⊗HAARETZ

Business

Israeli Startups Raised Record $3.2 Billion in First Half of 2018

TechNation | FST Biometrics shutting down after 11 years despite its A-list managers ■ Naspers unit buys Israel's Zooz for reported $80 million to $100 million ■ Siemplify raises $14 million for cybersecurity management tools

TheMarker   ▶ Follow

July 24, 2018

Listen to this article now
Powered by Trinity Audio

A文   ⟲10   10⟳   1.0x

00:00   04:33

Israeli startups raised record $3.2 billion in first half of 2018

Israeli startup companies raised $1.61 billion in new capital in the second quarter, a 27% increase from a year earlier that brought the first-half 2018 total to a record $3.2 billion, the Israel Venture Capital Research Center and ZAG law firm said Tuesday. The second-quarter total was lifted by a giant $300 million fundraising by Benny Landa's Landa Digital Printing; without it, the year-on-year increase would have been just 3%. ZAG managing partner Shmulik Zysman attributed the growth to foreign investors, especially from China and from European investors with an interest in automotive technology. "We expect these trends to continue, both in terms of capital-raising and foreign investors entering the Israeli high-tech industry," he added. The first half also saw a reversal in

the declining investment in the youngest tech startups. Software startups raised the most funds in the second quarter, taking in $584 million, IVC said. Artificial intelligence companies raised $426 million. (Eliran Rubin)

FST Biometrics shutting down after 11 years despite its A-list managers

It came with some of the best credentials a security technology company could have, as well as $23 million in venture capital behind it, but FST Biometrics is closing up shop after 11 years. A source at the company who asked not to be identified said Tuesday that the board voted June 14 to cease operations. "Management is now making an effort to meet its obligations to customers and minimize the harm to its employees," the source said. The company was founded and chaired by Maj. Gen. (res.) Aharon Zeevi Farkash, a former commander of the Israel Defense Force's vaunted 8200 intelligence unit. Ehud Barak, a former prime minister, served on its board and its CEO, Avi Noar, was a founder of the tech giant Amdocs. But while FTS developed several products that used visual identification technologies, including facial recognition and behavior analysis, it failed to find a market for any of them. (Amitai Ziv)

Naspers unit buys Israel's Zooz for reported $80 million to $100 million

Online payment company PayU, a subsidiary of Naspers, said Monday it agreed to acquire Israeli payment-technology provider Zooz to support its expansion in high-growth markets. PayU did not disclose the size of the acquisition but a source with knowledge of the deal told Reuters it was valued at

around $80 million to $100 million. Netherlands-headquartered PayU provides online payment services for customers in Asia, Central and Eastern Europe, Latin America, the Middle East and Africa. Zooz connects merchants to multiple banks and by analyzing various parameters decides which bank to route the payment transaction to, finding the bank with the lowest fee. The two will work together to create a payments infrastructure whose features will include fraud management and smart routing, PayU said. Zooz co-founders CEO Oren Levy and Chief Technology Officer Ronen Morecki will join the PayU global leadership team and the Israeli company's 70 employees will move to PayU. (Reuters)

Siemplify raises $14 million for cybersecurity management tools

Siemplify, an U.S.-Israeli startup that helps corporate users navigate their cybersecurity software, said Tuesday it had raised $14 million in new funding. The round, led by Jump Capital and joined by existing investors G20 Ventures and 83North, brought Siemplify's total funding to date to $28 million. The company was founded in 2015 by Israelis CEO Alon Cohen, Chief Technology Officer Amos Stern and Chief Operating Officer Garry Fatakhov. To help human beings separate attention-worthy signals from the rising din of distracting noise, Siemplify's security orchestration, automation and response, or SOAR, technology enables users to manage disparate cybersecurity tools through a single platform, enabling them to respond to threats faster and more effectively. The funds will be used to beef up sales and marketing and product innovation. Headquartered in New York,

the company has a research and development center in
Tel Aviv. (TheMarker)

— Advertisement —