

# LIGURIA 2022

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## PRESENTAZIONE DI NAVA SWERSKY SOFER

Genova, Palazzo Ducale  
Martedì, 8 maggio 2018  
II Edizione



REGIONE LIGURIA



Camera di Commercio  
Genova

Camera di Commercio  
Riviere di Liguria  
Imperia La Spezia Savona



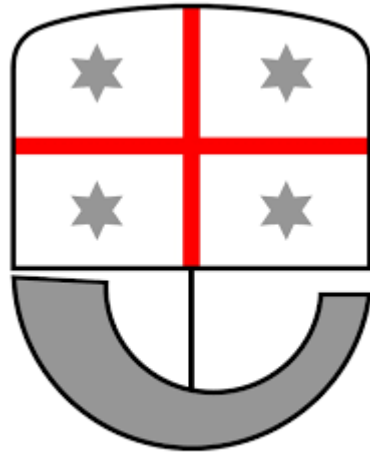
Working paper, maggio 2018.

Per gentile concessione dell'Autore.

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**REGIONE LIGURIA**



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# **Innovation, Israeli Style**

**Nava Swersky Sofer**

**Liguria 2022, Genoa, 8 May 2018**

# Giro d'Italia, 6 May 2018



# Giro d'Italia, 6 May 2018

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# Nava Swersky Sofer, Adv.

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- **International expert on entrepreneurship, innovation & commercialization with over 25 years' experience living & working on three continents**
- Sought-after public speaker and visiting professor US, Europe, Asia
- Board of Directors, Israel Military Industries (IMI Systems – Taas)
- Selected public boards – INSME (Rome), KEN (Brussels), ICA (Toronto)
- Boards of Governors Ruppin Academic Center & Tel Aviv-Jaffa Academic College
- Mentor IBM Alpha Zone, Israel Air Force; Nanjing Microsoft; Spark, Thailand
- Founding Managing Director, IDCBeyond, leading entrepreneurship programme
- Former President & CEO, Yissum – Hebrew University Technology Transfer
- Founder & Chair, NanoIsrael
- Venture Capital
  - Partner, Concord Ventures
  - Founder & Managing Director, Columbine Ventures
  - Partner, Sanderling Ventures (Silicon Valley)
- Vice President, Novartis (Switzerland & US)
- Selected exits: X Technologies (sold to Guidant), Optonol (sold to Alcon), Dynavax (NASDAQ: DVAX), Novagali (floated on Euronext, then sold to Santen), BioCancell & Proteologics (TASE), Aderis Pharma (sold to Schwarz Pharma / UCB)



# This Is Israel; These Are Israelis

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- ▶ [https://www.youtube.com/watch?v=y\\_\\_KnW3aK0E#action=share](https://www.youtube.com/watch?v=y__KnW3aK0E#action=share)



# Israel's 70<sup>th</sup>, 20 Years of Hi-Tech





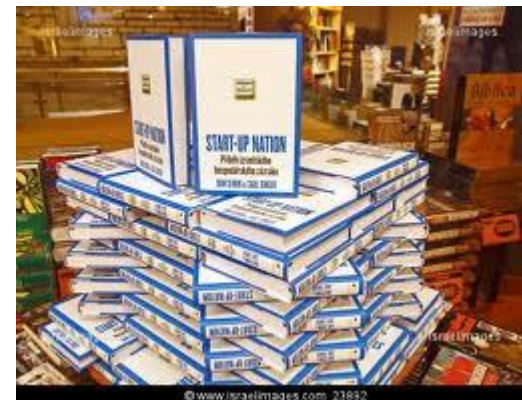
# Israel's 70<sup>th</sup>, 20 Years of Hi-Tech



**ISRAEL'S 70<sup>TH</sup> INDEPENDENCE DAY**  
LOCAL HIGH-TECH  
INDUSTRY'S ACHIEVEMENTS  
1997-2017

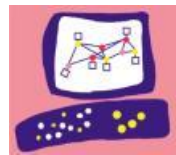


# Israel: The Start-Up Nation

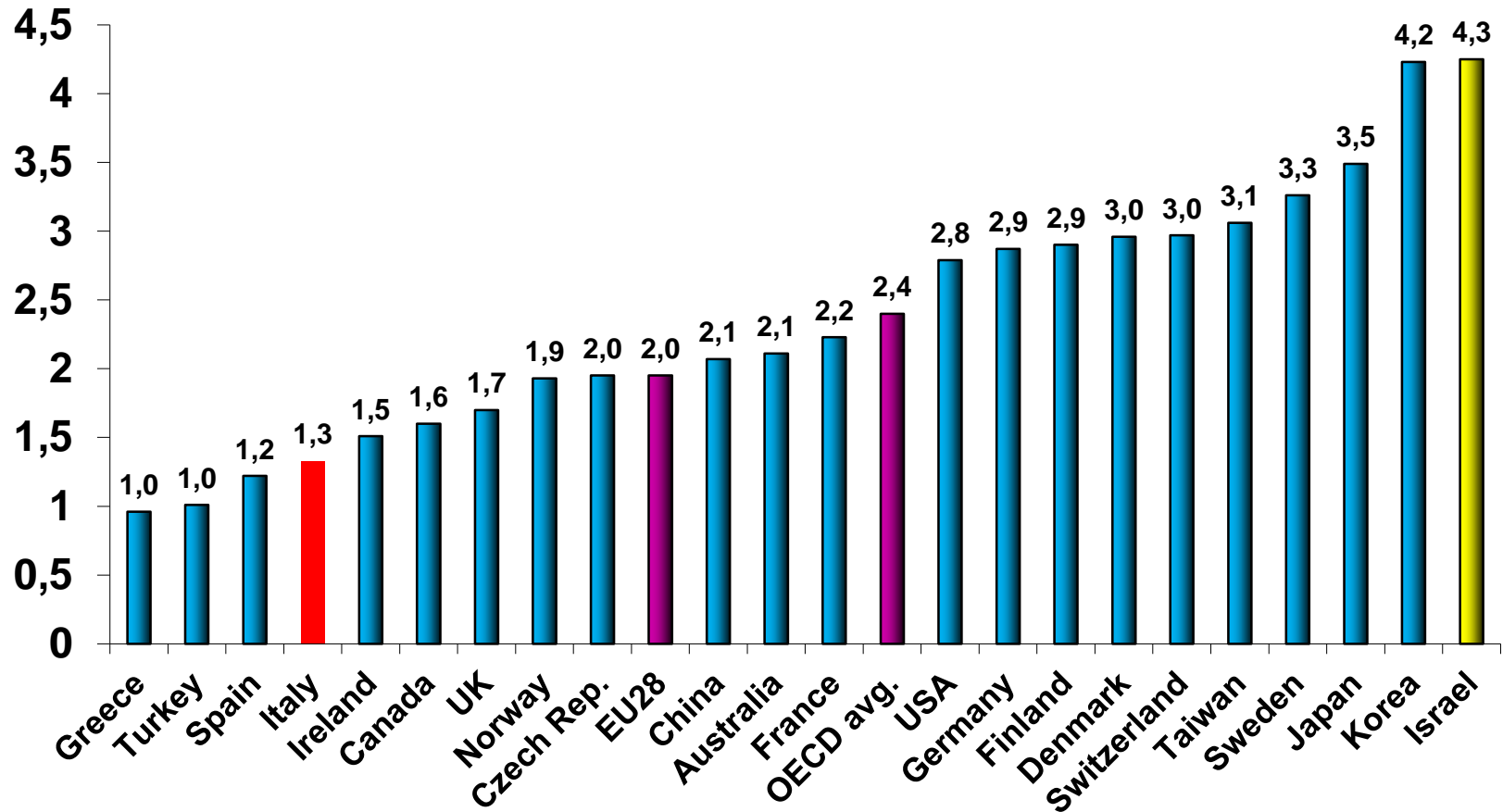


Translated into >20 languages

# Israel Inside

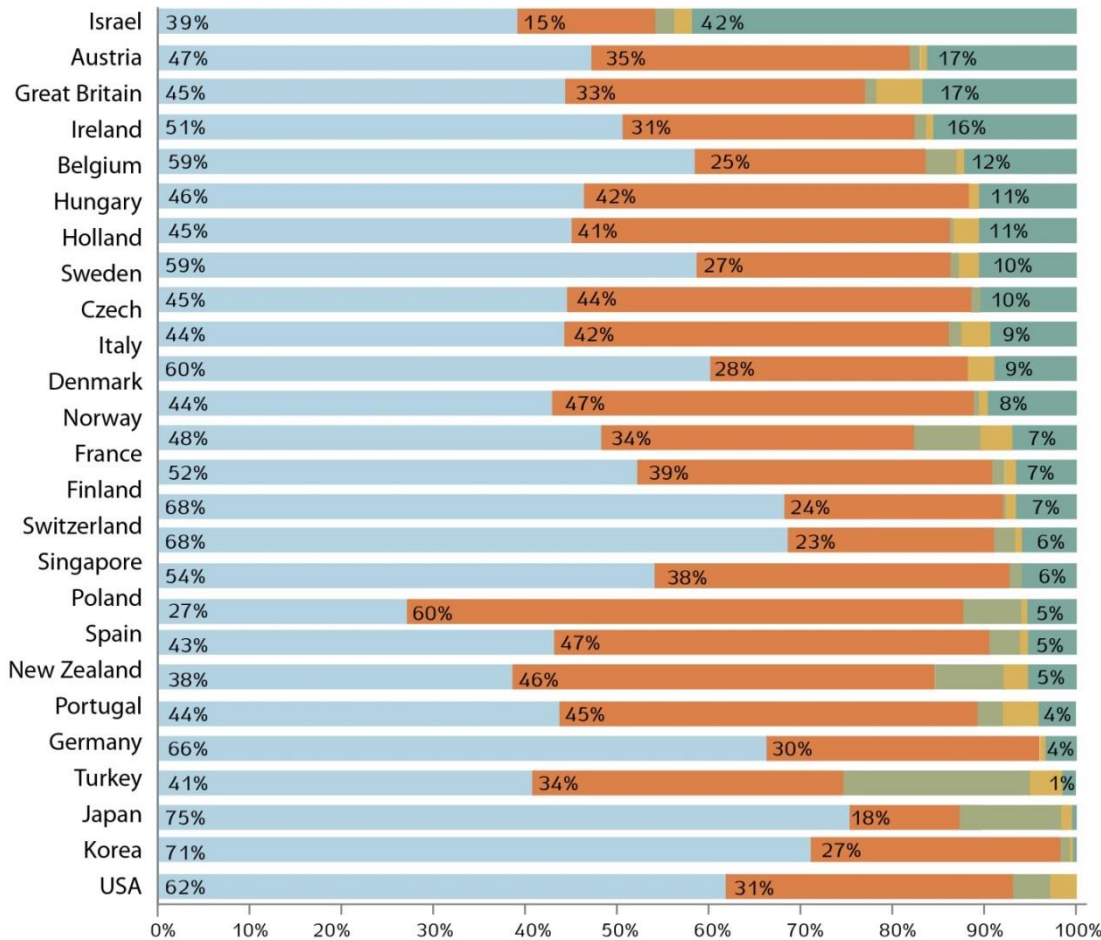


# R&D Expenditure as Percentage of GDP



Source: OECD Main Science & Technology Indicators 2016/02, published 24.3.17

# Only 15% Government Funded



- 42% of Israeli R&D funding financed by foreign entities
- 39% financed by local private sector
- 15% financed by the Israeli government

Source: Getz, D. and others .(2013). *Measures for science, technology and innovation in Israel: Comparative infrastructure data*. Haifa: Shmuel Ne`eman Institute

# VC: No.1 Per Capita, No.2 Absolute

## US

\$69.1 Billion

Population: 320 million

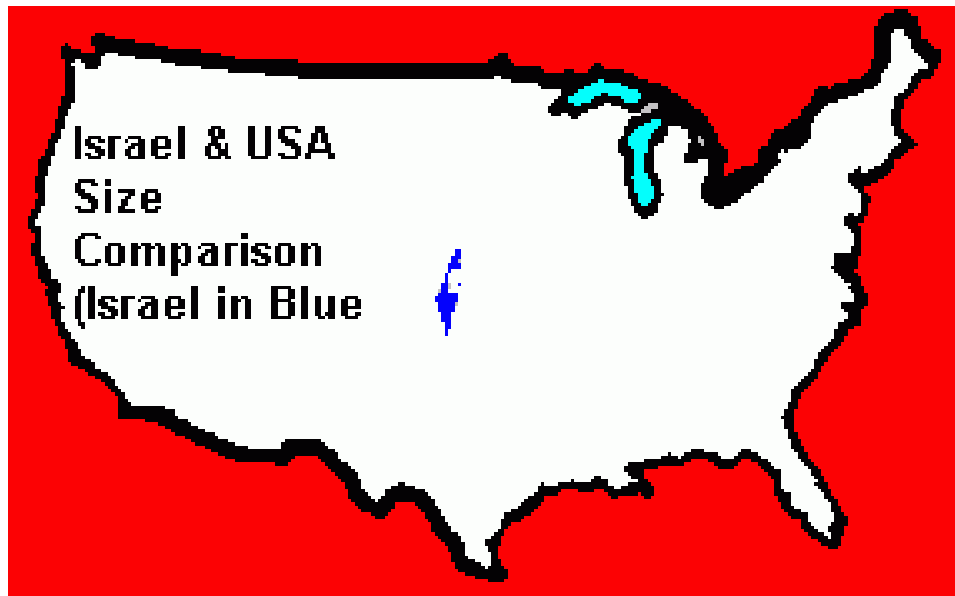
= \$215 / person

## Israel

\$4.8 Billion

Population: 8.5 million

= \$565 / person



Source: NVCA 2016 Report; IVC-Meitar 2016 Report

# 2017: \$23 Billion in Exits, All-Time High

▶ Two exceptional deals account for 72% of proceeds:

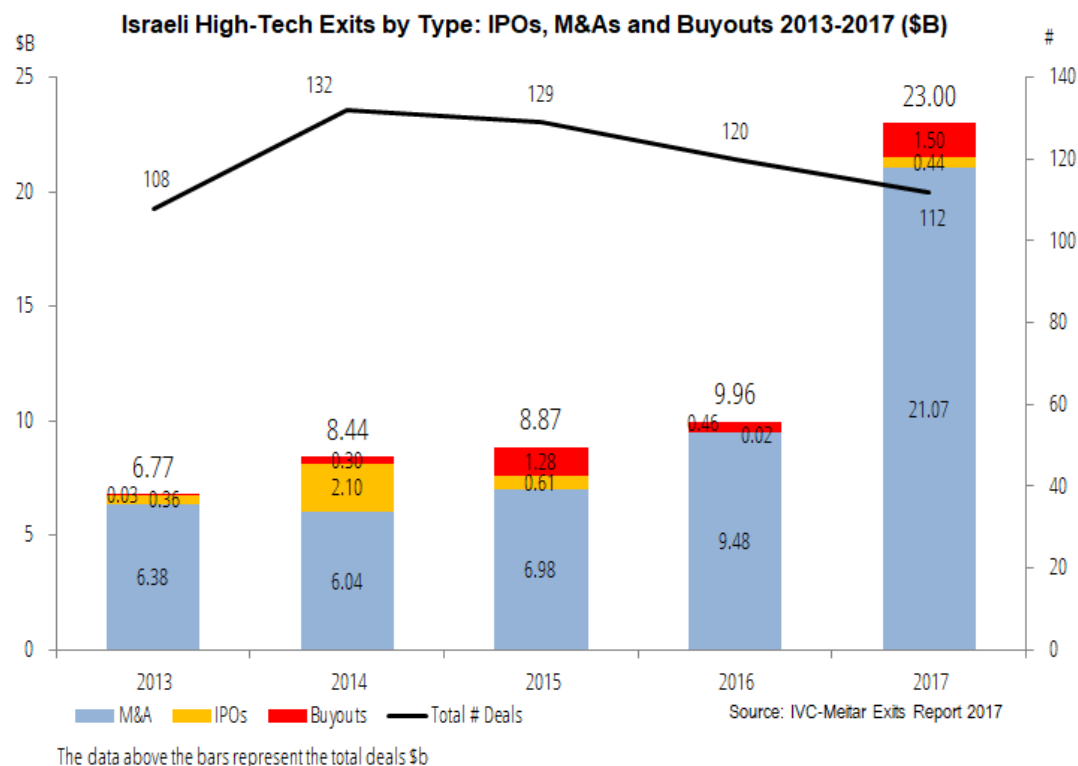
- ▶ Mobileye acquired by Intel \$15.3 B
- ▶ Neuroderm acquired by Mitsubishi Tanabe Pharma \$1.1 billion

▶ Without these, the total is \$6.6 B, 19% up from 2016

▶ 112 transactions, down by 7% from 2016

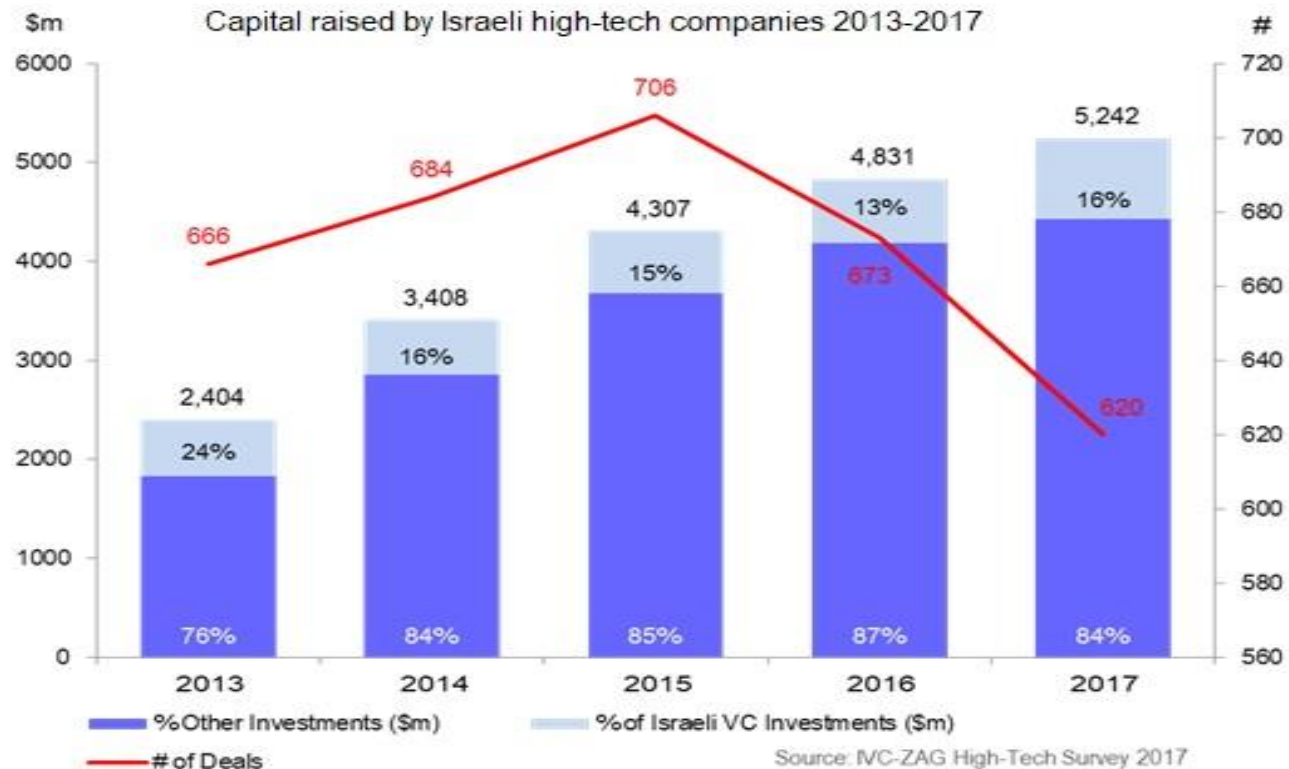
- ▶ 90 M&As totaled \$4.67B (ex deals >\$1B), 13 IPOs

▶ Fewer communication and internet deals, more cyber security, life sciences steady



Source: IVC-Meitar 2017 Exit Report

# 2017: A Record \$5.24 Billion Invested In 620 Companies



- 9% above 2016's previous record
- Israeli VC funds invested \$814 million in 2017 - the highest sum since 2013
- Four deals >\$100 m each captured 12% of total amount raised in 2017
- Number of seed stage deals dropped 17% vs. 2016
- Average financing round reached \$8.5 million, almost 3x vs. 2013



# 2017: Israeli Tech Comes of Age

## Intel buys Mobileye in \$15.3B deal, moves its automotive unit to Israel

Posted Mar 13, 2017 by [Ingrid Lunden \(@ingridlunden\)](#)



Next Story



First they partnered, and now comes the acquisition: The computing giant [Intel](#) has [confirmed](#) that it is acquiring [Mobileye](#), a leader in computer vision for autonomous driving

WATCH THEIR STORIES NOW >

### MAKERS

AdChoices

Crunchbase

Intel

Nava Swersky Sofer

# 365 Multinational R&D Centres Employing >50,000 People

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**MOTOROLA**

**NOKIA**

**ORACLE®**

**SIEMENS**



**TOSHIBA winbond**



**Perrigo®**

**elan**



**Johnson & Johnson**

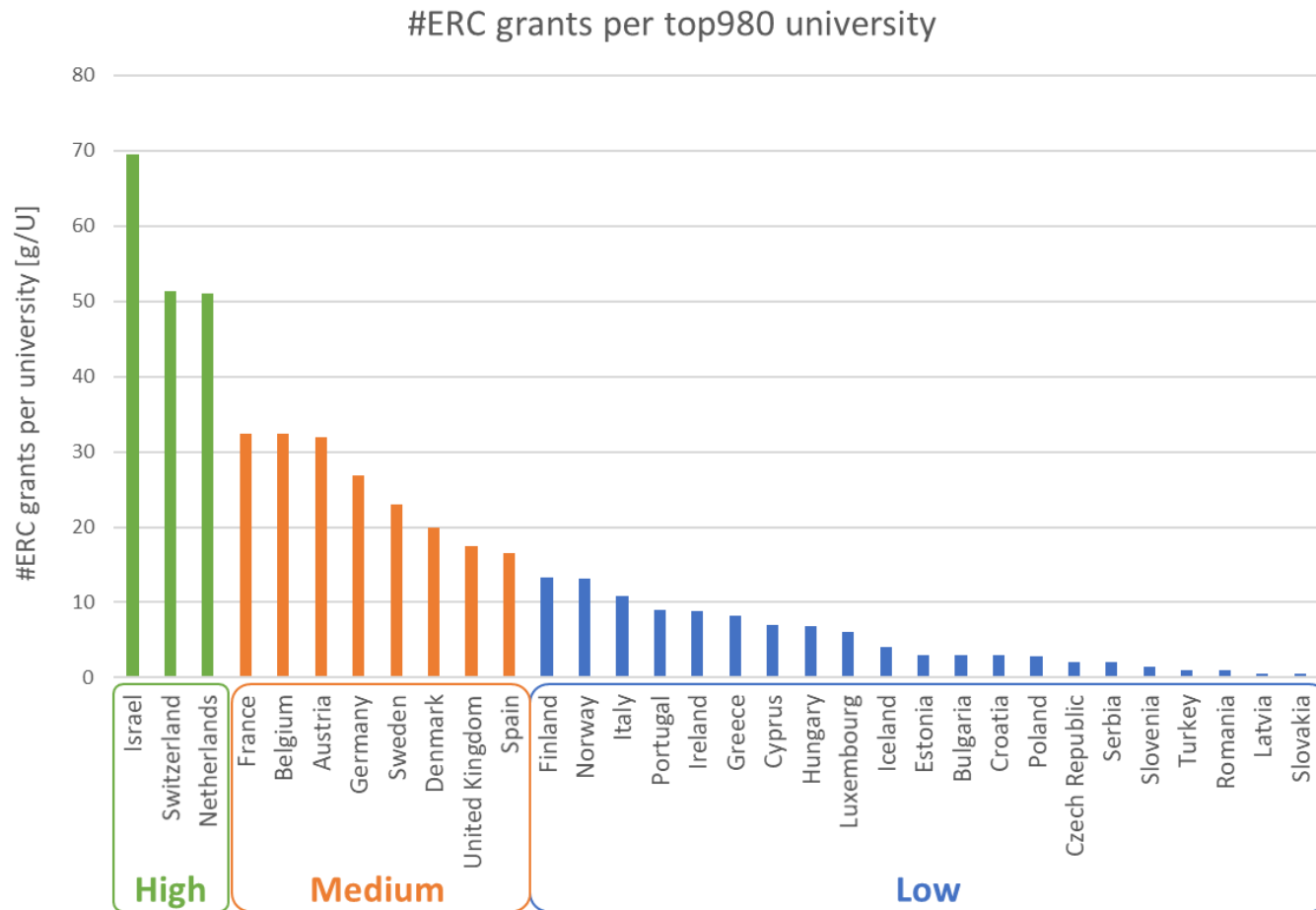


**Boston Scientific**



# Top Competitive Academic Performance Leads to More Technologies Developed

**A**



# Successful Academic Commercialization

- ▶ World pioneer in tech transfer since 1959
- ▶ Two of world's top tech transfer companies
  - ▶ Yeda, Weizmann Institute of Science ( est.1959)
  - ▶ Yissum, Hebrew University of Jerusalem (est.1964)
- ▶ >\$22 Billion in licensed product sales per annum
- ▶ >\$500 Million in tech transfer revenues annually
- ▶ Hundreds of spin-off companies
- ▶ Many success stories
  - ▶ Copaxone®, Exelon™, Erbitux®, Azilect™, Doxil™, Rebif®, Cherry tomatoes, peppers, NDS Ltd. encryption algorithm, MobilEye driver assistance system...



Source: ITTN, Israeli Central Bureau of Statistics Aug 2014

# The Israeli Tech Transfer Model

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- ▶ **Company, not office**
  - ▶ Wholly-owned subsidiary with business focus & operational independence
  - ▶ Professional team with relevant industry experience
- ▶ **Business leaders on boards**
  - ▶ Balance academic viewpoint
- ▶ **Clear IP ownership...**  
... with generous revenue sharing (40-60%)
- ▶ **One-stop-shop for industry – leverage relationship**
  - ▶ Licensing
  - ▶ R&D collaborations
  - ▶ Sponsored research
  - ▶ Sometimes consulting
- ▶ **Focused on royalties**



# Smart Government Intervention

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- ▶ Office of the Chief Scientist (now Innovation Authority) supporting private sector innovation since 1969
- ▶ Strategic decision to create military R&D capabilities
- ▶ **Venture industry** created by government => privatised
- ▶ **Incubators**: from job creation scheme to pillar of national innovation eco-system
- ▶ Innovative **industry/academia** support mechanisms
- ▶ Evolving **policies** addressing market needs
  - ▶ Early stage funding
  - ▶ Multinationals
  - ▶ Strategic initiatives, e.g. nanotechnology

# Hardship Breeds Innovation

▶ Small

▶ New

▶ Isolated

▶ No natural resources,  
not even water

▶ Immigration – from 600k  
to 8 million in 65 years



▶ Interdisciplinary

▶ No strong traditions =>  
Open to change

▶ Strong military => training,  
innovative technology

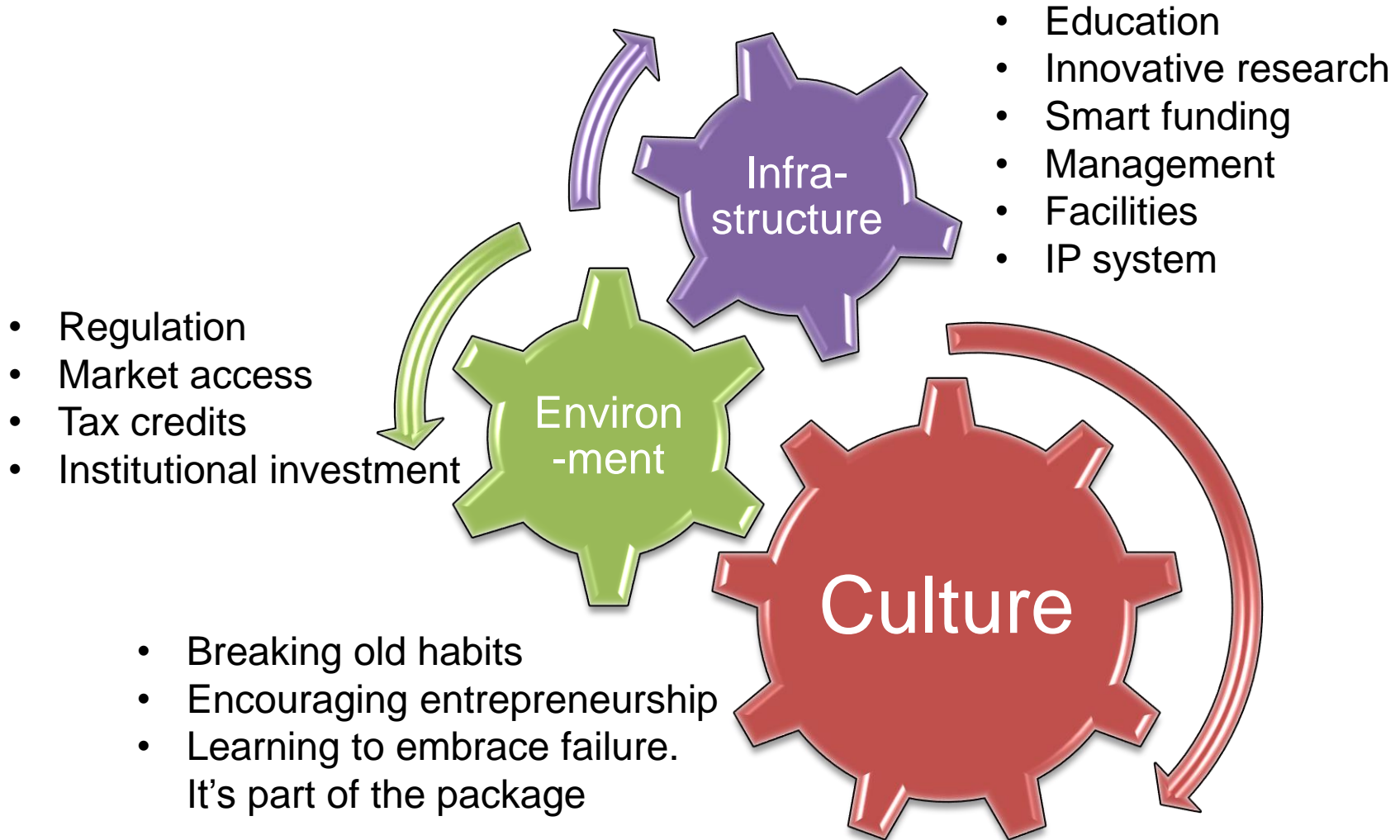
▶ International outlook

▶ Brain power, education =>  
innovation

▶ Novel job creation schemes

# The Innovation Recipe

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# Thoughts From This Morning

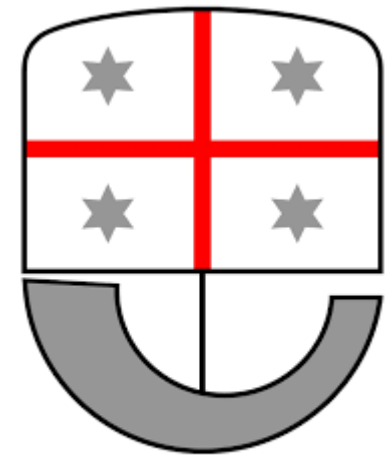
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- ▶ Culture & risk
  - ▶ It's a long an winding road with many ups and downs
- ▶ Planning vs. implementation
- ▶ Ecosystem & infrastructure
  - ▶ International access?
- ▶ Diversity?
  - ▶ Look at today's line-up
  - ▶ Different populations groups, ages, gender essential
- ▶ Money, money, money
  - ▶ Who will fund this?
  - ▶ Is the funding sufficient?
  - ▶ Is there enough of a long-term commitment?

# Key Points for Liguria

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- ▶ Smart strategic choices
- ▶ Build on your strengths – for Liguria, these are\*:
  - ▶ Tourism
  - ▶ Maritime
  - ▶ Tech
- ▶ Provide necessary support system for
  - ▶ Entrepreneurs
  - ▶ Start-Ups
  - ▶ Growth-stage companies (SMEs)
  - ▶ Multinationals
- ▶ Tailor tools as needed. Maintain flexibility
- ▶ **Accept failure. It's part of the process**



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Thank you for your attention

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