



For more information, contact:
David Brandt
Rubin Communications Group
David@rubincommunications.com
(757) 456-5212

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GOVERNOR KAINE ANNOUNCES INIT TO EXPAND NORTH AMERICAN HEADQUARTERS IN CHESAPEAKE

RICHMOND – Governor Timothy M. Kaine today announced that INIT Innovations in Traffic Systems AG, a leading international supplier of telematics and electronic fare management systems for public transit, will invest over half a million dollars to expand its subsidiary and North American headquarters, INIT Innovations in Transportation, Inc., in Chesapeake. The company develops, produces, installs and maintains integrated hardware and software solutions for all key tasks required within transport companies. The company’s significant market gains in North America have resulted in the need to move to a 26,600-square-foot facility and add 13 employees within 12 months. Governor Kaine met with company officials during his weeklong trade mission to Europe.

Headquartered in Karlsruhe, Germany, INIT GmbH was founded in 1983 by Dr.-Ing. Gottfried Greschner as a typical university spin-off. The holding company, INIT, (innovation in traffic systems AG) had its IPO (initial public offering) in 2001 and is listed on the Prime Standard at the German Stock Exchange. In 2005 the company had sales of \$41.8 million with more than 200 employees on average.

Roland Staib, President and CEO of INIT Innovations in Transportation, Inc. says, “INIT has had great success in both the U.S. and Canada. Chesapeake, Virginia has become the perfect location for our North American headquarters; not only because of the high quality local workforce, but also because of the support the State of Virginia and City of Chesapeake offers.”

As part of the expansion, INIT is creating a manufacturing operation through a partnership with one of its vendors from Germany, Altec GmbH. The new company, Total Quality Assembly LLC, (TQA) will be co-located in the expanded facility. TQA will manufacture high-end cable assemblies that are part of INIT’s custom hardware components.

“INIT’s continued business growth around the globe brings a great deal of focus on Chesapeake, and Hampton Roads, as a strong location for leading international technology companies,” said Chesapeake Mayor Dalton S. Edge. “Additionally, their new manufacturing partnership with Altec GmbH is a strong validation of the importance of working with small companies as well as larger ones. Since 1999, INIT has grown

from a 5 person sales office to what will soon be a 50 person North American headquarters and manufacturing operation, serving clients in every major city in America.”

INIT will be leasing space in Chesapeake’s Greenbrier Business District, occupying most of a newly constructed flex-use building located at 1420 Kristina Way. The company worked with agents from CB Richard Ellis and Thalhimer Commercial Real Estate during lease negotiations.

The Virginia Economic Development Partnership worked with the City of Chesapeake’s Economic Development Department and the Hampton Roads Economic Development Alliance to secure the project for Virginia.

For more information or to schedule an interview, please call **Warren D. Harris** at **(757) 382-8040** or **David Brandt** at **456-5212**.

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