European Institute of
Innovation & Technology

DISRUPT
ME 2019

December 8th-12th | 2019
Israel

Welcome to the Disrupt Me Israel visit

An Open Innovation Program for European Corporations to Engage with the Israeli Start-up Ecosystem

DISRUPT ME 2019

The Disrupt Me is a first of a kind program designed by the EIT Hub Tel Aviv and supported by Deloitte Israel with 3 main goals:

1 Inspire and motivate selected European corporates to engage with the Israeli start-up ecosystem

2 Promote best practices and implementation of open innovation methods in Europe through European corporates

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Our focus areas for **Disrupt Me 2019** are Healthcare, FoodTech, Urban Mobility and Cleantech.

The selected corporates for Disrupt Me 2019 are:

PEPSICO

PepsiCo | Food

EOLY COLRUYTGROUP ENERGY

Eoly (by Colruyt) | Energy and Mobility

Kelyon

Kelyon | Healthcare

COLRUYT GROUP

Colruyt Group | Retail

Grupo AN DESDE 1910

Grupo AN | Agro-food

Graded la nostra esperienza, la tua energia

Graded | Energy

Program timeline

SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER 8-12
selection of the companies	need assessment and open innovation workshops	scouting of cutting edge start-ups	matchmaking visit to Israel

Meet the EIT Hub Israel

An outreach location of the European Institute of Innovation and Technology

About us: EIT Health, Urban Mobility, Climate-KIC and Food joined together to establish an EIT Hub in Israel. The hub aims to create synergies between the EIT community and the Israeli innovation ecosystem to support the growth of innovative start ups and increase the number of EU-Israel and Cross KIC collaborative projects.

What programs do we offer?

ESCL

DISRUPT ME 2019

	Who?	
European Startup Community Managers; Highly selected professionals supporting start up growth.		European corporates ready to be disrupted.

	Why?	
With the largest number of startups per capita in the world, Israel is an ideal learning grounds for managing innovation ecosystems.		536 multinational companies engage in innovation activities in Israel, offering a diverse range of open innovation models.

	What?	
The ESCL is a unique professional training platform offering: ■ Access to the latest tools and best practices in supporting startup growth. ■ Connections and network to foster cross KIC and Israeli value adding collaborations.		We offer a tailor made open innovation process, including: Needs assessments ■ Scouting cutting edge technologies ■ Hand picked matchmaking services ■ Maximize your corporates capabilities and outcomes from engaging with the Israeli ecosystem.

Meet the Team

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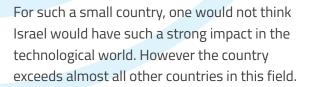yoni.levenfeld@eithealth.eu
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Why Israel?

Israel's unique innovation ecosystem makes it the first port of call for organisations looking to innovate.

For such a small country, one would not think Israel would have such a strong impact in the technological world. However the country exceeds almost all other countries in this field.

Israel is known as a startup nation and is often compared to Silicon Valley. It has the largest number of start-ups and patents per capita in the world.

HIGHLIGHTS OF 2018

2018 WAS ANOTHER STRONG YEAR FOR ISRAELI HIGH-TECH

681 funding rounds

The total amount raised was **$6B** (a **15% increase** from 2017)

$4M was the median size for all round types (a **33% increase** from 2017)

Approximately **1,500 investors** put money into Israeli companies

97 exits for a total of **$3.53B**

The three leading verticals by capital raised:

Healthcare   **Cybersecurity**   **Financial Services**

The leading technology:

Artificial Intelligence

The 2018 Israeli High-Tech Ecosystem
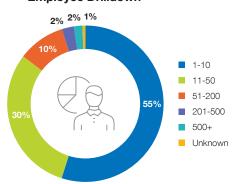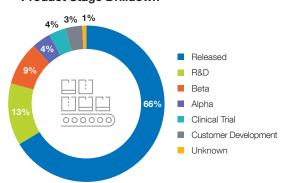
THE COMPOSITION OF THE ECOSYSTEM

COMPANIES

6600+ active companies (~500 in stealth mode)

80% offer B2B products

Current Active Companies: **Employee Drilldown**

- 55% — 1-10
- 30% — 11-50
- 10% — 51-200
- 2% — 201-500
- 2% — 500+
- 1% — Unknown

Current Active Companies: **Product Stage Drilldown**

- 66% — Released
- 13% — R&D
- 9% — Beta
- 4% — Alpha
- 4% — Clinical Trial
- 3% — Customer Development
- 1% — Unknown

INVESTORS

There are more than **430 investors** with a permanent presence in Israel, of which **23% are non-Israeli**

The most prominent early-stage investors are from **Israel and the US**, followed by the **UK**, **Germany**, and **China**. The most prominent late-stage investors are from the **US**, then **Israel**, followed by **China**, the **UK**, and **Japan**

MULTINATIONAL COMPANIES AND HUBS

There are **320 multinational companies** active in Israel, of which **more than 300 have R&D activities** across **360 different offices**

The vast majority of multinational activity in Israel comes from **US companies**, with **Germany** and the **UK** as runners-up

There are currently **225 hubs** including accelerators, co-working spaces and entrepreneurship programs

SCAN ME!

Explore Israeli Innovation with the Start Up Nation Finder

Data based on Start Up Nation Central Report 2018

START-UP NATION CENTRAL

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European Institute of
Innovation & Technology

The EIT is a body of the European Union

Israel Visit Agenda
December 8-12 / 2019

8 Dec / Sunday

Culture

12:30	Group pick up
13:15	Drive to Juerusalem
14:00-15:00	Falafel lunch
15:00-18:30	Tour at the Old City - Jerusalem
19:00-21:00	Dinner at HaSandna by Chef. Assaf Granit
21:00	Drive to Tel Aviv

9 Dec / Monday

Welcome to the Israeli Ecosystem

8:00	Pickup
9:00-10:30	Peres Center for Peace and Innovation
10:30	Commute
10:00-11:30	Distrupt Me Opening Session
11:30-12:15	Start Up Nation Central: Ecosystem Overview
12:30-13:30	Moroccan Lunch – Ewa Sefi
14:00-15:30	Team8 Company Builder
16:00-16:30	Walk to LABS
16:30-17:30	Israel Innovation Authority
18:00-21:00	EIT Hub Official Launch Event

10 Dec / Tuesday

Matchmaking

8:00	Pickup
9:00-9:30	Welcome to CityZone
9:30-12:30	1:1 meetings (3-4 startup companies)
12:00-13:00	Lunch by Chef. Eyal Shani
13:00-15:00	1:1 meetings (2-3 startup companies)
15:00-15:30	Break
14:00-16:00	1:1 meetings (2-3 startup companies)
17:30-19:30	Break and refreshment time
20:00-21:30	Dinner at Ouzeria

DISRUPT ME 2019

11 Dec / Wednesday

Multinationals / Open Innovation

Time	Activity
8:45	Pickup
9:30-10:30	Techstars Accelerator
10:30-11:00	Commute
11:00-12:00	Nielsen
12:00-13:00	Medtronic
13:00-14:00	Lunch Break
14:00-15:00	Bosch
15:00-16:00	ENEL
17:00	Free evening in Tel-Aviv

12 Dec / Thursday

Moving forward

Time	Activity
8:15	Pickup
9:00-10:00	Doing business in Israel - cultural aspects - Eyal Bar Zvi, HFN
10:00-12:00	Ourcrowd/1:1 wrap ups
12:00-13:00	Group wrap up
13:30-17:00	[optional] Tasting tour at the shuk [market]
17:30-22:00	Departure from Israel

Monday 9th

Location: Start-Up Nation Central, Tel Aviv

Welcome to the Israeli Ecosystem

8:15	Pick up
9:00-10:30	Peres Center for Peace and Innovation
10:30	Commute
11:00-11:30	Distrupt Me Opening Session
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What was the most inspiring part of the development of the Israeli ecosystem?

What can you adapt for team8's stakeholder engagement strategy to support startup building?

Which stakeholder did you network with at the EIT Hub Official launch event that you wish to follow up with?

Tuesday 10th

Location: Start-Up Nation Central, Tel Aviv

Matchmaking

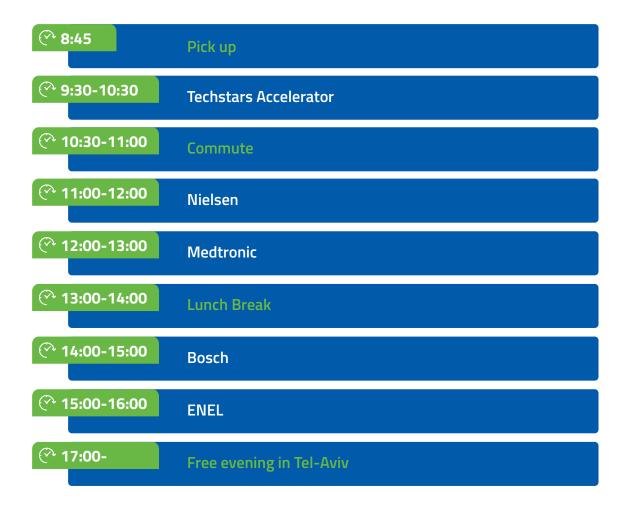| Time	Event
🕐 8:15	Pick up
🕐 9:00-9:30	Welcome to CityZone
🕐 9:30-12:00	1:1 meetings (3-4 startup companies)
🕐 12:00-13:00	Lunch by Chef. Eyal Shani
🕐 13:00-17:00	1:1 meetings (2-3 startup companies)
🕐 17:30-19:30	Break and refreshment time
🕐 20:00-21:30	Dinner at Ouzeria

What startups were most exciting for you?

What are the tengible next steps of working with the stratups?

Which department in your organization will benefit from working with the startup?

Wednesday 11th

Location: Start-Up Nation Central, Tel Aviv

Multinationals / Open Innovation

Time	Activity
8:45	Pick up
9:30-10:30	Techstars Accelerator
10:30-11:00	Commute
11:00-12:00	Nielsen
12:00-13:00	Medtronic
13:00-14:00	Lunch Break
14:00-15:00	Bosch
15:00-16:00	ENEL
17:00-	Free evening in Tel-Aviv

What insights can you take from the different CVC/innovation hubs/accelerates models?

Thursday 12th

Location: Start-Up Nation Central, Tel Aviv

Moving forward

8:15 — Pick up

9:00-10:00 — Doing business in Israel - cultural aspects - Eyal Bar Zvi, HFN

10:00-12:00 — OurCrowd/1:1 wrap ups

12:00-13:00 — Group wrap up

13:30-17:00 — [optional] Tasting tour at the shuk [market]

17:30-22:00 — Departure from Israel

Notes

What are my next steps when I get home?

What tangible collaboration can I establish with Israel?

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EIT Hub
Tel Aviv
Open Innovation
Manual*

*powered by

Deloitte.

Why Open Innovation?

Markets are getting more volatile, R&D pipe-lines are stretching and the low-hanging fruit is becoming increasingly more difficult to reach. Companies face the increasing need to connect, share risk and collaborate.

In an effort to accelerate innovation, large corporations have begun to collaborate with startups for their ability to rapidly create new ideas and innovations.
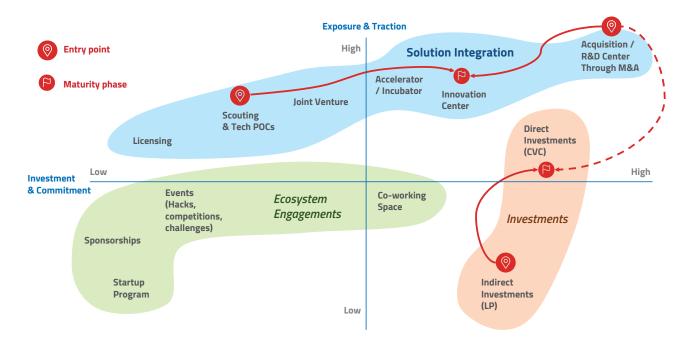Progressive large companies are holding presentations and events with startups, implementing incubation programs, and establishing Corporate Venture Capital programs to become more involved with startups.

Collaboration with startups allows for the reduction of the risk and costs associated to new business creation. Startups also are more agile and can rapidly create and implement new ideas, faster than corporations can do.

Open Innovation - Model of Operations

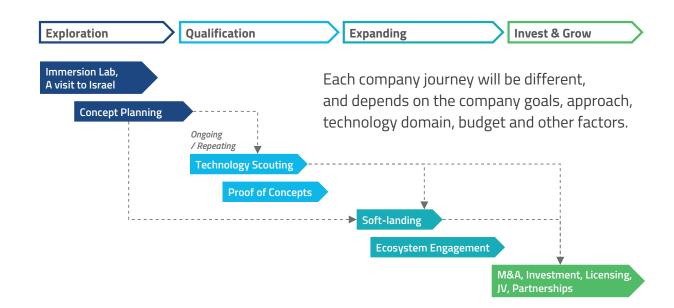## There are 12 main tactics to implement open innovation:

Each company journey will be different, and depends on the company goals, approach, technology domain, budget and other factors.
We see 4 main stages within this journey into a new ecosystem:
Exploration, Qualification, Expanding, Invest & Grow.

The red line indicate the typical journey of a corporate into the Israeli startup ecosystem.

The Innovation Journey into Israel

Each company journey will be different, and depends on the company goals, approach, technology domain, budget and other factors.

4 Roadblocks for open innovation

1 Insufficient connectivity namely market insights (data) and relations, with unfamiliar markets and industries;

2 Cultural differences and in-depth specialization makes it hard for companies from different industries to understand each other and recognize the potential value of their assets in other industries;

3 Fear of losing competitive advantage when revealing intellectual property;

4 Business model protectionism refers to the initial reflex of companies to shield their products, costumers, market channels, resources, partners, etc. This makes it very hard for companies to build vital thrust to collaborate;

Recommendation:

✓ **Connect** to other companies within and beyond your natural network – Screen landscape for targets, identify and contact potential partners. Identify market challenges and drivers for Open Innovation.

✓ **Align** strategy of the partners – facilitate relations and translate potential synergies in a clear partnership strategy;

✓ **Define** partnership value proposition – translate strategy based on assets and market opportunities into a joint (win-win) value proposition and market approach;

✓ **Validate** business case & operating model – Find consensus around financial model (cost- and revenue structure solution) including the in/output of the partners. Including roadmap to ensure externally-created solutions are integrated into the business;

Startups & Corporates
– a win-win partnership:

Why should we partner with startups or corporates?

From corporate point of view

- Integrate latest technology (early adopters)
- Present our clients innovation thru the startups
- Open innovation – Don't invent, partner
- R&D partner – stay up-to-date
- Sell-through, grow with
- They are small clients
- Innovative "move quickly" culture
- Branding – Attract talents

From startup point of view

- Get feedback (Architecture, Business Model)
- Tech product enhancement – Enterprise grade
- Jointly develop new product(s)
- Go to market (B2B / B2B2C) – Enterprise clients
- Penetrate new markets
- Branding, PR, exposure, connections
- Funding / Support funding
- Credibility (Whitepapers, certifications)

What would be a good startup to partner with?

?

- Base: believe in the product market fit
- Have funding to last through the integration process
- Serial entrepreneurs / Experience with large enterprises
- Have a working product, existing clients / successful POCs
- Strong team, no 3rd party involvement
- Local presence to support integration
- Have the needed attention, not opportunistic, in roadmap
- Support from investors
- No "double booking" with competition

What should you ask when assessing a startup company?

?

1. Technology: Product(s), Product Roadmap, Use cases, Patents
2. Business: Industry, Business Model, Clients & Pain points, Go-To-Market, Competition, Company Roadmap
3. Financial situation: Investments / Investors, Next funding round, Burn rate – Time to live
4. The team: Skills / Gaps, Hiring plan
5. Footprint: Geos, Offices

10 Lessons Learned from MNCs for establish new innovation hub in Israel

I

Analyze & identify the right model for your organization

II

Start small & learn what is working and what is the ecosystem reaction

III

Hire locals, also for key management roles

IV

Know the ecosystem, networking is a must

V

Leverage Israel's strengths (in terms of industry domains), know the trends

VI

Be presence (Media, PR, events)

VII

Have management / headquarters support

VIII

Set realistic KPIs and ROI expectations

IX

Define & involve key sponsors from within the organization

X

Work with local partners in Israel

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EIT

European Institute of
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EIT Health   EIT Food   EIT UrbanMobility   EIT Climate-KIC

The EIT is a body of the European Union