

Ista LTD

Volume of investments required: **\$ 1 000 thousand**

Intended use of investments required:

Marketing	10%
Working capital	20%
Fixed assets acquisition	60%
Other (representative office set up)	10%

Company profile:

1. Date of establishment - March 21, 1991.
2. Stage of development - Expansion.
3. Size and source of investment to date
 - \$ 300 th. - company investments
 - \$ 25 th. - the Foundation for Assistance to Small Innovative Enterprises (FASIE).
4. Industry - Pneumoimpulsive equipment.
5. Target market - Chemical, food, construction, power and other industries, rescue service and science laboratories.
6. Sales in 2003 - \$ 184 th.
7. Description and value of assets - \$ 4 th. equipment, computers, transport, office equipment.
8. Intellectual property rights - 6 patents in Russia, 1 patent in USA and 1 registered trademark protecting all the goods rights.
9. Signs and public recognition - «Cover stories» in the world business magazines as «Eureka. Innovative engineering design» and «European automotive design».

Owners:

1st individual	55%
2nd individual	45%
Share of government property	0%

Management and key personnel:

Isakov, Sergey Nikolaevich - the Director General, 66, candidate of engineering science, managing the company activities, the chief designer, good combination of the designer and businessman qualities, successful manager over 13 years, the main products (direct-admission valve) inventor.

Urkin, Sergey Vasilyevic - the Technical Director, 50, candidate of the physical and mathematical science, responsible for research and development, marketing and product promotion. Russian production area expert, research and patent work experience allow a full product life-cycle managing, from the idea generation till the technology transfer, innovation co-author.

Products characteristics:

Pneumoimpulsive equipment for the different market segments based on the unique big size throat (within 100 square millimeters) pneumatic valve with an operate time within 0.5 msec (no equivalent). The pneumatic systems are commercially successful nowadays solving the problem of chocking-up the bulk materials in the industrial bunkers, pneumatic systems of carriage dumping at the railway hills, portable line-throwing guns for difficult to access zones.

Comparative analysis with existing alternatives:

Characteristics	Compressed air source «ISTA-3», 1991	Compressed air source "Airchoc-5" , "Standard	Compressed air source «Air-o-blast» , Mass Flow
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		industry”, France, 1968	B.V., the Netherlands, 1968
Time of opening, ms.	0,5	10	10
Weight, kg	4,6	from 10	from 10
Durability, years	10	10	10
Price, \$	350	от 500	от 500

The foreign products are not competitive enough due to high cost of the engineering services (which are not included in the present table), therefore we practice the import replacement. According to the Russian market growth the foreign interest in Russia in the nearest future is expected.

Characteristics	pneumatic line-throwing gun«Ista-240», 2004	pneumatic line- throwing gun“Rescue-230”, RESTECH NORWAY, 1990
SOLAS requirements	Satisfied	Satisfied
Launch	Comfortable, straight from the shoulder	From the stable position
Price, \$	1 650	4 700

The similar products as a pneumatic line-throwing gun following the International Convention sea rescue rules except Ista-240 and RESCUE-230 are not presented in the market.

Characteristics	Set of pneumatic valves “Ista-40” for the brake arrangements of the railway sorting hills, 2004	Set of pneumatic valves “Ista-40” for the brake arrangements of the railway sorting hills, Germany, 1990
Time of opening, ms.	0,5	0,5
Durability, years	8	8
Price, \$	1 080	8 000

Markets/Competition:

	Characteristics	Compressed air source ИСТА-3	Compressed air source AIRCHOC-5	Compressed air source AIR-O-BLAST
2004	Geographical region – Russian Federation. Market size \$ 10 000 billion.			

	Company market share, \$ bill./%	180 / 90%	10/ 5%	10/ 5%
2008	Geographical region - all. All CIS and Baltic states. Market size \$ 4 000 billion.			
	Company market share, \$ bill./%	3 000 / 70%	400 / 10%	400 / 10%
	Characteristics	"Ista-240"	"Rescue-230"	
2004	Geographical region - worldwide. Market size \$ 10 000 billion.			
	Company market share,\$ bill./%	0%	100%	
2008	Geographical region - worldwide. Market size \$ 10 000 billion.			
	Company market share,\$ bill./%	3 000 / 30%	7000 / 70%	