IT Value Added Reseller for Multiple Midwest Markets

Innovative Integration, Inc. is a values-based company that specializes in the design, implementation, and support of technology solutions. Innovative is committed to providing a high-level of client care and delivering solutions that meet our clients' objectives and maximize their investment. For every solution we present, the team at Innovative partners with and listens to client business needs and expectations. By building a personal relationship, we develop a level of trust and understanding that allows us to do what is in the best interest of our clients.

Nicholas Hatch
President

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: *Mr. Hatch, what is Innovative Integration?*
Mr. Hatch: Innovative Integration is an IT value added reseller working in multiple markets in the Midwest. We focus on virtualization technologies; product wise, Microsoft Hyper V, Citrix Virtualization, and VMware. We try to be as agnostic as possible with both our client base and all of our vendor partners. We pay attention to our clients' business needs, their headaches, heartaches, and what can make their companies and IT departments more efficient and allow them to provide better service to their company as a whole.

CEOCFO: *When you are speaking with a client, what is the key to understanding what they want and need as opposed to what they think and say they need?*
Mr. Hatch: Magic! I think the key is listening to the clients; it is all about communication. Many times, the partner knows where they have trouble spots or heartaches within the IT department or the services they provide, but they do not know how to get from point a to point b. By listening to what challenges our clients have as an organization, Innovative can work together with the client on an overall solution which allows them to meet their challenges and get to their end goal.

CEOCFO: *Your website shows Innovative Integration is a values based company. What does that mean day to day?*
Mr. Hatch: It means caring about our partners and clients. We put forth that we are a customer service organization that happens to be in the IT or technology business. It is all about customer service and helping provide those IT departments that we support with the knowledge they need to make the right decisions. Say if they are looking to virtualize server infrastructure, one product may be better suited than another product that may be cost prohibitive. It is allowing us to provide them the options, the pros and cons of each of the solutions and then allow them to make the business decision on which is best for their particular environment.

CEOCFO: *Is there a common thread among the companies that you service?*
Mr. Hatch: Frankly, there is not. We have evolved over the years. Many of us came from other IT organizations or integration companies. Because of that, we service everything from Fortune 500 companies based in the Midwest to a mom- -and-pop asphalt company in a small town just north of Indy. We have good verticals in health care, legal and construction. Construction would be mainly from the aspect that virtualization started early on as something that took off into construction industry, being about to provide access at remote sites with lower cost equipment and make those companies more agile with the sites that they have to bring up and tear down on a regular basis. There is not one specific vertical. We run the gamut of both sizes and verticals.

CEOCFO: *How do you reach potential customers?*
Mr. Hatch: Besides beg, bleed and burrow? We have done a rather poor job over the years in marketing ourselves. Last year, 2013 was really the first year of Innovative beating its own drum. I believe we did 30 or so marketing events in 2013, really getting our name out.

CEOCFO: *Why the decision to change that strategy?*
Mr. Hatch: Our growth over the years has been phenomenal from a revenue perspective at a client base, but we kind of flat lined in 2012 from a new client perspective. Over the years, friends and family type of recommendations from company to company had always provided ample business for us and we saw in order to maintain our growth rates, we would have to get on board with marketing initiatives.

CEOCFO: *How did that workout?*
Mr. Hatch: Pretty good. Early on, marketing tends to be the Chinese water torture, it is a little dribble of information consistently to get people to recognize your name and think about you. Over the years, we have been pigeon holed by many of our clients who may have seen us as the Microsoft guys or the Citrix specialists or the VMWARE specialists. Getting the word out that we are more than that single product specialist was our goal in 2013. That seems to have worked fairly well.

> **"By listening to what challenges our clients have as an organization, Innovative can work together with the client on an overall solution which allows them to meet their challenges and get to their end goal." - Nicholas Hatch**

CEOCFO: *What is your geographic reach and are you looking to expand?*
Mr. Hatch: Yes, our headquarters are in Indianapolis. We have another site that we opened about 5 years ago in the South Bend Michiana area. Two years ago, we brought in Tony Johnson as our Chief Operations Officer and at that point, we were looking at expanding either to the Columbus Ohio or Louisville area. Tony looked at some of our procedures and policies and said we should hold off a little and clean up our house and become more efficient in what we do now before we expand to another region. The wonderful aspect about virtualization and what we do as a core set of services is that we can work from anywhere to any local. We have many clients in the central Indiana area but we also have clients across the country and several worldwide clients. Being able to support plants and facilities in Singapore, England or across the board allows us to expand our customer base without having to create a physical local in another region.

CEOCFO: *How did you know Tony was the right person? What are the intangibles you look for in your staff in general?*
Mr. Hatch: Ironically, we are a fairly eclectic group of engineers and account management staff. I had worked for Tony at another IT organization for about 10 years and he was the operations officer for that company. That company went out of business in 2005 and Tony ended up going to work for a major SAN provider. After being there for 7 years, he and I continued to stay in contact. We were talking about our needs, where we were and my concerns of our growth, being able to maintain our growth. One thing led to another and we came to an agreement and Tony come on board to help us iron out some of our growth plans. Tony joined us in 2012 and at that point, we had about a 70% hardware mix, 30% labor mix. By the end of 2013, that was almost a 50/50 mix with increasing our overall margins on hardware and services from 20% to 25+%. Streamlining makes us more efficient.

CEOCFO: *Are your newer customers understanding the depth of your offering? Are they taking advantage in a way that perhaps your older customers have not?*
Mr. Hatch: Yes, absolutely. One of the things we have done over the last couple of years in creating marketing info and an onboarding process, which allows us to show the breadth of our services and our talent set to new customers. That drastically reduces the pigeon holing effect. As part of that project kick off and getting to know us, we onboard the client in a way that shows them our other skills and capabilities.

CEOCFO: *What is the key to understanding the new technologies and what to keep on the radar screen and what is not likely to make the cut?*
Mr. Hatch: In IT, that is always a challenge. It's difficult not only keeping up with the change in technology, but being able to provide enough downtime for our engineering staff to be able to absorb that new technology and

become proficient at it. We have several of our engineers and account managers that are always keeping an eye out for new technologies or new mechanisms to provide services. We review these and see if there is merit and if so, we embrace the technology and go down a training path for both our account management and engineering staff.

CEOCFO: *Put it together for our readers. Why pay attention to Innovative Integration?*
Mr. Hatch: More than anything, we care about our employees, our clientele and our vendor partners. We make sure that our engineering and account management staff understands that it is not about what you are selling or trying to provide, it is about what is doing what is right for the customer and worrying about being paid later. It may not be the best fiscal decision for Innovative at the time, but if we are doing what is right for our clients and partners, they will remember in return. Maintaining that customer base and keeping our clientele satisfied as well as efficient has proven time and time again to be the right methodology. Do what is right and worry about the dollars after the fact.

BIO: Nick Hatch has been committed to serving people through information technology for over 20 years. After starting as an integration engineer, Nick grew his knowledge with a small integration firm in Indianapolis, became the lead for their remote access practice group and Director of Services. During the early days of Citrix's rise Nick was nationally recognized as one of the most knowledgeable technical resources available. He developed several global access farms to allow enterprises to expand and improve their data communications. In 2005 Mr. Hatch founded Innovative Integration, and Indianapolis-based system integration, consulting, and managed services firm. Innovative's substantial growth over the past 8 years is in large part due to Nick's ever present commitment to serving people, and the infectious passion with which he empowers his staff.

Innovative Integration, Inc.

3905 Vincennes Road
Suite 110
Indianapolis, IN. 46268
317-664-7600
www.innovativeii.com