



Business News Monthly Update February 2010

AICC NEWS

NEW DATE: FEBRUARY AICC Hosts *START-UP NATION* Author, Dan Senor at Blank Rome Philadelphia



AICC, with sponsorship from Drexel University, is bringing Dan Senor to Philadelphia for his first public appearance in the Delaware Valley since the launch of his new book. Dan is an expert on the Middle East, a commentator, author, investor, and adjunct senior fellow for Middle East studies at the Council on Foreign Relations. He has invested in a number of Israeli and American start-ups, and today is with a New York-based global investment fund. Dan is also a frequent foreign affairs contributor for Fox News, and his analytical pieces are frequently published by the *Wall Street Journal* and other publications.

His book, co-authored with Saul Singer, 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.

Thanks to our book sponsors: AMIDEX35 Israel Mutual Fund, Blank Rome LLP, Campus Text, Inc., CEO Resources, Inc., Consulate of Israel in Philadelphia, David J. Allon, MBA, Imag-In LLC, Spector Gadon & Rosen PC and Vishay Intertechnology, Inc. and to our supporting organizations Ben Franklin Technology Partners of Southeastern PA, New Jersey Technology Council, Global Interdependence Center, MAC Alliance, Drexel University's LeBow School of Business and NJ-Israel Commission for supporting the program.

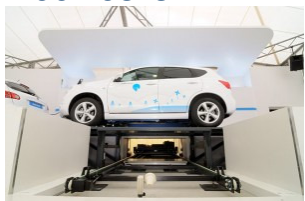
The program begins with a reception and book signing at 5:30 p.m. followed by the presentation Please contact AICC for additional information or to register.

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 HOSTS BETTER PLACE'S MIKE GRANOFF ON TRANSPORTATION TRANSFORMATION -FEB. 22



As a follow up to AICC's successful cleantech conference, Mike Granoff, Better Place's Head of Independence Oil Policies to the Delaware Valley will speak about the Company's plans to completely revolutionize the way we drive. Better Place is installing smart grids with the objective of making electric cars the preferred transportation alternative, thus eliminating our dependency on foreign oil and offering a more environmentally friendly alternative to fossil fuels. Learn how the system works and Better Places progress to date. Feb. 22nd at 5:30 p.m. starting with a networking

reception at the Navy Yard, home to nearly 80 companies and committed to sustainability.

BIRD FOUNDATION EXECUTIVE DIRECTOR VISITS GREATER PHILADELPHIA

Eitan Yudilevich, Executive Director of the BIRD Foundation, will meet with representatives from U.S. companies, organized by AICC, as part of a U.S. tour to promote joint development projects involving innovative technologies between U.S. and Israeli companies. AICC is the Pennsylvania and Delaware representative for the BIRD Foundation, an acronym for Bi-National Research and Development, which makes matching grants of up to \$1 million to U.S.-Israel company development projects. BIRD Foundation has been in existence for more than 30 years and has funded more than 650 projects. BIRD Energy was established in 2009 to make additional renewable and alternative energy. Companies interested in getting more information about BIRD should contact AICC.

AICC MEMBER NEWS

Teva Planning New HQ in Warrington, PA

Teva Pharmaceutical Industries Ltd. has proposed a 1-million-square-foot distribution center between Limekiln Pike and Lower State Road near the Eureka Quarry in Warrington. About 500 employees would work at the site.

Teva Licenses Experimental Cancer Treatment

Teva Pharmaceutical Industries Ltd. entered into a global license and collaboration agreement with OncoGenex Pharmaceuticals, Inc. of Bothell, WA. to develop and commercialize OGX-011, an innovative treatment for multiple oncology indications. OGX-011 is a Phase III cancer therapy designed to inhibit cancer treatment resistance and is expected to be used together with chemotherapy agents.

Shunra Software Releases Virtual Enterprise (VE) Suite v6.1 With New Enhancements

Performance and network engineers will be better able to predict transaction response times of business critical, data-intensive, or mobile applications on their network using this new software from Shunra. Also, the new software comes with a new add-on software module VE Bandwidth Catcher Lite, which delivers an accurate, real world view into how bandwidth availability will impact application performance. Shunra delivers application performance testing tools that help IT professionals ensure successful application deployments and high end-user satisfaction.

AICC welcomes new members: **ESL Electroscience** and **Bruce J. Goldstein**. Thanks to **Howard Cohen**, **Beryl Dean**, **Moriah Enterprises, Inc.** **Premier Dental Products, Inc.** and **US Airways** for renewing.

CALENDAR

- | | |
|---------|--|
| Feb 2 | AICC Executive Committee Meeting, 8:30 a.m. |
| Feb. 2 | Philadelphia Visit by BIRD Foundation Executive Director Eitan Yudilevich |
| Feb. 4 | Reception, Book Signing and Presentation, SENOR, "START-UP NATION". 5:30 p.m.
Blank Rome, LLP, Philadelphia |
| Feb, 22 | AICC Cleantech Meeting, 4:00 p.m., immediately preceding public program |
| Feb. 22 | AICC Networking Reception and Special Presentation: Mike Granoff, Better Place, 5:30 p.m. |
| Feb.24 | AICC Board of Directors Meeting, 8:30 a.m. Buchanan Ingersoll & Rooney. |
| Feb. 26 | MAC and Mid-Atlantic Diamond Ventures 2010 COMPANY SHOWCASE. Click here for more information |
| Mar. 4 | Rabin Award Dinner, Pennsylvania Academy of Fine Arts, Philadelphia |
| Mar. 10 | Counseling with overseas PA Authorized Trade Reps, including representative from Israel, sponsored by World Trade Center of Greater Philadelphia and Chester County Economic Development Council. Click here for more info |
| April 6 | 12th Annual Angel Venture Fair |

April 14

SAVE THE DATE, AICC Business Branding Seminar at 4:00 p.m.

BUSINESS OPPORTUNITIES FROM ISRAEL

Distributor wanted for computer stand manufacturer. Nethrone is a world leading developer of innovative ergonomic solutions for computer workstations. To see its home page, click [Home - Nethrone](#). Contact **Jonathan Bar Am Lilienthal** at jonatan@nethrone.com for more information.

Franchising Opportunity - Sunglasses Chain; Remote Control Related Solutions Wholesalers; Poultry By-Products Supplier

For a listing of additional opportunities do to:

<http://www.chamber.org.il/ContentsList.aspx?type=1&cat=948&mn=41>

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

Distributor Wanted for Soaps. Israeli-based Dolphin Soap produces melt and pour soap. These soaps are melted, color is added, fragrance is added, and then it can be poured into molds or sold as "soap on a rope". The company seeks distributors in the U.S. to sell its melt and pour soaps to craft stores, cleaning stores, specialty soap boutiques, etc. For more information, contact:

Racquel Even-Sapir / Avner Ben-Moshe

Dolphin Soap Industries Ltd.

972544435784

dolphins@bezeqint.net

U.S. - ISRAEL BUSINESS NEWS

Israel Send Help to Haitian Earthquake Victims



Haitian mother who named her son "Israel" after Israeli medics delivered the baby boy Jan 17, 2010

Courtesy IDF Spokesperson's Off

Three days after the devastating earthquake in Haiti, Israel Defense Forces arrived with rescue teams and search dogs, medical personnel, supplies and elite army corps engineers. It was among the first teams to arrive in the stricken country. The Israelis set up a field hospital in Port-au-Prince equipped to help as many as 500 patients per day.

Deputy Foreign Minister Ayalon met with reps from US Chamber of Commerce

Deputy Foreign Minister Daniel Ayalon met with senior officials from the United States Chamber of Commerce. The purpose of the visit was to discuss commercial relations and investments between Israel and the United States and ways to strengthen and expand their ties. The year 2010 marks 25 years of the free trade agreement between Israel and the US.

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

Israel's Budget Deficit Is Lower Than Forecast

Israel's Ministry of Finance announced that the 2009 budget deficit will total NIS 39.3b, or 5.15% of GDP, compared with the forecast deficit of 6% of GDP. The calculation assumes a 2009 GDP of NIS 763b. Although the deficit to GDP ratio climbed in 2009 increased from 3.1% registered in 2008, in November-December 2009, the growth in the deficit ended. The Ministry of Finance believes that the positive turnaround in the deficit will continue in 2010. The Ministry of Finance attributes the lower than expected 2009 budget deficit to higher than expected tax revenues, lower than expected interest payments, and a higher than expected GDP.

Peres Presides Over Launch of Negev Development Fund

Israel's President Peres presided over the launch by Bank Leumi and the Koret Foundation's Koret Israel Economic Development Funds (KIEDF) of their NIS 600 million fund for the development of the Negev. The seven-year program aims to help the development of small and mid-sized businesses in the south. The US government's Overseas Private Investment Corporation will provide a \$10 million secondary guarantee for the program. The Koret Foundation and the Portland Trustare provided the funding. The program will extend loans of NIS 50,000 to NIS 1.2 million. The loans will bear Prime + 1.5% interest, lower than the usual interest rate for business transactions. The equity threshold for eligible businesses is less than the level required for regular credit.

Israel's Inflation Zero in December – Annual Inflation at 3.9%

According to the Central Bureau of Statistics Israel's Consumer Price Index for December remained unchanged, and the annual inflation rate for 2009 was 3.9%. The annual inflation rate exceeded the upper limit of the price stability target range set by the government by 0.9%. The good December results were largely explained by the decline in the housing item, which fell 0.8% and constitutes 21% of the total index.

Israel Trade Deficit Hits 19 Year Low

Israel's trade deficit fell to \$5.1 billion in 2009, the lowest level since 1990, and less than half of the trade deficit of \$13.2 billion in 2008, the Central Bureau of Statistics reported. Exports amounted to 86% of imports in 2009, up from 75% in 2008. Exports of goods totaled \$41.8 billion in 2009, 18.5% less than in 2008. The bright spot was High-tech exports, 51.4% of total industrial exports, which totaled \$20.5 billion in 2009, \$725 million more than in 2008. Exports of electronic components rose by 165%, but pharmaceutical exports fell by 6.7%. This was the first drop in pharmaceutical exports since 1998. Import of goods total \$46.9 billion in 2009, 27.3% less than the \$64.5 billion in 2008.

Israel's High Tech Capital Raising Suffers from the Recession in 2009

In 2009, 447 Israeli high-tech companies raised \$1.12b from local and foreign venture investors, 46% below \$2.08b raised in 2008 and 36% below 2007 levels, according to IVC Research Center, a provider of data on Israel's high-tech, venture capital and private equity industries. The decline in capital raising in 2009 reflected the impact of the economic crisis on Israel's high-tech industry. Koby Simana, CEO of IVC Research Center believes the effect of the economic situation continues to linger, so that Israeli companies will likely have an even harder time raising capital in 2010. In 2009, the Life Sciences sector led capital raising with \$272m or 24% of total capital raised, followed by Software with \$258m or 23%, the Communications sector with \$219m or 20%, and Internet firms with 13%.

America-Israel Chamber of Commerce, 200 S. Broad Street, Suite 700, Philadelphia, PA 19102

Tel: 215-790-3722 E-mail: aicc@greaterphilachamber.com

Website: www.americaisraelchamber.com