



TECH IN ISRAEL

BEHIND THE SCENES OF THE THRIVING
STARTUP COMMUNITY



TAMID GROUP

STARTUP COMMUNITY



Government Support

Government funding and legislation to support growing businesses has been crucial to the tremendous success of Israeli tech startups



IDF Network

Israeli Defense Force training places soldiers in high-risk problem solving situations, improving collaborability and understanding of cutting-edge technology.



Israeli Culture

A culture full of mentorship and entrepreneurial spirit is a big factor for Israel's impressive progression into a world tech hub.



GOVERNMENT SUPPORT



Government's confidence in risky investments paves the way for private funding to follow

- **Tnufa National Pre-Seed Fund**
 - Grant awarded to Israeli companies in the ideation phase to explore innovative technology
 - Companies can receive up to NIS 200,000 (~\$60,000 USD) over the course of two years
 - Foreign entrepreneurs are eligible as well, granted they can obtain a visa in Israel
- **Israel Innovation Authority**
 - In 2019, NIS 1.7 Billion (~\$480 million) allocated mostly to funding young startups





It's not all about you.

Military training creates a bigger-picture perspective and is invaluable in a collaborative environment

- Veterans from the IDF's highly-specialized divisions are very well-equipped to enter the entrepreneurial world with their technical expertise
- Soft skills are just as valuable in a startup environment
 - Teamwork and goal-oriented mindset instilled in soldiers





“Don’t think outside of the box, **get rid of the box**”

- Embracing *chutzpah*
 - A characteristic of someone who has is willing to do or say things that others might find surprising, shocking, or even aggravating; fearlessness
- Many Israeli startups are created to solve a problem that Israeli society faces
 - Big current traffic problems → Waze, Waycare, NoTraffic

Israeli impatience + innovative thinking
= unique solutions



ISRAELI CULTURE



Tel-Aviv, 1948



Tel-Aviv, 2018



SUCCESSFUL COMPANIES

WIX **fiverr**  **waze**

wework **COMPASS**

 **monday.com**  **houzz**

 **TANIUM™**





Tech Unicorns

- Privately-held startups valued at \$1+ billion
- Industry giants love investing in these companies
 - Dell, Microsoft, Google, etc.
- Rapidly developing VC environment helps these startups get funding in early stages
- 80% of startups fail; to reach a billion dollar valuation is very rare
 - Saturated Israeli startup ecosystem still sees a few new ones every year



Israel is #1 in:



Startups per Capita

6,000+ startups in Israel (1 for every 1,400 people). 1,100 to 1,380 startups are established in Israel every year.



Scientists/Engineers per Capita

Credited to a highly-educated workforce; 140 scientists/technicians and 135 engineers for every 10,000 employees.



VC Investments per Capita

\$6.4 billion raised in 2019 compared to \$4.75 billion in 2018 and \$1.13 billion in 2010. A huge economic incentive for startup growth.

