

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

Intended use of investment required:

<b>R&amp;D</b> (intellectual transport system (ITS) software)	<b>50%</b>
<b>Fixed assets acquisition</b> (for manufacturing road traffic controllers and medical devices)	<b>15%</b>
<b>Product upgrade</b>	<b>10%</b>
<b>Marketing</b>	<b>15%</b>
<b>Working capital</b>	<b>10%</b>

Company profile:

1. Date of establishment - July 15, 1998.
2. Stage of development - Expansion
3. Size and source of investment to date - private investments - \$ 300 th. and grant of the Foundation for Assistance of Small Innovative Enterprises (FASIE) - \$ 30 th.
4. Industry - instrument-making
5. Target market - road traffic control, medicine
6. Sales in 2003 - \$ 270 th.
7. Description and value of assets - \$ 270 th., office equipment, assembling workshop equipment
8. Intellectual property rights - certificates of compliance for traffic controllers UK4.1 and KDSF "SPEKTR", an agreement on using a patent for a pattern "Traffic controller" is being prepared
9. Signs of public recognition - diploma of the winner of the competition "Made in Petersburg" held by the Administration of Saint-Petersburg; diploma of the winner of the competition "Knowledge-Innovations" held in conjunction with the 300 anniversary of Saint-Petersburg

Owners:

1 Natural person	<b>70%</b>
2 Natural person	<b>30%</b>
Share of government property	<b>0%</b>

Management and key personnel:

Svetlana E.Kornjukova - Director, radio engineer, wide experience in business managing, strong managerial skills.

Pavel V.Patrievsky - Head of a programming team, 47, wide experience in developing software for automated systems, efficient manager.

Vladimir A.Sverbeev - Chief engineer, 42, an expert in the field of development and introduction of radio and electronic equipment, in charge of the marketing.

Products characteristics:

**Products manufactured**

a) medical physiotherapeutic devices. Treatment efficiency is achieved by using low-frequency current or monochromatic light. Distinguishing features are as follows: portability, reliability, optimal "price/quality" parameters.

b) equipment for automated traffic control (traffic controllers, data displays, transient traffic data signs, traffic detectors, remote traffic control panes). The products comply with European standards but are significantly cheaper.

**Products being developed**

a) software for intellectual transport system (ITS). One of the competitive advantages of the software is an open modular structure allowing to develop and adapt the ITS to the conditions of any big city.

b) Peripheral equipment for ITS of big Russian cities. This adaptable peripheral equipment will allow to establish an up-to-

date intellectual transport system for the cities of the Russian Federation. According to the estimations of the ERTICO experts, introduction of the system will increase road traffic capacity without new infrastructural renovations and constructions, reduce significantly the number of road accidents as well as exhaust gas emissions.

Comparative analysis with existing alternatives:

Products	Price, \$ th.		
	CJSC RIPAS, Russia	ELTODO, Chekhia	Siemens AG, Germany
Traffic controllers	3,0	7,5	11,0
Data displays	12,0	17,0	20,0
Traffic transient data signs	0,5	1,2	1,4
Traffic detectors	2,0	4,5	6,0
Remote traffic control panel	0,35	0,8	1,3

The operational characteristics of these products comply with the world standards while the price is much cheaper. ITS software is being elaborated with consideration of the peculiarities of the Russian road traffic infrastructure.

Markets/Competition:

	Data	Peripheral equipment for ITS, RIPAS	Other producers
2004	Geographical Region- Saint-Petersburg and Leningrad region Market size \$ 400 th.		
	Company market share \$ ths./%	350 / 87%	50 / 13%
2008	Geographical Region- European part of Russian Market size \$ 15,000 th.		
	Company market share \$ ths./%	4 000 / 27%	11 000/ 73%

ITS, especially traffic controllers, operated in Russia and Saint-Petersburg, in particular, are rather depleted. Out of 900 controllers more than 60% are completely depleted.

Taking into consideration the average lifetime of 10-12 years and the required development of the traffic light network, the estimated demand only for Saint-Petersburg is 100-150 controllers. The estimated forecast for the region (European part of Russia) is at least 500 controllers/year. Similar foreign products cannot compete at the Russian market because their price is much higher while similar domestic products cannot compete because they do not meet the increasing traffic control requirements.