

Highlights

- SUJ has built a precedent-setting connection with Yissum, the Technology Transfer Company responsible for recognizing and managing Hebrew University's intellectual property assets.
- Together with the Israel Venture Network and Tiberias Mayor Zohar Oved, SUJ has joined the mayor's task force for Tiberias's economic development.
- SUJ has handed responsibility for the Bio-technology and Life Sciences Cluster to The Jerusalem Development Authority, and prepared a comprehensive report detailing the state of the industry and proposing a strategic plan for development.
- SUJ Board Member Jacob Ner-David was awarded the 2006 Jerusalem Prize for Entrepreneurship.
- Yitzhak Applebaum, chairman of the American Friends of SUJ, will spend the coming year in Israel, and will expand his involvement beyond the North American arena.

Upcoming Events

November 2006 – Official launch of [Go Jerusalem](#) website

Dear Friends of StartUp Jerusalem,

We are proud to present our first newsletter. This semiannual report is intended to keep you up to date about the wide range of our organization's activities, and about our progress as we revitalize Jerusalem's economy. It has been a hectic first year, but we are pleased to report success in many areas, and we are looking forward to pushing toward new goals in the coming year.

As we begin our second year of operations we wish you and your families a happy, healthy new year. We hope to continue working together to advance the cause of Jerusalem and economic prosperity.

Let us take this opportunity to thank all of you for your help and assistance in building StartUp Jerusalem. We look forward to working together in the near future.

All our blessings for a happy, sweet new year,

Gideon Ben-Zvi
Chairman of the Board

Nir Barkat
Founder

Pearls from SUJ (summary of SUJ activities)

- Together with the Hebrew University of Jerusalem, StartUp Jerusalem has initiated a seminar to pair up University MBA candidates and graduate science students to develop new business initiatives. The teams will use the University's patent pool to develop business initiatives, and will be matched with local leading high-tech managers as their mentors. The seminar will begin in October and will include leading hi-tech managers from SUJ board e.g. Jacob Ner-David ([Jerusalem Capital](#)), Nir Barkat, Pini Lozowick ([Alta Berkeley Ventures](#)), Gideon Ben-Zvi, Morris Laster ([Bio-Line](#)) and Rafi Kesten ([NDS](#)), and from other leading hi-tech companies e.g. Minicom, VeriaNet ([NASDAQ VYRA](#)), ITG, Delta Film, Biomedicom, Alomone, Human Eyes & ASOCS.
- SUJ representatives met with Israel's economic attaché in the United States, Yair Shiran, to discuss ways to improve industry ties between Jerusalem and North American outsourcing companies.
- SUJ founder Nir Barkat's good connections, particularly at the ministries of Finance, Tourism, Culture, and Industry, Trade, and Labor, continue to serve the organization well, and our organization continues to enjoy governmental support at the city and national levels.

Business Environment and Outsourcing Cluster report

Jafar Sabbah, SUJ co-director and cluster manager for the Outsourcing and Business Services group, says StartUp Jerusalem has become a "one-stop shop" for international organizations looking to outsource services to Jerusalem.

"We are actively providing guidance and support to more than twenty potential outsourcing companies, and several more have expressed an interest either in outsourcing part of their work to Jerusalem or establishing new companies here," he says.

Jafar hosted an SUJ promotional booth at the Outsource World International Conference in London in July. The conference is a major annual gathering for the outsourcing industry, and Jafar says the conference led to several positive developments, including inquiries from companies and entrepreneurs about outsourcing opportunities in Jerusalem.

Recent Media Coverage

“Outsourcing: Unique Selling Point,”
Financial Times,
29 June 2006

“Outsourcing Is In,”
Jerusalem Post,
20 April 2006

“Sewing Packages,”
Jerusalem Magazine
(Hebrew),
30 June 2006

“Outsource to Jerusalem,”
UK Outsource
Magazine,
Spring 2006

“We are currently advising several companies interested in outsourcing, and we are pushing the national and city governments to help local businesses as much as we can,” he says. He says the initiative is paying off, with 700 new job vacancies created last year and a sliding scale for municipal taxes for new businesses in Jerusalem.

Culture and Tourism Cluster

SUJ Co-Director and Culture and Tourism Cluster Manager Ilanit Melchior says her section is not-so-slowly revolutionizing inbound tourism to Jerusalem.

“Up to now, the culture and tourism sectors operated independently of one another,” she says. “We are creating exciting new tour packages that hook up tour groups with cultural establishments, and we are encouraging each of those industries to pool their resources to create new ventures. Instead of a zero-sum game in which each group competes, we are creating a climate in which each sector will benefit from cooperating.”

Ilanit’s main project at the moment is the creation of the [Go Jerusalem](#) Web site, generously funded by the Rosalinde & Arthur Gilbert Foundation. Other recent projects included a March 22 conference, “Leveraging Jerusalem as a Tourist Destination,” which was attended by 350 tourism and culture professionals and was the first-ever joint gathering of Jerusalem’s tourism and culture sectors.

In addition, the 2006 Jerusalem International film Festival provided American philanthropists Mr. Martin Peretz and Mr. Bill Backman to combine their support for the Jerusalem Cinemateque with their support for StartUp Jerusalem. Together with SUJ, the team introduced a project to “brand” the film festival as a culture product that would attract foreign tourists every year. The Go Jerusalem website hosted a mini-site for the festival, and included the introduction of Time Out Jerusalem, a tourist magazine launched in conjunction with Film Festival officials.

New activities

- SUJ plans to provide strategic and marketing support to new technology startups in the city.
- SUJ will act as a catalyst for launching new projects targeting special population segments in the city.
- SUJ will launch new activities dedicated to improving Jerusalem’s business environment, including a specialized Internet portal and a new Business Index.

Board Member News

- Pini Lozowick and Jafar Sabbah are conducting a feasibility study to provide quality assurance for fabless semiconductor companies by training computer and software engineers from the ultra-Orthodox (haredi) and Arab communities.
- Adina Bar-Shalom is in the planning stages of a project designed to train ultra-Orthodox (haredi) women to enter the work force in computer programming.
- Uri Sharf, Chairman of the Jerusalem Small Business Development Center, has joined the SUJ finance committee.
- Mrs. Shlomit Canaan is working alongside foundation managers to promote and develop training courses for the ultra-Orthodox sector.