

ISRAEL HIGH-TECH & INVESTMENT REPORT

A MONTHLY REPORT COVERING NEWS AND INVESTMENT OPPORTUNITIES

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Is the Peak Close at Hand?

Israeli Private Equity Activity Dives in Q1: Only \$265 Million Invested in 15 Deals

A 46 percent decrease from the \$488 million invested in 21 deals in Q1/2015 and a 69 percent drop from \$855 million invested in 21 deals in the fourth quarter of 2015.

Key facts:

- 69% decrease in private equity deal making in Q1/2016 from the previous quarter
- Technology sector leads: Software dominates PE market with 64% of all dollar proceeds
- Straight equity continues as favored investment mechanism - 80% of deals in the quarter

According to IVC and Shibolet report, the first quarter of 2016 saw private equity investments in Israel take yet another dive, with only \$265 million invested in 15 private equity deals. Our data show a drop in both the number of deals and dollar proceeds, with a 46 percent decrease from the \$488 million invested in 21 deals in Q1/2015 and a 69 percent drop from \$855 million invested in 21 deals in the fourth quarter of 2015.

Contrary to most previous quarters, characterized by at least one deal exceeding the \$100 million mark, no private equity deals placed in Q1/2016 managed to reach that amount, keeping the average deal at \$17.7 million, lower than 2015's average. The largest deal in the first quarter of 2016 was

the \$80 million buyout of Skybox Security by foreign PE fund Providence Strategic Growth.

Israeli private equity funds invested a modest \$114 million in Q1/2016, or 43 percent of total investments. This represented a 17 percent year-on-year decrease from the \$137 million invested in Q1/2015, and a whopping



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In this issue

- **Israeli Private Equity Activity Dives in Q1:
Only \$265 Million Invested in 15 Deals**
 - Israeli private equity investors
 - Outbrain CEO Yaron Galai reports that the company was profitable in the first quarter.
- Israeli co Faception claims it can spot terrorists
- VW invests \$300m in Israeli taxi-hailing co Gett (Formerly Get Taxi)
- OrbiMed launches \$307m second Israel fund
- Iron Dome, meet Drone Dome Israel's Rafael unveils new defense system
- The new ElectRoad wireless charging solution can be implemented in any roadway and will end dependence on expensive batteries.
- **Busy Quarter: Innovation, Profitability and New Funding**
 - Startups
- Israeli cos develop 3D bioprinter for stem cells

51 percent decline from the \$232 million invested in Q4/2015. The largest deal performed by an Israeli fund in the first quarter was the \$40 million buyout of Continuity Software, an enterprise applications company, by Kedma.

Despite foreign private equity funds leading investments in Q1/2016 - including the largest quarterly deal, by Providence Strategic Growth - their total investment activity in the Israeli market fell. Foreign PE funds invested \$151 million in the first quarter of the year, a 51 percent year-on-year decline (Q1/2015 - \$307 million) or 63 percent of total, and 64 percent below the \$423 million (49 percent) recorded in Q4/2015.

Omer Ben-Zvi, Partner at Shibolet & Co., believes it is too early to point at a continuous slowdown in the Israeli private equity market: "The number of deals, and even more so - the total amount of Israeli private equity transactions closed during Q1/2016 - demonstrate a substantial decrease compared to the quarterly volume we are used to seeing since mid-2014. However, there are positive signs: We have seen an improvement in financial markets in the first quarter, and there are already deals underway we are tracking in second quarter. Other signs include the \$1.1 billion closing of FIMI VI in Q1/2016, and the attractive valuations achieved lately by mature Israeli tech companies." The technology sector accounted for the majority of private equity investments in Q1/2016, with a staggering 94 percent of the deals, as all but one deal focused on technology companies. Fourteen deals garnered \$250 million, up 67 percent from the mere \$149 million (17 percent of total) invested in 13 deals in the last quarter of 2015. The number was still 23 percent lower than the \$324 million (66 percent of total) invested in 13 deals in Q1/2015. Within the technology sector, deals in software companies led, with five deals accounting for 64 percent of total dollar proceeds, mostly

due to the Skybox (\$80 million) and Continuity Software (\$40 million) buyout deals.

An analysis of the types of deals performed by private equity funds shows straight equity deals continue to lead as the favored investment mechanism, with 80 percent of deals in the quarter, continuing on a trend which began in 2015. However, though buyout deals were fewer in number, they yielded the same amount as straight equity deals, owing to their inherent larger size. While the average buyout deal in the quarter stood at \$60 million, the average straight equity deal reached \$11 million only. The largest straight equity deal in Q1/2016 was a \$30 million investment in ForeScout, a security company, performed by Wellington, a foreign PE fund.

Marianna Shapira, Research Manager at IVC, says these two trends are interlinked: "We believe there is a connection between investment trends in technology companies and the straight equity investment model we presented. The Israeli high-tech industry is currently faring better than other tech markets

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around the world, continually offering superb investment opportunities at relatively low valuations. This creates competition on potential technology deals, which challenges Israeli PE funds to adapt and find creative investment models." Shapira explained: "Richer foreign funds are targeting the higher-end deals, particularly buyouts, and Israeli growth-stage VCs target high-tech companies in particular. As a result, Israeli PE funds prefer the direct approach, entering technology deals at earlier stages, using the straight equity model, rather than risk waiting for later stages and more competition to drive valuations up," she concluded.

Israeli private equity investors

According to the IVC-Online Database, 37 Israeli private equity management companies are currently active, with a total capital of nearly \$9 billion under management. Only one Israeli private equity company raised capital in 2016 so far – FIMI – which closed \$1.1 billion in its sixth fund. Five additional funds are in the process of raising capital, targeting an approximate total amount of \$900 million. System is intended to protect Israeli economic assets at sea, such as offshore gas rigs.

The IDF has conducted a successful live-fire interception test of its Tamir weapons system, which it describes as a "sea-borne Iron Dome". The system can be installed aboard navy vessels and is intended to protect Israeli economic assets at sea, including gas rigs. The test was conducted a few weeks ago from aboard the INS Lahav naval vessel, with a number of test rockets fired from onshore and successfully intercepted by the Tamir interceptor, which works in tandem with Adir radar systems. The Tamir is capable of intercepting short range ballistic rockets from a moving vessel. The system is expected to become fully operational shortly with the recent

test considered a major step forward. During the 2014 war between Israel and Hamas and other Palestinian militant groups in the Gaza Strip, Israel deployed its Iron Dome system on land to shoot down rockets fired across the border.

A similar system has been in development for several years and was revealed to the public on Wednesday. A video provided by the army showed a rocket launcher installed on a ship firing at targets in the sky and later intercepting a missile. Israel has a number of assets at sea, including a major offshore gas rig around 16 nautical miles from Gaza. Hamas has previously targeted the installation unsuccessfully. Any damage to the rig could be potentially hugely damaging to the Israeli economy, since it provides large amounts of the country's energy needs.

Last month the US Army successfully tested an Israeli-made interceptor air defense missile, used by Iron Dome batteries, to bring down a target drone as part of an exercise. It was the first successful trial of an interceptor air defense missile made by Israeli defense company Rafael and it was carried out in cooperation with major US defense contractor Raytheon. The Iron Dome system was jointly developed and funded with the United States.

Outbrain CEO Yaron Galai reports that the company was profitable in the first quarter

Israeli content recommendation company Outbrain has raised \$45 million. Outbrain cofounder and CEO Yaron Galai revealed the closing of the latest financing round in a blog on the company's website but did not disclose details about investors in the fund raising other than to say that he was personally participating.

Galai wrote, "While much of the tech/finance press is busy covering the demise of unicorns and the Silicon Valley funding winter, I'm happy

to announce that Outbrain has closed a new round of funding. This adds to our last round and brings it to a total of a \$45 million. As with most of our previous rounds, I am personally investing in this round as well."

He outlined recent highlights, "The acquisition of Revee allows Outbrain, for the 1st time in the Content Discovery space to algorithmically maximize the revenue for publishers, and turn their audience development from a cost center to a profit center. Outbrain has built the 1st two-way chatbot technology in the Content Discovery space for powering content recommendations inside chat/messaging platforms. We announced a partnership with CNN on this technology at Facebook's F8 conference. Being profitable in Q1, which is typically the weakest quarter for companies in our space, didn't hurt either."

Israeli co Faception claims it can spot terrorists

The Tel Aviv based startup says its facial profiling software can detect criminals, terrorists, pedophiles and other deviants.

Israeli facial personality profiling startup Faception has made global headlines after claiming that it can predict deviant behavior with a high degree of accuracy. Put simply the Tel Aviv based company says it has developed software that can spot terrorists, criminals, pederast and other deviants.

For example, Faception claims that just by letting its software scan the photographs of the 11 jihadist terrorist responsible for the Paris massacres last November, it could have identified nine of them as terrorists from their facial features. Most of them did not have prior criminal records. Faception argues that its software could provide a vital homeland security or police tool in identifying budding terrorists and criminals

The firm was founded in 2014 by CEO Shai Gilboa, CTO Dr. Itzik Wilf and chief profiler David Gavriel. Gilboa says the firm has developed a database of 15 classifiers, which Gilboa says are used to determine personality traits with 80% accuracy.

Faception demonstrated its technology recently at an amateur poker tournament where it predicted which four competitors would be the best by comparing their pictures with a database of professional players. Ultimately, two of those four ended up among the event's three finalists, the "Washington Post" reported.

VW invests \$300m in Israeli taxi-hailing co Gett (Formerly Get Taxi)

The latest financing brings to \$520 million, the amount raised by the Tel Aviv based ride booking on-demand company.

Israeli tax-hailing company Gett (formerly Get Taxi) announced today that it has raised \$300 million from German carmaker Volkswagen. This brings the amount raised by the Tel Aviv-based company to \$520 million.

Gett was founded in 2010 and offers a range of transport and courier services in 60 cities worldwide including New York, London, and Moscow.

Gett founder and CEO Shahar Waiser said, "The investment from Volkswagen will speed up our geographic expansion to the rest of Europe and the US beyond New York where we already operate. VW is an excellent strategic partner. The ride booking on demand sector has grown in huge strides and Gett allows VW to expand beyond car ownership to the world of mobility on demand. Moreover, the two companies are succeeding with both private and business customers. VW can now leverage success in this field and offer mobility on demand to business customers.

Volkswagen chairman Matthias Muller said, "Alongside our pioneering role in the automotive business, we aim to become one of the world's leading mobility providers by 2025. Within the framework of our future Strategy 2025, the partnership with Gett marks the first milestone for the Volkswagen Group on the road to providing integrated mobility solutions that spotlight our customers and their mobility needs."

OrbiMed launches \$307m second Israel fund

OrbiMed Israel Partners II will target all stages and sectors of the healthcare industry.

Healthcare investment firm OrbiMed has announced the closing of its second Israel-focused venture capital fund, OrbiMed Israel Partners II, LP, with approximately \$307 million in capital commitments. Investors in the fund include several of the world's largest healthcare companies, in addition to dozens of institutional investors and family offices.

Dov Moran sets up \$100m venture capital fund Like its predecessor fund, OrbiMed Israel Partners II will target all stages and sectors of the healthcare industry, with a focus on biopharmaceuticals, digital health, medical devices, and diagnostics companies in Israel. The fund is targeting to invest in approximately 20 portfolio companies. Where appropriate, Israel Partners II may co-invest with OrbiMed's global private equity team, leveraging the full financial and strategic resources of OrbiMed's "100" team members and \$15 billion global investment platform.

"Israel is a compelling locus of life sciences innovation, on par with top regions in the US and Europe," commented Jonathan Silverstein, co-head of OrbiMed's global private equity effort, "With this fund we will further accelerate our investment pace in Israel and help nurture local innovations into leading healthcare companies."

"Our new fund builds on OrbiMed's strong 16-year track record of investing in Israel," said Dr. Nissim Darvish, a senior managing director of OrbiMed, "With a fund of this size, OrbiMed is well-positioned to be a significant partner to entrepreneurs, research institutions, and other industry organizations here in Israel."

OrbiMed's Israel office was opened in 2010, and is led by Dr. Nissim Darvish, Erez Chimovits, and Anat Naschitz. OrbiMed has offices in New York, San Francisco, Mumbai, and Shanghai. The Israel office is in Herzliya.

Iron Dome, meet Drone Dome Israel's Rafael unveils new defense system

Israel's Rafael Advanced Defense Systems this week unveiled its newest development, the Drone Dome defense system, design to intercept enemy unmanned aerial vehicles. Rafael is also the developer of the Israeli military's highly successful Iron Dome missile defense system.

The Drone Dome was unveiled during the 2016 AAD Public and Corporate Security International Exhibition in Brazil. According to Rafael, Drone Dome is an innovative end-to-end defense system designed to provide effective airspace defense against hostile drones, including micro and nano drones used by terrorist groups to gather intelligence and carry out aerial attacks.

Drone Dome is designed to detect, track, and neutralize drones classified as threats. According to Rafael, the system is equipped with a state of the art RPS-42 radar, MEOS electro-optical observation mechanism, and advanced C-Guard RD wide spectrum signal jammer.

The interceptor offers its handlers 360-degree coverage of an area under all weather conditions, 24 hours a day. Rafael said Drone

Dome has a very fast response time, and causes minimal environmental interruptions - a priority for urban areas - "with "maximum safety to friendly aircraft." Drone Dome detects a potential threat using its radar, electro-optical, and infrared components. The data is then processed, and should a threat be identified, the system alerts operators of the hostile drone in the monitored airspace. The system's signal jammer is then put into action, either automatically or manually, and finally, the hostile drone is neutralized either by the interceptor's satellite navigation or radio frequency jamming system.

The new ElectRoad wireless charging solution can be implemented in any roadway and will end dependence on expensive batteries

The new ElectRoad wireless charging solution can be implemented in any roadway and will end dependence on expensive batteries.

Electric vehicles are the solution for the air pollution problems faced by urban locales. But their batteries can only produce enough power for limited distances, and are also heavy and expensive.

An Israeli startup, ElectRoad, has decided to take a different approach using a specialized technology that supplies electricity to the car wirelessly from the road - thereby dispensing with the need for carrying expensive batteries and ending the limits on travel distances.

ElectRoad says the electric lines can be integrated into urban roads at a rate of one kilometer per day, with the supply coming directly from the power grid, and that a bus will be able to travel for up to 5 kilometers on a regular road after being charged on the electric road.

The company is initially targeting the public

transit market. In many European city centers, buses use special lanes.

ElectRoad hopes to enter the market using infrastructure contractors and bus companies which work on transportation projects with local authorities across Europe. The company says there are as many as one million buses operating in Europe, with a stock replacement rate of 6%, or about 60,000 buses per year, meaning that the companies can pay back their investment within three years for the average electrified road, as new buses adapted to the technology are introduced.

Busy Quarter: Innovation, Profitability and New Funding

While much of the tech/finance press is busy covering the demise of unicorns and the Silicon Valley funding winter, I'm happy to announce that Outbrain has closed a new round of funding. This adds to our last round and brings it to a total of \$45M. As with most of our previous rounds, I am personally investing in this round as well.

As an investor (and hopefully speaking on behalf of our other investors...), here are some of the highlights that are exciting to us:

The acquisition of Revee allows Outbrain, for the 1st time in the Content Discovery space, to algorithmically maximize the revenue for publishers, and turn their audience development from a cost center to a profit center.

Outbrain has built the 1st two-way chatbot technology in the Content Discovery space for powering content recommendations inside chat/messaging platforms. We announced a partnership with CNN on this technology at Facebook's F8 conference.

Being profitable in Q1, which is typically the weakest quarter for companies in our space,

didn't hurt either...

Outbrain created the market for Content Discovery and leads in Content Marketing, continuing to innovate for quality performance, driving results for publishers and brands. We intend to use the new investment to continue leading on product innovation, both organically, like Outbrain for Chat, and through acquisitions like Revee.

As they say - hot market or cold, it's never a bad time for great companies to raise capital.

Israel must form policy to maintain its advantage as the Startup Nation - or risk falling behind, says Dr. Esther Luzzatto.

Reports of the demise of the Startup Nation are exaggerated. The scientific and technological infrastructure of Israel remains sound, and there are thousands of startups based here, but without a careful consideration of several spoilers for the industry, the status of Israel as an innovation powerhouse might be hurt.

Recently, the public became aware of some depressing figures regarding Israeli high-tech. The Chief Economist at the Ministry of Finance, Yoel Naveh, published a survey which claimed Israel's position as a leader of global innovation is under threat and determined the high-tech sector was no longer the growth engine of the economy as it had been for the past few years. Furthermore, because of a shortage in high tech employees, Prime Minister Benjamin Netanyahu was considering importing software engineers. Dire straits, indeed.

At a press conference, Minister of Finance Moshe Kahlon said he was considering relief measures to allow high-tech firms interested in merging to solve their shortage in qualified personnel. At the same time, the minister asked the Israel Tax Authority to explore a loosening of the requirements in the

"Encouragement of Capital Investments Law" to expand its benefits to more high-tech companies.

With the bad news rolling in, another bombshell was dropped by the Samuel Neaman Institute for the first time, South Korea was outspending Israel in national expenditures on R&D per GDP. And the study was backed up by a new report from the OECD.

On the very day we received these worrying reports, the Mobile World Congress opened in Barcelona with dozens of Israeli startups participating. The Israeli presence was prominent at the conference, drawing the attention of serious operators, manufacturers, and integrators (the section which coordinates the integration of products into various systems) from across the world.

Israel's national pavilion emphasized the capability of Israeli companies in future tech sectors: cybersecurity, Big Data, the Internet of Things, virtualization solutions, mobile network optimization, and financial institutions.

And to top it off: a new survey by research center KPMG-IVC showed Israeli startups raised a record \$4.4 billion in 2015 a 30% rise from 2014, which was also a record year.

So what is happening? Is the negativity just background noise or a dreaded reality? Is there cause for concern for the future of the tech industry, which accounts for 40% of Israeli exports?

Understanding the strengths and weaknesses of Israeli high-tech requires a deep fundamental analysis and a cold, sober look at reality without giving in to hysteria while undertaking a systemic approach throughout. It appears the authors of the aforementioned reports ignore several fundamental figures which reflect the tech scene. For example, the close coordination between military technology and the defense industry

(think: Rafael, Israel Aerospace Industries, and Elbit) and the academy.

The complicated security existence is responsible for the continuity and the connection between the education system and the military. The military sorts at an early stage the most qualified candidates from the system, invests a fortune in their training, and places them at the forefront of technology.

No official knows exactly the cost of this investment in human capital, which later serves as a high-tech reserve, but it is clear that we must take into account. The flow of human capital, ideas, and budgets from the military to the civilian market is one of the notable multipliers of the unique ecosystem established here.

For example, the new high-tech park in Beersheva, which could easily compete with any advanced technology park in the world, shows the strengths of the foundations on which the Israeli ecosystem rests. Figures from research center IMD, which studies market conditions in countries around the world, show Israel is leading in all the essential and important parameters for the building and maintaining of a innovation-driven tech sector: tech and science infrastructure, an advanced capital market, flexibility, accessibility to the world, developed VC scene, qualified workforce, and wide-ranging scientific research.

According to the same research, Israel ranks first in its capacity for innovation, second in entrepreneurship, and third in global innovation.

Which means the country is blessed with an entrepreneurial spirit, human capital, and exceptional innovation; and the advantages of the Israeli engineer a complicated understanding of systemic vision, efficient teamwork which disregards tank, and the aspiration to achieve the impossible are prominent.

An analysis of long term trends shows Israel is home to an immense number of startups alongside numerous R&D centers for multinational corporations. Foreign investments in Israel are on a consistent rise, as are the number of new startups established each year.

Their exits provide an evergreen source of revenue for the state, as successful entrepreneurs which sold their companies become private investors and mentor startups helping to further drive innovation. The Israeli companies mature and create added value and new business operations; and they require rounds of funding which reflect their high valuations.

For Israel to maintain its leading position, the government must formulate a long term policy to deal with the core issues facing the sector encouraging technological education, encouraging institutional investors to back high-tech ventures, designing an attractive tax policy, easing the transfer of information between local high-tech firms and international companies, and expanding the opportunities to receive the support of the Chief Scientist.

Startups

IVC: Israeli startups raise \$1.09b in Q1

To that end, investment in R&D is critical; the contribution of the government has been a negative trend, consistently decreasing over the years down to 20% today. The drop has been balanced - fortunately - by increasing investments from businesses and multinational conglomerates; but currently less than 5% of the public investment in R&D is in the private sector, which puts Israel in a relatively weak place compared to other Western states.

Another problem is the recruitment and training of workers for the tech sector. The outstanding workforce, who arrived from the former Soviet republics, is getting older. Israel is trailing other

Asian states - with which it competes - in the training of its tech workforce. The failing state of the Israeli education system makes the issue ever more critical.

The country must prepare an emergency plan for the internal import of employees including the haredi and Arab public instead of talking about importing foreign engineers. This could be achieved by an accelerated effort to educate these sectors and by encouraging teens to study science and technology by offering scholarships and new programs as early as primary school.

Israel requires a long term tech outlook, and the government needs to play a central role in its formulation. This vision must place STEM development in Israel as a top priority and be implemented using consistent budgets and relaxed regulation, relying on inter-ministerial cooperation.

The best thing to happen in the wake of the avalanche of data is the reminder that high-tech is one of the most important drivers of the Israeli economy. Sure, Israel should develop other growth engines, including manufacturing and tourism, instead of relying on high-risk sectors like real estate and finance. But given the current situation, in which Israel's real relative advantage in the global arena is its human capital we must make every effort to utilize it.

15 Israeli Startups to Watch in 2016

Look out for companies coming out of this growing tech community

From creating instant messaging technology and Waze to inventing drip irrigation and water desalination solutions, Israel has become a global tech leader. This year, investors have been flocking to Israel from New York, China and all over the world in order to find opportunities, as Israeli entrepreneurs continue to raise the bar and think out-of-the-box.

Here are 15 exciting Israeli tech startups to watch in 2016, in the fields of finance, media, advertising, health, consumer tech, and cybe security, literally, from A to Z:

Audioburst

Launched in 2015, Audioburst is bringing radio into the modern age by making it searchable and shareable. Radio has remained virtually the only medium that isn't easy to consume online, meaning radio content hardly ever goes viral and effectively disappears into thin air as soon as it is broadcast. Audioburst has begun recording and automatically transcribing radio broadcasts through its sophisticated search engine, so that users can search for snippets, called "bursts," on topics that interest them - whether sports, politics, business, or highly specific search terms. The company brings value to radio stations because it allows their content to have a longer shelf life, while at the same time offering monetization and distribution opportunities.

AzurePCR

The next generation of disease diagnosis may be based on a process known as qPCR, or quantitative real-time polymerase chain reaction. AzurePCR, based in the UK and founded by Israeli software engineers, is at the forefront of making this technology available to health care workers. The method involves extracting DNA from a bacteria, virus, or other pathogen. Then AzurePCR's product called AccuCall uses machine learning to analyze the DNA and develop a "fingerprint" to help identify it. The result is a much faster, cheaper and automated diagnosis than would be possible with human analysis. The time, money and error savings could be invaluable in stemming outbreaks of diseases like H1N1 or SARS and allowing low income individuals to self diagnose, treat and prevent.

CheckMarx

CheckMarx tackles zero-day exploits at the source, in lines of code as they're being written.

By monitoring every stage of its clients' software development, CheckMarx is able to scrutinize code with a fine-toothed comb and find vulnerabilities early. It's much cheaper and more effective to fix a problem when it's new rather than "patch" it after having been on the market. The financial value of unearthing software vulnerabilities is virtually incalculable for a big company, since the potential costs of hacks are so high. So business is booming for CheckMarx, with clients like Coca-Cola, SAP, and Salesforce. In June, the company closed a monster round of venture funding worth \$84 million, bringing total investments to \$92 million.

Dapulse

Dapulse is a sleekly designed project management tool that brings transparency to organizations by allowing teams to collaborate easily. The platform is intuitive, visual and flexible, to a degree that managers can fully customize the look and content of their dashboards. The customization options allow for dapulse to have many use cases, from project management and CRM to task lists and collaborative communication. Since 2012 dapulse has brought in \$4 million in venture and angel funding. Thousands of companies are using dapulse, including big names like AOL, Discovery and WeWork.

Fairfly

After you make a purchase, you're finished with comparing prices. But in at least one product category that doesn't make sense. Airplane ticket prices fluctuate wildly and unpredictably. There's never a guarantee that your flight won't cost half as much two weeks after you book it. Fairfly lets users capture those savings. If the price of a flight drops so far that the potential savings make up for the cancellation fee, Fairfly automatically cancels the original itinerary and books the new one. The company takes a 9% commission and gives the user the rest. Based in California and founded by a young Israeli team, Fairfly raised \$2 million of venture funding in

June 2015 to add to an undisclosed amount of seed capital.

Fraudlogix

A cybersecurity firm, Fraudlogix detects fraudulent website traffic, which can harm advertisers and publishers tremendously. The company protects online brands against risks associated with purchasing fraudulent traffic. Fraudlogix uses proprietary algorithms and databases to detect this and other types of fraud that other methods miss. The company, with offices in Florida and Israel, keeps funding and revenue numbers close to the chest. But its name often comes up as a primary source when news breaks about fraud. It has established the Register of Top Performers, an index of sites with low fraudulent traffic.

Gett

Gett is a ride hailing app operating in 50 cities including New York, London, Tel Aviv and Moscow. The company, which prides itself on no surge pricing and 24/7 customer service, got its start in Israel and has grown significantly since. According to Gett's CEO, the company has tripled its revenues year over year since 2011 and is at a \$500m revenue run rate. The company plans to expand into delivery of items and other conveniences.

Illusive Networks

Rather than keeping hackers out, Illusive Networks sets a trap for them. The company's novel approach to cybersecurity involves creating pathways through a company's servers that appear to be real, but which are actually alarm systems. This method of detection helps companies respond to threats calmly. "We have customers who don't pull the plug on the hacker, but let him keep moving and see what he's doing and better know the nature of the attacker and what he's after," says CEO Shlomo Touboul.

TechCrunch

Enterprises have taken to Illusive Networks'

TechCrunch

Enterprises have taken to Illusive Networks' approach and investors have followed. In October, the company closed a \$22 million Series B round, bringing total funding to \$27 million. Founder Ben Lang started Mapme as a side project while serving in the Israel Defense Forces. Last year the company raised \$1 million from two Israeli investors to fund expansion and R&D.

Moovit

Like Waze for public transportation, Moovit leverages user data as well as publically available information like schedules to give the most efficient directions from point A to point B. Like Google Maps' public transit feature, Moovit combines various modes of transportation from walking to buses to subways. But it differentiates itself with its user data, which Google doesn't have access to. In some cities, Moovit also allows users to hail a ride through the app. Investors have pumped more than \$80 million into the company.

Riskified

Every time an e-commerce store makes a sale it has to make a decision: in exchange for a credit card number, which may or may not be legitimate, should I deliver real goods?

Online investment co invest.com raises \$20m

The only named investor in this financing round is Moshe Hogeg's Singulariteam.

Online alternative investment startup invest.com has raised \$20 million in a financing round from a number of global investors including Moshe Hogeg's venture capital fund Singulariteam.

invest.com also announced the launch of its "hedge fund for the people," which it says will challenge the "elitist" alternative investments

industry. For the time being the fund will operate in the UK with investments starting from £500 including CFD investments.

invest.com first made headlines in 2014 when it paid \$5 million for its domain name.

Israeli cos develop 3D bioprinter for stem cells

Nano Dimension and Accelta have successfully lab-tested a proof of concept 3D bioprinter.

Israeli 3D print electronics developer Nano Dimension Ltd. (Nasdaq: NNDM; TASE: NNDM) today announced that it has successfully lab- tested a proof of concept 3D Bioprinter for stem cells. The trial was conducted in collaboration with Haifa-based Accelta Ltd., which that has developed proprietary technologies for the unique production of high quality media, stem cells, progenitors and differentiated cells for drug discovery, regenerative medicine and research.

The feasibility study confirmed that the combined know-how and technologies of the companies enabled printing of viable stem cells using an adapted 3D printer. Nano Dimension CEO Amit Dror said, "3D printing of living cells is a technology that is already playing a significant role in medical research, but in order to reach its full potential for the field to evolve further, there is a need to improve printing speeds, print resolution, cell control and viability as well as cell availability and bio-ink technologies.

By combining our high speed, high precision inkjet capabilities with Accelta's stem cell suspension technologies and induced differentiation capabilities led by a world renown group of experienced engineers and scientists, we can enable 3D printing at high resolution and high volumes."



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