

Investing in hi-tech

» *By Jason Blackshaw*

Israel is considered the world over as a powerhouse of innovative technological developments. As such, investment opportunities abound.

However, making the right investment in Israeli hi-tech can be dicey, especially for overseas investors.

That is where the Israeli firm of OBV comes into the picture. OBV, which stands for Orange Blossom Venture, is a boutique investment banking firm that specializes in the science-oriented innovation scene and matches local hi-tech companies seeking investments with investors interested in hi-tech.

The company was founded by Gil Makov and his sons Dan and Ariel. The three were partners the law firm G. Makov & Co. OBV has acquired a very respectable reputation and is considered a trusted source with local companies and global investors.

In the business world, the right contacts and connections are of ultimate importance; consequently, the Makovs decided that the right thing to do was to set up a company that would make it easier for investors to find the right hi-tech companies and for entrepreneurs to find the money they needed to grow their companies and develop cutting-edge products and technologies.

Gil Makov explains that "It has always been difficult to find investors, but in the current global financial environment it is even harder. Finding an investor willing to put money into his or her company, even if it is developing a very promising technology, is very difficult.

Each of these potential investors is swamped with offers, and the entrepreneurs usually spend a lot of time knocking on the wrong doors instead of spending time in development work."

For entrepreneurs, the advantage of working

with OBV is self-evident. The company has the ear of leading investors in Israel and abroad and can therefore find the right investor in a relatively short time.

For the investor, OBV can find the right investment and minimize risks by vetting the company and analyzing the technology and its potential commercial value.

As hi-tech is risky, OBV's experts can help investors evaluate both the risks and the potential rewards.

At first, the company was focused on finding financing for early-stage companies, but now it also raises money for later-stage hi-tech companies.

OBV has raised money for companies such as Safer Place, which develops video-based solutions to detect high-risk traffic violations; Nano Dimension, developers of 3d printers; and Foresight, which develops accident prevention technologies. The investors include leading local businesspeople and global financial companies such as Bloomberg Capital.

Makov says, "We are an old established family in Israel with family and social links to many of Israel's leading business 'dynasties.' Consequently, if I place a call to these people, I get a response and I can advise them on investing in this company or that. We also have contacts with overseas investors but less than with local ones. As we expand and raise more and more funds for local hi-tech companies, our reputation as a leading hi-tech boutique investment bank opens many doors. I would say that while our ability to interest investors in this or that company is based a lot on social and family ties, our reputation overseas is based more on our being a reputable and efficient means of pinpointing potentially rewarding investments in local hi-tech companies." ■



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