

Sector briefing

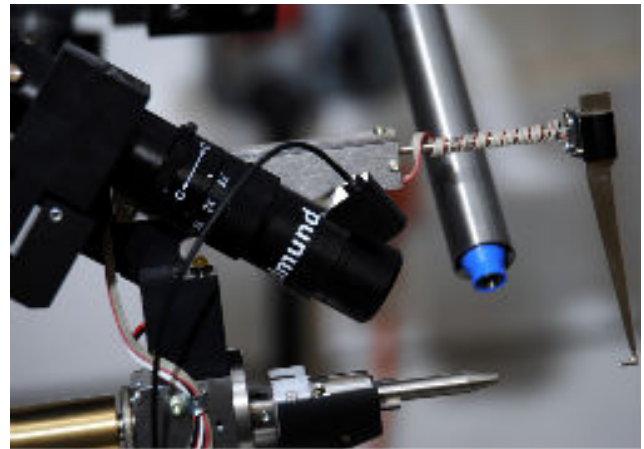
Biotechnology Opportunities in Israel

Why Israel?

The Israeli Biotechnology Industry is growing fast and has the potential to be one of the world leaders in this field. **Israel** enjoys a strong entrepreneurial culture which enables new ideas to be nurtured and developed. The Israeli Life Science Industry is still young, yet expanding and exuberant. Of the existing 1,000+ companies, some 80% were founded during the last decade.

Israel is now Britain's 3rd largest export market in the Middle East, and 28th largest export market world wide. The Israel business community is familiar with UK business practice, there is no language problem and there exists a free trade agreement between the EU and Israel. Furthermore there are no barriers to business and Israel's commercial law is rooted in English law.

Find general information on the **Israel** market conditions on [UKTI's website](#). The [Doing Business Guide for Israel](#) gives an overview of **Israel's** economy, business culture, potential opportunities and an introduction to other relevant issues.



“Israel’s total number of granted patents positions it in first place world-wide in patents per capita, and number four in the world in the absolute number of patents approved.”

Opportunities

This is a young and fast growing industry, and the number of new companies being created is relatively constant, as can be seen from the fact that over 100 new companies have been established in the last 2 years. While Biotech companies take longer to develop marketable products than in other high tech sectors, the rewards are bigger and last longer.

The major sectors are:

- Diagnostics
- Drug Discovery
- Cell & Tissue Therapy
- Genetics
- Immunology and Biomaterials.

The main industry drivers are:

- Active Technology Transfer companies
- Commercialised defence technologies
- Strong entrepreneurial spirit
- Powerful VC community
- Highly skilled workforce
- A high per capita expenditure on R & D
- Government and institutional incentives.

Sales in the Life Science sector in 2009 were in excess of \$6 billion as compared to only \$390 million in 1998.

Technological Incubators

Israel boasts a network of 24 Technological Incubators situated throughout the country. They were established with the help of Government funding in the early 1990's but have all now been privatised and are managed by private sector companies. Some examples of successful graduate companies are:

Compugen: a genomics based drug and diagnostic discovery company.

D Pharm: designs and develops platform technologies for brain disorders.

Enzymotec: produces and develops innovative biofunctional ingredients for the entire life cycle.

Protalix: Plant cell based recombinant protein expression technology.

BioLineRx: design and production of a schizophrenia drug.

Teva Pharmaceuticals

One of Israel's biggest companies which has become one of the world's largest pharmaceutical companies, mainly concentrating on the manufacturing of generic drugs, with sales last year of \$13.9 billion.

Recently, in order to protect its drug pipeline, Teva has entered the biotechnology sector in a major way and is actively seeking good business opportunities.

Companies to Watch

While strong on technological innovation and entrepreneurship, many of the smaller Israeli companies are sometimes weak in business acumen, management experience and international marketing. In these areas there are good opportunities for UK companies. Some of the leading companies are:

Colbar: have developed collagen implants.

Cure Tech: develops novel broad spectrum immune modulating products for cancer.

Kamada: a biopharmaceutical company that develops and produces life-saving therapeutics using chromatographic purification technology.

Smart Biotech: stimulates antibody production for quick HIV / HCV testing.

Government Support

There is a wide range of Government financial support for the biotech industry which is mainly provided through the Office of the Chief Scientist in the Ministry of Industry Trade and Labour. Biotechnology has been declared a 'preferred sector' with increased efforts for cooperation between academia and industry, and additional funding to ensure the successful transition from start-up stage to a profitable enterprise. Some examples of this are:

Pronto Diagnostics: are developing tools for the diagnosis of rare fevers.

Omrix: have developed biological glue for immunotherapy.

Cell Cure: have developed new therapies for neurological diseases.

Stem Cells

It is now impossible to refer to the biotechnology sector without including Stem Cell companies. Israel is an acknowledged world leader in stem cell research and its commercialisation, and Israeli scientists have published more stem cell research articles than any other country on a per capita basis.

The Consortium Bereshit for Cell Therapy (Bereshit is the Hebrew word for the Book of Genesis – The Beginning), brings together both academia and industry to further develop stem cell-based therapies. It comprises all of the major universities and hospitals. Among the leading companies in this niche sector are:

Brainstorm Cell Therapeutics: is developing solutions for terminal neuro-degenerative diseases which also include Parkinson's Disease and Multiple Sclerosis.

Gamida-Cell: looking to generate sufficient stem cells for treatment of cancer and auto-immune diseases, as well as for future regenerative cell-based medicines.

M.G.V. Systems: is developing novel therapeutic modalities for cardiovascular medicine based on gene and cell therapy to help prevent graft failure.

Pluristem Life Systems Inc: is developing a technology for the treatment of adult patients who require bone marrow transplants but are unable to find suitable donors.

Tissera Inc: is working on tissue transplantation therapies based on an approach employing organ-specific precursor tissues.

And Finally

There are many promising business prospects for UK company partnerships and collaborations in **Israel's** flourishing biotechnology market. Its technological innovation, strong scientific personnel, good co-operation between academia and industry and unquenchable entrepreneurial spirit, make **Israel** an important and worthwhile market for UK companies.

Israel is an exciting and valuable market with many realistic opportunities for good business.

If you have any questions on the opportunities above, please get in touch with the UKTI contacts named in this report. Business opportunities aimed specifically at UK companies are added daily to UKTI's website. These leads are sourced by our staff overseas in British Embassies, High Commissions and Consulates, across all sectors and in over 100 markets.

You can be alerted to business opportunities on a regular basis by registering on the UKTI website. [More on UKTI's business opportunities service](#)

Major events and activities

"**BioMed Israel**" the Israel Life Science and Technology Week Exhibition and Conference is due to take place at the David Intercontinental Hotel & Convention Centre in Tel Aviv.

Contact: **Yigal Levine**
For details: www.kenes.com/biomed
Time: **June 14th – 16th 2010**

The bi-annual **Analiza Exhibition for Laboratory Technologies, Biotechnology and Chemical Analysis** is due to take place at the David Intercontinental Hotel & Convention Centre in Tel Aviv.

Contact: **Yigal Levine**
For details: www.stier.co.il/english
Time: **April 26th – 27th 2010**

Find full details of all events in this country and sector on the UKTI website. New export events are added daily to the site and [you can register to be alerted to them](#) on a daily, weekly or monthly basis

UKTI's Tradeshow Access Programme (TAP) provides grant support for eligible Small & Medium Sized Enterprises (SME's) to attend trade shows overseas. Find out more about [UKTI support](#) for attendance at overseas events.

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Next steps - How UKTI can help

British companies wishing to develop their business in the **Israel** market are advised to undertake as much market research and planning as possible in the UK. UKTI's team in **Israel**, with its wide local knowledge and experience, can provide a range of services to British-based companies wishing to grow their business in global markets.

This can include:

- Provision of market information
- Validated lists of agents/distributors
- Key market players or potential customers in the Israeli market
- Establishment of interest of such contacts in working with you.

- Arranging appointments
- Organise seminars or other events for you to meet contacts and promote your company in the Israeli market

This work is available via our [Overseas Market Introduction Service \(OMIS\)](#) a chargeable service which assists British-based companies wishing to enter or expand their business in overseas markets.

To find out more about commissioning this work, or accessing other UKTI services and specialist advice, please visit the UKTI website to find [contact details for your local UKTI office](#).

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