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VIA FACSIMILE
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April 8, 2008

Mr. Nick Bradley
Editor
UKIP Media & Events Ltd.
Abinger House, Church St.
Dorking, Surrey RH41DF, UK

Dear Mr. Bradley:

Thank you for your email to John Collins dated March 18, 2008, seeking Traffic.com's input on the proposed article entitled "How a State-Enforced Monopoly is Rocking the ITS Industry". We appreciate the courtesy that you have extended to Traffic.com, as well as your wise hesitation to publish the article.

Traffic.com disagrees with many aspects of the article and believes that it unfairly characterizes the referenced ITS program and related activities and takes undue liberties by, among other things, connecting unrelated events or information to support unfounded statements. Additionally, despite the fact-checking that you mentioned, the article is riddled with glaring fact errors. For example:

- The article states that a June 2001 filing in the Federal Register said that one company was "to get a lock on federal grants". There is no such statement in the Federal Register. See 66 FR 29861-29867 enclosed herewith.
- The article states that "[i]n all but three of the agreements, the USDOT has waived the 20% local match." This is not true. The match was not waived. The program allows for the local match to be made by either state agencies or private industry. See 66 FR 29863, provided above. This is expressly permitted in FHWA programs as you can see in Table 2.1 provided by FHWA at <http://www.fhwa.dot.gov/innovativefinance/ffp/Innoman.htm>. In those cases where the state agencies did not provide the local match, it was provided by Traffic.com as permitted under the program.
- The article states that former Congressman Shuster's Congressional district included the Pennsylvania Transportation Institute at Pennsylvania State University. Pennsylvania State University is located in State College, Pennsylvania in the 5th Congressional District. Congressman Shuster represented the 9th Congressional District. (See link to his biography at http://pabook.libraries.psu.edu/palitmap/bios/Shuster_E.G._Bud_.html)
- The article states that the SAFETEA-LU statute includes language, as cited in the article, added by Senator Hatch. This is not true. No such language is in the law and, while Senator Hatch had proposed language, it was not the language adopted. (See attached legislation that Senator Hatch introduced that was not adopted by the Congress.)

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- The article states that "IG [USDOT Inspector General] staff have been assigned to conduct a comprehensive audit of the [TTID] program, both pre- and post-SAFETEA-LU." This is not true. A copy of the IG's letter to the Federal Highway Administration is enclosed herewith. It clearly indicates that the audit is limited to two specific items, as reproduced below:

The objectives of this audit are to assess: (1) whether the TTID has met the statutory goals of building a traffic measurement infrastructure, providing commercial revenue generation initiatives, and aggregating and reporting surveillance data; and (2) whether the Federal Highway Administration (FHWA) has met the competitive procurement requirements in Part II, which were intended to expand the number of firms providing surveillance services.

Obviously, with so many easily verifiable errors, we have serious doubts about the validity of all of the research the authors did or did not do in preparing this article. As I am sure that you can appreciate, a false article like this has the potential for causing substantial injury to Traffic.com. We strongly hope that a reputable publication like Traffic Technology International, and a reputable publisher like UKIP Media & Events, would not want to be associated with such an inaccurate and distorted article. We therefore request that, in light of these issues, you not publish the article.

Thank you again for contacting Traffic.com. Please contact John Collins or me if we can be of any further assistance.

Regards,

A handwritten signature in black ink, appearing to read "Lawrence M. Kaplan", with a long horizontal line extending to the right.

Lawrence M. Kaplan
General Counsel

cc: John Collins

04/27/2005 13:41 FAX 2022246531

LATCH

0402/063

United States Senate

WASHINGTON, DC 20540

April 22, 2005

Dear Colleague:

It has recently come to our attention that a federal program originally authorized by TEA-21, and again included in Section 2105 of EASPTFA (S. 732), is restricting many private sector companies across the country from providing traffic data collection and distribution. Please join us in co-sponsoring the attached amendment to S. 732, which creates a level playing field for states and companies seeking funding under the Intelligent Transportation Infrastructure Program (ITIP).

In 1998, ITIP was created by TEA-21 with the intent that Traffic.com (formerly known as Mobility Technologies), a private sector company, be awarded sole disposition of the funds. TEA-21 authorized a total of \$58 million for Traffic.com to deploy infrastructure that collects traffic data. The data are then repackaged and, using instructions, sold for a profit by Traffic.com.

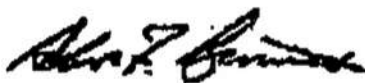
Traffic.com has sole disposition over how and where to use these federal funds, in essence making it a virtual monopoly of sorts. If your home state wanted to utilize this program and the federal funding it entails, it would have to do it through Traffic.com. There are many companies throughout the country who are able to perform the tasks outlined in the ITIP program. However, they have been shut out from participation because of the closed nature of the program.

It is our understanding that Traffic.com has been unable to use all of the funds authorized by TEA-21, yet it has requested additional funding in this year's Senate reauthorization bill. In fact, Section 2105 of S. 732 makes available an additional \$26.7 million for this program.

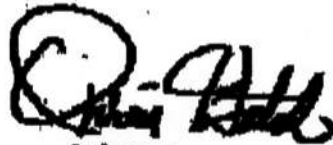
The amendment we are sponsoring will alter the program to such a way that available funds will be accessible to State DOTs without requiring them to work with Traffic.com; however, DOTs would receive them from doing so. In essence, the amendment will provide funding to State DOTs wishing to access the funds, as well as those private sector companies that have the capabilities required under the ITIP law but are presently being shut out.

We have included a copy of the text of the amendment for your review. Please contact Matt Sandgren of Senator Hatch's office at (202) 224-5251 and Stuart Fick of Senator Bennett's office at (202) 224-5444 to co-sponsor this amendment.

Sincerely,



Robert Bennett
United States Senator



Crisp Hatch
United States Senator