth, we began to look to expand the line of products into a desktop wind tunnel. Interactive Instruments was incorporated in 1993.

SM: Have you experienced any setbacks due to the recession?

II: Actually, we have not been impacted by the recession. By remaining diversified in prod-

uct development, manufacturing and design service, we continue to maintain a steady flow of projects keeping our equipment busy and profitable. As other businesses downsize, they typically come to us to supplement their engineering services department.

SM: What products do you sell internationally?

II: We don't specifically market our products internationally, but we do have a fair amount of sales overseas. Most of the time, international customers find us on the web or they hear about us from our domestic customers. Our technology education equipment is popular overseas. Many countries look to the USA for quality, affordable equipment.

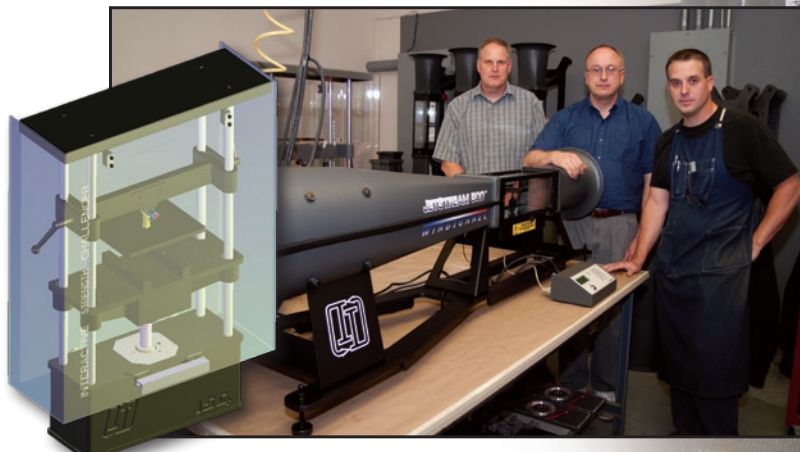
SM: If you could go back and change anything about your business, would you?

II: I don't think we would change anything. We have been growing steady from the first year, while taking on more and more demanding projects. Our reputation is well established among our clients and I don't think they would want us to change.

SM: What are your plans for the next five years?

II: Our plans are to continue to accept more challenging projects. The company has a sound foundation, a proven track record, and the potential to remain viable into the future. One of our main goals is to secure a management transition plan to ensure consistent quality of service as time moves forward.

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From left to right: Jim: VP, Bob: Pres, Darren: Designer