The Nichols Research Corporation, in Huntsville, Alabama, was established in 1976 by Chris Horgen and Roy Nichols and has grown from a two-man operation to one employing more than one thousand people, with specializations ranging from information and data processing to terminally guided weapons systems. While many other companies have struggled through the downsizing of the defense industry, Nichols Research Corporation has thrived by providing the industry with complex estimates of the usefulness, feasibility, and cost of potential new systems. In fiscal year 1991, the corporation reported revenues in excess of $91 million, a backlog extending for more than two years, assets of $48 million, and stockholder equity of almost $40 million. This has been achieved with no long-term debt.

Nichols Research Corporation provides advanced technical services for military and space systems through contracts and subcontracts with agencies of the Department of Defense and the National Aeronautics and Space Administration. The corporation is a leader in smart-sensing technology, including infrared sensors, lasers, millimeter wave seekers, and radars used in military and space systems for weapons, search, acquisition, track, discrimination, and guidance and control.

As the first "electro-optics" company in the area, Nichols Research Corporation played an essential part in building a foundation for electro-optical companies in North Alabama. Technologies supported by NRC have aided in the development of numerous defense mechanisms, including the "smart bombs" used by U.S. forces during the Persian Gulf War. In addition, Nichols Research Corporation is the developer of the Maximum Likelihood Adaptive Neural System (MLANS), a unique tool combining adaptive learning of target and environment models with fuzzy logic of neural networks and optimal algorithmic computation. The company recently was awarded a three-year, $500,000 contract from the Navy Undersea Warfare Center in New London, Connecticut, for MLANS application to antisubmarine warfare technology development. This contract is specifically aimed at classification of underwater targets in the complicated shallow-water, littoral environment. The company is also exploring civilian application of MLANS to security, through fingerprint identification. If successful, this technology could be used to protect credit cards, automatic teller cards, homes, and businesses.

Nichols Research Corporation has been among the top five hundred U.S. contractors receiving the largest dollar value of research development, technical, and engineering prime contracts since 1978, and among the top one hundred since 1987. The corporation has ranked in the top ten since 1984 and was further distinguished as the number-one small business within this group of contractors in both 1990 and 1991. Nichols Research Corporation has also done much to aid technological and economic development within Alabama, providing more than 750 jobs in the Huntsville area.