

# START-UPS IN ISRAEL

## START-UP NATION

Dominika Bogacz

### The aim of this poster is:

- To show how start-ups in Israel look like,
- What contributed to the creation of the Israeli power of start-ups,
- How Israeli start-ups look like compared to other countries and some examples of interesting star-ups in Israel.

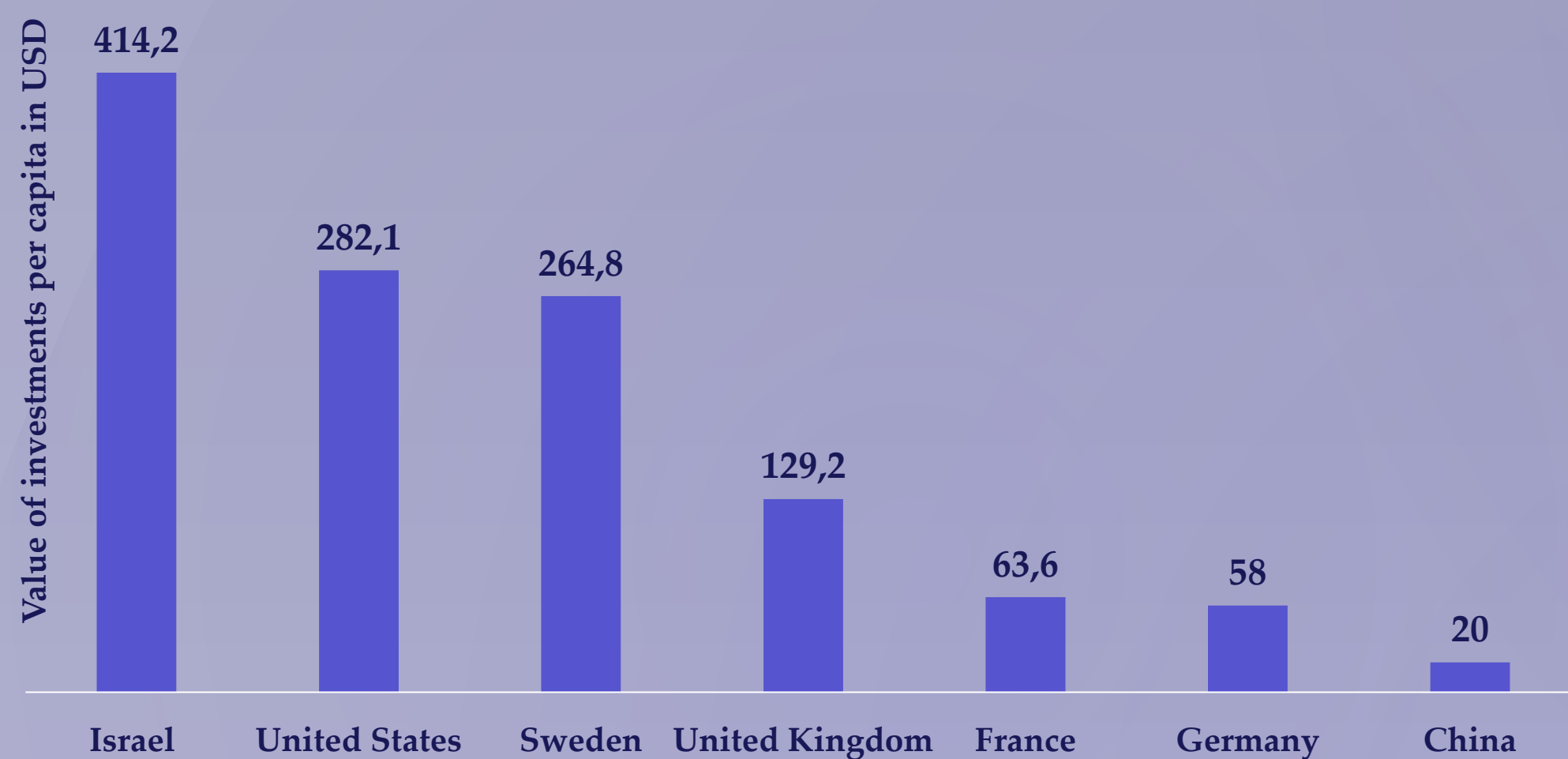
### What does Start-up Nation mean?

Start-up Nation is a popular business term originated in Israel. Israel has the largest number of start-ups in the world and is the world leader in the percentage of the economy allocated to research and development (R&D). More startup companies are funded in Israel than in countries such as: United Kingdom, China, Japan or India.

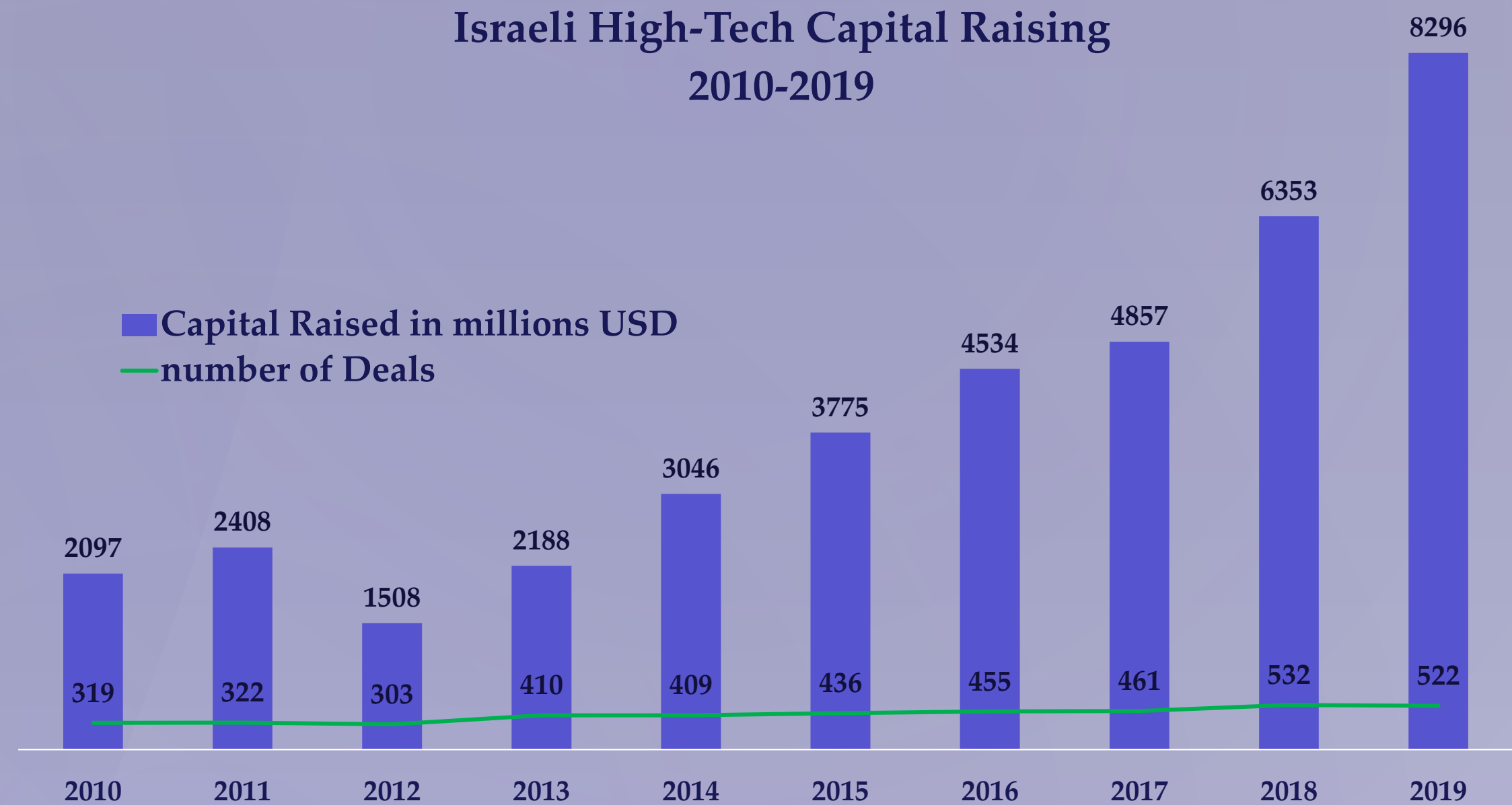
### Why Israel?

Despite the lack of natural resources, Israel belongs to a group of "very highly developed" countries. The country's economy is based on the high-technology industry with a large scientific and research base. Thanks to this, Israel quickly became the second silicon valley leads the way in the dynamically developing high-tech industry.

Total value of venture capital investments per capita in selected countries worldwide as of 3rd quarter 2019



Israeli High-Tech Capital Raising 2010-2019



According to the data, Israel has an advantage over world powers such as the USA, China or Germany.

It is because the Israeli government is pursuing an extremely well-thought-out policy on innovation and venture capital – **the Yozma program**. This program used government money to attract private investment. The government offered 40 % of the capital, which they raised. Yozma transformed the country into a global research and development center, led to the formation of about 30 foreign venture capital companies in Israeli. It is a rare example of government venture capital success.

From year to year, we can see steady capital growth in the high-tech industry in Israel. **In 2019 this amount raised to \$8.3 billion and Israeli start-ups and high-tech companies made 522 deals.**

### Factors contributing to the increase:

- Growing foreign capital invested in the Israeli high-tech industry,
- Investments in a wide range of fields (science and information technology).
- It is expected that Israeli high-tech capital will increase steadily in subsequent years.

### Some interesting start-ups in Israel:

**No Traffic** – this start-up created a smart infrastructure application to reduce traffic jams and road accidents. It uses artificial intelligence by transforming any traffic signal into a smart infrastructure. This infrastructure is cable of understanding the complete road traffic picture. This app collects data, analyzes streets, controls intersections and all road users in real-time.

**MyHeritage** – is a popular online genealogy platform. Users of this platform can search historical records and create family trees. Users can discover their ethnic origins and also find distant relatives thanks to advanced matching models. Nowadays 109 million users benefited from the platform and created about 49 million family trees.

**Flytrex** – focuses on deliveries takeaway food by using drones. Flytrex tries to improve food and consumer goods deliveries through demand drone management service. This service cuts delivery times down to minutes.

**Zeekit** – creates a virtual dressing room. By combining fashion and technology Zeekit gives people the chance to see themselves in any item of clothing found online. This start-up uses patent technology, which relies on a person map created from photos uploaded by users to the site. Clothes are also export and finally, a new simulation is created. The final simulation shows a dressed person incorporating account body dimensions, size, and fit. We can also find a link to the page where we can buy the clothing online.

### Summary:

The Israeli economic model based on high-technology can be an example for other countries. Because every country, thanks to the application of appropriate programs and support for the development of new enterprises, can become a leader of start-ups. Start-up Nation is showing the world how to use its potential and become economic powerhouse.

### Source:

- [1] [ajpolitical.co/en/solution\\_article/government-venture-capital-fund-boosted-israels-start-economy](http://ajpolitical.co/en/solution_article/government-venture-capital-fund-boosted-israels-start-economy)
- [2] [statista.com/statistics/1071105/value-of-investments-by-venture-capital-worldwide-by-key-market/](https://statista.com/statistics/1071105/value-of-investments-by-venture-capital-worldwide-by-key-market/)
- [3] [israelonisrael.com/2020/01/15/big-time-israel-startups-this-chart-says-it-all/](https://israelonisrael.com/2020/01/15/big-time-israel-startups-this-chart-says-it-all/)
- [4] [gvahim.org.il/10-coolest-startups-in-israel-by-simona-kogan-gvmag4/](https://gvahim.org.il/10-coolest-startups-in-israel-by-simona-kogan-gvmag4/)
- [5] [zeekit.me/about](https://zeekit.me/about)
- [6] [flytrex.com/corp/careers/](https://flytrex.com/corp/careers/)
- [7] [careers.myheritage.com/](https://careers.myheritage.com/)
- [8] [notraffic.tech/careers-at-notraffic](https://notraffic.tech/careers-at-notraffic)