



HAREL - HERTZ  
Investment House Ltd.



Word of Trust

# Israel Insight Yearly Report 2008

**Prepared by: Elchanan S. Harel**  
**President**

Harel-Hertz Investment House Ltd.  
91 Medinat Hayehudim Street, 3rd Floor  
PO Box 4103, Herzliya Pituach 46140 ISRAEL  
Tel: +972-9-960-6900/1 / Fax: +972-9-960-6910  
E-mail: [elchanan@harel-hertz.com](mailto:elchanan@harel-hertz.com)  
web: [www.harel-hertz.com](http://www.harel-hertz.com)

## Index

### January

- 1) Nissan To Take Part In Israeli Electric Car Project
- 2) Teva Pharma Taps Japan's Growing Generic-Drugs Market
- 3) Oki, Alpine, Runcom demonstrate WiMax car navigation
- 4) Mobile Devices: NEC's N905i/N905iµ Handsets Ship With Red Bend's FOTA Solution
- 5) MaxxAudio Establishes New Sound Standards for Mobile Phones, LCD TVs, and Notebook PCs
- 6) Japan's MOL to start Israeli shipping services
- 7) Aladdin Leads Equity Investment in Athena Smartcard Solutions
- 8) Israel's Sushi Market Thriving

### February

- 1) Joint Statement on Deepening Relations between JAPAN and ISRAEL
- 2) Bilateral Relations
- 3) Cooperation in Middle East Peace Process and "Corridor for Peace and Prosperity" initiative
- 4) Israel seeks stronger ties with Japan to fight nuclear threat
- 5) Israeli PM meets Japan's emperor
- 6) Olmert says to double Israel's R&D investment
- 7) Israel, Japan seek to double trade
- 8) Konnichiwa from Israel

- 9) Nova and Sokudo Integrate NovaScan CD Metrology on RF3 Track Systems
- 10) Ultra wideband startup raises \$24 million
- 11) Mobileye N.V. announced that they have signed an exclusive agreement with Yazaki Corp.

## March

- 1) Japanese investors interested in Israel
- 2) Alvarion(R) to Demonstrate Joint Mobile WiMAX(TM) Solution with Hitachi Communication Technologies
- 3) GIZMOS raise funds from Japanese Investors
- 4) Teva Barred From Selling Generic of Eisai's Aricept
- 5) Young CEO breaks through corporate age barrier
- 6) Electronic Pen Can Read Kanji, Provide Definitions
- 7) AlgoSec and Leading Japanese Distributor CreDist Launch Strategic Channel Partnership
- 8) Valor, Nagoya Elec` Partner on Inspection

## April

- 1) Quark Pharmaceuticals raises \$27m
- 2) Elron Announces That Given Imaging Announces Patent Litigation Settlement
- 3) Bank of Tokyo-Mitsubishi UFJ signs for Actimize AML technology
- 4) BluePhoenix Closes \$1 Million Deal With Large System Integrator Partner in Japan
- 5) PalmGuard™ Maximizes Accuracy and Ease of use for Security-Based Applications
- 6) Sharp AQUOS goes wireless with Amimon

## May

- 1) Israel's Altair to Supply Chips to Japan
- 2) ASOCS Unveils World's First Wireless MultiComm Processor
- 3) Sources: Fujitsu Siemens Eyeing Exanet
- 4) GPS start-up NavNgo in €600m a year contracts
- 5) Angioplasty co Angioslide raises \$8.6m
- 6) Japan Patent Office Licenses GeneCards(R) from Xennex, Inc

## June

- 1) Mideast leaders meet in Japan for talks
- 2) Aizawa To Offer Israeli Stock Trades To Individuals
- 3) Given Imaging Announces Completion of Patent Litigation Settlement
- 4) Foreign makers of generic drugs going on offensive
- 5) Japanese giant to invest millions in Israeli industries
- 6) ASAHI INTECC and MEDIGUIDE Announced Collaboration in Development and Sales of Innovative gMPS Enabled Guide Wire (G-Wirt™)

## July

- 1) Japan ripe for generics, says Teva chief
- 2) CE Giants Back Amimon's Wireless HDTV Tech
- 3) U.S. court rules for Eisai in drug fight with Teva

## August-September

- 1) ASOCS Closes \$8 Million in a Second Round Funding Led by FGF
- 2) Iscar completes \$1b Tungaloy takeover
- 3) Teva and Kowa Announce Strategic Partnership To Create A Leading Generic Pharmaceutical Company In Japan
- 4) Altair raises funds from Japanese VC
- 5) Siano Expands its Presence in Asia: Opens Japan Office
- 6) Mellanox InfiniBand Accelerates Toshiba Medical's AquilionONE
- 7) Surf Communication Solutions Provides Multimedia Processing for NEC's Media Servers and Gateways

## October

- 1) Teva's Y100bn Sales Target Puts Japan Drugmakers On Alert
- 2) Renesas Technology and On Track Innovations (OTI) to introduce a New Micro controller-Based Contactless Payment Solution for Banks
- 3) NEC Adopts Waves MaxxAudio Sound Enhancements
- 4) One of Japan's Largest Financial Services Firms Expands its NICE Environment to Improve Compliance With Financial Regulations in Multi-million Dollar Project

## November

- 1) Memorial services honors widow of Chiune Sugihara
- 2) Discretix signs Japanese auto deal
- 3) CellSeed, 3 Foreign Firms Team In Regenerative Cornea Tissue
- 4) Asgent Announces Revamp of Antispam Security Appliance “PineApp Mail-Secure”  
Lineup
- 5) Fujifilm Software Merges 2 Endoscope Systems On Same Monitor

## December

- 1) Japan PM Aso asks Israel’s Olmert to stop bombings
- 2) Israel and Japan Partnering in \$1.8 Million Research Programs
- 3) Better Place signs in Japan
- 4) Camtek, Raytek to jointly develop wafer AOI system

## January

### Nissan To Take Part In Israeli Electric Car Project

TOKYO (Nikkei)--**Nissan Motor Co.** said that it has signed a memorandum of understanding with the Israeli government to become part of a consortium working on a national electric vehicle project there.

Under the agreement, the consortium, consisting of Nissan, its French parent Renault group, and the U.S. organization Project Better Place, will supply electric vehicles and run battery charging facilities starting in 2011.

The Renault group is expected to supply electric vehicles that offer a driving performance similar to 1.6-liter-class gasoline-powered vehicles. Nissan will supply lithium ion batteries for the electric vehicles via its joint venture with the **NEC Corp.** group.

Project Better Place will handle the construction of roughly 500,000 charging stands all over Israel.

Electric vehicles can only travel short distance before needing to recharge, one of their major shortcomings. But this will not be a problem in Israel, where the typical car owner drives no more than 70km a day.

Because lowering oil dependency will also benefit its national security, the Israeli government plans to offer tax incentives to encourage people to take up electric vehicles.

The project plans to employ a business model that is similar to that used by cellular phone service providers -- people will buy and own the electric vehicles but pay subscription and usage fees for the battery and electricity.

### Teva Pharma Taps Japan's Growing Generic-Drugs Market

By Kanoko Matsuyama

Jan. 11 (Bloomberg) -- Teva Pharmaceutical Industries Ltd., the world's largest generic-drugmaker, will hire as many as 193 people in Japan this year to tap growing demand for cheaper medicines.

Teva, based in Petah Tikvah, Israel, may consider teaming up with a Japanese partner to help break into the nation's \$63 billion-a-year drug market, said Terri Fujii, president of Teva Pharmaceutical K.K., its Tokyo-based subsidiary.

Fujii was hired from the Japanese unit of Bayer AG in November, a month before the health ministry announced plans to give pharmacists greater freedom to dispense generics instead of branded products. Japan wants the cheaper copies to account for 30 percent of prescriptions by 2012 from 17 percent now. If achieved, it would save 500 billion yen (\$4.6 billion), an advisory panel to the Cabinet estimated in May.

“The ruling changes are a business opportunity for us,” Fujii, 43, said in an interview. “We hope to gain more than 50 percent of the market.”

Teva's local unit has seven employees. Fujii wants to increase that to as many as 200 by December, enabling Teva to sell the “few” products currently awaiting regulatory approval, she said.

Teva faces competition from local generic-drug makers, including Sawai Pharmaceutical Co. and Towa Pharmaceutical Co. Indian companies, including Ranbaxy Laboratories Ltd., Lupin Ltd. and Cadila Healthcare Ltd., are also trying to increase sales in Japan, the world's second-biggest pharmaceutical market.

#### U.S. Market

In the U.S., the world's largest pharmaceutical market, generic medicines account for about 63 percent of the volume of drugs prescribed and 13 percent of the value, according to IMS Health Inc., a Fairfield, Connecticut-based market research firm.

“It's certain that generics can comprise 30 percent of prescriptions in Japan, and we want to be part of it,” Fujii said.

Pharmacists would be eligible for a cash incentive if 30 percent or more of the prescriptions they dispense are generics, under the proposal submitted to a ministerial panel in December. The size of the incentive is yet to be determined.

The same panel approved on Nov. 9 a plan to promote the public acceptance of generics. Includes encouraging pharmacists to dispense generic drugs except when a prescription specifically stipulates a branded product.

Japan's health-care system is based on a universal insurance program requiring working-age citizens and children to pay 30 percent of the cost of treatment, while





seniors are reimbursed for as much as 90 percent of the cost. Generic drugs are generally priced 30 percent lower than branded products.

The government aims to stem the cost of caring for one of the world's most rapidly aging societies. Health-care spending will swell 70 percent to 56 trillion yen by 2025 from 33 trillion yen in 2005, according to government estimates.

### [Oki, Alpine, Runcom demonstrate WiMax car navigation](#)

Runcom Technologies Ltd. a provider of OFDM technologies for mobile WiMax has joined forces with Japan's Oki Electric Industry Co. Ltd., an electronic equipment manufacturer, and Alpine Electronics Inc., a manufacturer of in-car audio and navigation systems.

The three companies are demonstrating what they claim is the world's first car navigation system with streaming content based on mobile WiMax at the Consumer Electronics Show in Las Vegas.

The companies have been working for several months to develop a mobile WiMax in-vehicle navigation system with embedded broadband wireless communications capabilities to enable the system to upload information such as road maps, attractions, near by events and additional location-based services, to report car maintenance status and failures and many other broadband IP applications.

Runcom is providing its RNA200 IC and RNA300 ASIC as the hardware platform.

"Oki will add its share to the mobile WiMax ecosystem with the compact-flash cards and in-vehicle navigation system which will enable users with new and exciting services," said Masasuke Kishi, executive vice president of network systems, Oki Electric Industry.

## Mobile Devices: NEC's N905i/N905iµ Handsets Ship With Red Bend's FOTA Solution

**Red Bend Software**, the market leader in Mobile Software Management and Firmware Over-the-Air (FOTA) updating solutions for mobile devices, announced that **its vCurrent Mobile FOTA** solution has been implemented in the N905i and N905iµ mobile phones manufactured by **NEC**. These two models will be the first phones from **NTT DoCoMo** to ship with Red Bend's vCurrent Mobile firmware over-the-air (FOTA) client software.

The adoption of Red Bend's software by a large number of new models from mobile device manufacturers and service operators demonstrates the high reliability and stability of the mobile software management solutions.

The N905i handsets are packed with features including one-seg viewing, FOMA High-Speed Downlink Packet Access (HSDPA), WORLD WING global roaming for 3G and GSM networks, GPS, and a 5.2-megapixel (effective) CMOS camera with auto-focusing and camera shake and subject motion compensation technologies. The N905i handsets are also the first FOMA terminals offering two-axis rotation, and the main display is about a 3-inch widescreen VGA (480 x 854 pixels) Mobile Shine View EX LCD.

In spite of its thin (12.9 mm) and light (about 106 grams) body, the N905iµ is a full-featured member of the FOMA 9 Series, including FOMA High-Speed (HSDPA) and WORLD WING global roaming.

Performance results announced by Red Bend Software for the third quarter of 2007 show that the firm's FOTA client solution is utilized in some 200 million mobile phones of 117 models worldwide. Red Bend's vCurrent Mobile has been adopted by manufacturers worldwide including LG Electronics, Motorola, Sharp, Sony Ericsson, NEC and Toshiba, and Red Bend forecasts that its software will ship on 250 million mobile phones by the end of 2007.

vCurrent Mobile is based on Red Bend's patented FOTA update client technology, making it possible to update firmware quickly and cost effectively over-the-air while a consumer is using the phone. The fail-safe function ensures valid update even in the event of an interruption such as power-off. The vCurrent Mobile client is fully compliant with Open Mobile Alliance (OMA) Device Management (DM) standards, and is interoperable with any OMA DM-compliant server.



## About Red Bend Software

Red Bend Software helps mobile phone manufacturers and network operators to accelerate the adoption of new services and features, respond rapidly to customer needs, and reduce support costs through mobile software management solutions. LG Electronics, Motorola, NEC, Sharp, Sony Ericsson, and other large handset manufacturers use Red Bend's firmware over-the-air (FOTA) mobile client software to quickly and reliably deliver compact firmware updates to more than 200 million mobile phones in the hands of consumers. Founded in 1999, Red Bend Software is a privately held, venture capital-financed company with offices in China, Israel, Japan, Korea, the U.K and the U.S.

## MaxxAudio Establishes New Sound Standards for Mobile Phones, LCD TVs, and Notebook PCs

Leading Japanese CE firms use Waves psycho-acoustic technologies to improve audio quality and gain competitive advantage

At the International CES, **Waves Audio Ltd.** demonstrated new **MaxxAudio technologies**, which are being implemented by leading Japanese CE firms to improve sound in consumer electronic products. Manufacturers such as **Sanyo, JVC, and Toshiba** use Waves patented psycho-acoustic algorithms to compensate for the limitations of small, low power speaker systems in mobile phones, LCD TVs, and notebook PCs. Each of these industry leaders relies on Waves technologies to dramatically improve the audio quality of their products and the user audio experience, providing an important competitive advantage.

**Sanyo** began shipping their first MaxxAudio mobile phones in December 2006. MaxxAudio allows for decreased speaker size while simultaneously improving sound quality, an important benefit in "Handsfree" operation. Sanyo has adopted MaxxAudio in additional phone models and has already shipped several million handsets using this technology to the US market.

Toshiba's Qosmio notebook PCs with MaxxAudio began shipping to the Japanese market in September 2007. Qosmio users enjoy better audio from movies, music, and



games, as well as VoIP. Toshiba continues to implement MaxxAudio in many of its new and upcoming notebook computers.

Victor/JVC shipped their first MaxxAudio LCD TVs in May 2007, and their initial model won several top awards in Japan, including one for MaxxAudio as Best New TV Technology. MaxxAudio delivers great audio from the integrated speakers in LCD TVs, eliminating the extra components, expense, and complexity of external component audio systems. AV Review, Japan's most important CE publication, had this to say about MaxxAudio: "It is better to watch DVDs with MaxxAudio in Victor's LCD TV set, because the frequency response, sound field, and sound clarity are all perfect and completely natural. In addition, excellent music sound reproduction can be obtained. Among other modern thin TVs, it is impossible to find another TV with such stable sound and high clarity, reinforcing the superiority of MaxxAudio."

#### **About Waves Ltd.:**

Waves is the world's leading developer and provider of audio signal processing tools, with award-winning software and hardware for the professional and consumer electronics audio markets. Waves has more than fifteen years of expertise in the development of psycho-acoustic signal processing algorithms which leverage knowledge of the human perception of hearing to radically improve perceived sound quality. Waves processors are used to improve sound quality in the creation of the hit records, major motion pictures, and popular video games the world over.

Waves consumer IC and software licensing solutions compensate for the acoustic limitations of notebook PCs, LCD TVs, mobile phones, and portable audio systems by the top names in consumer electronics, including **Toshiba, Sony, Sanyo, NEC, JVC, Microsoft, Delphi, Clarion and Altec Lansing.**

## Japan's MOL to start Israeli shipping services

### **One of the world's largest shipping companies will dock at Ashdod Port and Haifa Port from February.**

Globes14 Jan 08

Sources inform "Globes" that Japanese shipping giant **MITSUI O.S.K Ltd** (TSE: 9302) has decided to launch a route to Israel. Beginning in February, its ships will dock at Ashdod port and Haifa Port. The move comes after many international shipping companies stopped calling at Israeli ports in the past year.

Mitsui OSK Lines' entry into the Israeli market comes as Israeli demand for Far Eastern goods increases. Mitsui OSK already operates routes between Far Eastern and Mediterranean and Black Sea ports. Initially, the service to Israel will be by feeder lines from Damietta in Egypt. Later, direct routes to Ashdod Port and Haifa Port will be inaugurated. Mitsui OSK has appointed Lucy Borchard Shipping Ltd as its agent in Israel.

## Aladdin Leads Equity Investment in Athena Smartcard Solutions

**Aladdin Knowledge Systems**, Ltd. an information security leader specializing in authentication, software DRM and content security, announced an equity investment in **Tokyo-based Athena Smartcard Solutions**. Aladdin was the most significant investor in the recent equity investment round with existing Athena shareholders making additional contributions. Athena Smartcard Solutions was formed in 1998 based on technology licensed from Aladdin.

Following its formation, Athena has developed advanced cryptographic smart card operating systems, smart card middleware, and reading devices, securing its position as an innovator in smart card technology. Athena's product offerings, which include FIPS and Common Criteria certified smart card operating systems, is designed for use in the expanding market for secure government and enterprise employee smart identification cards. Aladdin previously licensed elements of Athena's smart card technology for use with its own products. This most recent investment in Athena serves to further strengthen the strategic alliance between the two companies.



"We are pleased to continue our partnership with Athena Smartcard Solutions," said Yanki Margalit, Chairman and CEO of Aladdin Knowledge Systems. "Moving forward into 2008, this investment will allow us to streamline our strong authentication offerings and provide Aladdin eToken customers increased flexibility and enhanced functionality. "This remains an important investment for Aladdin as Athena maintains significant expertise in smart card technology and production, enabling continued innovation for Aladdin eToken."

"Having Aladdin as an active technology and financial partner in Athena is a testament to Athena's ability to constantly innovate and develop leading-edge technologies that are being successfully utilized by the most demanding industry partners and customers," said Masaru Kosaka, Chairman and co-founder of Athena. "This investment from Aladdin and other shareholders provides Athena with additional resources that will enable us to accelerate our growth and market penetration, while continuing the development of our next generation products."

### **About Athena Smartcard Solutions**

Athena Smartcard Solutions, one of the industry's fastest growing companies, is a leading provider of Java Card™ and file-based smart card operating systems, secure identification cards, smart card readers, cryptographic middleware, and smart card management systems. Athena serves government and corporate customers worldwide through its worldwide distribution network and technology partners. Athena's products include contact and dual interface cryptographic smart cards that are designed for secure authentication to corporate networks and Web sites, with specific products designed for U.S. Government FIPS-201/PIV, digital signature, and various national ID projects

### **About Aladdin**

Aladdin Knowledge Systems' Software Rights Management products are the #1 choice of software developers and publishers to protect intellectual property, increase revenues, and reduce losses from software piracy. Aladdin eToken is the world's #1 USB-based authentication solution. The Aladdin eSafe secure Web gateway provides the most advanced protection against the latest Web-based threats and attacks. Aladdin has offices in 12 countries, a worldwide network of channel partners, and has won numerous awards for innovation.

## Israel's Sushi Market Thriving

It was reported that some 100 sushi outlets operate in the Tel Aviv area alone, out of which 62 are actual Japanese restaurants, or eateries specializing in sushi. Another 13 are restaurants in which sushi compromises a major part of the menu, according to the Web site 2EAT.co.il.

Twenty of these "sushi bars" are strictly kosher, the site adds. The Japanese delicacy is so popular in Israel that 12% of all of Tel Aviv's restaurants are sushi-related. It's the largest growth segment among specialty restaurants.

Tel Aviv has the highest proportion of sushi outlets per capita, 1.2 times more than in London and 1.4 times more than in Amsterdam

## February

### Joint Statement on Deepening Relations between JAPAN and ISRAEL On the occasion of the visit by prime minister Olmert to Japan

**H.E. Mr. Ehud Olmert, Prime Minister of the State of Israel, made an official working visit to Japan on February 25-28, 2008.**

During his visit to Japan, Prime Minister Ehud Olmert held a constructive and forward-looking meeting with H.E. Mr. Yasuo Fukuda, Prime Minister of Japan, and both Prime Ministers issued the following statement for the further development of bilateral relations.

## Bilateral Relations

### (1) Political relations

Both sides expressed their satisfaction with the steady progress of the bilateral relations in all aspects and reiterated their common determination to further strengthen the



cordial bonds through enhancing dialogue and cooperation at all levels. In this connection, both sides expressed their willingness to continue high-level political dialogue, reviewing the outstanding increase in the mutual visits of leading political figures including Prime Ministers and Foreign Ministers of both countries since 2006. In this context, both sides also welcomed the establishment of a high-level strategic dialogue in 2007. Its second meeting will be held in Jerusalem during this year.

## (2) Economic relations

Both sides shared the view that the further development of economic relations is a driving force for strengthening partnership between Japan and Israel. Both sides appreciated the successful visits of Japanese business missions to Israel, one of which was dispatched on the occasion of the Prime Minister's Conference in Tel-Aviv in November, 2007. Also, they highlighted the significance of the high-level Israeli private sector mission accompanying Prime Minister Olmert as well as of the meeting of Joint Japan-Israel Business Forum held on February 26 in Tokyo. In order to strengthen the bilateral economic relations by identifying possible initiatives for desirable bilateral cooperation in a broad range of areas, including, but not limited to: trade and investment, industry, agriculture, tourism and the environment, both sides decided to establish a joint working group, which will make a joint report to both governments for further consideration.

Both sides recognized the importance of direct flights between the two countries for further development of the bilateral economic relations.

## (3) Cooperation in Science and Technology

Both sides reaffirmed their commitment to enhancing cooperation in science and technology, according to the existing Agreement between both Governments of Japan and Israel on Cooperation in Science and Technology, signed in 1994. The 4th meeting of Japan-Israel Joint Committee for Cooperation in Science and Technology will be held this year in Tokyo. Both sides will explore joint activities in various science and technology areas. Recognizing the recent development of cooperative relationship, both sides welcome further cooperation in the space sector.

## (4) The 60th Anniversary of the Establishment of the Diplomatic Relations

Mindful of Year 2012 that celebrates the 60th anniversary of the establishment of the diplomatic relations between the two countries, both sides shared the view that the 60th anniversary would offer great opportunities to further strengthen the time-honored friendship in wide-ranging areas. Both sides also shared the significance of promoting a variety of commemorating events with the aims of broadening exchanges between the people of the two countries.



## Cooperation in Middle East Peace Process and "Corridor for Peace and Prosperity" initiative

Both sides reaffirmed that the solution of the Arab-Israeli conflict will contribute to achieving stability and prosperity in the Middle East. In this context, Prime Minister Fukuda expressed his strong support for the ongoing bilateral negotiations between the Israeli and the Palestinian sides which were relaunched at the Annapolis Conference of November 2007, in order to conclude a peace treaty between the two sides. Prime Minister Olmert reiterated his commitment to making every effort to conclude agreement with the Palestinian side before the end of 2008 and Prime Minister Fukuda expressed Japan's readiness to extend necessary assistance to such peace efforts. In this context, Prime Minister Olmert expressed his appreciation for Japan's active contribution to the Middle East peace process and its assistance to the Palestinian people.

Both sides shared the vision of the two states, living side by side in peace and security, and reiterated their strong commitment to steadily and swiftly materializing Japan's "Corridor for Peace and Prosperity" initiative with close and active cooperation among Israel, Japan, Jordan and the Palestinian Authority. In this regard, both sides expressed their expectation that the third ministerial-level meeting of the Four-Party Consultation Unit for the initiative would be held at an earliest possible opportunity

## Israel seeks stronger ties with Japan to fight nuclear threat

Tokyo - Visiting Israeli Prime Minister Ehud Olmert in Tokyo on February stressed the need for Israel-Japan cooperation in fighting terrorism and the spread of nuclearization caused by an "axis of evil." Olmert criticized states including North Korea as members of an "axis of evil," which causes military imbalance, Kyodo News Agency quoted the premier as saying.

"My judgment is that there is an axis of evil, which combines North Korea, Iran, the Syrians, Hezbollah and the Hamas ... all these countries and organizations which are joining forces together in order to upset the balance to develop nonconventional weapons and to threaten the moderate countries," Olmert said at a news conference in Tokyo.

"Israel is naturally one of them," the premier was quoted as saying.

Olmert met with Japanese Prime Minister Yasuo Fukuda and the two discussed the "threat posed by the nuclearization of North Korea" and how they can cooperate in containing nuclear proliferation.

The Israeli leader said that North Korea, in an attempt to become a nuclear power, was suspected of spreading nuclearization to other parts of the world.

"And this is something that must be carefully examined," Olmert said.

## Israeli PM meets Japan's emperor

Wed Feb 27, 1:49 AM ET

Israeli Prime Minister Ehud Olmert met with Japan's Emperor Akihito, ahead of talks expected to touch on alleged North Korean cooperation with the Jewish state's enemies.

Olmert, the first Israeli premier to go to Japan in 11 years, was invited to the sprawling imperial palace in central Tokyo for a ceremonial reception with the emperor.

The emperor, whose father Hirohito was revered as a demigod during World War II, remains widely respected in Japan but is constitutionally forbidden from holding any political role.

The Imperial Household Agency declined immediate comment on Olmert's discussions with the leader of the world's oldest monarchy.

Olmert was due to hold talks later with political leaders including Prime Minister Yasuo Fukuda.

A newspaper had said that Olmert would share with him intelligence purporting to show military cooperation between Iran and North Korea, the arch-enemies of Israel and Japan, respectively.

"Iran is at the forefront of the 'axis of evil' and alongside North Korea constitutes a danger for the stability of Asia and the Near East," Olmert said in talks with Japanese Defence Minister Shigeru Ishiba.

Olmert is largely in Japan to boost tepid trade with the world's second largest economy, which has invested little in recent years in Israel even though both countries have vibrant technology industries.

Japan has been seeking a greater role in the Middle East in line with its aspirations for more global influence.

Japan is funding a project to build an agro-industrial park in the West Bank in a bid to create jobs in the ailing Palestinian economy.

Fukuda, speaking to Israel's Haaretz newspaper, said that the project "only contributes to strengthening the confidence among parties."

"Japan will support the efforts by Israelis and Palestinians to the maximum extent possible," Fukuda said.

## Olmert says to double Israel's R&D investment

TOKYO, Feb 26 (Reuters)- Israel needs to double government spending on research and development in the next five years to remain competitive globally, Prime Minister Ehud Olmert said in Japan, where he is seeking to drum up investment.

Israel currently invests 4.8 percent of gross domestic product on R&D, more than any other country in relative terms, Olmert told a business conference in Tokyo, where he is making his first visit as prime minister.

But with Israel's GDP at about \$186 billion in 2007, in absolute terms this is still a small amount.

"We need to invest and intend to invest a lot more in R&D," Olmert said. "The goal of our country is to increase investment in R&D, hopefully in the next five years to about 10 percent."

These funds would provide opportunities for innovation that a small country such as Israel needs if it wants to compete in the global market, he said.

Olmert is seeking to increase Japanese investment in Israel. While foreign direct investment topped \$10 billion last year, Israeli officials say only a minimal amount was from Japan, the world's second-largest economy.

One opportunity that could interest Japanese investors is an Israeli-led project to build electric cars, Olmert said.

Renault and Nissan signed a deal last month to begin mass-producing electric cars as part of a project to develop alternative energy sources and slash oil dependency.

Renault-Nissan Chief Executive Carlos Ghosn has said the cars, with a range of about 100 km in city driving and up to 160 km on the highway, will accelerate from zero to 100 kph in 13 seconds and have a top speed of 110 kph.

The cars, to be made in Europe, will run on a battery developed by Nissan and Japan's NEC .

The project plans to have a few dozen cars on the road this year and a few hundred next year with large-scale production due to start in 2010. Tens of thousands will be produced in 2011, Shai Agassi, whose Israeli-backed company heads the project, said on the sidelines of the Tokyo conference.

The project will benefit from zero corporate and dividend taxes in Israel, and the cars themselves will be free of customs duties.

"If we can work together on some way to build electric cars, if we can work together on some innovative technology that will make it possible...then naturally those producing and marketing those cars will have a great benefit," Olmert said.

Israeli imports from Japan -- largely autos and electronics -- jumped 46 percent last year to \$1.88 billion, while exports to Japan slipped to \$776 million, Israeli government figures show.

## Israel, Japan seek to double trade

Sharon Wrobel , THE JERUSALEM POST Feb. 28, 2008

The Manufacturers Association of Israel and the Japan External Trade Organization agreed to boost bilateral business ties in an effort to double annual trade volume between the countries to \$5 billion within the next three to four years.

As part of the business delegation accompanying Prime Minister Ehud Olmert on his visit to Japan, Manufacturers Association president Shraga Brosh met with Japan External Trade Organization chairman Yasuo Hayashi. During the meeting the two agreed on the formulation of a work plan for the next two years, which will be led by the Israel Export Institute and the Israel branch of the Japan Trade Organization. The plan will focus on increasing the exposure of Israeli exporters to the Japanese market in a variety of fields, including medical equipment, software and pharmaceuticals.

Bilateral trade between Israel and Japan in 2007 was about \$2.48b., including \$676 million of Israeli exports, an increase of 1.2 percent compared to 2006, and \$1.8b. of imports from Japan, an increase of 44% over the previous year. Exports to Japan include optical tools, electric equipment and plastics. Imports from Japan are mainly cars and machinery.

Brosh also met up with representatives of the Japan Manufacturers Association; the sides agreed to establish a joint committee that will recommend actions to encourage cooperation between the industry members of the two organizations.

The business delegation visited a number of multinational companies, including Panasonic, Sony and the R&D center of NTT, and were presented with their newest technologies. Meanwhile, Olmert signed a joint declaration with Japan's industry and trade minister to set up a working group that will examine the possibilities of expanding agricultural trade relations between Israel and Japan. Israel wants to broaden the current agreement, which limits exports to citrus fruits and persimmons, to allow exports of other fruits and fresh vegetables from the Arava.

Agriculture exports from the Arava to Japan could generate tens of millions of shekels a year, Agriculture Minister Shalom Simhon said, since Japan imports about 60% of the food consumed by its 127 million citizens.

Speaking at a joint Japan-Israel economic conference in Tokyo, Olmert promised that Israel's Research & Development spending would amount to 10% of gross domestic product in five years. He called on Japanese companies to open R&D centers in Israel and offered them tax breaks, including zero corporate tax and zero tax on the withdrawal of dividends.

## Konnichiwa from Israel

**Japan's BS11 network, Israeli television's Channel 2 launch affiliation deal under which Japanese channel screens dubbed compilations of Channel 2's weekly news editions. Sayonara, Jeruslaem**

**(Ynet)**

The Japanese television has begun broadcasting Channel 2's evening news edition – complete with Japanese dubbing.

Channel 2's news division and Japan's BS11 network have recently signed an affiliation agreement, as part of the land of the rising sun's efforts to expose its views to international content.

The BS11 network is backed by formidable Japanese corporations, such as Sony and Toshiba, which have shown a special interest in Israel as a leader on technology and bioscience developments.

Yisrael Green, a former employee of the Israeli embassy in Japan and current CEO of Asis – a company which mediates between various enterprises in both countries, told Ynet Japan is trying to open its horizons.

"Japan is still a relatively closed society as far as world news is concerned and BS11 wants to change that."

"This cooperation is the first of its kind," said Avi Weiss, CEO of Channel 2 News; "both sides intend to eventually broaden their cooperation."

## Nova and Sokudo Integrate NovaScan CD Metrology on RF3 Track Systems

Kyoto, Japan and Rehovot, Israel – Sokudo Co., Ltd. and Nova Measuring Instruments Ltd. announced that Nova's optical critical dimension (CD) metrology platform has been qualified on Sokudo's RF3 coat/develop track systems. The combined solution provides less than 0.8 nanometer (nm), 3 sigma CD uniformity and, through Sokudo's suite of bake technology, offers customers the processing flexibility to meet their most challenging process control requirements in volume production.

The RF3 coat/develop track platform, which includes the RF3S and RF3T systems, is Sokudo's most advanced lithography track platform, and has demonstrated high productivity and reliability for advanced manufacturing. Its flexible architecture provides customers with an extendible platform solution 3090Next Integrated® for both dry and immersion lithography. Nova's NovaScan Metrology (IM) with NovaMARS advanced modeling and application development software was qualified on the RF3 platform at



Applied's Maydan Technology Center in Sunnyvale, CA. Sokudo's RF3S system with integrated NovaScan CD metrology began shipping to customers in January, 2008.

According to Mohsen Salek, general manager of Sokudo, "We teamed with Nova to integrate optical metrology on our systems because of Nova's strong optical CD and CD modeling technology. The addition of the NovaScan® and NovaMARS platforms to Sokudo's products strengthens Sokudo's ability to provide customers with the most advanced track solutions."

The NovaScan 3090Next is an advanced metrology platform for Optical CD Control & shape-profiling, implementing polarized normal incidence spectroscopic scatterometry with an extended Deep UV (DUV) and IR spectral range. It provides the high throughput, reliability and tool-to-tool matching required for high volume measurements on the RF3. The NovaMARS delivers an automatic solution for advanced structure modeling and application development for the 45nm technology node and beyond – and can be used both for optical CD and for scatterometry overlay applications.

Avi Magid, executive vice president of Global Business at Nova, adds: "The RF3 coat/develop system incorporates several significant advances in track equipment technology and provides leading CD control, throughput, and reliability. We are happy to be working with Sokudo to further complement the track's technology with the leading integrated metrology solution. This collaboration is a significant step towards the proliferation of integrated metrology into the lithography manufacturing process "

### **About Nova**

Nova Measuring Instruments Ltd. develops, produces and markets advanced metrology solutions to the semiconductor process control market. The company is the provider of leading edge stand-alone metrology and the market leader of integrated metrology solutions. Nova is traded on the NASDAQ & TASE under the symbol NVMI.

### **About Sokudo**

Sokudo Co., Ltd., headquartered in Kyoto, Japan, is a joint venture company owned by Dainippon Screen Mfg. Co., Ltd. and Applied Materials, Inc. for the advancement of semiconductor coat/develop track equipment.

## Ultra wideband startup raises \$24 million

Wisair (Tel Aviv, Israel), a startup which provides single-chip parts for Ultra Wideband (UWB) and Wireless USB (WUSB) designs, has secured \$24 million in its latest round of funding.

The financing included four new investors and was led by Susquehanna Growth Equity (SGE), a US-based private equity fund. SGE was joined by European-based Advent Venture Partners, Bridge Capital Fund of Japan, and Yasuda Ventures. Existing Wisair investors also participated, and included Apax Partners, Broadcom, Intel Capital, Vertex, and Zisapel brothers from the RAD group.

The additional funding will be used to accelerate the release of products with integrated WUSB capabilities to satisfy the burgeoning demand for simple high-speed wireless connectivity in the consumer electronics industry, the company said.

Last year, Wisair said it can deliver 100 Mbits/ second of application-level throughput with its WSR601 chip when used as an external USB plug-in device and 300 Mbits/s when integrated natively into a system. The 130-nm chip consumes 250 mW average and 600mW peak and will sell as a full module for under \$15.

## Mobileye N.V. announced that they have signed an exclusive agreement with Yazaki Corp.

**For distribution of the Mobileye AWS-3000 Driver Assistance System in the commercial vehicle market in Japan.**

Mobileye N.V. and Yazaki Corp. sign agreement for distribution in Japan of the AWS-3000, an Advance Warning System that will reduce accidents and promote safer driving.

Mobileye N.V. announced that they have signed an exclusive agreement with Yazaki Corp. for distribution of the Mobileye AWS-3000 Driver Assistance System in the commercial vehicle market in Japan.

The AWS-3000 is a special version of Mobileye's AWS aftermarket product line that was adapted for use in Japan. The AWS-3000 can recognize preceding vehicles and traffic lanes by a monocular camera located on the vehicle's windscreen, and it provides drivers with visual and audio alerts prior to rear-end collisions, when the vehicle is too close to the preceding one, and when the driver shifts lanes without use of a turn signal.





Mobileye AWS-3000 will be launched in Japan on August 1, 2007, through the dealers of Yazaki Corp. The system can be installed on all existing vehicles regardless of type of vehicle or manufacturer.

Mobileye's vision technology is already available in several 2008 models as an original manufacturer option; in BMW's new 5-series, in Cadillac STS and CTS models, and in the Buick Lucerne. Additional manufacturers are due to launch production models that include Mobileye's technology in the coming months.

"The uniqueness of the Advance Warning System is that it is the first system of its type that can be installed as an aftermarket option on any vehicle and that includes forward collision warning and distance keeping alerts together with lane departure warning", says Prof. Amnon Shashua., Chairman and Chief Scientist of Mobileye N.V., "the AWS covers the most common causes of severe road accidents, offering the most effective solution for accident prevention and mitigation".

### **About Mobileye**

Mobileye N.V. (mobileye.com) is headquartered in The Netherlands, with R&D in Israel and satellite offices in the U.S., Cyprus and Japan. Mobileye is a technological leader in the area of advanced image sensing and processing technology for automotive applications, with a product offering covering the entire range of vision applications. Mobileye's unique monocular vision platform works as a "third eye" to help drivers improve safety and avoid accidents, and has the potential to revolutionize the way we drive. The processing includes functionalities such as vehicle detection, lane finding and pedestrian detection. The functionalities are embedded within the proprietary EyeQ vision-system-on-chip technology. The second generation, EyeQ-2, is already in an advanced stage of development.



## March

### Japanese investors interested in Israel

**18 Japanese investors have invested \$80 million in Vertex Venture Capital, which manages \$626 million.**

Vertex founder and managing partner Yoram Oron was in the entourage of Prime Minister Ehud Olmert during his visit to Japan at February . Oron says that Japanese financial and industrial companies are very interested in Israel, and he predicts a large increase in Japanese investment in Israeli securities, high-tech companies, and venture capital funds.

Oron added, "Some of our investors were present at a meeting with Olmert. They expressed interest in Israeli technology, especially Shai Agassi's electric car venture Project Better Place."

Japanese investors first invested in Vertex eight years ago, when it acquired Israel Infrastructure Fund (IIF), whose partner, David Heller, now a partner at Vertex, had studied and lived in Japan for five years. He is responsible, among other things, for relations with Japan.

For the first time, Heller has agreed to disclose some of Vertex's Japanese investors. "On the manufacturing side, there is **Hitachi, Fujitsu, MPT** - the world's largest multimedia company - Seiko, and others. On the financial side, there are companies such as **Nomura, Niko, and Aizawa Securities.**"

Oron added that **Actimize Ltd.** was presented to **Hitachi**. "We thought that through Hitachi, we'd reach financial customers in Japan, and so it was. Voltaire also signed an agreement with a large Japanese distributor via an introduction through our investors. In the past, we presented **PowerDsine to Fujitsu**, which was the company's first big Japanese customer. That deal made it possible for PowerDsine to go public on Nasdaq."

>"Globes": What about direct investment?

Oron: "A week ago, MPT invested in WisAir. Niko invested in Extricom. We're working with investors to help them create more opportunities in Israel beyond venture capital."

What will boost Japanese investment in Israel?

"The great improvement in diplomatic relations between the countries and reciprocal visits has legitimated exposure by large companies to Israel. Today, we're seeing large Japanese companies consider setting up R&D activity and investing in Israel."

Published by Globes [online], Israel business news - on March 11, 2008

## [Alvarion\(R\) to Demonstrate Joint Mobile WiMAX\(TM\) Solution with Hitachi Communication Technologies](#)

**Joint demonstration at CTIA Wireless Show, April 1-3, 2008, in Hitachi Hall N1/N2, Booth #6914**

**Alvarion®** Ltd. the world's leading provider of WiMAX™ and wireless broadband solutions announced that it plans to demonstrate its joint Mobile WiMAX™ solution – tailored to the unique needs of the Japanese market – together with Hitachi Communication Technologies at CTIA Wireless show, April 1-3, 2008.

Operators can benefit from the following features to be offered by the joint solution:

- All-outdoor solution for reduced installation costs
- Flexible capabilities enabling easy increase of traffic
- Advanced MIMO/Beamforming capabilities for enhanced coverage and capacity
- High-speed packet processing performance
- Low RF power consumption with advanced technologies

Recently, Hitachi was selected by UQ Communications Inc. to provide its access service network gateway for Mobile WiMAX and integrated operation maintenance system, and is expected to provide Japan's first commercial system. Upon their selection by UQC, Hitachi noted that Mobile WiMAX is one of the core technologies for the next generation of high-speed wireless communication service, and will permit the Internet to be accessed from a PC or other communication terminal even while one is traveling. Viewing this opportunity as a springboard, Hitachi is stepping up its plans to global growth with its next-generation high-speed wireless communication business, including its WiMAX base-station business.

"We congratulate Hitachi on its win with UQC," said Tzvika Friedman, President and CEO of Alvarion. "We believe our collaboration with Hitachi delivers a compelling, all-outdoor solution designed to offer advanced capabilities for the 2.5 GHz spectrum. Hitachi's selection by UQC unquestionably emphasizes just how well-positioned they are in Japan. Their carrier-grade ASN-GW with our radio capabilities represents the implementation of our OPEN™ WiMAX best-of-breed strategy, which can serve as a great asset for the upcoming large-scale deployments in Japan."

### **About Alvarion**

Alvarion is the largest WiMAX pure player ensuring customers' long term success with fixed and mobile solutions for the full range of frequency bands. Based on its OPEN WiMAX strategy, the company offers superior wireless broadband infrastructure and an all-IP best-of-breed ecosystem in cooperation with its strategic partners. Alvarion boasts over 200 commercial WiMAX deployments worldwide.

## GIZMOS raise funds from Japanese Investors

Gizmoz, a social expression and user-generated media service, announced at March that the company raised \$6.5 million in Series B financing. **The investment was led by DoCoMo Capital, Inc., a subsidiary of Japan's largest cellular phone service operator, with additional funding from ngi capital, inc., a subsidiary of ngi group, inc., and a leading venture capital firm in Japan.**

Series A investors **Benchmark Capital** and **Columbia Capital** also participated in the round. Gizmoz will use its strategic round to fund expansion into Asia starting with Japan, a market that leads the world in mobile Internet adoption.

"Gizmoz has done an excellent job of creating a social media platform for user-generated content that is unlike anything that exists in the world today," said **Nobuyuki Akimoto**, president and chief executive officer of DoCoMo Capital. "As it begins its next phase of growth, with an increased emphasis on cross platform development, Japan represents a large and strategic market for the company. Gizmoz's offerings come at an opportune time in the development of Japan's extensive mobile ecosystem, and they should feed the strong desire of Japanese consumers to embrace innovative content enhanced by Gizmoz's technology."

Early last year Gizmoz launched a free online service that allows consumers to express themselves across a range of digital communications. Key accomplishments to date include:

- **AOL Partnership** to Introduce Gizmoz Characters to Millions of New Users  
Effective today, consumers using AOL's AIM service, the largest instant messaging community in the U.S., can now create AIM Gizmoz Expressions. These 3D, talking Gizmoz characters can be used to better personalize chat communications. (See separate release, "Gizmoz Delivers 3D Gizmoz Characters to AOL's AIM Users.")
  
- **Expanded Offerings to Allow Creative Character Deployment**  
In November, the company expanded its popular 3D photorealistic service by allowing consumers to embed Gizmoz characters into movie clips. Its Be a Star service lets users enjoy the fun and fame of sharing the Big Screen with their favorite actors. More recently, Gizmoz launched In Your Face, a Facebook application that sends highly interactive, animated voice messages to members of the popular social networking community, allowing them to visually poke, egg, beautify or vanish their friends in a fun and hilarious way. Additionally, the distribution of Gizmoz characters via email, and throughout Bebo, MySpace, Orkut, Hi5, and other online communities, continues to grow rapidly.

-- Innovative User-Generated Campaigns That Capture Elusive Youth  
In September, Gizmoz took consumer-generated TV advertising to a new level by partnering with Taco Bell to allow consumers to try out for, and star in, a nationally-broadcast commercial aired during the MTV video music award. In less than two weeks, consumers created more than 17,000 Gizmoz clips, which were viewed more than one million times. Last month Gizmoz teamed up with ad agency Gringo to develop a new Coca Cola Zero online campaign in Brazil. Consumers are invited into the Coca Cola Zero Rest Home where crazy things happen to their Gizmoz characters, <http://cocacolazero.com.br>. Gizmoz is actively working with advertising agencies and leading consumer goods companies throughout the world to develop breakthrough branded campaigns that speak to the increasingly hard-to-reach youth audience.

"Gizmoz has enjoyed widespread adoption by consumers, advertisers and media partners over the last year, and with a number of exciting new products, programs and partnerships underway, the company is poised for significant expansion in 2008," said Eyal Gever, chief executive officer and founder of Gizmoz. "As we move forward on a number of key initiatives, building cross platform synergies into our service is at the top of the list. To pursue our strategy, Asia will be key. This financing will play an important role in helping us develop unique offerings for this market."

### **About DoCoMo Capital**

DoCoMo Capital, Inc. is a wholly owned U.S. subsidiary of NTT DoCoMo, Inc. the leading wireless network operator based in Japan. Working closely with NTT DoCoMo's business and R&D divisions, DoCoMo Capital is in charge of NTT DoCoMo's strategic investments in mobile communications related start-up companies mainly in the United States.

### **About ngi capital, Inc.**

ngi capital, inc. is a wholly owned subsidiary of ngi group, inc. (Tokyo Stock Exchange Mothers: 2497), a leading investor in and operator of Internet and mobile phone companies, including mixi, inc., the largest social network in Japan. ngi capital invests in early to seed stage companies both domestically and internationally.

### **About Gizmoz**

Founded in 2003, Gizmoz offers consumers a new generation of character-based visual expression for use across their digital lives. The Gizmoz service makes it easy to create, customize, animate and share photorealistic 3D talking characters and videos that allow consumers to communicate and express themselves in more realistic and imaginative ways., with offices in Menlo Park, CA and Israel.

## Teva Barred From Selling Generic of Eisai's Aricept

March 28 (Bloomberg) -- Teva Pharmaceutical Industries Ltd., the world's largest generic-drug maker, was forbidden from beginning sales of a generic version of Eisai Co's biggest product, the Aricept Alzheimer's treatment.

A judge in Newark, New Jersey, granted Eisai's request to bar the generic drug until the trial for Eisai's patent-infringement suit against Teva can be held. Petah Tikva, Israel-based Teva is expecting U.S. Food and Drug Administration approval to begin sales as early as next April 2008.

"There is no doubt that Teva has infringed Eisai's valid patent, and Eisai will likely prevail at trial in demonstrating the enforceability of that patent over Teva's inequitable conduct defense," U.S. District Judge H. Ackerman said in an opinion issued. The FDA first approved Aricept tablets in 1996. The drug is Tokyo-based Eisai's biggest product, with \$2.16 billion in worldwide sales in the year ended in March 2007, or 38 percent of revenue, according to data compiled by Bloomberg. Teva received tentative approval from the FDA in January, and could receive final approval April 26, following a delay required under federal drug law because of the patent litigation.

Teva American depositary receipts, each representing one ordinary share, fell 63 cents to \$46.01 at 4 p.m. New York time in Nasdaq Stock Market composite trading. The case is Eisai Co. v. Teva Pharmaceuticals USA Inc., 05cv5727 and 07cv5489, U.S. District Court for the District of New Jersey (Newark).

## Young CEO breaks through corporate age barrier

By HIROKO NAKATA (Japan times)

With a single click, you can view the **3-D image** of a sedan or a sports car on a Web site of global automakers like Honda and Nissan. With another click, you can change the color and model, or even rotate the vehicle.

This is no longer only possible on PCs. Turn on a state-of-the-art mobile phone, key in the right sequence and you can also make 3-D objects pop up on the screen.

This technology has made **Yappa Corp.**, an information technology startup, grow stunningly fast.

"Yappa had no track record, no brand power and no experience. So we needed to have something other companies didn't," Yappa Chief Executive Officer Masahiro Ito told The Japan Times in a recent interview.

"That's when I started thinking about what makes us different from others, and at the time I thought of technology. That's what led us to search for good technology," Ito recalled in a high-rise building that looks down on JR Tokyo Station.

What surprises people is not just the new 3-D technology the young company has commercialized, but the age of its CEO, who is unusually young in a country where teenage entrepreneurs rarely prosper.

Ito, 24, was a 17-year-old high school student when he established Yappa in December 2000.

Despite his family background as the son of the former president of a well-known Japanese meat processing firm, Itoham Foods Inc., the young CEO said he initially did not dream about going into business. Indeed, he studied neither business nor economics at school.

"This may be hard to believe, but I didn't plan on starting a company at first. I was just extremely thrilled with an interesting (business) idea, and decided to choose (to start a company) rather than go to college," he said.

The idea the 17-year-old Ito came up with was to start an online marketing research business on mobile phones. But the company's main business soon began revolving around a 3-D technology owned by an Israeli company.

The technology was new because it created 3-D images for the masses, rather than high-tech professionals. Up until then, 3-D technology had been primarily used by manufacturing companies in the computer-aided design of new products.

### **Yappa tied up with the Israeli firm in 2001 and acquired it in 2002.**

What made Ito different from many high school students in Japan was his educational background, which consisted largely of attending international schools. Because of his mother's desire for him to become proficient in English, he went to a school taught in English from kindergarten.

Asked if this experience affected his decision to launch his own business, Ito said: "One thing that can be said is that the international school had an educational approach that fostered having students find something that would make them happy." He added that education is an area that Japan may be deficient in.

Nevertheless, the world can often be a harsh environment for a promising young entrepreneur.

One day, Ito received a business order from a medium-size company that would have been worth hundreds of million of yen. He made a contract with the firm, which required Yappa to swiftly make a capital investment to expand the business.



But two days before Yappa was supposed to receive payment from the client company, it canceled the deal without any warning.

Yappa might have gone under due to a lack of cash flow, but Ito fortunately found companies that extended financial support to his company and managed to survive the crisis.

Yappa now has 70 employees and more than 200 corporate clients, a sales estimate of ¥1.3 billion and a ¥300 million to ¥400 million operating profit forecast for the business year to June 30.

Backed by branches in Paris and New York, as well as in Israel, orders from abroad — including the United States, Brazil, England and Norway — account for one-third of its overall business for the business year.

Ito expects orders from abroad to grow further and account for two-thirds of his business in the next business year to June 30, 2009.

Yappa's major client companies are no longer automakers. In this business year, about 60 percent of the business has been mobile phone-related, he said.

The range of clients is widening from mobile phone makers and carriers to any digital gadget makers related to display screens.

"What we are doing now is to create 'user interfaces' that would improve usability for cell phone users," Ito said.

In the next business year, Ito forecasts sales to reach nearly ¥2 billion and turn a ¥600 million operating profit.

Asked why the country lacks young entrepreneurs like himself, he ventured that it is probably the side effect of the country's education — where students are excessively pressured to go to high-ranked schools and universities.

"I don't think there is any issue with trying to get into a good university or company," Ito said. "I just think that in Japan the number of

#### Key events in Masahiro Ito's career

**2000** — Sets up Yappa Corp.

**2001** — Ties up with Israeli company 3Di to launch online 3-D services.

**2002** — Buys out 3Di and acquires its intellectual property and patents.

**2004** — Sets up a branch in Paris to expand marketing in Europe.

— Ito awarded the 29th Young Entrepreneurs Award by business magazine publisher Keizaikai Co.

**2005** — Opens a branch in New York to start marketing in North America.

young people who have the goal of setting up their own company is low," he said.

"If Japan wants to see more entrepreneurs in the future, schools need to show students that starting a company is one of their options as a goal," he added.

## Electronic Pen Can Read Kanji, Provide Definitions

TOKYO (Nikkei)--Marketing company Japan21 Inc. has worked **with WizCom Technologies Ltd.** to develop a version of the Israeli company's **Quicktionary scan pen** that enables users to easily look up Japanese kanji characters.

**Japan21** will sell the product as **the Quicktionary2** starting April 10, priced at around 30,000 yen on its Web site.

The Quicktionary is a pen-shaped electronic dictionary with a built-in scanner and optical character recognition software. Characters are identified by tracing their outlines, and in the case of kanji characters, the pen can read the character and automatically display the meaning in around two seconds.

A normal kanji dictionary is unusable without knowing how the kanji characters are read or at least how they are constructed from radicals. A device such as the Quicktionary2 will be useful for school kids and for foreigners learning Japanese.

The e-dictionary can recognize Japanese kanji characters, hiragana and katana, and the alphabet. Built into the device are a regular kanji-based Japanese dictionary, a Japanese-English dictionary and an English-Japanese dictionary from Sanseido Publishing Co.

(The Nikkei Business )





## AlgoSec and Leading Japanese Distributor CreDist Launch Strategic Channel Partnership

### **Security Risk Management Leader's Firewall Audit Solutions Penetrate Japanese Enterprise Market**

AlgoSec, Inc. and CreDist, Inc. a leading Japanese reseller of enterprise-class software solutions, in March announced a strategic channel partnership to distribute AlgoSec's leading firewall security risk management solutions. This alliance enables CreDist's enterprise clients to use the AlgoSec Firewall Analyzer™ (AFA) to receive unparalleled visibility, analysis and intelligence into their firewall configurations to effectively audit, manage and mitigate their exposure to risk.

Enterprises worldwide rely on AlgoSec's solutions to provide firewall and router security compliance, audit, change management, risk management and policy optimization.

"We are excited to work with AlgoSec to deliver its market leading firewall management solutions to enterprises across Japan," said Hiroshi Tomita, CEO of CreDist.

"AlgoSec's ability to provide key members of the architecture and security teams with unprecedented visibility into their firewall configurations without having to access their production network is invaluable. Our clients have been asking for a proactive solution that allows them to audit firewall configurations across multiple vendors. AlgoSec products not only meet their needs but exceed them."

"We are delighted about our partnership with CreDist and look forward to maximizing our distribution model," said Yuval Baron, AlgoSec CEO. "Our alliance enhances our exposure to the Japanese market while providing enterprises with the local support they need to proactively manage their firewalls." reach in Japan through CreDist's established customer base and innovative software

With the AFA security and IT team members can query firewall configurations and view policies from any web browser. AFA is non-intrusive, easy to deploy and use and supports the major platforms in the enterprise market: Check Point (FireWall-1 and Provider-1 on Solaris, Nokia, SecurePlatform, Alteon, Crossbeam and Windows), Cisco firewalls (PIX, ASA and FWSM), Cisco routers and Juniper Netscreen.

### **About CreDist**

CreDist Inc. was established in December 2000 to "Create new distributions of software products for vendors and users." Backed by two of Japan's leading companies, **Software Research Associates, Inc. (SRA) and Mitsui Knowledge Industry Co., Ltd (MKI)**, CreDist provides a novel type of ASP service named ILD (Internet License Distribution) where the application programs are located at client machines and CreDist



distributes/controls their licenses so that, different from other ASPs, the software rental is enabled without overloading the ASP server.

### Valor, Nagoya Elec` Partner on Inspection

**(March 18, 2008) Valor Computerized Systems Ltd.** established a technological partnership agreement with **Nagoya Electric of Japan**, which develops advanced automatic inspection equipment. The companies will integrate ODB++ PCB modeling and Valor's Part Library (VPL) onto Nagoya systems to shorten inspection setup times.

By relying on the ODB++ models of the PCB and accessing a layer of data that contains an accurate representation of component geometry based on VPL, inspection operators should be able to speed setup by incorporating previously prepared, accurate geometric data for more than 35 million components.

ODB++ is an intelligent CAD/CAM data exchange format with accuracy and flexibility for required expansions. Valor also will provide R&D support in interface buildup, technical training, and domain expertise to the joint development projects with Nagoya. The software provider referred to automated inspection as a valuable potential market for its products.

## April

### Quark Pharmaceuticals raises \$27m

Published by Globes [online]

**After its Nasdaq IPO collapsed, the Israeli biotech firm turned back to VC funds.**

RNA interference-based drug Development Company **Quark Pharmaceuticals Inc.** has raised \$27 million in a private financing round from SBI Holding Inc. units SBI Asset **Management Co. Ltd. and SBI Investment Co. Ltd. of Japan.** Quark will use the proceeds to move forward on preclinical and clinical studies of its RNAi drug pipeline.

Quark CEO Daniel Zurr said that US funds, some of which specialize in the life sciences, also participated in the round.

Quark controlling shareholder, Oracle founder and CEO Larry Ellison, did not participate in the round. He owns 43% of the company.

Quark has two products in clinical trials and plans to increase the number to five by the end of the year. One product, AKLi-5, now in Phase I/IIa trials, aims to prevent acute kidney injury following heart surgery. The other product, RTP-801i, now in Phase II trials, aims to treat, for the treatment of age-related Macular Degeneration (AMD). The company has an agreement with Pfizer Inc. (NYSE:PFE; LSE:PFZ) to commercialize RTP-801i, but it wholly-owns AKLi-5. Both AKLi-5 and RTP-801i are silencing RNA (siRNA) drugs that temporarily inhibit the expression of human p53.

Zurr said, "The additional funding we are announcing will allow us to significantly expand our clinical program. Between our licensee, Pfizer, and Quark, we anticipate having Quark drug candidates in five clinical programs by the second half of 2008."

Quark has 100 employees at its Ness Ziona facility, and also has offices in Boulder, Colorado, and Fremont, California. The company expects to hire staff following the financing round. Zurr said, "A lot of the money raised will go to Israel, and some of the clinical will be conducted here."

Quark planned to hold an IPO on Nasdaq in mid-2007. The company aimed to raise up to \$75 million at a company value of \$250-300 million. The IPO was deferred when the company failed to achieve this valuation.



## [Elron Announces That Given Imaging Announces Patent Litigation Settlement](#)

**Monday April 21, 3:31 am ET**

**Elron Electronic Industries Ltd. (NASDAQ:ELRN - News) (TASE:ELRN)**, announced that Given Imaging Ltd. (**NASDAQ:GIVN - News**) (TASE:GIVN), 18.3% held by Elron and 9.1% held through Elron's 50.1% subsidiary, RDC, announced that it has signed a term sheet with Olympus Corporation outlining a settlement of the patent litigation between the two companies in the United States.

The term sheet includes certain worldwide cross-licenses under which each party receives a royalty-free license under all existing patents of the other party for its respective existing capsule endoscopy products. The parties also exchanged covenants not to sue on currently available medical device products and agreed to a release of all past causes of action. The term sheet also includes a cross-license under existing and future patents of each party for future capsule endoscopy products, which may include the payment of royalties by either party at a rate to be determined through an agreed upon mechanism. Finally, the term sheet includes a payment to Given Imaging of \$2.33 million and an agreement to cooperate in future mutually beneficial joint market development projects.

The settlement will become final upon the signing of a formal written agreement, which is currently being prepared and is expected to be signed as soon as possible. In the interim, the parties have agreed to ask the Court to stay all activity in the pending litigation. Following signing of the formal agreement, the parties will submit to the Court a request for dismissal of the lawsuit.

Under the term sheet, all other terms and conditions are confidential.

The Company plans to update its fiscal year 2008 EPS guidance in conjunction with the release of its first quarter 2008 financial results on May 13, 2008.



## **Bank of Tokyo-Mitsubishi UFJ signs for Actimize AML technology**

### **Japan's Bank of Tokyo-Mitsubishi UFJ is implementing anti-money laundering (AML) technology supplied by Actimize.**

Actimize, a leading provider of transactional risk management software for the financial services industry and a NICE Systems (NASDAQ:NICE) company, announced that Japan's largest bank, The Bank of Tokyo-Mitsubishi UFJ, Ltd., placed an order for its Anti-Money Laundering (AML) solution.

"Actimize proved that its AML solution can accurately identify transactions that Japan's Financial Services Authority deem 'suspicious' and can integrate quickly with our environment," said Toshiyasu Terao, Chief Manager of Global Compliance Division at The Bank of Tokyo-Mitsubishi UFJ, Ltd. "The Actimize solution will be an important component in our global risk-based approach to managing the threat of money-laundering. Even in situations where limited information is available, Actimize scenarios and sophisticated analytics can convert a small amount of data into a confident decision."

The Bank of Tokyo-Mitsubishi UFJ, Ltd. required a solution capable of monitoring transactions from branches and subsidiaries worldwide, yet flexible enough to integrate with existing detection and investigation tools. The Actimize AML solution provides Web-based case management, an intuitive and collaborative investigative environment, customizable workflows, alert management, reporting and complete audit trails.

"Actimize's flexible transactional analysis and case management platform, its list of global clients and its focused domain expertise are very appealing to financial institutions seeking an anti-money laundering solution," said Neil Katkov, senior vice president of Celent's Asia Research Group. "I expect the Asia Pacific market to continue increasing investment in AML and fraud detection solutions, and that firms such as Actimize will benefit from this adoption trend."

"Actimize is committed to expanding its customer base in Japan and the broader Asia Pacific region with a proven multi-language approach," said David Sosna, CEO of Actimize. "Actimize's Tokyo office continues to grow to meet the increasing demand for transactional monitoring solutions in this region."



## **About Actimize**

Mitigating transactional risk across enterprise silos, Actimize is a leading provider of software solutions for anti-money laundering, brokerage compliance and fraud prevention. Built on a patented, scalable and extensible analytics platform, Actimize solutions enable financial institutions to increase their insight into real-time customer behavior and improve risk and compliance performance. Six of the top 10 global banks and eight of the top 10 U.S. brokerages use Actimize solutions to process hundreds of millions of transactions a day. Actimize, a NICE Systems (NASDAQ:NICE) company, has offices in New York, Israel, London and Tokyo

## **About NICE Systems**

NICE Systems (NASDAQ:NICE) is the leading provider of Insight from Interactions(TM) solutions and value-added services, powered by the convergence of advanced analytics of unstructured multimedia content and transactional data -- from telephony, web, email, radio, video, and other data sources. NICE's solutions address the needs of the enterprise and security markets, enabling organizations to operate in an insightful and proactive manner, and take immediate action to improve business and operational performance and ensure safety and security. NICE has over 24,000 customers in more than 135 countries, including over 85 of the Fortune 100 companies.

## **BluePhoenix Closes \$1 Million Deal With Large System Integrator Partner in Japan**

BluePhoenix Solutions the leader in value-driven legacy modernization announced that it has closed a \$1 million deal for ongoing modernization maintenance and support with a large system integrator in Japan.

The Japanese market for modernization, expanding, maintaining and supporting legacy systems, is growing annually. According to an IDC study in 2007, more than a third of all flavors of mainframes in the world can be found in Japan. That includes IBM, Fujitsu, Unisys, NEC, Hitachi and others.



"We believe that the Asia Pacific region and the Japanese market in particular hold great potential for our tools and solutions," said Arik Kilman, CEO of BluePhoenix. "We look forward to increasing our local cooperation with channel partners and system integrators as we begin more significant penetration into the region."

BluePhoenix's modernization strategy is based on years of experience in upgrading, replacing and extending legacy applications and databases to new and evolving technologies and platforms. Our offering of tools and services that support the modernization of key business systems with efficient and cost effective methodologies fit the growing needs of the Japanese market.

### **About BluePhoenix Solutions**

BluePhoenix Solutions is a leading provider of value-driven modernization solutions for legacy information systems. BluePhoenix offerings include a comprehensive suite of tools and services from global IT asset assessment and impact analysis to automated database and application migration, re-hosting, and renewal. Leveraging over 20 years of best-practice domain expertise, BluePhoenix works closely with its customers to ascertain which assets should be migrated, redeveloped, or wrapped for reuse as services or business processes, to protect and increase the value of their business applications and legacy systems with minimized risk and downtime.

BluePhoenix provides modernization solutions to companies from diverse industries and vertical markets such as automotive, banking and financial services, insurance, manufacturing, and retail. Among its prestigious customers are: Aflac, CareFirst, Citigroup, Danish Commerce and Companies Agency, Desjardins, Los Angeles County Employees Retirement Association, Merrill Lynch, Rabobank, Rural Servicios Informaticos, SDC Udvikling, TEMENOS, Toyota and Volvofinans. BluePhoenix has 15 offices in the USA, UK, Denmark, Germany, Italy, France, The Netherlands, Romania, Russia, Cyprus, South Korea, Australia, and Israel.



## **PalmGuard™ Maximizes Accuracy and Ease of use for Security-Based Applications**

BioGuard Unveils Breakthrough Palm Vein Authentication Solution in Collaboration with Computer Sky and Fujitsu Europe Limited

BioGuard, a leading provider of biometric solutions for a wide variety of applications, announced the launch of PalmGuard™, an advanced biometric authentication system for verifying an individual's identity by recognizing the unique pattern of veins in the palm. Combining Fujitsu's breakthrough palm vein authentication technology with BioGuard's compact product design and powerful management software, PalmGuard™ maximizes accuracy and ease of use for security-based applications.

### **PalmGuard™ Product Description**

PalmGuard™ is a combination of Fujitsu's **PalmSecure™ biometric palm** vein authentication sensor and a smart card reader / writer device. Both components are integrated into an attractively designed and compact desktop-enclosure.

If a user positions his hand 3 to 6 cm above the sensor's surface, the sensor emits a near infrared beam to the palm. The near infrared light passes the human skin layers and reaches the veins. The reduced oxygen in the blood flowing back to the heart absorbs the near infrared light. This absorption will be recorded as a raw image by the sensor's integrated near infrared wide angular camera.

This raw image is then encrypted inside the sensor by using the AES method. The encrypted data will be transferred to the sensor's template library software, which converts and compresses the encrypted raw image to a template with a size of approx. 1 KB. This final template will then be again encrypted with AES.

With the related software application, the enrolled biometric user template can be directly stored onto the chip of a smart card, which can be operated and processed by the integrated smart card reader / writer device of PalmGuard™.

PalmGuard™ is high-level security authentication desktop device, which can be used in various security application environments requiring biometric template-on-card processes to verify the user's identity.

The PalmGuard™ integrator product (application software is to be added by the integrator) will be available from April 2008 .





The PalmGuard™ value added distribution product is planned for June 2008. This product will additionally have a client security software, offering Windows log on and single-sign-on feature.

## Delivering Strong Authentication for a Wide Range of Applications

PalmGuard delivers strong authentication for a wide range of applications:

- **Banking - PalmGuard™** can be implemented to support a variety of banking scenarios including ATMs, walk-in customers, internal bank security and remote banking for business customers.
- **Kiosks - PalmGuard™** performs quick and accurate authentication of identity, such as machines in airports that issue airplane e-tickets, kiosks in clinics that dispense medical test results, or automated stands in train stations that check monthly rail passes.
- **Hospitals and healthcare - PalmGuard™** secures access to patient data in compliance with HIPAA requirements. Hospitals need to accurately verify patients ID to protect them from medical identity theft and insurance fraud. This hygienic solution enables authorized personnel to enter restricted areas or log into computer systems in sterile areas without contacting the sensor itself.
- **Physical access - PalmGuard™** can be used to manage high security entry control for financial institutions, military facilities, schools and other types of organizations. In addition, it serves as a time and attendance solution, enabling organizations to track employees' arrival and departure times using on-access control.
- **Logical access - Organizations can use PalmGuard™** to secure the enterprise's valuable information and protect the privacy of customer and employee information. It supports single sign-on (SSO) to enable a user to authenticate once and gain access to the resources of multiple software systems.

"The market has recognized the need for biometric authentication solutions, particularly in the financial and healthcare industries," stated **Thomas Bengs**, Senior Account Manager at Fujitsu. "Through our strategic partnership with BioGuard and ComputerSky, we are able to offer a highly accurate, easy to use palm authentication solution at a very attractive price. This solution enables enterprises and organizations to enjoy the benefits of our cutting-edge palm vein scanning technology, together with



BioGuard's proven experience in the development and implementation of innovative biometric authentication solutions."

A key advantage of palm vein authentication is that it uses "no touch" technology, enabling it to be used when hands are dirty, wet or even if the skin surface is scratched. Equally important, since the hand never touches the sensor's surface while being scanned, it is a clean and convenient solution in situations where hygiene is of primary importance (e.g., hospitals).

### **About BioGuard**

BioGuard is a leading developer of innovative, proprietary biometric solutions for a wide variety of applications - for business, government, security and home use. Our goal is to develop and implement high-performance, user-friendly biometric products and solutions, meeting the rapidly growing need for positive identification and effectively countering the increasingly widespread phenomena of identity theft and forgery.

The company's advanced systems and modules combine an unmatched level of performance in terms of accuracy and one-to-many matching with exceptional ease of use, fully complying with US and European biometric standards. Operating as stand-alone systems or as part of a network, BioGuard's state-of-the-art biometric solutions are deployed for satisfied customers in the USA, Europe, the Far East, the Middle East and Africa.

### **About Computer Sky Vertriebs GmbH**

Computer Sky Vertriebs GmbH has been operating for more than 20 years in the fields of purchasing, consultation, distribution and software development with various partners worldwide. One of its main market segments is home security and biometric solutions, in which it conducts joint ventures and cooperation with several leading companies. Currently, Computer Sky Vertriebs has been instrumental in supporting BioGuard and Fujitsu in the promotion of the unique PalmGuard solution. In this role, its goal is to enlarge the distribution of the PalmGuard solution worldwide.

### **About Fujitsu Europe Limited**

Operating in Europe/Middle East/Africa, Fujitsu Europe Limited is a market leading provider of document image scanners for professional desktop, workgroup and high

volume production environments; Enterprise SCSI, FCAL and SAS, and Mobile ATA and SATA hard disk drives; high capacity external 2.5-inch drives; KVM devices including switches, CAT-5 extenders and pull-out drawers; biometric authentication sensors as well as dot-matrix printers.

Established in the United Kingdom in 1981, Fujitsu Europe Limited is a wholly owned subsidiary of the global electronics giant Fujitsu Limited and has its head office in the UK as well as subsidiary offices in Germany, Italy and Spain

## [Sharp AQUOS goes wireless with Amimon](#)

### **Super skinny TVs benefit from cable free cleverness**

At first look of the accompanying pic, you could be forgiven for thinking this story relates to the discovery of the world's first half woman half horse hybrid. And while that would indeed be a newsworthy item, this is a technology website, so it's actually about some crazy new telly tech.

Sharp's recently announced AQUOS X-series ultra-thin LCD TVs managed to achieve their 34mm thin wafery goodness by sticking most of the electronics in a separate box to be hooked up to the display by a single cable. But now it's announced a teaming up with the boffins at tongue-twisting semiconductor company **AMIMON** to do away with the wires altogether and transmit the HDTV signal using uncompressed "WHDI" wireless technology.

Capable of beaming pictures crisper than a bag of Quavers from up to 30 metres away, WHDI has a latency of less than a millisecond and can zap through walls with no problems. The X-series arrives in 37, 42 and 46-inch flavours and is on sale in Japan already, with the AMIMON tech an optional extra. No word on a UK release or price point, but you can bet it will be pricey. We want two.

## May

### Israel's Altair to Supply Chips to Japan

**Altair Semiconductor will send its chip sets for 4G mobile services to Willcom Personal Handyphone System in Japan.**

**The Agreement was initiated and organized by [Harel-Hertz Investments House Ltd](#)**

Reuters) - Israel's Altair Semiconductor, which develops chips for fourth generation (4G) mobile services, said that it will supply the chipsets for wireless devices operating on **Willcom Inc's** Personal Handyphone System in Japan.

The companies did not disclose financial details.

Willcom, which is controlled by Carlyle, held 4 percent of Japan's mobile market at the end of March.

Dwarfed in a market dominated by mobile phone carriers NTT DoCoMo Inc and KDDI Corp, Willcom has been focusing on high-end pricey phones with PC-like capabilities.

Under terms of the agreement between the two companies, Altair said it will supply its ultra-low power and high performance chipsets to Willcom's authorized mobile handset and handheld device manufacturers.

Willcom, one of only two licensees of 2.5GHz mobile broadband spectrum in Japan, will deploy its next generation network using technology aimed at achieving higher capacity and lower cost compared with 3G and 3.5G cellular technologies.

Altair co-founder Eran Eshed said the cellular industry will eventually migrate to next generation broadband technology, which includes the technology known as wireless WiMax.

In contrast to WiFi, which only works near a transmitter, WiMax provides Internet access over long ranges and can be used while the user is traveling by car or train.

"Wireless and broadband are the future of how people will connect to the Internet," Eshed told Reuters in a recent interview.

In March, Altair launched its ALT2150 WiMAX processor, which comes in a small package of 7x7 mm, implements WiMax Forum Wave-2 physical (PHY) layer and Media Access Control (MAC) functionality.



According to Oded Melmed, CEO and co-founder of Altair, "Willcom's selection of Altair's chipset validates our development of highly flexible and power-efficient processors that allow us to address different 4G markets and technologies with a single semiconductor platform. We felt a relationship with Willcom would be highly strategic in the early stages of our initial feasibility study, conducted with Harel-Hertz Investment House, who we also worked with through the project negotiations."

Altair's ultra-low power, high performance mobile chips take high-speed wireless Internet access beyond notebooks and USB adaptors to battery-operated handheld devices.

Altair currently employs 85 workers, and according to Eshed, the company is in a good financial state, and will probably not need an IPO anytime soon. The company's investors include Bessemer Venture Partners, BRM Capital, Giza Venture Capital and Jerusalem Venture Partners. Altair has raised a total of \$26 million in two rounds of financing.

## **ASOCS Unveils World's First Wireless MultiComm Processor**

### **Revolutionary, Single-Chip to Boost Wireless Convergence, Enables Non-Stop Connectivity Across WiFi, Cellular, and HD Digital Television Networks**

**Asocs is a joint investment by [Fujitsu](#), [Vertex](#) and [Harel - Hertz](#)**

ASOCS, the leading developer of wireless Multi-Communication processors and system solutions for handheld devices announced the launch of the MP100, the world's first wireless MultiComms processor capable of running up to three wireless air interfaces concurrently.

Customers using ASOCS' single-chip MultiComm processor can reduce the bill of materials (BOM) by up to 50% and reduce power consumption by as much as 70%, whilst supporting wireless standards such as GSM/EDGE/GPRS, WiFi, HD Mobile Digital TV, and GPS. The software reconfigurable ModemX(TM) core in the MP100 further enables handheld device manufacturers, OEMs, and ODMs to move into the 4G era smoothly by developing software-based Super 3G, LTE, and Mobile WiMax products today.

"Launching the world's first MultiComm processor positions ASOCS at the forefront of the emerging world of wireless convergence," said Tom Yemington, VP of Business Development. "With LTE deployment expected to begin as early 2010\*, device manufacturers are faced with yet another communications standard to integrate. OEMs



using ASOCS ModemX technology can ship a single-chip mainstream MultiComms baseband solution in parallel with LTE development and later add LTE as a low-risk software upgrade".

The MP100 was developed by ASOCS, in conjunction with **Fujitsu Microelectronics Limited**, a world leader in LSI applications and advanced semiconductor process technologies. Fujitsu process technology coupled with ASOCS patented technology, enables flexible interface with all major radio frequency (RF) standards to form a complete wireless MultiComm system-on-a-chip.

Initial lots of the MP100 were produced by using Fujitsu's advanced shuttle service (SiExpress™) enabling customers to begin ASOCS' MP100 evaluation in the shortest possible time.

"The MP100 fabricated by Fujitsu's advanced process technology enables users to fully utilize MultiComm solution that is on the forefront of technology" said Satoru Yamaguchi, Vice President for Global Strategic Marketing of Fujitsu Microelectronics Limited.

The ASOCS MP100 MultiComm processor introduces a revolutionary approach to wireless communication - a single IP-based platform offering high-performance, software reconfigurable modems, low latency air-interface switching, and minimal power consumption - enabling user-transparent access to the internet. For the first time, users can enjoy the true mobile internet without manually optimizing performance, cost, and power consumption.

### **About ASOCS:**

Founded in 2003, ASOCS develops and markets MultiComm processors designed to enable seamless connectivity over diverse air interface networks. ASOCS' ModemX(TM) is a unique solution based on patented algorithm technology and a flexible software-based modem. It ensures low power consumption and effectively runs multi-communication standards concurrently. ASOCS has partnered with leading chip makers, as well as hardware, software and module developers to provide mobile consumer electronics vendors with a complete MultiComm SoC solution.

## Sources: Fujitsu Siemens Eyeing Exanet

### **Fujitsu Siemens is said to be planning an acquisition of the Israeli NAS startup**

Clustered NAS specialist Exanet is rumored to be an acquisition target for Fujitsu Siemens, according to reports in the Israeli media.

The startup, which competes with **NetApp, Isilon, and BlueArc**, could become the latest Israeli storage vendor to get snapped up by a big-name firm, says the **Globes Website**, following the recent acquisitions of Diligent, FilesX, and XIV by Fujitsu's rival IBM.

**Pacific Growth Equities analyst Kaushik Roy** discussed a possible Fujitsu/Exanet deal in a report on NetApp: "We are concerned that NetApp's second largest OEM customer Fujitsu Siemens may buy high-end NAS vendor Exanet, which would be incrementally negative for NetApp," he wrote. "If they do not buy privately held Exanet, we believe Fujitsu Siemens might at least resell Exanet's high-end NAS solution."

Fujitsu Siemens has traditionally turned to OEM partners such as LSI and ADIC for the core technologies behind its storage offerings, although Taneja group analyst Arun Taneja feels that the vendor is currently shifting its focus.

"I have not heard of anything in particular [about an Exanet acquisition], but I would not be surprised if Fujitsu Siemens did something like that," Taneja says. "Historically, they have been something of a reseller or OEM, but there is an increasing vigor within the company, and it is my belief that they have a desire to be a developer of things, not just a reseller."

The analyst also highlighted the growing popularity of clustered NAS products, such as Exanet's flagship ExaStore offering. "Clearly that whole scale-out NAS segment of the market is ripe for expansion," he says.

The last few months have been busy for Exanet, which recently unveiled a new CEO and more than \$10 million in new funding. Based in Jersey City, New Jersey, and Ra'anana, Israel, Exanet also entered the hardware arena with a NAS server and storage arrays running its flagship ExaStore software.

Exanet claims more than 100 customers, including Nokia and French Telecom giant TF1. It has racked up \$70 million in funding since it was founded in 2000.

An Exanet spokeswoman denied that a deal between the two companies is underway. "There are no conversations and discussions of any kind," she says.

Fujitsu Siemens was unavailable for comment on this article.



## GPS start-up NavNgo in €600m a year contracts

**The company signed deals with Pioneer, Clarion, and Hyundai.**

Israeli-Hungarian GPS navigation solutions developer NavNGo Ktd. has signed a number of contracts this week, which the company estimates will generate €600 million a year in revenue, some of which will be recognized this year. Two contracts are with Japanese car audio systems makers **Pioneer Corporation** (TSE: 6773) and **Clarion Company Ltd.** (TSE: 6796) to install its system in their car audio systems. The third contract is with Korean carmaker **Hyundai Co. Ltd.** (KSX: 11760), which will install the company's systems in its cars.

NavNGo president Dudi Virnick and Kobi Halperin founded the company in 2004. They bought a small Hungarian company, which formed the basis of their digital navigation development center. The company has never obtained venture capital investment. (GLOBES)

## Angioplasty co Angioslide raises \$8.6m

**The firm's stent helps less the risk of embolisms.**

**Angioplasty products start-up Angioslide Ltd. has raised \$8.6 million from Itochu Corporation (TSE:8001) of Japan and two previous investors, Ofer Hi Tech Ltd. and Viola.**

Angioslide, Ltd. announced the closing of an US\$8.6 million Series C financing round. Angioslide is the developer of the unique Angioslide eXtra(TM) angioplasty balloon catheter that provides dual functionality in a single device offering balloon angioplasty with embolic protection. The device has received European CE Mark approval for lower limb use and FDA clearance is expected by end of 2008. The financing will be used to support sales and marketing efforts in the U.S. and Europe as well as for continuous development of expanded market applications. European sales activities shall commence September 2008.

**Itochu Corporation, Japan**, led this second round of financing with support from Ofer Hi-Tech, Israel and Viola Partners, Israel, who both participated in the previous financing round.

The Angioslide eXtra balloon angioplasty catheter offers balloon angioplasty with embolic particle capture creating a first of its kind device. When performing Angioplasty physicians typically take a two-step approach using both an embolic protection device and a balloon angioplasty catheter. The Angioslide eXtra takes this two-step, two-device process and reduces it to one single instrument, used for one single procedure, with a minimized procedure time and significantly reduced costs.

"After 30 years of balloon angioplasty, this is the first time that a balloon can do more than standard inflation and deflation and the response from the medical community has been remarkable. Imagine a lower limb angioplasty product that functions as both a balloon catheter and an embolic protection device," said Doron Besser, CEO of Angioslide. "With the increasing amount of procedures being performed in the lower limbs and other peripheral regions causing a higher rate of embolic events, it is clear from capitol infusion we have received that the Angioslide eXtra is addressing an unmet need. I can't think of a better qualified investor group to partner with than, Itochu, Ofer Hi-tech and Viola, as we look to FDA approval later this year and initiating European and U.S. sales."

"We are very proud of the first involvement with the Itochu Corporation. The strong management team coupled with an innovative product offering promises to change the landscape of angioplasty and peripheral vascular disease treatment," said Lihu Avitov, Executive Vice President, Ofer Hi-Tech.

#### **About Angioslide, Ltd.**

Angioslide was founded in 2005 in Herzliya, Israel. They have developed a unique angioplasty balloon catheter that has dual functionality in a single device: balloon angioplasty with embolic protection. The Angioslide eXtra addresses an unmet need for an easy-to-use, efficient and cost-effective embolic protection solution for the peripheral vascular disease market. It is the first device of its kind to seek FDA clearance for use in lower limbs. The device has received European CE Mark approval for lower limb use with FDA clearance expected by end of year 2008 followed by application for renal use.

## [Japan Patent Office Licenses GeneCards\(R\) from Xennex, Inc.](#)

### **Xennex, Inc. Partners with Bioscene in Japan - Expands Presence in Japan**

-- Xennex, Inc. announced that the **Japan Patent Office (JPO)** has licensed GeneCards®. Xennex also announced that it has selected Bioscene Informatics Inc. (Bioscene) as its exclusive partner for the distribution of GeneCards in Japan.

GeneCards will be utilized to assist the JPO in the review and approval of patent applications in the life sciences area. With this agreement, GeneCards becomes an important component in the process of approving relevant biotech patent applications at the JPO. Patent examiners from the JPO will access GeneCards to conduct prior art research and help determine if an invention can be patented. The European Patent Office (EPO) has been using GeneCards under a license from Xennex since 2005.

**Dr. David Warshawsky**, CEO of Xennex, stated: "We are very pleased that the JPO has chosen GeneCards to assist in their work. GeneCards is a very useful tool for professionals dealing with intellectual property in the life sciences area, including biotech, pharma, and intellectual property law firms. The EPO has been using GeneCards very successfully for several years now; with the JPO's licensing of GeneCards, we continue to expand our presence in the intellectual property field. We believe that as the worldwide intellectual property arena expands and nations increase their cooperation on intellectual property issues, GeneCards will have an important and lasting contribution to the uniformity required for this cooperative process."

In addition to the intellectual property field, GeneCards is widely used by hundreds of commercial and academic organizations by thousands of users around the globe, including, academic researchers, as well as R&D groups in biotechnology and pharmaceutical companies.

GeneCards is widely used in Japan, by academic researchers and by several of the world's leading companies based in Japan. Bioscene will work closely with Xennex to expand the Japanese market for GeneCards in the R&D and intellectual property fields. "We are very excited about our partnership with Bioscene. They are a highly professional and dedicated group, and we work very well together. We are confident that they will be able to help us increase the presence of GeneCards in Japan to even higher levels than we have been able to achieve to date, and to grow our business in Japan," stated Dr. Warshawsky.

"Xennex has a very keen sense of what customers want," says David Leangen, President of Bioscene. "In Japan, business is conducted very differently from in the West, and many Western companies have a hard time adapting. Not only does Xennex provide an excellent range of products that our customers here in Japan are asking for,



but they have also shown the insight and flexibility to be able to adjust to such a new environment. I look forward to a long and successful partnership."

### **About GeneCards®**

**GeneCards** is an **integrated database of human genes** that includes automatically mined genomic, proteomic, and transcriptomic information, with major focus on functional genomics and medical aspects including involvement in diseases. GeneCards offers concise information about the structure and function of human genes. It extracts and integrates a carefully selected subset of the gene information, obtained from major data sources, public and proprietary, successfully overcoming barriers of data format heterogeneity. GeneCards is unique in its combination of user-friendly interface, as well as the organization and display of just the right mix of links and detailed information. Data are divided into "fields" such as "Aliases," "Location," "Ontologies," "Expression" and "SNPs," all searchable by keywords. Since GeneCards employs automatic data mining from dozens of sources, it provides a truly complete summary for each gene.

**GeneCards®) was developed over the last 10 years by a world-leading bioinformatics team at the Weizmann Institute of Science in Israel.**

### **About Xennex**

Xennex, Inc. is a dynamic privately held company that is dedicated to providing Biotechnology, Pharmaceutical and other life sciences companies, as well as organizations dealing with biotechnology intellectual property, the highest level of services and tools to enhance their gene-based research. Xennex' products help such organizations to optimize their efforts to develop innovative medical products and services. Xennex operations worldwide are carried out from its offices in Massachusetts, USA.

Xennex' customers include many of the world leading biotech and pharmaceutical companies and organizations dealing with intellectual property, located in North America, Europe and Japan. Xennex' products are used in hundreds of commercial and academic organizations by thousands of users around the globe.

### **About Bioscene**

Bioscene Informatics Inc. is a privately held Japanese company dedicated to providing life science professionals useful tools to help them work smarter. In addition to developing its own products, Bioscene assists a selection of Western companies with their expansion into the Japanese market.

## June

### Mideast leaders meet in Japan for talks

(Jul 2, 1:02 AM ET)

Senior officials from **Israel, Jordan and the Palestinian Authority** held talks on June 30th, in Japan in a bid to lay the groundwork for peace by improving the Palestinian economy.

Japan, which is seeking a greater role in the Middle East, hopes the talks will lead to a deal on its signature project in the region -starting an agro-industrial park in the West Bank.

The proposed project near Jericho "demonstrates an understanding of the relationship between prosperity and ensuring a lasting peace of all of our region," Jordanian **Foreign Minister Salah Bashir** told reporters at the talks.

But he said the best way to resolve the decades-long Israeli-Palestinian conflict was to deliver on a two-state solution endorsed by a summit last November in Annapolis, near Washington.

"The Palestinian-Israeli conflict is the core issue of the Middle East. If we solve that we have better ability to address the other political challenges but also the prosperity and economic challenges," Bashir said.

**Japanese Foreign Minister Masahiko Komura** opened talks with the head of the Israeli delegation, **Environmental Protection Minister Gideon Ezra**, ahead of a four-way meeting with Bashir and **Palestinian planning minister Samir Abdullah**.

Japan was eager to hold the meeting before it hosts next week's summit of the Group of Eight rich nations, where the Middle East is expected to be on the agenda. Japanese Prime Minister Yasuo Fukuda was due to join the talks.

But Palestinian prime minister Salam Fayyad and Israeli Foreign Minister Tzipi Livni both backed out of making the long trip to Japan, saying the timing was not right due to domestic strife at home.

Japan, the world's second largest economy, has been seeking a higher profile in the Middle East as part of its effort to become a larger player on the global stage.

The talks aim to get off the ground a project first proposed by Japan in 2006 to build the complex near Jericho to export fruit and vegetables via Jordan to the Gulf.

Japan hopes that construction can begin early next year on the project and that it would provide badly needed jobs for up to 6,000 Palestinians, a Japanese foreign ministry official said.

But the official said Japan was still working with Israeli authorities, who control security, water resources and Jewish settlements in the region, on the practicalities of starting the project.

The Jordanian foreign minister pressed Israel to stop building settlements, which he said undermined confidence-building between the two nations.

"It is also important to address the issue of movement of natural persons and goods. Both of these elements would... significantly improve the lives of the Palestinians on the ground," Bashir said.

Israeli authorities last month approved a plan to build 40,000 new homes in Jerusalem over the next 10 years, including in the annexed Arab eastern sector of the city.

Japan has portrayed itself as a neutral broker in the Middle East due to its lack of historical ties. But it has long maintained friendly ties with Arab states and Iran on which the resource-poor Asian power depends heavily for oil and gas.

## [Aizawa To Offer Israeli Stock Trades To Individuals](#)

**TOKYO (Nikkei)--Aizawa Securities Co. (8708)** plans to begin handling trading orders for Israeli Israeli stocks from domestic retail investors starting in July, becoming the first brokerage to do so in Japan, The Nikkei learned.

Aizawa will offer trades in the top 25 Israeli companies in terms of market capitalization, which make up the Tel Aviv Stock Exchange's benchmark index. Orders placed in person will be completed by the next morning local Israeli time.

Investors will be charged regular commissions along with foreign exchange and local brokerage fees.

Aizawa, which already handles stock trades in seven economies, including China, South Korea and Thailand, has teamed up with three leading Israeli financial institutions to handle equities trading there.

Also, the brokerage is to team up with the Tel Aviv bourse to provide daily market data and up-to-date corporate information in Japanese. An agreement will be inked.

## Given Imaging Announces Completion of Patent Litigation Settlement

(Tuesday June 17, 4:01 pm ET)

Given Imaging Ltd. announced that it has signed the final settlement agreement with **Olympus Corporation** ending the patent litigation between the parties.

The Company is analyzing the applicable tax, if any, on the payment of \$2.33 million to the Company, and will revise its 2008 fiscal year earnings per share guidance together with the release of the results of the second quarter of 2008.

### About Given Imaging Ltd.

Given Imaging is redefining gastrointestinal diagnosis by developing, producing and marketing innovative, patient-friendly products for detecting gastrointestinal disorders. The company's technology platform is the PillCam® Platform, featuring the PillCam video capsule, a disposable, miniature video camera contained in a capsule, which is ingested by the patient, a sensor array, data recorder and RAPID® software. Given Imaging has a number of available capsules: the PillCam SB video capsule to visualize the entire small intestine which is currently marketed in the United States and in more than 60 other countries; the PillCam ESO video capsule to visualize the esophagus; the Agile(TM) patency capsule to determine the free passage of the PillCam capsule in the GI tract and the PillCam COLON video capsule to visualize the colon that has been cleared for marketing in the European Union. PillCam COLON has received a CE Mark, but is not cleared for marketing or available for commercial distribution in the USA. More than 700,000 patients worldwide have benefited from the PillCam capsule endoscopy procedure. Given Imaging's headquarters, manufacturing and R&D facilities are located in Yoqneam, Israel. It has operating subsidiary companies in the United States, Germany, France, Japan, Australia and Singapore. Given Imaging's largest shareholders include Elron Electronic Industries.



## Foreign makers of generic drugs going on offensive

Overseas manufacturers of generic drugs are expanding operations in Japan, where demand for low-cost alternatives to brand-name medicines is expected to grow under a government initiative to reduce health-care spending.

**Global leader Teva Pharmaceutical Industries Ltd.** of Israel plans to broaden its lineup of raw ingredients it supplies to other drugmakers, increasing its offerings by 40% to 100 items by 2010. Many are used in treatments for osteoporosis and lifestyle diseases.

The firm, which used to take several months to fulfill orders, has improved inventory management, making next-day deliveries possible. It aims to boost Japanese sales of ingredients by 150% to about 7 billion yen by 2012.

Indian firm Ranbaxy Laboratories Ltd. will team up with I'rom Holdings Co. to introduce a generic version of the amlodipine blood pressure reducer in July. Amlodipine, sold by U.S. giant Pfizer Inc. and others, is the top-selling drug in Japan, with sales exceeding 200 billion yen a year. But its patent expired in March.

Since entering the Japanese market in 2002 via a tie-up with Nippon Chemiphar Co., Ranbaxy has struggled. But it now plans to leverage the generic version of the blockbuster drug to boost its share.

Germany-based Sandoz, which ranks No. 2 worldwide, sells 79 generic drugs in Japan. It seeks to increase this to 100 products over the next two years.

Indian midtier firm Zydus Cadila plans to increase its offerings from seven today to 50 by March 2009, with plans to boost sales to 10 billion yen in 2015 from the current 150 million yen. After acquiring Nippon Universal Pharmaceutical Co. last year, the company will consider another buyout.

**Global sales were almost 1 trillion yen at Teva** and nearly 850 billion yen at Sandoz in 2007, far above the 37.6 billion yen earned by Sawai Pharmaceutical Co. in the year ended March 31.

## Japanese giant to invest millions in Israeli industries

(Ynet – Calcalist 12/06/08)

**Japan's leading venture capital firm to invest \$130m in Europe, Israel as part of newly diverse investment policy. 'The time to invest in Israel is now', says firm's president**

**Japan's Alternative Investment Capital**, an investment advisory company which specializes in private equity investments, announced recently it will be investing some \$130 million in various companies in Europe and Israel.

Israel has never before been perceived as an attractive investment by the Japanese, but the innovative technologies emanating from the Israeli industry have now caught their eye: A.I. Capital's investment stands to be a test-case for the company, considered one of Japan's largest venture capital firms, with \$2.9 billion in assets to its name.

A.I. Capital President and CEO, Kazushige Kobayashi, visited Israel in May. The time to invest in Israel, he told business magazine Calcalist is now.

We don't plan to invest in Israeli companies directly, but rather through local funds, in what is called the 'funds-to-fund' method," he said. "We'll be starting out with some tens of millions of dollars and then we'll see if the time is right to increase the investment.

"The technologies we are most interested in now have mainly to do with IT and medical equipment developments. As a member of the Japanese Venture Capital Association I will see my way to encourage more investors to invest in Israel. There is room to increase cooperation, especially compared to the minor one we enjoy now," he said.

### **'Great potential to be realized'**

The attraction, said Kobayashi, is in the technological innovations: "Israel is a long way away from Japan, both geographically and culturally, but we were able to find (in Israel) technologies which we couldn't find anywhere else.

"If you ignore the political situation and focus on the financial aspect, you show exceptional success. We want a part of that."

Backed by the Mitsubishi Corporation, A.I. Capital is not the first Japanese firm to invest in Israeli industries. Giants such as Fujitsu and Hitachi have million of dollars invested in Israeli companies such as **Asocs, Wisair and Airspan**.

The deal signed between Israeli startup **Altair** and Japan's largest wireless provider **Willcom** is another example of the budding cooperation, as is the newfound interest of the country's financial players, such as Japan's third largest investment bank, **Nikko**.



"Japan's creative resources are dwindling, which is why it is willing to invest a great deal in breakthrough technologies found elsewhere, even in Israel," said David Heller, a senior partner in Vertex Venture Capital. "Japan is experiencing a deep recession and it has to find creative solutions to a variety of problems."

"The Japanese are rushing to invest in Israel in order to search for technologies that can compliment their innovations. The combination between Israeli entrepreneurship and creative engineering and Japanese perfectionism plays in everybody's favor."

**"The last two years have seen a growing trend of big Japanese investors looking to invest all over the world. Israeli companies have benefited greatly from that," added Eran Harel, of Harel-Hertz Investment House.**

"Trade between Israel and Japan amounted to \$1.7 billion in 2006, and has grown to \$2.6 billion the following year. There is great market potential still out there to be realized."

## [ASAHI INTECC and MEDIGUIDE Announced Collaboration in Development and Sales of Innovative gMPS Enabled Guide Wire \(G-Wire™\)](#)

**Asahi Intecc** and **MediGuide** announced that they have signed a collaboration agreement for development and marketing of an innovative guide wire (G-Wire™) using an integrated, sub-millimeter magnetic tracking sensor for the Interventional Cardiology market.

This innovative G-Wire™ will enable physicians to visually track the actual orientation, as well as the 3D spatial tip position of the wire, while manipulating it in real time. In addition, it will enable marking and 3D visualization capabilities also offered by the MediGuide technology. These capabilities are achieved using MediGuide's Medical Positioning System (gMPS™) technology, incorporated within various Cath Labs which has been recently approved for use in Europe. This new functionality is expected to be extremely useful during procedures such as chronic total occlusion (CTO) as well as other complex operations which require accurate wire manipulation in the field of interventional cardiology.

Martin B. Leon, M.D., Professor of Medicine at Columbia University Medical Center and Founder of the Cardiovascular Research Foundation in New York City, said: "This collaboration brings together the most advanced guidewires and sophisticated imaging and guidance technology, providing an exciting opportunity to improve CTO therapy in the future."

**Dr. Osamu Katoh, Director of Research Center at the Toyohashi Heart Center,** said: "No matter how you look at it, Asahi's guide wire technology produces one to one torque performance. The integration of Asahi's one to one torque performance technology and MediGuide's gMPS navigation technology, will create a tremendous synergy effect that could dramatically improve the treatment options for complex lesions, including CTOs."

**Dr. Satoru Sumitsuji, Director of the Heart Center in Nozaki Tokushukai Hospital & Nagoya Tokushukai General Hospital** said: "The integration of Asahi wire technology and the MPS technology by MediGuide will create a new Imaging Supported PCI. The combination of MediGuide's 3 dimensional imaging technology and Asahi's wire technology will be an initiative to further integrate in the field of complex PCI, such as CTO".

**Masahiko Miyata, Executive Vice President of Asahi Intecc** said: "The integration of MediGuide's gMPS technology and Asahi wires is extremely challenging and we look forward to a successful result from our collaboration. We wish to put in all our efforts in developing a top of the line guidewire which will be utilized by physicians' worldwide challenging tough CTO cases".

Gera Strommer, President and CEO of MediGuide said: "We are excited about this new relationship with Asahi Intecc. Asahi is a world leader in the field of guide wires and the combination of gMPS with Asahi wire technology is a perfect fit to MediGuide's strategy to enable leading manufacturers of medical devices with the gMPS technology for better patient care".

### **About Asahi Intecc**

ASAHI INTECC develops and supplies wire materials and products to the industries inside and outside Japan using an integrated in-house production system based on our four advanced core technologies that covers everything from selection and treatment of raw materials to manufacture of final products. In the medical field, ASAHI INTECC develops and manufactures original brand products such as PTCA guidewires, as well as OEM products, some of which have become world standards.

### **About MediGuide**

MediGuide (Delaware, USA & Haifa, Israel) - an Israeli based company (originally spun off from Elbit Systems - NASDAQ: ESLT), is the provider of technology, solutions and applications for intra body navigation and less invasive procedures with a special focus on cardiology. Based on its proprietary MPS technology, MediGuide brings the ability to navigate MPS Enabled Devices (catheters, wires and other devices equipped with a sub millimeter MPS sensor) in the MPS Ready Cathlab environment, co-developed by MediGuide in collaboration with the leading imaging companies.

## July

### Japan ripe for generics, says Teva chief

By Andrew Jack in Tel Aviv

Published: July 28 2008 18:04 | Last updated: July 28 2008 18:10

The head of **Teva**, the world's biggest generic drugs company, is seeking to forge a joint venture in Japan to increase its market share of one of the world's largest medicines markets.

Shlomo Yanai, chief executive, told the Financial Times that capitalising on Japan's small but fast-growing market for generic medicines was a top priority, even just after concluding the \$7.5bn acquisition of Barr of the US this month.

"Right now Japan is more ripe for generics," he said. "Japan is very important but difficult to break into. We see it as a very important market.

"We are exploring some options. A joint venture with a company with position in the market is definitely the preferred option."

His comments reflect growing interest in Asia by Teva, which has 68 plants around the world but has until now tended to concentrate its manufacturing in Israel and Europe, with labour representing only a small proportion of total production costs.

They come shortly after Daiichi Sankyo, the Japan-based innovative pharmaceutical company, unveiled a planned takeover of Ranbaxy, the Indian generics business, in a move Mr Yanai interpreted as reflecting the Japanese group's desire to draw in generic expertise for its own domestic market.

Japan has traditionally resisted low-cost generic drugs, which have had a reputation for low quality and have suffered because of the tight links between innovative drug companies and prescribers, leaving generics with a very small share compared with other markets.

Mr Yanai said Teva's reputation for high-quality generics would help in that market, while working with a local partner would also give it an advantage.

He said that "China is on our radar screen", but stressed that his interest was in building market share. The "colonial" trend of western companies shifting production into Asia had reached its peak, he said, now that the weak dollar had made US companies more competitive again.

Mr Yanai added: "The advantage of going east is not about cheaper labour. Low production costs are temporary."

He said that completing deals in India – a growing area of interest for generic drug manufacture – was a lower priority for Teva because "there are many good big Indian

pharma companies already. I would have to have a very good rationale for why I would go there”.

He said that another area of strong interest for Teva’s future growth was eastern and central Europe, the focus of a number of take-overs of locally-based companies, including Zentiva in the Czech Republic, subject of a bid from Sanofi-Aventis of France.

### **Profitable drug faces new threats**

Teva is best known as a generic drugmaker, but its most profitable product is largely protected from competition. Copaxone, a multiple sclerosis treatment, accounts for a third of total profits.

Originally developed by scientists at Israel’s Weizmann Institute, Dow Chemicals was close to agreeing to license it when insiders say the US company became nervous about the Arab boycott of Israel and pulled back. Teva took up the slack once the original product patent was all but expired.

Yet the drug’s complex manufacturing process, a mixture of amino acids described by one executive as a “goulash”, has until recently deterred rivals. The company has not hesitated to seek legal and regulatory protection for the drug.

However, the Copaxone franchise is now under threat. Elan’s Tysabri offers an alternative treatment and two rival generic companies, Natco of India and Momenta of the US, are preparing copies. And Teva’s clinical trials to test and grant exclusivity for a new dose of Copaxone have proved disappointing.

With Teva’s current strategic plan gearing up for the company to double in size, even ahead of the Barr acquisition, Mr Yanai nevertheless argues that innovative drugs will still represent about one-fifth of the net profit margin.

He points to promising results for another innovative drug developed by Teva: Azilect for Parkinson’s disease.

Copyright The Financial Times Limited 2008

## CE Giants Back Amimon's Wireless HDTV Tech

Four top consumer-electronic companies are backing a wireless multimedia CE interface developed by Amimon, by forming a special interest group devoted to the technology.

**Hitachi, Motorola, Samsung, Sharp and Sony**, together with **Amimon**, have formed the Wireless Home Digital Interface SIG, designed to develop products based around Amimon's 5-GHz wireless technology.

The technology has already been proven; Sharp began shipping an Amimon-based wireless HDTV in Japan earlier this year, about eight months after Amimon shipped its first product. Motorola took a stake in Amimon in 2007.

Amimon uses the same 5-GHz unlicensed band of spectrum as 802.11a, although its WHDI technology uses its own protocols. The company claims that it can use two 20-MHz channels to transmit 1080p video wirelessly 100 feet, through walls.

Last year, **Sanyo** demonstrated a wireless projector using the chipset, and three more OEMs demonstrated WHDI-based TVs: Loewe, XOCECO, and **Funai**. The latter company serves as an ODM for top brands including **Mitsubishi and Philips**.

All of those TVs, however, will be using what Noam Geri, Amimon's vice president of marketing, calls "pre-standard" technology. In 2008, the SIG companies will agree on a standard, which will then be put into production next year, Geri said. There will be a logo that will be used to identify compatible components: "Without a connector, the logo will be the only way the consumer can tell that they will interoperate," Geri said.

Participation in the SIG is not a guarantee that an OEM will build a set based upon the technology, Geri acknowledged. But he said that the companies involved, especially Samsung, have been some of the most aggressive in adopting new technology. "There are no guarantees, but there are indications," he said.

Geri also said that Amimon is working with several notebook PC manufacturers to develop wireless links between the notebook and the PC. When asked if those firms were members of the SIG, Geri replied, "Not necessarily."



## [U.S. court rules for Eisai in drug fight with Teva](#)

Reuters - Tuesday, July 22

**WASHINGTON, July 21 - Japan's Eisai Co Ltd <4523.T> won a legal fight on Monday with Israel's Teva Pharmaceutical Industries Ltd <TEVA.O>, the world's largest generic drug company, over acid reflux drug Aciphex.**

The U.S. Court of the Appeals for the Federal Circuit upheld a summary judgment by a New York court that found the Eisai patent for Aciphex was valid.

That court also ruled after a bench trial that Teva and Indian drug maker Dr. Reddy's Laboratories Ltd <REDY.BO><RDY.N> infringed on Eisai's patent based on the fact that each of the two filed an abbreviated new drug application, or ANDA, seeking to manufacture a generic version of Aciphex.

The case also affects Mylan Inc <MYL.N>, which also filed an ANDA on the drug. Mylan had agreed to be bound by the outcome of Eisai's lawsuit against Teva and Dr. Reddy's.



## August-September

### ASOCS Closes \$8 Million in a Second Round Funding Led by FGF

Mr. Takashi Hondo to Join ASOCS' Board of Directors

**ASOCS**, the developer of the world's 1st wireless MultiComms processor for handheld devices, announced it has secured \$8 million. The round was led by **FinTech GIMV Fund (FGF)** and included existing investors: **Vertex Venture Capital and Harel Hertz Investment House**. **Mr. Takashi Hondo**, a managing partner with FinTech Global Capital (FGC) responsible for semiconductors and information technology, will represent FGF as member of ASOCS' board of directors.

So far ASOCS has raised \$20 million. The company will use the current investment to further scale its presence in the Japanese and US markets and ramp its sales up in conjunction with developing marketing activities to support its growing customer base.

"We found ASOCS to be a promising innovator providing the desired solution for the most challenging dilemma in the mobile industry today - combining multiple radio interface standards over a single processor, to offer end users a truly seamless connectivity experience when shifting between different radio networks", said Mr. Takashi Hondo, a managing partner with FGC. "FGF underpins the efforts of overseas companies as they seek to establish a stronger presence in Japan. We see great potential in ASOCS' breakthrough technology which is backed by prominent partners such as Fujitsu, Wipro and Comneon". Mr. Hondo adds. "Therefore we intend to support ASOCS in leveraging its position in the Japanese market."

"Lead by Japan, consumer electronics is a key market for the multiple-standard wireless connectivity provided by our MultiComms processor," said Gilad Garon, ASOCS CEO. "We were honored to have FGF take the role of lead investors in this financing round, and we are proud to be able to boast our existing venture capital investors Vertex and Harel Hertz restate their belief in our company with additional investments this round."



### **About FINTECH GIMV Fund:**

FINTECH GIMV FUND (FGF) is a unique venture capital fund that focuses on information and communication technology as well as life sciences. It offers attractive opportunities for Japanese startups attempting to deploy global resources, for Japanese companies looking for cross-border market opportunities, as well as for European and US technology companies seeking business development opportunities in Japan. FGF is incorporated under the laws of Jersey, Channel Islands, and plans to invest an average of \$3 million to \$7 million per company in 15 to 20 companies. FINTECH Global Capital is an advisor of FGF.

### **About Harel Hertz Investment House (HIH):**

Founded in 1994, with offices in Tel Aviv and Tokyo, HIH is a privately held consulting company and investment boutique, specializing in creating and promoting business activities between Japan and Israel. At HIH, we assist Japanese and non-Japanese parties in establishing and expanding market presence in Japan and Israel, and enable our clients to bridge all cultural gaps. We are proud of our profound knowledge in the Japanese culture and business etiquette, vast experience and wide network of connections within Israel's and Japan's leading business and financial firms and a proven record of achievements.

### **About ASOCS:**

Founded in 2003, ASOCS develops and markets MultiComms processors designed to enable seamless connectivity over diverse air interface networks. ASOCS' ModemX(TM) is a unique solution based on patented algorithm technology and a flexible software-based modem. It ensures low power consumption and effectively runs multi-communication standards concurrently. ASOCS has partnered with leading chip makers, as well as hardware, software and module developers to provide mobile consumer electronics vendors with a complete wireless MultiComm system-on-a-chip (SoC) solution.

## Iscar completes \$1b Tungaloy takeover

### **Buffett unit to buy Japanese tool maker Tungaloy**

Taking advantage of the crisis in world markets, **Iscar** bought a Japanese competitor in the cutting-tools market, **Tungaloy**, for almost \$1 billion. It purchased about 95% of the company's shares from **Japanese investment bank Nomura** in the first takeover of a large Japanese company by an Israeli outfit.

Nomura took control of Tungaloy through a management buyout in 2004 when Tungaloy was split from electronics conglomerate **Toshiba Corp <6502.T>**. It bought a 94 percent stake in the company for 35.75 billion yen at the time.

Tungaloy is considered the leading firm in the Japanese market, both in sales as well as technology and innovation. The deal will enable Iscar to establish itself in the Far East, where it has factories in South Korea and China.

Tungaloy has 2,700 employees and annual revenues of \$450 million, \$300 million from Japan. Its annual operating profits are estimated at \$60 million.

The sale of a Japanese company to any overseas investor is uncommon. The deal may be viewed as part of the Japanese government's plan to increase cooperation with Israel, or it could be a vote of confidence in Iscar's management, and of course in its controlling owner, Warren Buffett.

**IMC International Metalworking Companies**, a unit of **Warren Buffett's Berkshire Hathaway Inc <BRKa.N>**, will buy on behalf of ISCAR the Japanese machine tool maker Tungaloy Corp in a deal one newspaper said would total \$1 billion.

## Teva and Kowa Announce Strategic Partnership To Create A Leading Generic Pharmaceutical Company In Japan

September 26, 2008

Teva Pharmaceutical Industries Ltd. and Kowa Company, Ltd. recently announced that they have signed a definitive agreement to establish a leading generic pharmaceutical company in Japan. The company, Teva-Kowa Pharma Co., Ltd. will seek to leverage the marketing, research and development, manufacturing and distribution capabilities of each company to become a broad based supplier of high quality generic pharmaceutical products for the Japanese market and reach sales of \$1B in 2015. Each company will have a 50% stake in Teva-Kowa Pharma, which will become operational in 2009.

Teva's move comes as Japan tries to raise the share of generic drugs in the overall drug market to 30 percent by 2012 as it faces an ageing population and growing healthcare costs. While generic drugs account for around 60 percent of the market in the United States, Britain, and Germany, its use rate remain lower in Japan at around 17 percent, data from the Japan Generic Pharmaceutical Manufacturers Association showed.

The Japanese government has made generics the default option over brand-name counterparts on prescription forms. It has also introduced incentives for pharmacies to sell generic drugs

"Combining Kowa's knowledge of and established reputation within the Japanese market with Teva's global leadership and expertise in generics should enable us to maximize the opportunity available in this important growth market," said Shlomo Yanai, Teva's President and Chief Executive Officer. "Our objective is to provide the Japanese generic market, which is expected to double in volume in the next 5 years, with high quality and affordable pharmaceuticals, supporting the government's stated objective of increasing generic penetration. This strategic partnership is an important milestone in executing Teva's five year strategic plan, as it provides a robust platform for Teva to further strengthen its global leadership and establishes a strong presence in the Japanese market."

Yoshihiro Miwa, Kowa's President and Chief Executive Officer, added, "I am delighted to be able to report this agreement with Teva, the world's top generic pharmaceutical company, which will enable us to offer high quality generic pharmaceutical products to patients in Japan. The strategic alliance between Kowa and Teva will leverage both companies' respective strengths to meet the needs of medical institutions and patients for high quality and cost-effective generic pharmaceuticals. For Kowa, this agreement will enhance our efforts to establish a strong management platform to support diversified business operations in the prescription, over-the-counter and generic pharmaceutical products areas. By combining our respective capabilities in a new

company, Kowa and Teva are creating a unique business model and a robust base in Japan's generic pharmaceuticals market."

Japan is the second largest pharmaceutical market in the world, valued at approximately \$80B (1\$=100 JPY). Generics represent only 5.7% in value (approximately \$4.6B) or 16.9% in volume in 2006 according to the IMS and the data from the Japanese Generics Manufacturing Association. In 2007, the Ministry of Finance announced a plan to double generic utilization to 30% by 2012.

### **About Teva**

Teva Pharmaceutical Industries Ltd., headquartered in Israel, is among the top 20 pharmaceutical companies in the world and is the world's leading generic pharmaceutical company. The Company develops, manufactures and markets generic and innovative human pharmaceuticals and active pharmaceutical ingredients, as well as animal health pharmaceutical products. Over 80 percent of Teva's sales are in North America and Europe.

### **About Kowa**

Kowa Company, Ltd. started operations as a cotton wholesaler in Nagoya in 1894 and has currently grown into a multinational Japanese company with approximately 50 affiliated companies. Kowa actively engages in various businesses from two main aspects: Merchandise which deals with daily commodities like textile goods, machinery, building materials and chemical products, and Maker which manufactures and sells innovative pharmaceutical products, OTC products, consumer healthcare products, electro-optical apparatus and information and communication systems. For pharmaceutical business, Kowa is responsible for sales and marketing of innovative drugs and focuses on promoting cardiovascular drugs, such as treatment drug for hypercholesterolemia "Livalo tablet" and hypertension drug "Olmetec tablet" through its wholly owned subsidiary, Kowa Pharmaceutical Co. Ltd. In addition, Kowa has focused on lifestyle diseases (arteriosclerosis, kidney disorder and diabetes) as main strategic therapeutic area for research and development. Kowa is also responsible for sales and marketing of OTC and consumer healthcare products such as Cabagin KOWA, Vantelin KOWA, Q&P KOWA etc through another wholly owned subsidiary, Kowa Shinyaku Co. Ltd with the concepts of conditioning medication/self-care medication for the contribution of maintaining and controlling health condition of people. Paid-in Capital 3,840 million yen, Annual Sales, 221.4 billion yen (Consolidated in FY2007), Total number of employee 4,432 (As of end of March 2008 (consolidated)).

## Altair raises funds from Japanese VC

**The Israeli chip maker raised \$22 million a few months after its largest ever deal in Japan.**

Fabless chip maker **Altair Semiconductor Ltd.** has raised \$22 million in its third financing round led by Japanese venture capital fund Pacific Technology Fund, just four months after signing a major deal in Japan to supply chipsets for wireless devices operating on 4G technology. The company's existing investors also participated in the round.

Japan's Pacific Technology Fund led the round and was joined by **ETV Capital** as well as existing investors. Altair previously raised \$18 million in a second round in May 2007. While other rivals have focused on WiMax chips for laptops, Altair has focused directly on mobile devices. It faces a wide range of competitors, from Intel to Broadcom. The company was founded in May 2005.

Altair recently announced a major design win and supply agreement with leading Japanese wireless telecom carrier WILLCOM, which is scheduled to roll out the first nationwide 4G network in Japan utilizing the capabilities of the Altair chip. Harel-Hertz Investments House Ltd arranged this agreement

"We are pleased to see PTF join the board of Altair," said Masato Marumo, a **member of WILLCOM's board and partner at Carlyle Japan**. "PTF's knowledge of technology and extensive experience with cross-border business in Japan will strengthen the company. Their involvement further strengthens our confidence that WILLCOM and Altair will maximize their synergistic relationship and create a successful business together."

Altair raised \$26 million in its two previous financing rounds, the second of which was held in May 2007, in which it raised \$18 million from Bessemer Venture Partners, **BRM Capital**, **Giza Venture Capital**, and **Jerusalem Venture Partners**.

The Japanese fund that has just joined the company's investors specializes in buyout and growth capital investments in established technology companies focused on the Japanese market



## Siano Expands its Presence in Asia: Opens Japan Office

### **Keiso Shimakawa appointed to head operations in Japan**

Japan office marks latest move by Siano in Asia, following recent launch of new receiver chip for China's mobile TV, and hosting of Mobile TV event in Beijing.

Leading mobile TV chip maker Siano Mobile Silicon ([www.siano-ms.com](http://www.siano-ms.com)) announced today the opening of its Japan office in Tokyo. Keiso Shimakawa, has been appointed General Manager of Siano bringing over 25 years of executive leadership with leading local vendors within the Japanese electronics industry.

With over 30 million users so far, Japan is the clear leader in the global mobile TV market. Siano has already begun selling its latest multi-standard chip, the SMS1100, which supports ISDB-T – the mobile TV broadcasting standard of Japan. Recent design wins of Siano in Japan will reach the consumer market in 2009.

The opening of its Japanese offices comes on the heels of extensive activity by Siano in the Chinese mobile TV market, namely the launch of the SMS118X receiver chip supporting the Chinese CMMB MDTV broadcasting standard. Siano is also hosting this week an industry focused seminar on the CMMB ecosystem, with prominent local speakers from China, including the government agency SARFT.

Alon Ironi, CEO of Siano, commented: "Japan has traditionally pioneered the world of electronic multimedia devices such as walkman's, digital cameras, portable game consoles, etc., that later became extremely popular products worldwide. The same trend is happening now with mobile TV, where in Japan already every other new mobile phone and every other new navigation device supports mobile TV. For this reason, Japan is a very strategic market for Siano. We're very pleased to announce the opening of our office in Tokyo, strengthening Siano's positioning in Asia. We are excited to have such a talented and experienced executive as Mr. Shimakawa working for us in Japan, and we have no doubt that his expertise and industry know-how will lead this new entity of Siano to growth and prosperity."

### **About Siano Mobile Silicon**

Siano Mobile Silicon provides integrated silicon receiver and antenna chips for the mobile digital TV (MDTV) market. Tailored specifically for handheld and mobile devices, the company's multi-standard solutions combine high performance with extremely low power and ease-of-design. Headquartered in Israel, Siano has offices for sales, business development and customer support in China, Taiwan, South Korea, Japan and the USA. The company's products are already shipped in mobile and portable devices all over the world.

## Mellanox InfiniBand Accelerates Toshiba Medical's AquilionONE

### **InfiniBand-Accelerated Computed Tomography System Enables Faster Diagnosis to Reduce Healthcare Costs, Save Lives, and Improve Patient Care**

**Mellanox® Technologies, Ltd.** a leading supplier of semiconductor-based, server and storage interconnect products, announced that its InfiniBand adapters accelerate **Toshiba Medical's AquilionONE™**, a new dynamic volume **computed tomography system** which significantly shortens patient diagnosis time, by enabling diagnosis of figure, dynamic image and function within a single scan, decreasing the need for multiple, duplicative tests and invasive procedures.

The AquilionONE acquires large volumes of thin-slice, high resolution data which can be rendered by advanced 3D volume and vessel visualization software to streamline image interpretation. Mellanox InfiniBand adapters provide high bandwidth and low latency to keep overhead away from the processor, allowing more CPUs to be used for the visualization process, reducing the overall job runtime.

"InfiniBand's high throughput, low latency unified interconnect dramatically reduces processing and job times for data-intensive applications, such as visualization and image diagnostics, and provides the ability for real-time manipulation and storage of large data sets," said Wayne Augsburger, vice president of business development at Mellanox Technologies. "Toshiba Medical's AquilionONE, accelerated by Mellanox InfiniBand, has the potential to save lives and improve the quality of life for many people as medical personnel can now quickly determine if a patient has urgent problems that must be immediately treated."

### **About Mellanox**

Mellanox Technologies is a leading supplier of semiconductor-based, interconnect products to world-class server, storage, and infrastructure OEMs servicing Fortune 500 data centers, the world's most powerful supercomputers, and mission critical embedded applications. The company's Virtual Protocol Interconnect™ (VPI) enables standard communication protocols to operate over any converged network (InfiniBand, Ethernet, Data Center Ethernet) with the same software solution. Utilizing proven networking, clustering, storage, virtualization and RDMA acceleration engines, VPI optimizes application performance, power consumption, workload agility, and total system efficiency while future-proofing IT infrastructure.

Founded in 1999, Mellanox Technologies is headquartered in Santa Clara, California and Yokneam, Israel.

## Surf Communication Solutions Provides Multimedia Processing for NEC's Media Servers and Gateways

**Surf's PCI Express Multimedia Processing Platform Provides High Density Voice and Video Processing for NEC's New Line of Platforms for Advanced Telecom Services.** Surf Communication Solutions ("Surf"), a leading provider of multimedia embedded processing solutions, announced that NEC Corporation ("NEC"), a multinational company providing information technology (IT) and network solutions to business enterprises, communications services providers and government, has selected Surf's SurfExpress/PCIe™ multimedia processing solution to provide simultaneous voice and video processing capabilities for their core network mobile and fixed service delivery platforms.

These media servers and media gateways are the forerunners in a set of new multimedia applications and services currently being developed by NEC for Japanese telecom operators who are deploying new IP-based networks. The decision to select Surf's PCIe platform for these projects was three-fold: 1) Surf provides true multimedia support on the same platform when all other manufacturers support voice and video separately; 2) Surf's is a very cost-effective solution; and 3) Surf's platform supports high densities with low power consumption, which is very important in the central office.

The first media server is scheduled for delivery to a Japanese telecom operator in Q4, 2008.

The SurfExpress/PCIe DSP farm includes a complete media processing package for audio, video, modem and fax. It utilizes a highly innovative patent-pending design supporting up to four pairs of DSPs from Texas Instruments' most advanced generation, the C64x™, for a total of eight DSPs per PCI Express board. Since the media processing is performed at the DSP level, and not on the host, the Surf product provides an ideal cost-effective solution for high density multimedia channel processing at the lowest possible power consumption.

"NEC selected Surf's development platform because it stood out as the highest density transcoding solution available, and since it is the only true multimedia processing board in the market, handling both voice and video on the same platform," said Kazuo Shimazaki, Senior Manager, NEC Network Service System Division. "In addition, the unique architecture of Surf's solution opens up bottlenecks in the control and media planes, further increasing throughput in our systems."

"We are pleased to be selected as a key supplier for the latest products in NEC Corporation's telecom services line," said Avi Fisher, Surf's CTO. "This project is proof that Surf's products and support staff meet the stringent quality standards demanded by NEC. It also demonstrates how Surf's high density, low power consumption multimedia processing boards provide cost-effective solutions to our customers."

## October

### Teva's Y100bn Sales Target Puts Japan Drugmakers On Alert

TOKYO (Nikkei)--The Japanese government's stepped-up effort to spread the use of generic drugs is behind the decision by industry giant **Teva Pharmaceutical Industries Ltd.** to set up a joint venture with **Kowa Co.**

The plan by the global No. 1 in generics to fully enter the Japanese market and post sales of 100 billion yen by 2015 has raised the bar significantly for smaller domestic firms, pressuring them to quickly find ways to stay in the business before mass-produced overseas products start cutting into their earnings.

About seven months before the Sept. 24 announcement of the 50-50 joint venture, Teva CEO Shlomo Yanai briefed the firm's investors about a business plan to double its group sales to 20 billion dollars in 2012. He also referred to the growth potential of Japan's generic drug market, citing the government's push to curb its snowballing medical costs.

In July, the Israeli company announced its acquisition of major U.S. generics firm Barr Pharmaceuticals Inc., a move that drove up its combined sales to roughly 1.2 trillion yen, comparable to that of Takeda Pharmaceutical Co. ([4502](#)), Japan's top prescription drugmaker. After bolstering its operations in the West, Teva now sets its sight on Japan.

According to the Ministry of Health, Labor and Welfare, generic products accounted for 18.7% of the drug market on a volume basis as of September 2007, and the government plans to increase the figure to 30% in fiscal 2012. Given changes in the prescription documentation that requires doctors to prescribe generic drugs in principle -- unless patients ask for non-generics -- and other factors, Japan's market for generics is expected to grow to 1 trillion yen in 2012-2015 from the current 400 billion yen.

For Teva, which operates in more than 60 countries, Japan is seen as one of the few big markets that remain untapped. At the news conference in September, Yanai emphasized the company's determination to generate 100 billion yen in sales in Japan and achieve a 10% share of the market by 2015.

In the generics market, sales of 100 billion yen are generally seen as the minimum amount necessary for aggressive capital investment, active research and development and overseas expansion.

Yuichi Tamura, president of Nichi-Iko Pharmaceutical Co. ([4541](#)), which has become effectively Japan's No. 1 maker of generic drugs with its purchase of Saitama-based Teikoku Medix KK, said the company also aims to achieve sales of 100 billion yen by the year to November 2012.

"To stay competitive in the market, 100 billion yen is the minimum requirement for sales," said Hiroyuki Sawai, chairman of Sawai Pharmaceutical Co. ([4555](#)).

However, sales at the two domestic firms lag far behind their intended goals, with Sawai posting 37.6 billion yen in the year to March and Nichi-Iko recording 32.3 billion yen in the year to November 2007.

While seeking to expand through mergers and acquisitions, a number of generics makers are accelerating efforts to beef up their production facilities. For example, Towa Pharmaceutical Co. ([4553](#)) in August purchased land in Yamagata Prefecture. "We will build a world class factory there," said President Itsuro Yoshida, who expressed the firm's intention to spend over 10 billion yen on the project.

Teva is not the only overseas drugmaker that has set its eyes on Japan. Major generics companies Zydus Cadilia Group of India and Mylan Inc. of U.S. have already made full-scale entries.

Even so, none of these companies will be able to start selling generics mass-produced overseas until 2010 at the earliest, as that is when the approval procedures by the Health Ministry will be complete. Foreign players also face the challenge of how to set up their sales networks.

The race against the clock for Japanese generic drugmakers has already begun. The question is how much of their home turf can they secure before mass-produced products inundate the market.

In October last year, Kyowa Pharmaceutical Industry Co., an Osaka-based midsize generics maker, became a subsidiary of India's Lupin Ltd. Vice President Ken Sugiura expressed regret about the firm's near-sighted business strategy, saying, "We focused only on the small Japanese market."

Many other Japanese generics makers may also soon be forced to make a decision on whether to go under the umbrella of a major foreign firm. With Teva's presence in the Japanese market, maintaining the status quo is no longer enough to stay float.

## [Renesas Technology and On Track Innovations \(OTI\) to introduce a New Micro controller-Based Contactless Payment Solution for Banks](#)

**Renesas Technology Corp.**, a leading semiconductor system solutions provider for mobile, automotive and PC/AV (audio visual) markets, and On Track Innovations Ltd a global leader in contactless microprocessor-based smart card solutions for homeland security, payments, petroleum payments and other applications, announced that they have developed a secure contactless microcontroller solution geared toward the US contactless payments market. The new secure payment solution has been certified by MasterCard PayPass for their 3.3 specifications and Visa 2.0.2 A&C V3.0 specifications to comply with contactless card standards. The solution is available to US banks and banks around the world who issue industry standard contactless cards.

Renesas Technology supplies the contactless microcontroller based on its AE-series smart card controller technology and OTI provides the operating system and application, and the contactless card technology including the inlay technology. The combination of Renesas' secured contactless AE41R microcontroller and OTI's Hercules operating system bundled in OTI's contactless products and technology enables the development of a robust solution that meets the stringent security requirements of the payments industry, while also supporting the speed and convenience that is essential in contactless transactions.

The solution was developed to support the large volume orders expected for the US contactless payments market: Renesas is one of the largest contactless chip providers in the world and it is widely recognized by card manufacturers for superior quality, yield, time-to-market and packaging. OTI has almost two decades of experience providing secure contactless solutions for multiple markets, and is providing solutions to support contactless cards, key fobs, smart stickers and more unique contactless products.

"Renesas is committed to providing the banking industry with a highly secure, high performance quality contactless payment solution built with its advanced security microcontroller technology, world-class manufacturing capabilities and technical competence gained over the years of experience in the security market," said Kenichi Ishibashi, general manager of secure MCU business unit Renesas Technology Corp. "By combining our chip technology and OTI's operating system and an antenna module, we can simplify the desing process for the card manufacturers and help accelerate the adoptiong of more secure contactless payment methods among many banks around the world."





"Our contactless solution provides issuers and card manufacturers with a cost-effective, reliable and secure way to implement contactless cards. We are geared up to support contactless payment programs with our proven solution of both cards and readers," said Oded Bashan, Chairman and CEO of OTI.

### **About OTI**

Established in 1990, OTI (NASDAQ:OTIV) designs, develops and markets secure contactless microprocessor-based smart card technology to address the needs of a wide variety of markets. Applications developed by OTI include product solutions for petroleum payment systems, homeland security solutions, electronic passports and IDs, payments, mass transit ticketing, parking, loyalty programs and secure campuses. OTI has a global network of regional offices to market and support its products. The company was awarded the Frost & Sullivan 2005 and 2006 Company of the Year Award in the field of smart cards.

### **About Renesas Technology Corp.**

Renesas Technology Corp. is one of the world's leading semiconductor system solutions providers for mobile, automotive and PC/AV (Audio Visual) markets and the world's No.1 supplier of microcontrollers. It is also a leading provider of LCD Driver ICs, Smart Card microcontrollers, RF-ICs, High Power Amplifiers, Mixed Signal ICs, System-on-Chip (SoC) devices, System-in-Package (SiP) products and more. Established in 2003 as a joint venture between Hitachi, Ltd. (TOKYO:6501) (NYSE:HIT) and Mitsubishi Electric Corporation (TOKYO:6503), Renesas Technology achieved consolidated revenue of 951 billion JPY in FY2007 (end of March 2008). Renesas Technology is based in Tokyo, Japan and has a global network of manufacturing, design and sales operations in around 20 countries with about 26,800 employees worldwide.



## NEC Adopts Waves MaxxAudio Sound Enhancements

### **Pro audio algorithms bring new depth to desktop and laptop computer sound**

Waves Audio announced that its MaxxAudio sound enhancement algorithms are now being implemented by NEC in its Valuestar N and LaVie C computers. Just released in Japan, the Valuestar all-in-one desktop and the LaVie C notebooks are the latest in NEC's extensive product line. NEC has previously used Waves MaxxBass® in its Valuestar W and VR series computers, and now, for the first time, they are implementing the full MaxxAudio suite.

MaxxAudio consists of 5 technologies which enhance and optimize the audio performance of consumer electronics: MaxxBass for improved perceived bass response; MaxxTreble for increased high frequency fidelity; MaxxVolume for dynamic conditioning and level maximization; MaxxStereo for expanded stereo imaging of headphones and speakers; and MaxxEQ for balanced frequency response.

"We believe MaxxAudio, with its high capability for conditioning and optimizing of audio quality for better, clearer sound, is the most suitable audio solution for next generation PCs, by which users can enjoy a variety of multimedia content. As use of high-vision content such as Blu-ray and digital TV is growing, NEC is dedicated to continuous technological innovation, the expansion of benefit and satisfaction for our customers, with close collaboration with Waves," said Mr. Kazuhisa Iga, Strategic Technologies Marketing Expert, NEC Personal Products, Ltd. Waves is the world leader in digital sound processing technology, heard on hit records, major motion pictures, and popular video games everywhere. These same Waves algorithms can now be used in a wide variety of CE applications including TVs, mp3 docking stations, mobile phones, headphones, speakers, and more.

**Valuestar N** is NEC's compact, all-in-one PC with digital TV and DVD playback features, designed for ease of use

**LaVie C** is NEC's premium notebook PC with high quality speakers, high performance CPU and GPU, for playback of a variety of high-vision content, such as Blu-ray and DVD.

"Waves is pleased to be working with NEC in delivering a high quality sound experience in these new models," stated Elad Loker, general manager, Waves Semiconductor and OEM Licensing Division.



## **About Waves**

Waves is the world's leading developer and provider of audio signal processing tools, with award-winning software and hardware for the professional and consumer electronics audio markets. Waves has more than fifteen years of expertise in the development of psycho-acoustic signal processing algorithms which leverage knowledge of the human perception of hearing to radically improve perceived sound quality. Waves processors are used to improve sound quality in the creation of the hit records, major motion pictures, and popular video games the world over. Waves professional hardware products are used to improve live sound quality in venues ranging from Lincoln Center to Cirque du Soleil to television's *American Idol*.

Waves consumer IC and software licensing solutions compensate for the acoustic limitations of notebook PCs, LCD TVs, mobile phones, and portable audio systems by the top names in consumer electronics, including Toshiba, Sony, Sanyo, NEC, JVC, Microsoft, Delphi, Clarion and Altec Lansing.

## **One of Japan's Largest Financial Services Firms Expands its NICE Environment to Improve Compliance With Financial Regulations in Multi-million Dollar Project**

**NICE Systems** (NASDAQ: the global provider of advanced solutions that enable organizations to extract Insight from Interactions to drive performance, announced that one of Japan's largest financial firms is expanding its NICE implementation, in a multi million dollar project to further improve compliance with financial regulations.

The NICE solution will enable this leading financial services firm to address key challenges relating to regulatory compliance and corporate governance. With the NICE solution, the firm's compliance officers will be able to enforce specific policy models, manage investigations, and gain considerable insight concerning risk factors involved in the firm's activities.

"We are extremely pleased to continue to earn the trust of one of Japan's largest financial services firms as reflected in this additional investment in NICE," said Doron Eidelman, President, NICE Japan. "NICE solutions are used by leading financial organizations around the world to help ensure compliance, manage risk, and improve their operations. These issues become more and more critical for Japan, as the country gears up for JSOX, among other things."



## **About NICE**

NICE Systems is the leading provider of Insight from Interactions solutions and value-added services, powered by the convergence of advanced analytics of unstructured multimedia content and transactional data - from telephony, web, email, radio, video, and other data sources. NICE's solutions address the needs of the enterprise and security markets, enabling organizations to operate in an insightful and proactive manner, and take immediate action to improve business and operational performance and ensure safety and security. NICE has over 24,000 customers in more than 135 countries, including over 85 of the Fortune 100 companies.

Mitsubishi Electric and C-nario Announce Partnership in Benelux, Eastern Europe, Russia, CIS and Turkey

**Mitsubishi Electric's Visual Information Systems Division in the Netherlands, and C-nario, a global provider of digital signage software solutions, announced a strategic partnership to provide comprehensive digital signage solutions. Mitsubishi's product offering, including professional LCD monitors, multimedia projectors, LED display systems and display wall cube systems, will be combined with C-nario's digital signage software products as turnkey solutions for all system integrators offering digital signage solutions. Mitsubishi Electric Benelux office is responsible for Benelux, Eastern Europe, Russia, CIS and Turkey.**

The announcement comes at an exciting time for both parties, with Mitsubishi Electric looking to increase its presence within the narrowcasting/public display sector, and C-nario expanding its digital signage solutions portfolio in the AV and IT channels, strengthening the company's relations with AV and IT integrators. Both companies expect synergy for all partners in this multi-channel approach.

C-nario's software-based platform has proven extremely successful in numerous demanding applications, meeting the requirements of a wide range of customers. Through the partnership announced, Mitsubishi Electric's and C-nario's expertise in advanced visual information technologies and applications will enable both companies to deliver complete turnkey narrowcasting/public display solutions, supported by the resources of Mitsubishi Electric, one of the world's largest engineering businesses.

"We always strive to make digital signage projects implementation as simple as possible, without compromising quality. A standard package of high quality Mitsubishi displays and C-nario's digital signage operating platform aims to do precisely that. This is an exciting business opportunity to our partners and customers," said Rami Bahar, C-nario's Vice President Sales and Strategic Planning. "We strongly believe that our



partnership with Mitsubishi Electric will greatly enhance our digital signage offering, add further momentum to our strong growth in this sector, and enable integrators to simplify digital signage projects. "

"We are very pleased to announce our partnership with C-nario," said A.C. ter Meulen, President, Mitsubishi Electric Benelux. "We are confident that C-nario's knowledge and experience within the digital signage sector coupled with Mitsubishi's comprehensive product range will prove a highly-successful and mutually beneficial partnership".

### **About Mitsubishi Electric**

Mitsubishi Electric is one of the world's leading providers of professional imaging and display devices, including Professional LCD Monitors, Multimedia Projectors, LED Displays Systems, Display Wall Cube Systems, Business-use Printers, Security Solutions and more. The company's products enjoy a world-wide reputation for outstanding performance and quality, and are used in mission-critical applications, such as control centers, as well as in public locations such as Times Square in New York and Istanbul's Cevahir shopping mall, the 3rd largest shopping mall in the world. Other large screen displays supplied by Mitsubishi Electric are the Emirates and Twickenham Stadiums in London, the homegrounds for Heerenveen, NAC Breda and FC Grenoble football clubs and the new O2 World Arena in Berlin.

### **About C-nario**

C-nario is a world-class provider of end-to-end software-based digital signage solutions across all industries, including advertising, retail, corporate, public, media and entertainment sectors. C-nario's cutting edge technology enables unparalleled playback and management capabilities of complex better-than-broadcast quality video displays in an extensive range of high traffic environments. To date, the company has deployed in 40 countries through its global partners and international value-added resellers. The company has IT'S headquarters in Tel Aviv Israel and offices in the United States, Europe, Asia.

## November

### Memorial services honors widow of Chiune Sugihara

(Kyodo News)

Relatives, friends and diplomats attended a memorial service in Tokyo on November for Yukiko Sugihara, the widow of Japanese diplomat Chiune Sugihara, who helped save thousands of Jews from Nazi persecution.

Friend and film director Steven Spielberg sent a letter of condolence, while representatives from the Israeli and Lithuanian governments were among the mourners who expressed sorrow at the loss of a "brave woman."

Sugihara died of cardiac arrest on Oct. 8 at the age of 94.

"Yukiko has continued to stand as a heroic, brave woman, a true humanitarian, and a righteous person, whom the world should never forget," Spielberg said in the letter.

He has praised Chiune as "Japan's Schindler," comparing his deeds to those of Oskar Schindler, the German factory owner in Poland who provided Jews with safe haven during World War II and was depicted in Spielberg's film, "Schindler's List."

Chiune, who was the consul general in the then Lithuanian capital of Kaunas from 1938 to 1940, is known for rescuing 6,000 Jews from the Holocaust.

"We have lost yet another important witness who saw with their own eyes the Holocaust tragedy and who had made a personal decision to defy indifference," Lithuanian President Valdas Adamkus said in a letter.

Kaunas was sandwiched between Germany and the Soviet Union. After German leader Adolf Hitler's invasion of Poland in 1939, Britain and France declared war on Germany. Nazi armies invaded Poland and Jewish refugees streamed into Lithuania.

Chiune repeatedly sought permission from the Japanese Foreign Ministry to issue visas for the fleeing Jews, but his request was turned down.

He then issued them with transit visas on his own initiative. Records show that the recipients traveled via Siberia and Japan to eventual safety in the United States and other destinations.

The Israeli government expressed condolences to Yukiko's family through its embassy in Tokyo, saying, "She stood by her husband, assisted and supported him as he followed the voice of his conscience . . . in the face of what later became known as a tragedy of unprecedented magnitude."

### [Discretix signs Japanese auto deal](#)

(GLOBES 12/11/2008)

The company's information security technology will be embedded in the vehicles of a major Japanese manufacturer.

**Discretix Ltd.** Has signed an agreement with a leading Japanese vehicle manufacturer to have its information security technology embedded in the computerized networks of each vehicle, to protect all the information produced and received during journeys. The company expects the deal to generate revenue of millions of dollars each year for the Israeli company. The company did not disclose the carmaker's name.

Since its establishment the company has raised \$32 million from a wide range of investors including Accel Partners, Genesis Partners, Pitango Venture Capital, Poalim Ventures, Sequoia Capital, Eurocom Group, Shrem Fudim Technologies Ltd. (TASE:SFKT) Discretix has grown 615% over the past three years but the company does not publish financial statements. Discretix was chosen by "Globes" in 2007 as one of Israel's most promising start-ups.

## CellSeed, 3 Foreign Firms Team In Regenerative Cornea Tissue

TOKYO (Nikkei) **CellSeed Inc.**, a bioventure spun off from Tokyo Women's Medical University, has formed partnerships with three foreign pharmaceutical firms for overseas marketing of regenerative cornea replacement tissue.

CellSeed aims to conduct business abroad with a regenerative medicine technique developed in Japan.

Its new partners are Israeli firm **Teva Pharmaceutical Industries Ltd.**, the world's largest generic drug company; Greek biopharmaceutical firm Genesis Pharma SA; and Australian orphan drug developer Orphan Australia Pty.

CellSeed has developed technology for repairing the damaged cornea by taking a sample of cells from the patient's mouth, growing the cells in culture to create a sheet, and then transplanting this cell sheet into the eye to regenerate the cornea. The firm is conducting clinical trials in France and hopes to apply to the European Medicines Agency in 2010 for approval to use the procedure in Europe and elsewhere.

Once approval is obtained, the three new sales partners will market the tissue in a total of more than a dozen countries, starting sometime during or after 2011. CellSeed will grow the cornea tissue for supply to Teva and Genesis for respective marketing in Israel and Europe. Orphan Australia will license both production and marketing rights and develop the markets of Australia and Southeast Asia.



## [Asgent Announces Revamp of Antispam Security Appliance “PineApp Mail-Secure” Lineup](#)

### **Injection of unparalleled high cost performance model into top selling price range**

**Asgent, Inc.** (President & CEO: Takahiro Sugimoto, located in Nihonbashi, Chuo-ku, Tokyo), a pioneer in security solutions, announces a price revision to **“Mail-SeCure 2060”**, the top-end model in the **“PineApp Mail-Secure” series**, an antispam security appliance developed by PineApp Ltd. (Israel: CEO Hezi Erez). The “Mail-SeCure 2060” price is revised to 1/3 of the previous list price and is launched as a high cost performance model into the top selling market price range. In addition, Asgent will also begin sales of two new models, “Mail-SeCure 3020” and “Mail-SeCure 3040” from November.

#### ■ **Background**

Today, the rapidly increasing amount of nuisance e-mail such as spam and phishing e-mail is a growing problem for e-mail users. According to a report ( □1 ) published in March 2008 by the Survey and Research Conference on the Economic Impact of Nuisance E-mail (Organizer: Nippon Information Communications Association), the cost of nuisance e-mail on productivity has reached a staggering 730 billion yen, with companies and government agencies projected to spend up to 51.8 billion yen to counteract the problem. In addition, due to the fact that nuisance e-mail is sent to organizations indiscriminately, it is vital that e-mail security measures be implemented, regardless of the organization size.

It is with these issues in mind that Asgent announces a price revision to the current top-end model “Mail-SeCure 2060”, bringing it to 1/3 of the previous list price and the launch of this model as “Mail-SeCure 2060 SE”, to be positioned at the same price point as the previous entry level model (Mail-SeCure 2020) with twice the e-mail processing power.

## ■ Why a powerful entry model?

Nuisance e-mail such as spam and phishing e-mail is increasing on a daily basis, and will continue to increase at an exponential rate. Therefore, it is not wise to implement measures only capable of dealing with the amount of current received e-mail; it is far more important to choose a product model with enough performance to deal with the increased amount of nuisance e-mail that can be expected in the following two to three years. "Mail-SeCure 2060 SE" provides users with the functionality and performance needed looking forward.

## ■ Antispam appliance market positioning

The price point of the "Mail-SeCure 2060 SE" (\690,000) is positioned directly within the top selling market price range, and provides unparalleled performance when compared with other competing products in the same price range.

## PineApp Mail-SeCure

Sales Target : 300 units (annual)

PineApp Mail-SeCure Features

10+ Antispam filters

Real-time spam detection regardless of the language and e-mail format.

Support for LDAP and Active Directory

Support for incoming and outgoing e-mail

Load balancing function in HA configuration

F-Secure antivirus engine integration

Start operations within 30 minutes of setup

Worldwide customer deployment, high level of reliability and spam detection

## Fujifilm Software Molds 2 Endoscope Systems On Same Monitor

TOKYO (Nikkei) **Fujifilm Corp.** has developed software that enables a single monitor to display images from both its own double-balloon endoscope system and the **PillCam capsule endoscope developed by the Israeli firm Given Imaging Ltd.**

Fujifilm's double-balloon endoscope system is used to examine the small intestine via the mouth. **Given's PillCam** is equipped with a camera and transmitter that sends images as the capsule travels down through the gastrointestinal tract after it has been swallowed.

These two devices use different methods of image processing, so up until now the surgeon has had to use separate monitors to view images from each. Fujifilm's software converts the image data into forms that can be shown together on a single monitor. This will help the surgeon identify and treat problems faster.

The domestic market for gastrointestinal endoscopes is currently dominated by Olympus Medical Systems Corp. and Fujifilm has only a 10-20% share. By creating a better environment for use of the PillCam, the Fujifilm Holdings Corp. (4901) unit aims to promote more use of its own endoscopes.

## December

### Japan PM Aso asks Israel's Olmert to stop bombings

Wed Dec 31,

TOKYO (AFP) – Japanese Prime Minister Taro Aso told his Israeli counterpart Ehud Olmert to halt air strikes that have killed at least 390 Palestinians and injured thousands in the Gaza Strip.

In a 20-minute telephone conversation, Aso expressed Japan's regret and urged Olmert to "swiftly stop the offensives", as many civilians were killed and harmed, the Japanese foreign ministry said in a statement.

While condemning rocket attacks by "Palestinian militants", Aso said "it is regrettable that the (Israeli) attacks have caused widespread damages, including deaths and injuries of civilians."

He also urged Israel to allow the transportation of humanitarian assistance to Gaza.

In response, Olmert stressed that the attacks against Hamas were being made in self-defence and that Israel was making efforts to avoid harming civilians.

In the talks that took place around 0600 GMT, Olmert said Israel was committed to the peace talks and promised "cooperation" over delivery of humanitarian aid to Gaza, according to the foreign ministry.

"Japan calls on Israel to exercise its utmost self-restraint. Japan also calls on Palestinian militants to stop attacks from the Gaza Strip against Israel," he said.

Nakasone said that Japan, a leading donor to the Middle East peace process, was ready to provide assistance to help Palestinians, including residents of the Gaza Strip, which is controlled by the militant Hamas movement.

Japan, which relies on the Middle East for nearly all of its oil, has traditionally kept good relations with Arab nations and Iran.

The world's second largest economy, Japan has sought a more active role in the Middle East and has spearheaded a project to bring jobs to the West Bank.

Since being launched on December, the Israeli offensive has killed at least 390 people, including 42 children, and wounded more than 1,900 others, according to Gaza medics.

The intensive Israeli bombardment has killed several senior Hamas officials and reduced much of the Islamist movement's infrastructure in Gaza to rubble, but has failed to stop rockets being fired into Israel.

Gaza militants have fired back more than 250 rockets, killing three civilians and one soldier and wounding several dozen people.

### Israel and Japan Partnering in \$1.8 Million Research Programs

**(IsraelINN.com)** Israel and Japan signed a memorandum detailing a partnership in biological research. The two governments will contribute 1.8 million dollars over three years towards combined research efforts. This is the first time that a scientific partnership between the two countries under government backing has taken place.

The signing ceremony took place at the Givat Ram campus of the Hebrew University of Jerusalem. Representatives of the Japanese Science and Technology Agency and the director general of Israel's Ministry of Science attended.

Israel is one of nine countries with which Japan has signed a research plan, in addition to China, India, Korea, US, Great Britain, France, Germany, and Sweden. In 1993, Japan and Israel signed an agreement to cooperate in the fields of science and technology. Since then, the ministers of science have made visits a number of times and even created a joint scientific committee. In this past February, Prime Minister Ehud Olmert visited Japan, meeting with Japan's Prime Minister Yasuo Fukuda, on a visit of strengthening relationships between the two countries. Last month, Israel's director general of the Science Ministry, Gal Dei, met with contacts in Japan, in order to press the scientific research agreement forward.

Japan Science and Technology Agency (JST) aims to establish Japan as a nation built on the creativity of science and technology by promoting research and development.

According to Japan's Ministry of Foreign Affairs, Israel exports \$850 million of products to Japan annually, including polished diamonds, electrical products, and citrus fruit. Concurrently, Israel imports from Japan \$1.1 billion worth of products, including automobiles, machinery, and electrical equipment.

## Better Place signs in Japan

### **A pilot program will involve the electric cars and recharging infrastructure. In Yokohama**

A day after presenting its electric car recharging station in Tel Aviv, Better Place reports that it has joined an electric car pilot program in Japan. The pilot is headed by Japan's ministry of the environment.

The program will involve the electric cars and recharging infrastructure. Better Place will build a battery exchange station for the electric cars.

The pilot will last for 3-6 months, beginning in January 2009. The city of Yokohama will be the first in the Japanese project to use the Better Place model of exchanging a depleted electric vehicle battery for a fully charged one.

The trial will involve Japanese auto makers such as **Subaru car maker Fuji Heavy Industries Ltd.** and Mitsubishi in the first Ministry of Environment-sponsored electric vehicle feasibility study in Japan, and Better Place will essentially be the only foreign partner in the deal.

"Better Place is honored to participate in this ground-breaking program in a country with so much auto-manufacturing expertise and history," said Better Place founder and CEO Shai Agassi. "We look forward to joining Subaru and other auto manufacturers in the project and demonstrating the feasibility of electric cars with swappable batteries to the rest of the industry."

Better Place Japan will be led by **Kiyotaka Fujii**, the former president and CEO of retailer Louis Vuitton's Japanese subsidiary and SAP Japan.

## Camtek, Raytek to jointly develop wafer AOI system

**The companies expect to begin deliveries of the new system in the second half of 2009.**

**Camtek Ltd. and Raytex Corporation** (TSE: 6672) will jointly develop, produce and market a system for automated optical inspection of semiconductor wafers along their production flow.

The new system will combine Raytex's wafer edge and backside metrology and inspection capabilities with Camtek's surface inspection technologies. The integrated system will deliver comprehensive inspection for the complete wafer in a stand-alone, high productivity tool, for the most advanced wafer fabrication facilities.

The companies expect to begin deliveries of the new system in the second half of 2009.

Mr. Jun Takamura, Raytex' President and CEO, commented, "This strategic alliance with Camtek will build on the synergy between the two Companies and enable us to offer a better macro inspection tool to our front-end customers. We are looking forward to working with Camtek and combine our respective strengths for the benefit of our customers".

Camtek's CEO Rafi Amit said, "Raytex is a leading supplier of high performance edge and backside metrology and inspection systems. Engineering teams from both companies will begin working together in the next few weeks to create a seamless integration of respective technologies."