Booming Defense Exports

Israel reports defense exports of $6.5 billion in 2016

The International Defense Cooperation Directorate of the Israeli Ministry of Defense (SIBAT) published annual export statistics for 2016 on 29 March, showing a 14% rise in value year on year.

Total transfers of military equipment from Israel in 2016 were valued at USD6.5 billion, a notable return to growth following successive declines in 2013 to 2014 and a relatively static year in 2015. However, the figure remains significantly below the country's historic peak of USD7.5 billion in 2012. USD2.6 billion, or 40% of Israel's foreign military sales, were made to countries in the Asia-Pacific region in 2016, with Europe, which accounted for 28%, the next largest recipient.

Israeli digital health investment grew 30% in 2016

$183 million was invested in the sector in 2016, up 30% from $144 million in 2015.The Israeli digital health sector grew significantly in 2016, both in terms of funding and in terms of the number of companies, according to a report issued by Start-Up National Central ahead of the MIXiii BIOMED 2017 conference and exhibition in Israel, which will take place in Tel Aviv, May 23-25.

Investments in Israeli digital health rose to $183 million in 2016, up almost 30% from

$144 million in 2015. Personal Health Tools and Health Analytics accounted for over 70 of deal volume in 2015 and 2016. The Health Analytics sub sector, relating to companies that collect and analyze data to solve medical problems for businesses and consumers, received the most funding in the past two years: $84 million in 2015 (59% of total investments), and $58 million in 2016 (32%). Another sub sector that received considerable

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funding in 2016 was Clinical Workflow: $55 million (30%). This sub sector includes companies that enable hospitals, clinics, labs, and other healthcare stakeholders to work more efficiently. Also the Wearables and Sensors sub-sector received considerable funding in 2016: $46 million (25%).

The digital health sector worldwide is rapidly transforming passive patients into active healthcare consumers and the sector in Israel is participating in this global trend of patient empowerment, with Personal Health Tools becoming the largest sub sector Israel's unique capabilities in information, communication, mobile, and cyber technologies, together with more than 25 years of expertise in implementing health IT, electronic medical records, and business analytics, offers Israel the opportunity to become a truly influential player in the global digital health arena.

According to the report, the number of digital health companies in Israel has risen substantially in recent years, reaching 385 companies. The Personal Health Tools sub sector has skyrocketed, becoming the most prominent sub sector, with 174 companies (45% of the sector). This sub sector includes companies that provide end-users with software-based tools to track, manage, and even treat their own health conditions. The second largest sub sector is Health Analytics with 85 companies. These companies play an important role in the ability to predict, prevent, diagnose and treat medical conditions.

As the Israeli digital health sector concentrates on patient empowerment, the borders between sub sectors begin to blur, converging under Personal Health Tools. Wearables, sensors, big-data analytics, and telemedicine platforms integrate to form powerful B2C and B2B2C healthcare products. The data collected from wearables and sensors is being leveraged more and more by the rapidly-growing market of Health Analytics and Personal Health Tools

software. The user is not only tracked and monitored passively, but receives real-time feedback, turning him/her into an active participant in the process. Overall, sub sectors are becoming more interconnected, centering around individuals and empowering them.

AqWise biologically purifies sewage and effluents

AqWise is an Israeli cleantech company that purifies sewage produced by Coca Cola, Unilever, and Nestle.

AqWise is a good example of a cleantech company that usually operates below the radar. Founded in 2000 by Eytan Levy and Ronen Shechter, the company is currently managed by CEO Elad Frenkel. AqWise has 70 employees: 50 in Israel and the rest in India and Europe. AqWise does not provide precise information about its business, but Frenkel says that its turnover is in the tens of millions of shekels, and that the company is making a profit. AqWise has raised $15 million to date, a modest sum, given that the company has

existed for 17 years. Investors in AqWise include foreign concerns from Mexico and India, IDB Development Corporation Ltd. (TASE:IDBD) subsidiary Elron Electronic ndustries Ltd. (TASE: ELRN), and Israel Cleantech Ventures.

The local cleantech industry began in Israel's kibbutzim (collective communities) and moshavim (cooperative communities), with an emphasis on kibbutzim. The main purpose was to deal with urgent problems arising in these communities, rather than the business perspective represented by AqWise. "AqWise was part of the first wave of non-kibbutz clean-tech companies," Frenkel says. "The company developed sewage purification technology that has been sold in more than 30 countries to date. We take sewage from a nearby town or industrial plant, purify it, and then release it to nature or further use in industry."

Biological treatment

AqWise is developing plastic elements for biological treatment of water. The purification solution is based on unique, economical, and innovative biological treatment Attached Growth Airlift Reactor(AGAR) technology, which combines a specially structured biomass carrier with a special aeration system. "In recent years," Frenkel says, "we have installed the system in hundreds of places around the world in a variety of industries, such as food, beverages, pharma, and paper." One of the known water sources treated by the company is the Agra River near the Taj Mahal.

"A few months ago, President Reuven Rivlin visited India," Frenkel says. "He came to our facility there, which helps provide clean water for two million people. What we're doing in India and other countries dramatically improves people's lives.

In addition to managing AqWise, Frenkel is also the chairman of the Israel Export & International Cooperation Institute water section. He says that the water sector in Israel has been growing by double-digit percentages for the past decade, reflected in an impressive rise in exports from $800 million annually a decade ago to $2 billion a year at present. The technology of AqWise and other companies is arousing great interest among developing countries. Frenkel explains that one of the water industry's challenges is strengthening the ecosystem. He says that nearly 100 startups are operating in Israel, in addition to relatively mature companies, but complains that there are too few growth companies that already have a product and sales, but have not yet achieved a breakthrough.

AqWise's success depends to a large extent on global regulation. China and India are adopting, each of them separately, standards designed to prevent pollution. Regulatory discourse is not confined to developing countries; clean technologies are also relevant in the US and Europe. AqWise provides services to large corporations, such as Coca Cola, Unilever, Teva Pharmaceutical Industries Ltd. (NYSE: TEVA; TASE: TEVA), Perrigo Company (NYSE:PRGO; TASE:PRGO), and Nestle. Frenkel says that in many cases, corporations are adopting stringent standards, even in countries where the government requirements are lower. He adds that AqWise is also providing services to large municipal authorities in Madrid and Rome. According to Frenkel, the technology makes it possible to upgrade old facilities at relatively low cost.

"Globes": You have a turnover in the tens of millions of dollars and are making a profit. Isn't it time to start thinking about an exit or an IPO? Do you share the feeling that clean-tech is the step-son of high tech?
"They began using the term 'clean-tech' in 2005-2006, when there was a peak of a few years in which the sector got a lot of

investments and attention. There' no doubt that cyber is sexier now, but water is still one of the world's biggest markets: $600 billion a year."

Apax buying Syneron for $400-500m

Israeli esthetic medical products company Syneron has been looking for a buyer for the past two months.

Israeli esthetic medical products company Syneron Medical Ltd. (Nasdaq: ELOS) will be sold to private equity firm Apax Partners for $400-500 million. It was reported in February that Syneron was looking for a buyer, and the company hired the services of Barclays to this end.

Syneron's market cap is currently $366.2 million. It has traded as Syneron Candela since buying US company Candela for $65 million in 2009.

The acquisition comes after Syneron's two main Israeli competitors, Lumenis and Alma Lasers, were sold in the past few years. Privately-held Alma Lasers was sold to China's Fosun Pharma for $240 million, and Lumenis was sold to London based private equity firm XIO for $510 million.

Syneron was founded by Shimon Eckhouse after he was ousted from Lumenis, which he also founded, in a hostile takeover. In the 1990s, Syneron overtook Lumenis in its performance, and from then on the two companies competed head to head, and were traded on Nasdaq at similar market caps. Lumenis is currently managed by Amit Meridor, with Eckhouse, who owns 7% of the company, serving as chairman.

The acquisition of the Israeli esthetic medical company is at a 15% premium on the average closing price in the first quarter.

Israeli esthetic medical products company Syneron Medical Ltd. (Nasdaq: ELOS) has

confirmed that it is being acquired by private equity advisory firm Apax Partners. Apax will acquire all of the outstanding shares of Syneron for $11 per share in cash in a transaction valued at $397 million. The per share acquisition price represents a 15% premium on Syneron Candela's 90-day volume-weighted average closing price through March 31 2017.

Syneron Candela cofounder and chairman Dr. Shimon Eckhouse said, "This acquisition is a strong recognition of Syneron Candela's leadership in the aesthetic medical device market, its leading world-class technology and unique global footprint. These exceptional assets are a result of the many years of hard work of our skillful and dedicated employees all over the world. We are confident that Apax will add significant value and expertise as Syneron Candela executes on its growth strategy while delivering innovative technologies to our customers and patients. I also believe that this transaction represents a positive outcome for our shareholders."

Apax Partners partner and co-head of healthcare Steven Dyson said, "We have identified the medical aesthetics market as a highly attractive investment area given its long-term growth prospects. Syneron Candela is very well positioned to capture this opportunity, with its highly diversified geographic footprint, broad and market-leading products portfolio, exceptional R&D capabilities and cutting-edge technology. We are looking forward to partnering with the Syneron Candela team to continue its strong growth trajectory, and to seeing the even greater benefits it can deliver for customers and patients."

The transaction is subject to customary closing conditions, including Syneron Candela shareholder approval and the receipt of certain regulatory approvals. The Syneron Candela Board of Directors has unanimously approved the transaction. Subject to standard fiduciary

obligations, Dr. Shimon Eckhouse, who owns 7.4% of the company, has entered into a customary voting agreement pursuant to which he has agreed to vote all of his shares in favor of the transaction. There are no financing conditions associated with the transaction. Major Israeli institutional shareholders include Migdal Insurance and Financial Holdings Ltd. (TASE: MGDL), The Phoenix Holdings Ltd. (TASE: PHOE1;PHOE5) Menorah Mivtachim Holdings Ltd. (TASE: MORA) and Yelin Lapidot.

Barclays is acting as exclusive financial advisor to Syneron Candela. Gross, Kleinhendler, Hodak, Halevy, Greenberg & Co. and Morrison & Foerster LLP are serving as legal advisors. J.P. Morgan is serving as financial advisor to Apax Partners and Simpson Thacher & Bartlett LLP and Meitar Liquornik Geva Leshem Tal are serving as legal advisors.

Israel Secondary Fund closes $100m fund

ISF II follows ISF I, which invested in over 100 companies and funds and has seen 35 exits including Waze, SolarEdge and PrimeSense.

Israel Secondary Fund (ISF) has closed ISF II, a $100 million secondary fund. The investors in ISF II include Israeli and global institutional investors, family offices, and high net worth investors. Leading Israeli institutional investors in the fund include Halman Aldubi, Altshuler Shaham, Bank Hapoalim (TASE: POLI), Poalim IBI Underwriting and Investments Ltd. (TASE:PIU) and Union Bank of Israel (TASE: UNON). ISF II has already completed four investments from the new fund.

ISF is a secondary fund focused on the Israeli market, which provides liquidity to the private equity and venture capital market through purchasing interests in funds and direct holdings in private companies. ISF engages in the full spectrum of secondary transactions: acquiring limited partner (LP) positions in Israeli venture capital and private equity funds,

acquiring direct minority holdings in private companies from investors, founders and other shareholders and structured deals, providing capital to existing venture capital and private equity funds.

Dror Glass, Nir Linchevski, and Shmuel Shilo manage the fund.

ISF has raised ISF II following the success of its inaugural fund, ISF I, which was founded in 2009. ISF I has held direct and indirect stakes in more than 100 private companies, and has already realized 35 exits. The direct and indirect exits include the acquisition of Waze Ltd. by Google Inc. (NASDAQ: GOOG), the IPO of SolarEdge Technologies Inc. (NASDAQ: SEDG) and the acquisition of SuperDimension by Covidien Ltd. (NYSE: COV). Other exits include the acquisition of PrimeSense Ltd. by Apple Inc. (NASDAQ: AAPL); the IPO of Enzymotec (NASDAQ: ENZY); the sale of WorkLight to IBM Inc. (NYSE: IBM); the sale of RedBend Software to Harman (NYSE: HAR) and the acquisition of Altair Semiconductor Ltd. by Sony Corporation (NYSE: SNE).

ISF managing partner Dror Glass said, "Over $30 billion have been invested in Israeli funds and technology companies in the last decade. A large portion of today's companies stay private for longer periods, and build significant business activity before going public or being acquired. Therefore, there is a growing need by entrepreneurs and investors for liquidity in the years preceding an exit. ISF aims to become the preferred liquidity provider for entrepreneurs, executives and investors in Israel and to be a long-term financial partner for the companies and funds in which ISF invests."

Healthcare meets big data

10 Israeli startups in the Reboot Forum 2017's Leading Healthcare Initiative, presenting innovations based mainly on big data analytics.

How can the healthcare system be rebooted? Last month, ten projects - commercial startups, initiatives from within the healthcare system, and emerging ideas of private individuals, participated in the Leading Healthcare Initiative of Reboot Forum 2017, a multidisciplinary forum comprising diverse representatives from the healthcare system, who teamed up to brainstorm on ways to improve the system and ensure that it will continue to be economically sustainable.

It was clear from the finalists that data is the sought-after good in the healthcare system. Half of the ventures making presentations were commercial ventures that use big data analytics capabilities to improve patient care. Two other ventures are also engaged in data, but not with big data algorithms; and three ventures were classic medical device companies.

The judges' discussion was lively; less because of disagreement over the quality of the ventures, and more because of the dilemma over what is the best way to kick-start change in the system - whether by supporting new ventures for which every shekel is important, or by supporting more mature ventures which have a lesser need of cash but set a standard of how the different parties want to see the healthcare system function in the future.
The three winners will be announced at the joint Reboot Forum 13 June.

MedAware Ltd. - preventing prescription errors
MedAware uses the capabilities of learning systems to prevent prescription errors. In the presentation to the judges, Dr. Gidi Stein explained that the technology was developed after he learned of the case of a 9-year old boy who died after the doctor prescribed, instead of the routine drug that the child should have received, the next drug in the list of the HMO computer - a powerful blood thinner for adults. The boy fell off his bicycle and died of a brain hemorrhage, "A child was killed because of a typo," says Stein.

Stein says that current alert systems try to predict doctors' errors and warn them, but that many errors are still missed. MedAware's approach is to warn of an unusual prescription. "In effect, the system learns from the doctor's previous conduct about the reasonable range of medications prescribed for such a patient. Deviations from this reasonable range trigger an alert. It is important that we only sound an alert infrequently. Current systems sometimes send to many alerts, most of which are false alarms, resulting in doctors ignoring them. We consciously miss some errors, which is the price we pay to create a system with few false alarms, so that when a doctor gets an alert, he knows that something extraordinary has happened."

A recent study tested the system's ability about previously treated patients. It detected errors which were not detected by current systems, including one regrettable case of a death caused by an uncaught error.
"There are bodies lying on the road, which this company picks up," praised judge Dr. Ran Balicer
MedAware is already operating in the US. At the event, Stein said that if the company wins the prize, it would use the money to install the system in Israel. "It is surprising to discover that it is harder to install such a system in Israel than in the US," he said, "because of the health funds' long sales cycle."

A Drop for Research– aiding the next discovery
What would you say to the next proposal: sign a general consent form, after which every time you take a blood, urine, feces, or other test, you share part of the sample with a biological sample bank, which will save the data about you, although it will still be under the responsibility of your health fund. Academic and industry researchers will be able to submit questionnaires to this database, which will make possible the discovery of a great deal of new information.

Would you give consent? Are you worried about privacy? Ask yourselves what do you have to gain personally? Prof. Varda Shalev, director of the Big Data Research Institute at Maccabi Health Services, who initiated the current venture, explains, "We realized that our customers have a strong will to make change. That is why a person who gives such a sample can see exactly what happened with his sample: which studies he has participated in, and what happened in these studies."

There is also a less altruistic incentive: every sample will be sent for basic genetic testing, the results of which will be sent to the customer. In this way, every time something is learned from the sample which might be relevant to that health of the patient who donated it, he will be notified.
A survey by Maccabi among its customers found that 50% said that they were willing to participate in the venture.
Asked about why Maccabi had entered the competition and requesting the fairly negligible prize money, compared with Maccabi's budget, Shalev said that it was mainly seeking recognition and support of the Reboot Forum in order to get the venture through the regulatory obstacles.

Datos - preventing test errors
Many companies are developing algorithms to analyze medical data, but for good quality results of this analysis, the data input must be good quality. The measurement of medical data can frequently be erroneous or biased. A patient did not correctly place the blood pressure monitor on his arm, or a child decided to have fun monitoring his blood pressure or that of the family cat, or the measurement was taken in a very hot or cold room, affecting the sensors, and so on and so forth.

Datos detects unlikely measurements and clears them to obtain a correct snapshot of the patient's health. The task is complicated, because the unusual reading is the one we are seeking as it indicates a change in the patient's condition. Is it possible to separate erroneous data from correct but unusual data? Datos believes that it has the tools to do this.

In addition to clearing errors, Datos's system also enables the integration of data from different instruments and provides an easy-to-use interface to read and analyze the data.

Valera Health Ltd. - detecting mental deterioration
Like other companies founded in recent years, Valera Health is seeking to detect deterioration in a patient's condition by analyzing his day-to-day behavior. Valera Health, which specializes in mental health, does this without any external equipment, using only data from a mobile phone.

Today, a mental health patient will usually encounter the healthcare system when he is in the middle of some kind of episode. Alternatively, he will go to prescheduled meeting with a therapist, once every few months. During the intervals between meetings, he is definitely liable to face a serious deterioration in his condition. A patient's decline into a psychotic, manic, or depressed episode causes great suffering that is liable to result in suicide, and it is not certain that the patient can recover. If there is early intervention, it may be possible to halt or mitigate the episode through appropriate medication of psychological treatment.

Valera Health's product tracks symptoms such as the speed of the patient's gestures, whether he leaves the house, his sleep patterns, frequency of his conversations, and the strength of his voice when talking. These metrics are integrated with the patient's characteristic habits, and when he deviates from them is a suspicious manner, the system opens a chatbot for him, which asks him how he is. If the patient says that his condition has worsened and it is not a mistake, there will be

human intervention.

Valera Health is already collaborating with a number to top medical facilities in the US.

Healthymize - detecting breathing deterioration

Healthymize also uses data already recorded in a smartphone to alert about deterioration in health. In this case, the target is Chronic Obstructive Pulmonary Disease (COPD) and asthma, lung diseases characterized by problems in breathing, which also affect the patient's voice. The system records every telephone conversation by the patient, analyzing them to predict when he is experiencing an attack. As with depression, lung diseases involve chronic illnesses with increasingly severe episodes. The earlier an attack is detected, the better the chance of nipping it at the bud and slowing the deterioration.

Healthymize has reported that COPD patients tend to delay seeking treatment during an attack, even up to weeks after the system could have first detected it.

Healthymize does not yet have any commercial agreements, but its product has already undergone clinical trials in which it achieved 97% accuracy in diagnosing an attack.

IBD Passport Ltd. - travelling abroad can be fun

The title for most exciting initiative in the judges' eyes was unquestionably won by Prof. Shomron Ben-Horin, the founder of IBD Passport. Ben-Horin, a doctor at Sheba Medical Center – Tel Hashomer Hospital, manages the inflammatory bowel (colitis and Crohn's disease, jointly known as inflammatory bowel disease, or IDB) department. After many patients told him that they could not travel abroad because they did not know how their diseases would flare up overseas, he decided to establish a database to help them manage their overseas travel.

Ben-Horin and his British partner, Kay Greveson,

a chief nurse at the Royal Free Hospital in London, who specializes in treating IBD, established the project with a personal investment of a few thousand dollars each. Without algorithms or direct user content, they manually collected relevant data from travelers with IBD: names and addresses of specialist IBD clinics around the world, the names of top doctors, procedures for activating insurance policies for treating IBD overseas, delivery of medications by plane by various airlines, etc. Ben-Horin says that he personally worked into the wee hours of the morning typing the data into the site.

Ben-Horin emphasized in his presentation that overseas travel is not a luxury, but a part of modern life, and that giving it up because of a disease means giving up (unnecessarily) on career, love, family, and more.

Following the presentation, BWell, which operates the medical information site Infomed and is a partner in the Reboot Forum, appointed itself the mentor of the project, irrespective of its place in the competition, with the objective of providing Ben-Horin its accumulated knowhow in properly and efficiently building medical information sites.

Predict-Tor - "penalizing" people who are late for their doctor's appointment

The Predict-Tor system, developed by Dr. Omer Travitzki from the Ophthalmology Department at Tel Aviv Sourasky Medical Center - Ichilov Hospital, is intended to improve scheduling management at hospitals by studying the behavior of different people who use the service. For example, the system learns to identify people who tend to be late for appointments and who tend to be early; and it schedules the former for appointments later in the day when they are less likely to be late, thereby avoiding delays for others. This is just one example of how the system can customize scheduling management. For example, people who are chronically late can be sent more reminders and more arrival confirmations,

and people who miss appointments can be "penalized" by allotting them appointments at less convenient times, and so on.

Predict-Tor's presentation set off a debate about the difference between customized scheduling management systems or learning Big Data systems and simple profiling, which has already been carried out in a trial study to test the system's feasibility. The trial study tested only a few variables: age, socioeconomic condition, and place of origin. It turns out, for example, that people born in Eastern Europe tend to be early for appointments, while people born in the Middle East tend to be later. Is it moral to "penalize" a patient with a midday appointment (which is considered less convenient) just because other people from his same ethnicity tend to be late?
The question is how Big should the Data be in order for it to go from a level of borderline generalizations, to a world of real personalized customization.

Scade Medical Systems Ltd. -
precision in diagnosing skin cancer
Scade Medical Systems has developed new technology for diagnosing skin cancer. Instead of the current color-based diagnostic method, which examines infected dermis and misses some cases of severe skin cancer, Scade's method carries out 3D diagnosis of the tissue, mapping its structure. Studies conducted by the company found differences in the texture of cancer and healthy tissue. The company has conducted a clinical trial of its product, which found a 100% diagnosis of malignant tumors with a false positive (i.e. classifying non-malignant tumors as malignant) in just 9% of cases.

Currently, most doctors do not want to take the risk, and send every case of possible malignancy for removal; in 99% of the cases, the excised tissue turns out to be healthy. The company has a major challenge in education the market against this approach.

It claims that its technology provides earlier diagnosis of malignant tissue compared with color-based diagnosis.

BabySafe - the baby's heartbeat
BabySafe was also born out of a tragedy. After friends of its founder, Moshe Aharon, lost their son, he decided to try to tackle the problem through an integration of existing monitors. The company's product is a "fit-beat" – a bracelet that monitors heartbeat which has been slightly adapted for infants. When the baby's heartbeat drops below 60 beats per minute, the device alerts the parents.

The decision to alert parents at 60 beats per minute was taken on the basis of studies, which found that this is the critical threshold. However, BabySafe needs work on the Beta version to prove that an alert at 60 beats per minute is sufficient to save the child on one hand, while avoiding false alarms, which could cause parents not to use the device. Doctors among the judges said that the Ministry of Health recently advised not to use current monitors (such as BabySense,) because it has not been proved that they reduce the risk of crib death. Therefore, in order to gain a foothold in the market, the company must show that it provides an alert with a significant level of results.

iNeedle – user-friendly blood test
iNeedle is a system of thin needles on a chip, which autonomously directs the needles' movement. Through this approach, the company hopes to facilitate blood tests of children by means a rapid control and the tremors of a battery of needles, instead of a single needle. The method can be adapted for tattoo removal, hair removal, and cosmetic skin firming treatments.

The judges said that the development of a new chip is $70-80 million, and that the company should focus on a particular application, before expanding the technology.

Maccabi Family - Audience favorite

The Reboot Forum's favorite venture is an initiative of Maccabi Health Services' Maccabi Family venture to improve its support network for family members of chronic patients, especially the elderly. The venture is not a technology, but an information, mental, and logistics support service for family members who sometimes find themselves helpless, desperate, and exhausted when taking care of patients. The distress on a family from caring for terminally or chronically ill, or elderly family members has been documented extensively in the literature in recent years, and has been described as a healthcare challenge in its own right. Supporting primary caregivers may prevent decline in their own mental and physical health, and help them cope with caring for a family member suffering from a severe or chronic illness.

83North closes $250m VC fund

The venture capital firm's fourth, oversubscribed and largest fund will invest in Israeli and European startups.

International venture capital firm 83North announced that it has closed an oversubscribed new fund at $250 million. The fourth fund raised in eleven years, 83North IV brings total capital under management to $800 million. Building upon the successful experience of its existing funds, the new fund will invest in Israeli and European startups.

83North now boasts a five-strong team of proven investing partners who have worked with the region's most ambitious founders to create market-leading technology businesses. Laurel Bowden, Arnon Dinur, Gil Goren, Erez Ofer and Yoram Snir have backed more than 40 companies including Just Eat, Telit, Hybris (acquired by SAP), ScaleIO (acquired by EMC), SocialPoint (acquired by Take-Two), Supersonic (merged with IronSource), Celonis,

Mirakl, Via, Wandera, Workable and Zerto.

The new fund, 83North's largest to date, demonstrates the on-going appeal of the firm's unique model; providing a breadth of expertise and on-the-ground support in three strategic regions - Europe, Israel and the US. 83North helps entrepreneurs successfully scale their businesses across the three markets.

83North partner in Tel Aviv Yoram Snir said, "We continue to invest in all stages, with an emphasis on early investments, where we work side-by-side with founding teams to build companies from the ground up. Our model gives us access to some of the best talent in the world, meaning that we can add real value by exposing entrepreneurs to the best practices in each domain. Our Fintech portfolio is testament to this model, for example Ebury was founded in London, iZettle in Sweden, Marqeta in California and Payoneer started in Israel and is now headquartered in New York." 83North was formerly Greylock IL, an affiliate fund of Greylock Partners.

ironSource buying Israeli company Supersonic

The value of the all Israeli deal is some $150 million in cash and shares.

It was reported last night that Israeli company ironSource is to buy Supersonic, also an Israeli company. The value of the deal is expected to be about $150 million, partly in ironSource shares and partly in cash.

Supersonic, which has developed monetization solutions for mobile apps, has raised $23.2 million. Among the main investors in the company is one of China's leading venture capital firms, SAIF Partners alongside the partners in Israeli venture capital firm 83North, formerly Greylock Israel. Supersonic was founded in 2008 by Nissim Romano, Gil Shoham, and Arik Czerniak.

Two of the initial investors in Supersonic were Reuven Adler and Eyal Chomski, of the advertising agency that bears their names, Adler-Chomski. The two will record a lucrative exit.

Israel Aerospace signs $2billion Indian missile deal

The largest defense contract in Israel's history includes a $1.6 billion contract from the Indian army for an advanced missile system.

Israel Aerospace Industries Ltd. (IAI) (TASE: ARSP.B1) announced today that it been awarded contracts in India totaling almost $2 billion. The deal includes a huge contract worth over $1.6 billion - the largest defense contract in Israel's defense industries' history, to deliver an advanced MRSAM air and missile defense system to the Indian Army.

The company will also supply additional LRSAM air and missile defense systems to be built in India for Indian aircraft carriers.

MRSAM is an advanced ground breaking air and missile defense system that provides the ultimate protection against a variety of aerial threats. In its existing version, MRSAM is operational with the Indian Air Force, Indian Navy and Israel Defense Forces. The system includes an advanced phased-array radar, command and control, mobile launchers and missiles with advanced RF seekers. MRSAM was developed jointly for the Indian Army by IAI and India's Defense Research and Development Organization (DRDO) in collaboration with Rafael Advanced Defense Systems Ltd. and IAI's ELTA unit, as well as Indian companies including BEL, L&T, BDL and other private vendors.

IAI president and CEO Joseph Weiss said, "Over the past 25 years, IAI has worked with the Indian defense industries and armed forces in many areas as part of our strategic

partnership. The current contracts represent an enormous expression of confidence by the Government of India in IAI's capabilities and advanced technologies which are being developed with our local partners as part of the Indian Government's 'Make in India' policy.

We continue to stand with our partners in India at the forefront of technology for the defense and security of both our countries."
He added: "This contract award also recognizes the professionalism of all of Israel's defense industries. We at IAI are proud to be leading this flagship project after a long and joint development process."

IAI EVP and general manager Systems, Missiles & Space Group Boaz Levi said: "Along with our partner in India, we will supply to the Indian Army an advanced, sophisticated and innovative system that will provide the best operational solution. This complex development, reflects technological innovation, creativity, vision and remarkable personal dedication of all those involved in the development of the system both in Israel and India."

Apax confirms Syneron acquisition for $397m.

The acquisition of the Israeli esthetic medical company is at a 15% premium on the average closing price in the first quarter.

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Syneron Candela cofounder and chairman Dr. Shimon Eckhouse said, "This acquisition is a strong recognition of Syneron Candela's leadership in the aesthetic medical device market, its leading world-class technology and unique global footprint.

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