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Another billion dollar purchase

Google set to acquire Waze for \$1.3b

Google Inc. (Nasdaq: GOOG) acquired Waze Ltd. for \$1.3 billion. The acquisition of the Israeli navigation app and traffic report start-up will be completed after months of reports that Waze would be sold to either Google or Facebook Inc.

Ra'anana, Israel-based Waze has almost 50 million users. This is a big number for an Israeli company, which probably helped it to achieve the hoped-for exit.

Google has already made two acquisitions in Israel, and it has an office here, in contrast to Facebook, which closed most of the companies it acquired, including Israeli start-ups. Both previous Israeli acquisitions by Google were modest. Google acquired personalized Website gadget developer Labpixies for \$25 million and interactive video-clip developer Quiksee for \$10 million. Both acquisitions were in 2010.

Waze has developed one of the most popular navigation apps on the market. It offers apps for smartphones, tablets, and vehicle systems for navigating roads in Israel and in other countries. The information is about traffic congestion, police presence, road accidents, speed cameras, and road hazards collected by crowd-sourcing from Waze's social network.

Waze was founded in 2009 and in October 2012, it announced a \$30 million financing

round from Horizons Ventures, Kleiner Perkins Caufield & Byers, and iFund. The company has raised \$67 million to date from Magma Venture Partners, Vertex Venture Capital, Qualcomm Ventures, BlueRun Ventures, Microsoft Corporation (Nasdaq: MSFT), and the investors in its 2012 financing round.

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Another billion dollar purchase
Hebrew University and Harvard researchers discover distinct 'itch-inducing neurons
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Intel, Cisco competition
Group finds signs of another gas field off Israeli coast
Israeli inventions underpin 20% of global biotech revenue
Qatari prince woos Israeli companies

The deal will turn some Waze founders into multimillionaires. CTO Ehud Shabtai will earn \$78 million, president Uri Levine will earn \$38 million, VP R&D Amir Shinar and his brother Gili will earn \$65 million.

Hebrew University and Harvard researchers discover distinct 'itch-inducing neurons'

It's not the most serious physical problem in our lives, but it is common and it is very annoying. Now, researchers at the Hebrew University of Jerusalem and in Boston have come up with new findings that can stop the itching through silencing the neurons that transmit itch-generating stimuli.

The study demonstrated the presence of functionally distinct sets of neurons that detect and transmit itch-generating stimuli. The researchers were further able to demonstrate that they could selectively target and silence those itch-generating neurons while active. These results provide a basis for the development of novel therapeutic approaches for selective treatment of previously unmet itching not induced by histamine (non-histaminergic itch), such as dry skin itch and allergic dermatitis.

(Histaminergic itch is brought on when histamine triggers an inflammatory immune response to foreign agents, such as occurs, for example, in hay fever.)

The findings of the Israeli-US researchers were published in the journal <<http://www.nature.com/neuro/journal/vaop/ncurrent/full/nn.3404.html>>Nature Neuroscience. In addition to the senior researchers, student major contributors to the project were Sagi Gudes and Felix Blasl from the Hebrew University; and David Roberson and Jared Sprague from Harvard Medical School.

Itch is a complex, unpleasant, cutaneous sensation that in some respects resembles pain,

yet is different in terms of its intrinsic sensory quality and the urge to scratch. Although some types of itch like urticaria (hives) could be effectively treated with anti-histaminergic agents, itch accompanying most chronic itch-inducing diseases, including atopic dermatitis (eczema), allergic itch and dry skin itch, is not predominantly induced by histamine. An understanding of the molecular and cellular mechanisms underlying the sensation of itch, therefore, is essential for the development of effective and selective treatment of itch, which in some cases could become a devastating condition, say the researchers.

The researchers' findings suggest that primary itch-generating neurons that carry messages toward the central nervous system code functionally distinct histaminergic and non-histaminergic itch pathways that could be selectively blocked. This is the first time that this has been demonstrated, and means that it is possible to block itch signals in the neurons that mediate non-histamine itch.

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These findings have a great clinical importance since they could be translated into novel, selective and effective therapies for previously largely untreated dry skin itch and allergic dermatitis itch.

Wix files for \$75m Wall Street IPO

Wix Ltd. has filed a draft prospectus with the US Securities and Exchange Commission (SEC). The filing confirms reports from three months ago that Wix was planning a Wall Street IPO. The company did not disclose financial details including sales and revenue, because the filing is confidential, and the date of the offering is not known but market sources believe Wix will seek to raise \$75 million at a company value of \$400 million. The SEC will have to review the documents before the company makes a final decision. JPMorgan Securities LLC will be the lead underwriter.

Wix, founded in 2006 by CEO Avishai Abrahami, his brother, Nadav, who serves as VP R&D, and CTO Giora Kaplan, has developed an online platform for people to quickly and easily create their own websites. The company has raised \$66 million to date.

Wix's success has resulted in one million new users each month. Altogether, 28 million people have used its services and created 26 million websites. The company's revenue rose 60% to \$40 million in 2012 from \$25 million in 2009. It has 400 employees, mostly at its headquarters at the Tel Aviv Port.

Wix's business model is based on payments from users for its various premium services, such as larger storage space or options to add sale elements on websites. Users can choose among hundreds of website templates, and choose the colors, size, and other features as they see fit.

Wix is considered one of Israel's most promising

start-ups. It has had steady growth alongside Conduit Ltd., Outbrain Ltd., and Kaltura Ltd., all of which were founded in 2005-06. In 2010,

WHO approves Israeli-developed circumcision device

The World Health Organization approved an Israeli-developed non-surgical circumcision device that could soon be used throughout Africa to help control AIDS.

PrePex, a disposable and easy-to-use device made of rubber bands that obviates the need for anesthesia, stitches or a sterile setting, received WHO approval on Friday, The New York Times reported.

The foreskin dies from a lack of oxygen and either falls off on its own or is easily cut off, according to reports.

PrePex is the only adult circumcision method, besides conventional surgery, to gain WHO acceptance, according to the Times.

The device, approved by the U.S. Food and Drug Administration in 2012 and certified by the European Union for use by adult men, was developed by the Israeli startup company Circ MedTech.

For a heterosexual male, being circumcised lowers the chance of being infected with AIDS by approximately 60 percent, according to the Times report.

Read more: <http://www.jta.org/2013/06/03/news-opinion/world/who-approves-israeli-developed-circumcision-device#ixzz2VCIZ7mj5>

U.S. tops 2013 world competitiveness ranking
The U.S. topped the 2013 world competitiveness ranking of 60 economies, followed by Switzerland and China's Hong Kong Special Administrative Region, according to the IMD

business school in Switzerland.

The U.S. regained the top spot this year after having ranked the second in 2012 due to a rebounding financial sector, an abundance of technological innovation and successful companies, IMD business school said on Thursday in an annual report.

Switzerland rose to the second place this year from last year's third, outranking the rest of Europe and surpassing Hong Kong which fell to the third place.

In Asia, the Chinese mainland and Japan also saw their competitiveness ranking rise by two and three notches to the 21st and 24th place respectively.

In Europe, against the context of a stalled euro-zone, Switzerland, Sweden, and Germany were the most competitive, whose success was built on export-oriented manufacturing, diversified economies, strong small and medium enterprises (SMEs) and fiscal discipline, according to the report.

Meanwhile, the rest of Europe was heavily constrained by austerity programs that were delaying recovery and calling into question the timeliness of the measures proposed, the annual report noted.

Stephane Garelli, director of the IMD World Competitiveness Center, said the debate on austerity measures is back in focus.

"Structural reforms are unavoidable, but growth remains a prerequisite for competitiveness. In addition, the harshness of austerity measures too often antagonizes the population. In the end, countries need to preserve social cohesion to deliver prosperity," said Garelli.

Meanwhile, BRICS economies experienced

mixed fortunes. The report said emerging economies in general remained highly dependent on the delayed global economic recovery, but "BRICS remain lands of opportunities," said Garelli.

In Latin America, the rankings showed that Mexico, which ranked the 32nd, has seen a small revival in its competitiveness but it needed to be confirmed over time and by the continuous implementation of structural reforms.

Biosensors buys Spectrum Dynamics

Spectrum Dynamics, part of the Medinvest Group of Prof. Shlomo Ben Haim, has been acquired by Singapore company Biosensors International Group Ltd. for \$51 million, including milestone payments on future achievements. The deal will be closed today.

Spectrum Dynamics is a medical device company focused on personalized molecular imaging and applications in nuclear cardiology. As part of the deal Biosensors is buying all Spectrum Dynamics assets in cardiology and the companies will establish a joint venture to develop other non-cardiac products.

Spectrum's products are approved for marketing in the US and other countries, and the company already has revenue of several million dollars. Biosensors specializes in developing countries and Spectrum's future marketing efforts will be concentrated in that direction.

Spectrum was founded in 2004 by biomed serial entrepreneur Yaron Front, Ben Haim and general manager Yoel Zilberstien, a former senior executive in Biosense, which was founded by Ben Haim and has been successfully integrated to Johnson & Johnson. CEO is Jim Haisler, a former senior sales and marketing executive with Philips.

Spectrum has raised \$29 million to date from

Ben Haim and his former business partners Lewis Pell, Moti Bier, and Gandyr Group founded by Yehudit Yovel Recanati. Spectrum is headquartered in Danville, California with its development center in Caesarea.

This is the first exit for Ben Haim's Medinvest project, which encompasses nine well-established companies for which bonds were issued to Israeli and overseas investors.

Ben-Haim said, "The synergy created as a result of this deal will provide us with meaningful resources to better realize the potential of our business. The ability to accurately detect and diagnose reversible ischemia prior to catheterization has become a critical issue in the treatment of cardiovascular disease.

Spectrum Dynamics' advanced imaging systems will enable doctors to more effectively determine the appropriate course of treatment for their patients. By combining the sales forces of the two companies, Biosensors can provide extensive coverage and leverage their excellent relationships with key potential customers in order to drive the use of Spectrum Dynamics' technology worldwide."

Mazor Robotics Ltd. (TASE:MZOR) will begin trading on Nasdaq Capital Market. The company will list American Depositary Shares (ADSs), each of which will represent two shares traded on the Tel Aviv Stock Exchange (TASE).

The ADRs will be traded under the ticker "MZOR". Trading in the ADSs will be through the Bank of New York Mellon.

Mazor develops and sells the Renaissance surgical navigation robot for spinal procedures, and complementary products. The system is already in use at several hospitals in the US and other countries.

Israeli wireless-power Powermat startup buys Finnish rival

Powermat Technologies will acquire its Finnish rival for a sum believed to be in the tens of millions of dollars.

Powermat Technologies, the Israeli wireless-power startup, took a major strategic step on Tuesday, agreeing to buy its Finnish rival PowerKiss for a price estimated to be in the tens of millions of dollars.

The acquisition, whose purchase price was not officially revealed but involves a mix of cash and shares, brings the Israeli company a major presence in the European market. PowerKiss's Helsinki headquarters will become the operations center for Powermat, which until now has been focused on the U.S. market.

The merged company will employ about 100 people.

Wireless-power devices sit on tabletops and let the user charge up smart phones or other portable gadgets without the inconvenience of cables and power sockets. As increasingly sophisticated smart phones run down their batteries faster than ever, companies like the global coffee chain Starbucks and New York's Madison Square Garden have begun offering wireless charging stations as a service to customers.

For the wireless-power industry and for users, the merger will settle the issue of conflicting standards. Until about two months ago, the two companies had backed incompatible standards, with PowerKiss using the Qi standard. The combined company will use the Power Matters Alliance, or PMA, standard that Powermat has been using.

"Uniting forces behind a common standard ensures that consumers will be able to avail

themselves of the widest possible ecosystem of public places where they can recharge,” Powermat CEO Ran Poliakine said. “Very soon consumers will be able to access wireless power seamlessly as they move between home, office, coffee shop, car and airport.

He said the merger would enable Powermat to build a global business, with a combined 2,500 installations to date.

PowerKiss was formed by a group of ex-Nokia engineers in 2008, and the company launched its first product two years later. It employs some 20 people and has some 1,000 installations across Europe, winning a recent contract to install its charging spots at McDonalds’ branches in 10 European countries.

Powermat, which was founded in 2006 and is based Neveh Ilan, has deployed more than 1,500 charging spots in the United States in places such as airports, coffee shops, malls and sports arenas. In a joint venture with the battery maker Duracell in January 2012, they now sell a device for use at home.

Powermat has raised some \$80 million, half in the past year, at a company valuation of \$330 million. In that fundraising round, Goldman Sachs put in \$30 million and Leumi Partners put in \$10 million.

New noise cancellation technology

Noise pollution is one of the banes of modern life. Chronic exposure to high levels of noise not only affects our hearing but also our stress levels and productivity, and even our physical and mental health.

An Israeli company, Silentium, says it has technology which can actively reduce noise pollution. The principle of eliminating waves of noise with other waves going in the opposite direction is not new, but the Israeli company says it have

significantly improved the technology.

Vice Chairperson and CEO of Silentium Ltd Yossi Barath explained: “There is a physical phenomenon called destructive interference. It means that when waves are travelling into space, if you hit them with similar waves of the same volume, the same frequency, but shifted by 180 degrees, they will interfere with each other and cancel each other.”

The company says it can achieve full spectrum noise reduction up to 10 decibels. A noise reduction chip has already been incorporated into some kitchen hoods.

The same levels of reduction are achieved when using an industrial vacuum cleaner and a ventilating system. The technology can either be embedded on the source of the noise or can create a “bubble” in open spaces. The technology captures ambient noise, creating a quiet zone.

In the future, even mainframe computers could produce very little noise, and therefore will be able to be placed anywhere, rather than being tucked into a closed room.

29% less than in the preceding quarter, but 19% more than in the corresponding quarter of 2012, states pwc Israel Kesselman & Kesselman in its quarterly MoneyTree report. Software companies raised 33% of the total capital raised in the quarter, and Internet companies raised 23%.

pwc Israel partner, High Tech Assurance Practice, Rubi Suliman said that the availability of range of financing sources for start-ups was just getting started, pushing the fundraising bottleneck to companies’ later stages. “A situation has arisen in which small early-stage investments are available for companies, with the result that many ventures are founded. But in the later and bigger financing rounds, compa-

nies face problems and few options for raising capital in the Israeli market, resulting in more and more companies going abroad to raise money,” he said.

51% of the capital raised by start-ups in the first quarter was in the seed stage and first and second round, a higher proportion than in the past two years. 12% of investment was in seed stage, with eight new companies raising capital.

Israel is largest drone exporter in the world

Israel is the largest exporter of drones in the world, a leading industry consultancy firm announced Sunday.

In the past eight years, sales of Israeli unmanned aerial vehicles have totalled \$4.62 billion, according to figures.

S.Korea deploys Israeli missile on border with North

The company said that in its calculations, it included products, services and licenses sold to other countries that enable them to produce their own drones. Those type of transactions made up almost 10 percent of Israel’s defense exports, it added.

One of the main reasons for the growth in Israeli exports is the decrease in global importers that depend on the US Department of Defense, the company estimated.

Between 2005 and 2012, Israel’s defense exports reached about \$6.1b. a year, of which drones made up some \$578 million annually.

Meanwhile, France is in talks with the US and Israel to buy intelligence-gathering drones to build up a modern fleet, Defense Minister Jean-Yves Le Drian said on Sunday.

France’s existing hardware is outdated and

its military intervention in Mali this year has exposed its shortage of surveillance drones suitable for modern warfare. The US provided French commanders with intelligence from its drones based in Niger.

“We need this capacity in the short term. There are currently two countries in the world that build drones, the United States and Israel,” Le Drian said on TV channel iTele.

“We are in discussions with each to buy some straightaway,” he said.

Sony invests \$10m in Rainbow Medical

According to market sources Sony Corporation (NYSE: SNE; TSE: 6758) has invested \$10 million in Rainbow Medical Ltd. Last year, “Globes” reported that Sony wanted to expand its medical devices operations. Company representatives met Israeli medical devices companies, but decided against making any acquisitions for now, opting instead to invest in Rainbow Medical, which invests in the industry.

Sony is not the first corporation to invest in Rainbow Medical. Global medical devices giants, including Medtronic Inc. (NYSE: MDT), Abbott Laboratories Inc. (NYSE: ABT), and Italy’s Sorin SpA (BIT: SRN) have invested in the company. The first investment in the company was by GlenRock Israel, headed by Leon Recanati.

Rainbow Medical, which invests in the inventions of serial entrepreneur Yossi Gross, is managed by Efi Cohen-Arazi. He said, “We are very proud to work with Sony and we are fully cooperating with it.”

Sony is building its brand in the healthcare field, marketing medical imaging products, and will now try to sell its own medical devices. The strategy is being implemented with a \$644 million investment in Olympus Corporation (TSE: 7733), giving Sony an 11% stake in the compa-

ny. The companies have set up a joint medical devices venture, which will focus on miniature imaging systems for endoscopic procedures. Olympus will develop the endoscopes, and Sony will develop the lenses and data processing systems for the images.

Rainbow Medical specializes in complex systems, especially implants. The devices often involve electrical stimulation of the body, or replacing an organ's functions with electrical functions. All these devices target large markets where there are few solutions.

These solutions are developed through joint ventures between Rainbow Medical and the corporation which wants the particular inventions. Rainbow also develops products through its portfolio companies, in which the corporations have indirect stakes through their investments in Rainbow.

Rainbow Medical was founded in 2007, and raised \$50 million in its second financing round, led by Abbott and Medtronic, in 2012. According to its business plan, it will not need additional substantial financing, but will soon be financed from revenue. "We receive queries from parties interested in investing in us, but we don't need money right now. We accept such partners only if they bring strategic value, like Sony," said Cohen-Arazi.

Mellanox to acquire silicon photonics specialist Kotura for \$82m.

US-Israeli provider of data center interconnects sees the deal as crucial to compete with Cisco and Intel.

Mellanox Technologies, the high-speed interconnect company with bases in California and Yokneam, Israel, is set to acquire the silicon photonics specialist Kotura.

The cash deal, estimated at \$82 million, is

expected to close in the second half of this year. It will give Mellanox direct control of a technology that it sees as critical for its data center customers to meet the explosion of data traffic.

Once completed, the acquisition should also see Mellanox establish its first research and development center in the US, at Kotura's Monterey Park, California, location, enabling it to provide optical interconnects operating at speeds of 100 Gb/s and beyond.

Earlier this year, Kotura lined up Mindspeed Technologies, laser maker BinOptics and an unspecified Japanese foundry as manufacturing partners to provide key components for a future ramp of 100 Gb/s transceiver modules.

Mellanox CEO Eyal Waldman told an investor call to discuss the deal: "By owning silicon photonics technology, we will be able to deliver reliable, scalable and cost-effective end-to-end interconnects with lower power consumption."

"This will help our customers as they struggle to keep up with the exponential increase in data traffic," he added.

Waldman also said that the motivation for the acquisition had come partly from its own customers, who see the technology as essential for Mellanox to be in full control of the various optical and non-optical interconnect options available.

Intel, Cisco competition

The CEO said that acquiring Kotura mirrored earlier moves by big-hitters in the industry, allowing it to compete with Intel and its internally developed silicon photonics technology, and Cisco Systems following its acquisition of Lightwire last year.

In a statement, Kotura's CEO Jean-Louis Malinge said: "Together, we can execute faster and

deliver better solutions based on Kotura's silicon photonics platform that delivers the demands of 100Gb/s interconnects and beyond."

Kotura is still developing its 100 Gb/s optical "engine", which it hopes to begin sampling to potential data center and high-performance computing customers by the end of this year, having demonstrated an early version at the Optical Fiber Communication trade show recently. Waldman said that the full release of 100 Gb/s modules and a production ramp should follow in 2014 or 2015 – at which point the acquisition should add significantly to Mellanox's revenue stream.

For 2012, Mellanox posted sales of \$500 million – which at nearly double the 2011 figure indicates the growing demand for high-speed interconnects. The Kotura acquisition is subject to normal closing conditions and approval by the start-up's shareholders, and existing revenue streams such as variable optical attenuators and silicon photonics multiplexers should add to Mellanox's profitability next year.

In its latest financial quarter, Mellanox saw revenues fall 6% year-over-year to \$83 million – although Waldman said that he foresaw a return to growth in the near future.

Mellanox's share price rose slightly following news of the Kotura agreement, leaving the company valued at a market capitalization of just over \$2.4 billion.

InSightec Ltd., founded in 1999, is a privately held company owned by Elbit Medical Imaging, GE Healthcare, private investors and employees. InSightec was founded specifically to develop MR (magnetic resonance) guided Focused Ultrasound technology. Headquartered in Tirat Carmel near Haifa, Israel, with US headquarters in Dallas Texas, the company has over 160 employees.

InSightec developed ExAblate 2000 – a surgical system that combines Magnetic resonance imaging and Focused Ultrasound to non-invasively treat tumors inside the body without the need for incisions. During this outpatient procedure, the patient lies inside an MRI scanner, which provides three-dimensional images of the diseased tissue and surrounding area, enabling precise guidance of the ultrasound waves. High intensity focused ultrasound waves are then directed into the body at specific tissue, raising the temperature of the targeted tissue to 65 to 85 degrees Celsius, destroying it. The imaging capabilities of the MRI scanner provide real-time feedback on all aspects of the procedure which gives the physician a high degree of control over its therapeutic outcome.

ExAblate 2000 has been approved to treat uterine fibroids, and is currently in use in the US, Israel, Europe and Asia. Clinical trials are being conducted to evaluate ExAblate for treatment of other diseases such as breast, liver, bone and brain cancers.

[edit] See also

Group finds signs of another gas field off Israeli coast

A U.S.-Israeli group drilling in the eastern Mediterranean has discovered positive signs of another natural gas field off Israel's coast, potentially boosting the country's reserves as it drafts its export policy.

Texas-based Noble Energy and its Israeli partners, Avner Oil Exploration and Delek Drilling, said on Thursday they found "significant signs" of gas at an exploratory well at the Karish prospect, about 75 km (46 miles) from the coastal port of Haifa.

Karish could hold 2 trillion cubic feet (tcf) of gas, Delek Drilling said, citing a preliminary estimate, making it much smaller than the two massive

Tamar and Leviathan fields recently discovered in Israeli waters.

But it is still a commercial quantity and, if proven, strengthens the case for energy companies who are lobbying the government to allow large levels of exports.

The Karish partners will publish a more detailed analysis of the data in about two months, Delek Drilling said.

Tamar, which came online in March with an estimated 10 tcf, can meet Israel's needs for decades. Leviathan, expected to begin production in 2016, is estimated to hold 19 tcf.

Israel, long reliant on energy imports, is struggling to find the balance of how much gas to keep and how much to export.

Exploration companies argue that because Israel is such a small market, further investment in the area could only be justified if there is a substantial export quota. But if too much is sold abroad, the country may lose out on long-term energy independence.

Noble, which is also leading the Leviathan project, has said it cannot commit to further development until the government decides on its policy. That includes finalising a deal to bring Australia's Woodside Petroleum in on Leviathan to help with liquefied natural gas exports.

Energy Minister Silvan Shalom has said a decision will be made in the coming weeks.

The verdict will likely be based on recommendations made by a government committee last year. The panel called on Israel to keep enough gas to satisfy its own needs for 25 years, which comes out to a bit less than half of Israel's total reserves, currently estimated at 33.5 tcf.

In the meantime, a number of lawmakers and environmental groups have called to lower the recommended export cap, or even to put off making any final judgement for years.

The gas windfall will give a bump to Israel's economy, which is expected to grow 2.8 percent in 2013 excluding gas production, down from 3.2 percent in 2012. With gas, the 2013 forecast jumps to 3.8 percent.

"The natural gas industry is a key economic growth engine," said Delek Drilling CEO Yossi Abu following the Karish announcement. "Exports in significant quantities will encourage additional players from Israel and the world to invest vast sums of money in further exploration."

Cellebrite co-CEO Yossi Carmil says the technology satisfies security needs

Cellebrite co-CEO Yossi Carmil says the technology satisfies security needs

An Israeli company is battling terrorism with technology used by government agencies across the globe.

Cellebrite, founded in 1999, is headquartered in Petah Tikva, Israel, and more than 50 per cent of the technology company's \$200 million average annual revenue stems from its forensics division — established in 2007.

The division develops software and hardware used to prevent terror activity. The sophisticated technology can retrieve deleted or lost data from mobile phones, digital tablets and PCs — but it is only available to authorised government agencies and corporate organisations such as insurers.

"We recognised the need to create software capable of satisfying law enforcement needs,"

says Cellebrite co-CEO Yossi Carmil, who has worked for the Israeli Ministry of Defence.

“Our Universal Forensic Extraction Device (UFED) is able to retrieve data from a mobile phone — from the technology of a suspicious person.”

He says “someone could think that if they press delete the message is gone — but it’s not the case.”

With around 15,000 UFED devices deployed to agencies across 60 countries and with more than 50 per cent of forensic revenue stemming from the United States — the company is a recognised authority in the market. Clients have included the Indian army, West Yorkshire and Japanese police.

Cellebrite’s expertise extends to its retail division. The company’s Universal Memory Exchanger (UME) technology, targets the everyday mobile user. It facilitates back-up storage and the swift transfer of data from on device to another.

Mr Carmil explains that “the UME can access technology from a source to a target phone. You can transfer all your contacts from a Blackberry to an iPhone, from a Siemens to a Nokia and from a PC to iCloud using this device.” Cellebrite is established in the mobile industry

Cellebrite is established in the mobile industry

It is a swift and convenient mechanism for consumers who can access the helpful facility at mobile retail stores.

In the UK, consumers access the service via the Carphone Warehouse, Orange, T-Mobile and Vodaphone stores. The global service sees 250,000 transactions each year at 145,000 stores.

“It was something that was never done before,” claims Mr Carmil. “It reduces barriers from each different phone.”

Without a doubt, Cellebrite is established in the mobile industry. But in a competitive digital market, the Israeli company faces challenges.

“Cellebrite suffers from the fact that we have to work hard not to lose our customers,” says Mr Carmil. “We have a lot of ideas but always try to keep our technology simple.

“In Hebrew we have a saying, keep it simple, even stupid.”

Mr Carmil, 46, grew up in Petah Tikva. He has worked as director of ITS Telecom and as vice president of mobile Siemens commercial division in Israel.

As part of the Cellebrite’s founding generation, he has watched it expand from five to 290 employees.

In 2007, Cellebrite was sold and is now a fully-owned subsidiary of the Japanese Sun Corporation. The sell was part of a “strategic decision to grow,” according to Mr Carmil.

He says it facilitates access to markets beyond Cellebrite’s subsidiaries in the US, Canada, Mexico, Germany, Singapore and Brazil. The company has no Middle East base outside of Israel, but Mr Carmil says “there is no reason we can’t pursue other regions”.

Israeli inventions underpin 20% of global biotech revenue

Israel’s life sciences industry is manic-depressive. One moment, it’s preparing for catastrophe and pending collapse, and the next, it’s celebrating the industry’s hoped-for breakthrough. There is no argument that Israel’s science and

medicine are outstanding, and there is the feeling that the growth of a thriving pharmaceutical industry is only a matter of time. But it is not easy to translate the vision into reality.

“If we examine how many products in the world are based on Israeli technology, we discover that the vision has already been partly realized,” says Pitango Venture Capital general partner Ruth Alon, who handles the firm’s life sciences business, and is chairwoman of the IATA BioMed 2013 Conference.

Alon found that 20.5% of the global biotech industry’s turnover - \$24.6 billion out of \$120 billion - is based on products that originated in Israeli research. This figure does not include several very important products by Israeli researchers who are currently abroad. It also excludes products developed through the use of so-called “Kvili patents” for the production of monoclonal antibodies developed by Prof. Shmuel Kvili.

In the pharmaceutical (chemical, not biological drugs) industry, the situation is slightly different, but here too, there is room for pride. Products originating in Israel account for 0.7% of the global industry.

In the medical devices industry, Israeli industry has already proven that it is strong enough to attract leading foreign companies. Israeli products account for 1% of the \$350 billion global medical devices turnover. Some of this figure is Israeli exports. Israel is also a major player in the medical imaging industry.

“When I collated the data about all the medical products which should carry the label ‘Israel Inside’, a picture emerges that we can be proud of: Israeli academe has made a major contribution to the improvement of human health,” says Alon. “Shouldn’t we use at least some of these capabilities to create a large and important industry, instead of a string of exits?”

she asks.

Israel Integrating Arabs Into High-Tech World

Alpha Omega High-Tech Arabs Integrating Arabs Israeli government Jewish-Arab coexistence Jezreel Valley John Chambers Nazareth Industrial Park Rabei Ibrahim Silicon Valley Stanley Fisher Stef Wertheimer

Haifa tech hub, including Intel building (far left). Photo: wiki commons.

Four years ago, the Israeli government named Nazareth a national priority area, meaning that Israel’s largest Arab city would be granted economic incentives as a preferential area and firms that relocate to the city are entitled to tax breaks. Recently, the first industrial park in Nazareth was officially opened in April by Israeli entrepreneur and philanthropist, Stef Wertheimer after 12 years of construction.

The Israeli billionaire tycoon, the founder of the Warren Buffet-owned Iscar Metalworking Cos., has previously opened seven industrial parks including four in the Galilee, one in the Negev, and one in Gebze, Turkey in 2003.

Wertheimer invested \$22 million into the Nazareth industrial park, which is located on a hill near Nazareth that overlooks the Jezreel Valley. Within a decade, the park aims to host 25 export-oriented companies that would ensure 1,000 jobs.

Wertheimer aims to bring more Arabs into Israeli hi-tech, an industry of start-ups that have helped lift Israel’s GDP per person by nearly a quarter in the past decade according to a report in the Economist.

At the dedication ceremony of the Nazareth industrial park, Wertheimer said that the park contributes to several important factors including economy, society and Jewish-Arab coexis-

tence.

Both the Bank of Israel Governor Stanley Fisher and President Shimon Peres were present at the dedication ceremony, with Peres noting that there are 70,000 Arabs with university degrees who are being gradually integrated into advanced industries in Israel.

According to the recent report in the Economist, thousands of Arab computer scientists graduate from Israeli colleges every year and can write programs for Arab users, visit the Arab world and market Arabic software. Some projects underway include an online booking service for hotels and Arabic e-books in the region.

The three companies that are already utilizing the Nazareth industrial park include the Israeli-owned international telecom company Amodocs, which has 100 employees. Alpha Omega, a company that manufactures neurological and neurosurgery products, founded by Nazareth couple Reem and Imad Younis, is also located in the park, along with BRF Engineering owned by Rabei Ibrahim.

Nehab, originally from Kibbutz Hazorea in the Jezreel Valley, was one of the first women to set out for Silicon Valley, and after her successful venture came back to Israel with her family. "There is huge potential for transforming Arab lives in the Nazareth metropolitan area," she told the Economist.

The Israeli government also encourages Arab representation in the high tech industry. Israel's Ministry of Industry, Trade and Labor has provided one-sixth of Tsofen's budget during the past three years. President Shimon Peres's office has launched the Maantech program together with Cisco's CEO John Chambers, which works together with Tsofen and other similar organizations to help Israeli Arabs locate jobs in the high-tech field.

Israel and China Sign \$400 Million Trade Agreement

Israeli PM Benjamin Netanyahu with Chinese-PM Li Keqiang

A day after India made a major investment in an Israeli technology fund, today comes word that Israel and China signed a \$400 million trade agreement on May 8th, bringing the financial relationship between the two countries to more than \$2 billion.

The deal - signed by Finance Ministry Accountant-General Michal Abadi-Boiangiu and officials from China's Finance Ministry - was agreed upon shortly after Israeli Prime Minister Benjamin Netanyahu arrived on a five-day trip to China that saw him greeted with full military honours including a 19-gun salute outside the Great Hall of the People in the capital, and called for closer trade ties between the two nations.

"Our two peoples are two ancient peoples with a glorious past, a difficult in-between period, and then soaring into the future," Netanyahu told Chinese Prime Minister Li Keqiang. "I think Israel can be the perfect junior partner for China in its pursuit of economic excellence and competitive advantage by offering our technological capabilities."

"This is a very important agreement for expanding bilateral cooperation. China is a vast market and if we even slightly increase our market share here it will significantly help the Israeli economy," Netanyahu said.

Netanyahu said that Israeli-Chinese trade amounted to some \$8 billion each year, and the two countries were constantly working to increase that amount. "The potential for bilateral trade is vast," he said.

Since the signing of the initial financial proto-

cols, Israel has exported a total of some \$771 million worth of goods and services to China, according to the Prime Minister’s office.

Earlier, the prime minister met with his Chinese counterpart at a formal ceremony, complete with honor guard, in Beijing. During the meeting, the two leaders agreed to establish a joint team which will work on expanding technological cooperation between the two countries.

In the afternoon, Netanyahu participated in a live video chat with millions of Chinese Internet users, hosted by the popular government-sponsored Xinhua News Agency.

Most of the questions revolved around Israel-Chinese relations. Netanyahu, who visited China 15 years ago during his first term as prime minister in 1998, said that he was impressed by the “development, progress and tremendous growth” he saw in China.

Qatari prince woos Israeli companies

Representative of Persian Gulf emirate’s royal family to visit Jewish state for first time in bid to promote cooperation in field of high-tech, Calcalist learns

A representative of Qatar’s royal family, Prince Khalifa al-Thani, is expected to visit Israel in November in a bid to promote cooperation in the field of high-tech between the two countries.

This will be the first official visit by a Qatar royalty to the Jewish state.



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