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Article published Jan 1, 2010

Attempted airline attack boosts stature, stock of Port Townsend's Intellicheck Mobilisa

By Jeff Chew
Peninsula Daily News

PORT TOWNSEND -- The federal Transportation Security Administration, which oversees airport security, is testing Port Townsend-based Intellicheck Mobilisa's "Transportation Worker Identity Credential" reader device for possible use at the nation's airports.

Should TSA purchase the device from Intellicheck Mobilisa, the Port Townsend company likely would hire more people, said Chief Executive Officer Nelson Ludlow.

The company, based in the Glen Cove Industrial Park south of Port Townsend now employs about 60 people.

The Intellicheck Mobilisa hand-held TWIC reader device already has been approved for use at ports such as those in Port Angeles, Tacoma, San Diego and New York.

Ludlow said the device will work wherever security checks are necessary.

"If they are using it to check drivers at ports, why are they not using it at the airports?" Ludlow said.

"The company is doing well, and that's without TSA," he added.
"If TSA buys [the device], we would be hiring more employees, and probably many locally."

More interest since attack

Ludlow said this week in an interview with thestreet.com that the device that scans a person's identification card and matches the information against security "watch" databases has been getting more interest since a Christmas Day terrorist's unsuccessful attempt to blow up a Delta airliner flying from Amsterdam to Detroit.

"We've been working all along and had our products all along, but this is what sparked it," Ludlow told the Peninsula Daily News on Thursday from New York City.

Intellicheck Mobilisa, which develops and markets wireless technology and security systems, has seen its stock soar 81 percent since the Dec. 25 incident aboard a Delta jet owned by Northwest Airlines, which was headed into Detroit when a passenger lit a device, intending to blow up the plane.

Nigerian Umar Farouk Abdulmutallab, 23, who was reported to have ties to terrorist group al-Qaida, was arrested after he attempted to detonate a plastic explosive hidden in his underwear.

Stock up

Ludlow said the company's stock, traded as IDN on the American Stock Exchange, broke $4 a share Thursday in the first 30 minutes of trading and now has more than 2 million shares traded.

Ludlow said he the company has nearly 800 stock investors on the Olympic and Kitsap Peninsulas.

"So all of our loyal shareholders who believed in us when we were at 53 cents earlier this year did well in this week's trading," he said.

"We do have a lot of local investors."

Ludlow said the U.S. Airport recently granted "Authority to Operate" to the company, "which means the Air Force evaluated our product and deemed it worthy and safe to use on their computer networks.

"You need this seal of approval before all bases can buy," he said. "Prior to that, we would need a special waiver for a specific base to buy. Now all Air Force bases can buy our product."

The company has clearance to operate at 19 Air Force bases. About 70 in the continental U.S. that are now cleared to purchase Intellicheck Mobilisa's ID card access control system.

"[The federal Department of]Homeland Security needs to beef up what they have, and we have the product for it," Ludlow said.

TWIC system

The TWIC system checks 140 databases and has the capability to check almost 1,000 databases, he said.

The defense ID device looks just like the bar code scanners at retail stores, but Ludlow said it has been modified to read drivers' licenses, passports and military IDs, and to quickly check if a person is on a "bad guy" list.

He said the military already uses it to protect Andrews Air Force Base, home of Air Force One, and West Point.

About 80 federal locations use the scanner as part of security measures. The device is used at Quantico, Va., home of the FBI Training Center.

New devices also can read fingerprints, Ludlow said.

Intellicheck Mobilisa Inc., which creates access control and wireless security systems, announced in September the acquisition of Minnesota-based Positive Access Corp. for $2.225 million, in a merger deal that added four employees.

The acquisition came about a year and a half after Ludlow's founding company, Mobilisa, merged in March 2008 with Intelli-Check, absorbing 25 of the former Woodbury, N.Y., company's staff into Mobilisa's headquarters in Port Townsend.

Ludlow founded the company in Port Townsend in 2001 with his wife, Bonnie, the company's senior vice president.

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