



Business News Monthly Update December 2009

AICC NEWS

Israel Venture Conference Kick-off Reception on November 2nd Hit a Home Run

AICC held a Phillies-themed reception sponsored by KPMG LLP for the representatives of the Israeli IT and life sciences companies that attended Blank Rome LLP's Israel Venture Conference (IVC) the following day. Despite competition from the World Series game that night, there was a good turnout from AICC members to welcome the companies, hear their elevator pitches and learn from KPMG LLP about critical tax considerations facing foreign companies doing business in the U.S.

Emerging Leaders Division To Host Sports Exclusive Event December 9th at Temple University Dine, learn, meet, and mingle.

Dust off your Air Jordans and join the AICC at a unique basketball-themed event! Help us to welcome the Temple Owl's new Israeli forward, Carmel Bouchman, to our region. The evening will provide a fantastic opportunity to learn about the international player recruitment process from the Temple Owl's coaching staff and from Marc Simon, Esq., the head of the Sports Management Practice at Astor Weiss Kaplan & Mandel LLP. Additionally, we will have a chance to tour Alter Hall, the new home for the Fox School of Business. The cost for this unique opportunity is \$25 for AICC members, \$40 for guests. For more information, click below or call AICC at 215-790-3722. http://www.americaisraelchamber.com/PDF/Events/2009-12-09_ELD-Sports-Exclusive.pdf

AICC TO HONOR WINSTON J. CHURCHILL, MANAGING DIRECTOR, SCP PARTNERS, AT ANNUAL RABIN AWARD DINNER ON MARCH 4, 2010; US AIRWAYS TO RECEIVE MAYORS CITATIONS

Join AICC in honoring Win Churchill, with the 2010 *Yitzhak Rabin Public Service Award*, the Chamber's highest distinction for regional business leaders who exemplify the organization's goals of broadening business relationships between the United States and Israel. Win Churchill is the founder and managing general partner of SCP Partners which has made and managed venture and private equity investments in Israel since 1996. On March 4th at the Pennsylvania Academy of Fine Arts, we will share the story of his Israel ventures and celebrate his commitment to Israel as a continuing source of entrepreneurship and economic potential. US Airways which has streamlined the commute between Philadelphia and Tel Aviv with its new non-stop route launched July 1st will receive Citations from the Mayors of Philadelphia and Tel Aviv.

AICC Israel Business Mission Holds Reunion

Participants in AICC's June 2009 Israel Business Mission met on October 27th to share photos and news about current activities in Israel. Special thanks to Consul General Daniel and Dr. Shirley Kutner for hosting the reception.

AICC MEMBER NEWS

Rosetta Genomics Strengthens MicroRNA Intellectual Property Position with Additional Patent

The United States Patent and Trademark Office (USPTO) issued a patent related to human microRNA miR-193b to Rosetta Genomics. This is the third patent issued to Rosetta Genomics by the USPTO. Rosetta Genomics has filed more than 20 patent applications worldwide to protect each aspect of its commercial diagnostic products. In addition, the company is pursuing more than 50 patent applications to protect methods of detecting microRNAs and methods of diagnosing and treating diseases with microRNAs. Kenneth Berlin has joined Rosetta as its new CEO in Philadelphia.

Lockheed Martin Awarded \$1 Billion Missile Defense Contract

The U.S. Department of Defense's Missile Defense Agency (MDA) awarded Lockheed Martin [NYSE: LMT] a \$1 billion contract for continued development and evolution of the Aegis Ballistic Missile Defense (BMD) Weapon System. Under the contract, Lockheed Martin's Surface-Sea Based Missile Defense line of business, in Moorestown, N.J., will design, develop, integrate, test, deliver and install further Aegis BMD capability for the U.S. and allied navies.

Blank Rome IVC Conference

On November 3rd, Blank Rome LLP held its Israel Venture Conference (IVC). This is the sixth year for this conference which introduces novel Israeli high tech and life science companies to investors in the Delaware Valley. Kicking-off the Conference was a panel of area investors who expressed enthusiasm over the Israeli market and shared their insights on what constitutes an attractive investment. 7 life sciences companies and 11 IT companies presented to more than 100 investors and guests, then a number of participating Israeli companies accompanied by hosts headed over to the MAC Conference for two more days of networking and value-added sessions.

Congratulations to Neil Cooper on combining Cooper Law Group, LLC with the practices of Dave Sorin and John Royer to form SORINROYERCOOPER LLC. The new firm will focus on meeting the unique needs of emerging growth, middle market, technology, internet, alternative energy, and life sciences enterprises. The firm's initial offices are located in King of Prussia, Pennsylvania, and Princeton, New Jersey and its website is www.sorinroyercooper.com.

AICC welcomes new members **Josh Kline**. Thanks to **Edward J. Berkowitz** and **Carolyn Hochstadter Dicker, Esq.** for renewing.

CALENDAR

- Dec. 3 Israel-America Chamber of Commerce Annual U.S. Meeting in N.Y. www.oscar4b.com/iacc
- Dec. 4 Banker's Shootout- Where's the Money and How Do You Get It?
<https://bankersshootout.eventbrite.com/>
- Dec. 9 Trendlines Group Presentation, 5:00 p.m. Temple University, Alter Hall
- Dec. 9 Emerging Leaders Division Sports Exclusive-Business and Basketball, 6:00 p.m. Alter Hall, Temple University. See article under AICC News.
- Dec. 10 Regional Commercialization Conference Tech Transfer to Commercialization
Presented by NJTC Wilmington DE
- Jan. 27 Save the Date- International Chambers - Major League Soccer Reception. Sponsorships available. Contact AICC.

IN THE REGION

Israel-America Chamber of Commerce Hosts Annual U.S. Meeting in N.Y. on December 3

Don't miss this opportunity to hear from business executives and government leaders on issues relevant to U.S.-Israel business development. AICC Member Chris Meyers, Lockheed Martin, is featured on the Cleatech Panel. **Program schedule available at www.oscar4b.com/iacc**

New Jersey Tech Council Sponsors Regional Commercialization Conference in Delaware

This day long Conference scheduled for December 10, 2009 will bring together an invited audience of university tech transfer officers, entrepreneurs and investors (venture capitalists, angel investors, business development officers, licensing officers, etc.) to present and hear presentations of technologies on the commercially-ready pathway. For more information, please click on the link below.
<http://www.njtc.org/events/comm09/index.html>

Drexel Delegation Tours Israel

A delegation of Drexel faculty members and administrators including Interim President Chuck Pennoni travelled to Israel in November to meet with colleagues at universities throughout the country.

BUSINESS OPPORTUNITIES FROM ISRAEL

- Turnkey company specializing in electro optics, micro electronics and software design is seeking clients
- Developer of footwear that corrects flat-feet while getting rid of insoles and allowing freedom of movement at the ankle, is seeking a manufacturing agreement or a joint venture agreement.

For more information, contact Amos Fabian, Business Development Manager at the Israel American Chamber of Commerce amos@amcham.co.il

U.S. - ISRAEL BUSINESS NEWS

START-UP NATION Tells Story of Israel's Economic Miracle

A new book by authors Saul Singer and Dan Senor offers new insights into Israel's economic growth and evolution into one of the most powerful high tech centers in the world. Part anecdote and part analysis, the text delves into what Israel has accomplished economically in its brief 60-year history but more importantly, attempts to analyze the factors that enabled Israel to excel over other nations in entrepreneurial excellence. The authors place tremendous emphasis on the impact of Israeli military service on producing a more highly-skilled and capable work force, but do not stop there. Other factors such as immigration, economic reforms, government-backed venture programs, commercialization of defense technologies, educational infrastructure and even chutzpah are factors that have enabled Israel to succeed, according to the authors. Find out for yourself by reading the book or checking out a recent interview with author Dan Senor.

<http://www.cnn.com/id/15840232?video=1311023934&play=1>

Following News items courtesy Fortnightly, published by Atid-Edi.

Intel Opening New Jerusalem Plant

Intel, the world's leading chip maker, has opened a new facility in Jerusalem. The factory, its former Fab 8 chip plant refurbished at a cost of "tens of millions of dollars," will employ 150 in the capital. Intel opened a \$3.5 billion plant to manufacture the Fab 28 chip on Israel's Mediterranean coastal town of Kiryat Gat last year and at \$1.4 billion in exports, remains one of the nation's largest exporters. The company also has several R&D facilities located in Israel. The new plant will bring the process of die preparation for chip wafers to Israel from Asia, where the process is presently performed.

The plant opening is not without controversy. Jerusalem's ultra-orthodox *haredi* community is protesting Intel's intentions to operate the plant on the Jewish Sabbath. Intel officials have been holding ongoing talks with leaders of the protesting community.

Israel & European Union Sign Agricultural Agreement

The new agreement, signed November 4th, updates the original agricultural agreement signed in the 1970's. Access to the markets of both sides has been greatly improved under the new agreement. In the processed agricultural products sector, over 95% of the products will be exempt from all taxes or levies. Considerable liberalization was undertaken in regards to all areas of fresh produce and approximately 80% will be exempt from all customs restrictions. Europe is Israel's most important trading partner in the agricultural field, with approximately \$1b of Israeli agricultural and processed food products exports each year. Israel's Ministry of Agriculture predicts that the new agreement will serve to expand agricultural exports.

Yissum & BrightSource to Develop New Materials for Solar Power Plants

Yissum and BrightSource will collaborate in the development of new materials that may be integrated in the solar thermal power plant technology developed by BrightSource (BSII) for new utility-scale power plants worldwide. The BSII technology generates electric power from solar energy by using a field of mirrors to reflect sunlight onto a boiler mounted atop a central tower (LPT- Luz Power Tower), where water is converted to superheated steam that drives a turbine generator. Yissum Research Development Company was founded to protect and commercialize the Hebrew University's intellectual property. Products based on Hebrew University technologies that have been commercialized by Yissum currently generate \$1.2 billion in annual sales.

Israel's Government Plans to Support Investment in the Biotech Industry

The state will try to repeat its success in high-tech investing by establishing joint public-private funds for Israeli biotech investments. The treasury plans to put up NIS 300 million, which will be used for two or three different investment funds for a period of up to five years. The goals of this venture are to raise money for the Israeli biotech industry and to import international knowledge and managerial experience in the industry. The tender will be open only to major international biotech investment firms, with experience in the sector.

Economic Trends from Israel Continue to Show Improvement

International Monetary Fund (IMF) estimates Israel's 2009 growth rate as a minimal decline of -0.1%, while growth for the whole group of advanced economies (of which Israel is a member) is estimated to be declining at a rate of -3.4%. IMF forecasts of growth in 2010 are +2.4% for Israel and +1.3% for all advanced economies. Strength in exports appears to be the key driver for Israel. Exports have been rising steadily from their April trough. Although exports remain below their June 2008 peak, the October level of exports has exceeded the December 2008 level. Exports of Israel's 100 largest companies totaled \$5.53 billion in the 3rd quarter of 2009, similar to the preceding quarter but 23% less than in the corresponding quarter of 2008 according to the Ministry of Industry Trade & Labor.

Fitch Affirms State of Israel at 'A'/'A+'; Outlook Stable Ratings

Fitch Ratings affirmation was based on Israel's relative resilience during the recent global economic and financial downturn. This performance is attributed largely to aggressive monetary and exchange rate policies, aided by a relatively trouble-free banking sector and an absence of asset price bubbles. Israel's high public debt ratio remains the key constraint on its sovereign ratings.

Israel's Unemployment Rate Fell to 7.6% in August

In the previous 12-month period, there were 46,000 unemployed persons, according to the **Central Bureau of Statistics**. The unemployment rate has been falling since May, and there has been a 15% increase in the number of available jobs in September compared to the preceding month.

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