

BEST PRACTICES TRIP TO ISRAEL – OCT. 15-22, 2013

*Hosted by Greater Portland Inc and
Oregon Israel Business Alliance*

A fascinating study mission in search of an answer to the trillion dollar question: How is it that Israel — a country of 7.7 million, only 65 years old, surrounded by enemies, in a constant state of war since its founding, with no natural resources — is today and advanced, resilient, innovation-driven and knowledge-based economy, which has developed over the years into an R&D and High-Tech powerhouse.



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On October 15th a delegation of over 30 from the greater Portland area arrived in Israel to undertake a one-of-a-kind international *Best Practices Business Mission*. The group was comprised of a diverse representation of political leaders, public sector decision makers, academia, and broad private sector interests.

The trip set out to understand how it is that Israel – a country of approximately 7.7 million people, the size of New Jersey, sixty percent desert, only 65 years old with limited natural resources – is today broadly considered a global center for breakthrough innovation.

The Mission focused on exploring the *how and why* of the Israeli Phenomenon; scheduling high level sessions with Israeli thought leaders, venture capitalists, public officials, entrepreneurs and technology innovators; incorporating abundant time for delegates to network and interact with each other to form long-lasting valuable relationships.

“Israel – a reservoir of innovation that will advance our competitiveness.” Eric Reinhart, President of Siemens Medical

“When you go to the Middle East looking for oil, you don’t need to stop in Israel. But if you go looking for brains, for energy, for integrity, it’s the stop you need to make.” Warren Buffett, CEO/Chairman of Berkshire Hathaway

“Israel is, by many measures, the country (relative to its population) that has done the most to contribute to the technology revolution.” Bill Gates, Founder of Microsoft

Sources: Mister of Finance and Minister of Industry, Trade and Labor

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## Program Overview/Speakers

### Tuesday, October 15, 2013

Check-In Dan Panorama Hotel, Tel Aviv

Registration

Gala Opening Dinner at Neve Tzedek

### Wednesday, October 16, 2013

#### US Embassy Briefing

**Joseph White**, Deputy Senior Commercial Officer

**Keith Mines**, Political Counselor

**David Fisher**, Deputy Economic Counselor

The Embassy of the United States of America to Israel has been located on HaYarkon Street in Tel Aviv since the late 60's. The Embassy is responsible for the extensive US-Israel Bi-lateral relationship. Our current relationship is built upon commercial/ industrial, political, military, trade, and cultural ties. These connections are both private and official and reflect shared history and values.

**Bus Tour of Tel Aviv – From Sand Dune to World Fame; a guided tour of the urban and architectural development of Tel Aviv (including stops and key projects)** Tel Aviv was built on sand dunes in an area unsuitable for farming. Instead, it developed as a hub of business and scientific research. The city has been described as a "flourishing technological center" by *Newsweek* and a "miniature Los Angeles" by *The Economist*. In 1998, the city was described by *Newsweek* as one of the 10 most technologically influential cities in the world. Since then, high-tech industry in the Tel Aviv area has continued to develop. The Tel Aviv metropolitan area (including satellite cities such as Herzliya and Petah Tikva) is Israel's center of high-tech, sometimes referred to as Silicon Wadi. In December 2012, the city was ranked second on a list of top places to found a high tech startup company, just behind Silicon Valley. In 2013, Tel Aviv had more than 700 startup companies and research and development centers, and was ranked the second-most innovative city in the world, behind Medellín and ahead of New York City.

#### **Lunch Program – Start-Up Nation (Goshen Restaurant)**

**Wendy Singer**, Executive Director, Start-Up Nation Institute

Start Up Nation Institute, a new non-profit based in Israel, aims to serve as a global hub, creating synergies between Israel's innovation sector and that of other countries. Singer recently concluded a 23-year career at Aipac. As Director of Aipac's Israel Office for the last sixteen years, she and her colleagues hosted the visits of several dozen House and Senate Members, and other political leaders, each year.

**Tel-O-Fun Presentation and Bike Ride** - The Tel-O-Fun project is a public bicycle sharing program of 1,500 bicycles in more than 150 stations throughout the city (daily, weekly or yearly subscriptions).

### **Dinner and Tour of Arab-Jewish Community Center in Jaffa**

**Hadas Kaplan**, Deputy Director

The AJCC is the only municipally-founded community center catering at once to Jewish, Christian, and Muslim populations in Jaffa. The Center was established in 1993 and is an extraordinary model for coexistence activities among Jews and Arabs living in Israel. It serves more than 3,000 Jewish, Christian and Muslim members.

### **Thursday, October 17, 2013**

#### **Briefing – Insight into Israel’s Current Position in the Middle East**

**Amos Harel**, Haaretz defense journalist; author

Leading Israeli journalist discusses the major security and military issues facing Israel as they relate to current developments in the Israeli-Arab conflict.

#### **WalkingTour/Meetings w/Start-Ups along Rothschild Blvd – Ground Zero of Israel’s high tech scene** - eBay Israel Innovation Center and Solluto

The city of Tel Aviv boasts over 1200 high tech companies. Many of the global firms and established local companies are concentrated in Ramat Hahayal, the high-tech industrial zone in the north of the city. The focal point of Tel Aviv's early stage scene is along the picturesque Rothschild Boulevard.

### **Lunch/Bus tour Tel Aviv to Yokneam**

#### **Tour/Presentations at Biosense Webster – Hi-Tech Meets Medical Devices**

Biosense Webster is the world leader in the \$2.5 billion worldwide electrophysiology market and the company is in the enviable position of being one of the fastest growing businesses within Johnson & Johnson family of companies.

### **Bus and Walking Tour – Nazareth**

Nazareth is made up predominantly of [Arab citizens of Israel](#), almost all of whom are either [Muslim](#) (69%) or [Christian](#) (30.9%). In the [New Testament](#), the city is described as the childhood home of [Jesus](#), and as such is a center of [Christian pilgrimage](#), with many shrines commemorating biblical events. In 2011, Nazareth had over 20 Arab high-tech companies, mostly in the field of software development. According to [Haaretz](#) newspaper the city has been called the "Silicon Valley of the Arab community" in view of its potential in this sphere.

## Program Overview/Speakers

### **Tour Stef Wertheimer Industrial Park - Nazareth**

A brand-new industrial park in the predominantly Christian-Arab city of Nazareth is the latest in a chain of employment clusters founded by Israeli industrialist Stef Wertheimer. His goal is to provide meaningful employment for Arab populations while fostering peaceful coexistence; unique model to promote the advancement of Arab-Jewish Israeli export companies.

**Networking Dinner** (Regina Restaurant - old Train Station)

### **Friday , October 18, 2013**

#### **Tour and Presentation - Dan Regional Association for Environmental Infrastructure in Shafdan – Turning Wastewater from pollutant to a precious resource**

In 2012, the Dan Region Wastewater Treatment Plant was cited as a global model by the United Nations. The plant, known locally as Shafdan, was lauded for its unique method of using the natural filtration qualities of sand to improve the quality of sewage.

#### **Bus Tour Tel Aviv to Jerusalem – Along the Coast Line**

**Lunch and Tour of The Old City of Jerusalem** – tour includes visits to the Western wall, an overview of Temple Mount with the Dome of the Rock and the El Aksa Mosque and the Christian Quarter with the Church of the Holy Sepulcher, site of Jesus' Crucifixion, death, burial and resurrection according to Christian tradition.

#### **Shabbat Dinner with Rabbi Dr. Daniel Gordis – The Promise of Israel**

The main meal of the week (and a festive one at that) in Jewish households in Israel and around the world is the Friday night dinner.

### **Saturday, October 19, 2013**

Optional programs: Day Trip to Masada and the Dead Sea OR Guided visit to the Israel Museum

### **Sunday, October 20, 2013**

#### **Briefing – Why Israel is Innovation Hub**

**Jon Medved**, Founder/CEO of Our Crowd

Jonathan Medved is an investor, serial entrepreneur and according to the Washington Post “one of Israel’s leading high tech venture capitalists”. In the NY Times Supplement

## Program Overview/Speakers

"Israel at 60" Medved was named one of the top 10 most influential Americans who have impacted Israel.

**Meeting at City Hall with Naomi Tsur**, Deputy Mayor of Jerusalem - responsible for strategic planning, environmental protection, sustainability and historic conservation. Before her term as Deputy Mayor she was the head of the Society for the Protection of Nature in Israel in Jerusalem and coordinator of the Sustainable Jerusalem organization. As Deputy Mayor, she fought many public environmental and social battles. The most significant was her fight to prevent urban sprawl into the Jerusalem Hills; she led Jerusalem's recycling revolution, and integrated urban nature into planning major projects of significant public areas, such as the Gazelle Valley Urban Nature Park and the Railway Park

**Lunch and Presentation by David Horovitz**, Editor in Chief, Times of Israel (Colony Restaurant) David Horovitz is the founding editor of The Times of Israel. He previously edited The Jerusalem Post (2004-2011) and The Jerusalem Report (1998-2004). He is the author of "Still Life with Bombers" (2004) and "A Little Too Close to God" (2000), and co-author of "Shalom Friend: The Life and Legacy of Yitzhak Rabin (1996).

**Visit to the JVP Media Quarter** – located in Jerusalem's 'cultural mile' the JVP Media Quarter fuses technology, creativity, and social action in one complex

**Visit to Yad Vashem (Holocaust Museum)** – established in 1953 as the world center for documentation, research, education and commemoration of the Holocaust.

**Meeting at Jerusalem YMCA – Roll of Arab Israelis & Palestinians in future of Jerusalem:**

**Foursan Hussein**, CEO of Jerusalem YMCA; Arab Israeli and Palestinian activist Today vision is to be an international center for reconciliation and leadership development; aspire to bring a new generation of Palestinians and Israelis to understand the values of shared society, and shared citizenship; goal is to teach people to accept each other for what they are and to rally them around a mutual goal of bettering their lives together.

**Dinner and Discussion – Bridging Israeli Divisions**

**Dov Lipman**, a member of Knesset, the Israeli parliament; US expat and city activist

## Program Overview/Speakers

Mr. Lipman is playing a critical role in trying to unravel those complicated politics and integrate the insular ultra-Orthodox into the broader society. They have [long lived a world apart](#): they attend separate schools with a curriculum short on math, science and English; rarely serve [in the military](#); and have large families living on welfare because men study Torah rather than work. Mr. Lipman was among the 19 people elected to the Israeli Parliament last month from [the new Yesh Atid Party](#), whose primary platform is to “equalize the burden” between the ultra-Orthodox, known here as Haredim, and the rest of society.

### **Monday, October 21, 2013**

#### **Briefing on Future of the Peace Process**

**Dr. Tal Becker**, current member of negotiating team with the Palestinians; research fellow at the Shalom Hartman Institute, a member of the Hartman Institute's [iEngage Project](#), and Deputy Legal Adviser of the Israeli Ministry of Foreign Affairs. From 2010-2012, he was senior fellow at the Washington Institute for Near East Policy. Prior to that, he served as senior policy advisor to Israel's Minister of Foreign Affairs and, among many responsibilities, was a lead negotiator and drafter in Israeli-Palestinian peace negotiations.

#### **Presentations and Tour – Hadassah Medical Center/Hadasit (Tech Transfer Company of the HMO)**

IP generated by HMO has already gained global recognition due to Hadasit's successful enterprising of Hadassah's biomedical technology, including novel therapeutics, diagnostics and medical devices

#### **Lunch and Tour – Machane Yehuda Fresh Produce Market**

Popular with locals and tourists alike, the market's more than 250 vendors sell fresh fruits and vegetables; baked goods; fish, meat and cheeses; nuts, seeds, and spices; wines and liquors; clothing and shoes; and housewares, textiles.

#### **Festive Farewell Networking Dinner at Adom Restaurant (the old train station)**

## Trip Summary and Observations from Delegates

The study mission to Israel was an extraordinary experience for the Best Practices delegation. Outside of Silicon Valley, Israel is arguably the best place in the world to look at how start-up culture has permeated the broader economy, culture, and everyday life.

### Key Take-Aways

Israel is more than a country—it is a mindset, a concept, and many elements have contributed to their success. Immigration is a driver of their attitude, as immigrants are risk-takers by nature, and very industrious. When you add in government support, mandatory military conscription, and a constant fear of enemies surrounding them, their progress is easier to understand. Although there is uneasiness between the Israelis and the Palestinians, there is also a tacit understanding between the Israeli Jews and Israeli Palestinians, due to commerce and opportunity. Many Palestinians enjoy more economic choices because they live in Israel, but there is still a continuing gap between them, similar to the US with whites and African Americans/Latinos. Most issues between them require cooperation, and with the rest of the Mideast in disarray, things are relatively quiet in Israel.

Although the economy is healthy, it is really the tech sector driving it, and others are being left behind. There is also a continuing conflict between the secular and Orthodox Jews, since the Orthodox do not have to serve in the military and also are supported by the government and don't work. This issue is assertively being challenged at this time. Meanwhile, the country is growing, and the ethos there is characterized by many elements, including risk-taking, struggle to survive against aggressive neighbors, acceptance of failure, continued immigration, a highly skilled and well educated labor force, and discipline taught through military conscription.

Challenges include the west bank settlements, a vision-less leader in Netanyahu, discrimination against the Arabs in Israel, sabre-rattling by Iran, and some support for strong nationalism and less cooperation.

Israel's cultural advantages have led to its success: Challenging norms and 'out of the box' way of thinking; creative at working under limited resources; direct, informal and task-oriented approach to life and work.



## Trip Summary and Observations from Delegates

Israel's highly educated and creative workforce along with its sophisticated infrastructure forms the bedrock of the country's capacity to continuously innovate.

Success in today's economy is not dependent on land or resources. It has to do with how you cultivate and direct the talents of your people.

Strength of new people: the influx of educated and creative immigrants into Israel has been one of the biggest drivers of their success.

One of Israel's greatest assets in building a start-up culture is its mandatory military service where lifelong bonds are formed; this is most definitely not transferrable to us... but no denying the effects for Israel.

As a small country, Israel has very direct relationship between national economic development and cities.

Israeli's have unbelievable ability to tell the story about what is going on in their economy, which builds momentum for additional investment.

Tel Aviv consciously turned itself into a global city, though it is about the same size as Portland.

### Lessons to Apply at Home

The desire to use Tel Aviv as a reference project for innovative local companies is something we do, but could work harder to cultivate and promote. This was the case with Woosh, bike share, etc. It helps the companies grow, but also contributes to the atmosphere and reputation of the city as a home for innovation. Can we bring Woosh to Portland?

The shared sense of purpose in Israel helps make large collective investments possible, whether it is light rail or the Chief Scientist's office. Our vision can't be the same but we do need a collective mission to drive us forward.

Love Tel Aviv's approach to flexible zoning in support of the goals they wanted, i.e. adding floors to encourage restoration of urban structures.

## Trip Summary and Observations from Delegates

Could we create business start-up groups such as that funded by Stef Wertheimer? If not by one visionary's financing, could we develop programs through community colleges which would teach entrepreneurship and seed funding to support promising ideas.

The technology theme in Israel is grounded in local circumstance and need (defense, medicine, drought, food supply) – our needs and resources are different but we could learn from their focus. A theme (or a few themes) for us could be: tourism (perhaps ecotourism), agriculture, food, energy and OHSU cancer research.

### Initiatives for Portland Region

People move to Portland for many reasons, but a common theme is that it's a great place to live...we have great assets and we need to stop being defensive about being called 'tree huggers' and begin actively promoting our livability.

We should do more to attract talent (not just established companies) to the region.

We should link Portland's "We Build Green Cities" initiative to Jerusalem's Green Pilgrimage.

Where is Portland with regards to Global Green Partnerships – we are doing a great deal locally, but becoming involved more widely (as Jerusalem has done) could bring new insights to our local scene, and might lead to new sources or ideas with regard to funding.

Can we connect Mercy Corp's Palestinian start-up efforts with the local Portland scene.

Determine whether it is worth developing a regular Portland delegation to DLD Tel Aviv (Israel's largest international Hi-tech gathering, featuring hundreds of start-ups, VC's, angel investors and leading multinationals.)

Pursue direct links between companies with related technologies. Pursue Chief Scientist support in connection with our signature research centers.



## DELEGATION

Jim Carter (w/Julie Carter)  
Port of Portland

Abe Farkas  
EcoNorthwest

Suzy Gates  
Generous Portland

Karen Goddin  
Business Oregon

Randy Gragg  
Portland Monthly

Dennis Grant (w/Marlene Grant)  
Glumac

Greg Hall  
Century 3, Inc.

Chris Harder (w/Melinda Harder)  
Portland Development Commission

Jim Huston  
Portland Seed fund

Joe Janda  
Portland State University

Brad Malsin (w/Liz Malsin)  
Beam Development

Henry Miller  
The New School University

Randy Miller (w/Jan Miller)  
Produce Row Property Management

Ron Paul  
Ron Paul Consulting

Steve Rosenberg (w/Mara Rosenberg)  
Aspen Capital/Provenance Hotels

Noah Siegel  
Metro

Brett Wilcox  
Capital Realty Corp.

Mark Williams  
Oregon Health & Science University

Jim Winkler (w/Jordan Winkler)  
Winkler Development Corporation

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Linda and Ron Arnold  
Planning and Logistics for Israel Trip