



# AICC(WA)'s **Technology**series **2018**

## Israel Calling

Article from the AICC(WA)'s Cisco Technology Series sundowner featuring **Mr John Poynton AO and Mr Larry Lopez**, held at BDO Australia on 5 September 2018



From L to R - Ms Natalie Milne, Partner, Tax, BDO, Mr Larry Lopez, Accelerating Commercialisation, Commonwealth Govt. Department of Industry, Partner, Australian Venture Consultants, Vice President AICC(WA), Mr Eliya Eylon, Head of Product and Director of Business Development, Razor Labs, Mr John Poynton AO, Chair, Sapient Cyber, Leader of the AICC(WA)'s VC & Financial Sectors Delegation to Israel 2017 and Mr John Cluer, Chief Executive, Australia-Israel Chamber of Commerce (WA)

Describing his colleague as “a man generous in spirit, and generous in every other respect”, Mr Larry Lopez shared a dialogue with Mr John Poynton. Members of the AICC(WA) were treated to a personal account of their participation in the 2017 VC & Financial Sectors AICC(WA) Israel Delegation, and some impressive outcomes that have since resulted.

Mr Lopez is Director Accelerating Commercialisation for the Commonwealth Government Department of Industry Innovation and Science, a Partner of Australian Venture Consultants, and Vice President of AICC(WA). He observed the rapid changes within Israeli industry, noting the absence of a knowledge economy in the mid-1990's to a transformation that now consistently brings more than \$US 5 billion of global Research and Development investment to the Country. Hi-Tech now represents more than 20% of Israel's GDP.



Ms Natalie Milne, Partner, Tax, BDO

“We too in Australia can quickly grow into a technology driven economy” said Mr Lopez. “Some of the cultural and business practices are already present in Australia, we just need to utilise them to a greater extent. Other elements are available to us as new opportunities.”

Mr Lopez also reflected on start-ups that were not successful, noting that Israel had a strong tolerance for pragmatic entrepreneurship. A failed venture in Israel does not necessarily mean a complete lack of success, and can be respectfully managed without shame. An earlier than planned exit, competing product, or shift in demand can impact the viability of a start-up. However the product itself, inclusive of the resulting IP and technology transfer, can still serve as a legacy accomplishment of a discontinued venture. Mr Lopez particularly noted the importance and ability of Israeli innovators to recognise mistakes quickly and be agile enough to respond.



Mr John Poynton AO, Chair, Sapient Cyber



Mr Larry Lopez, Accelerating Commercialisation, Commonwealth Govt. Department of Industry, Partner, Australian Venture Consultants, Vice President AICC(WA) and Mr John Poynton AO, Chair, Sapien Cyber

Acclaimed business leader Mr Poynton led the 2017 AICC Israel Delegation. He affectionally declared himself a “slow learner” when it comes to Israel, whilst reflecting on his foray into the commercialisation of IP during the early years of the WA Resources boom. “Resources was a crowded field, and despite initial setbacks my interest in technology stayed alive.”

Mr Poynton described Israel’s thriving eco-system, inclusive of the ability to exchange ideas across the Government, academic, military and private sectors, and to blend collaboratively with the capital markets. He observed that Israel’s successful ability to commercialise and globalise IP provided a valuable template for early stage Australian ventures. He also commented that “the great thing about going to Israel is that it is also a serious amount of fun, and that his engagement with people was exhilarating.”

“When you blend globally competitive IP with money and high quality people then it is certainly possible to build a large and valuable company in WA .”

The learnings from Israel have been taken by Mr Poynton and applied in Australia. He and his colleagues at Jindalee Partners are guiding a number of Israeli companies to list on the ASX and are also assisting with introductions to potential clients and customers for their technologies.

Sapien Cyber, of which Mr Poynton is Executive Chair, is a company formed in late 2016 which follows the Israel model of commercialisation of research initiated within a university (ECU) and the bringing together of venture funding and highly qualified specialists in the field.



Mr John Cluer, Chief Executive, AICC(WA)

In further dialogue Mr Lopez and Mr Poynton discussed how to translate Israel's business culture into a local context. Through the course of the conversation they noted;

- Value is a round trip. Focus on creating value, not wealth, and the value chain will lead to wealth.
- Collaboration and trust are necessary, and the Israeli business culture is strongly built around these virtues. This does not just occur at a corporate level, but is also evident as a person to person attribute that is part of the fabric of daily life in Israel.
- The filters that identify good opportunities early, and equally discard opportunities that are unlikely to succeed are ingrained into the Israeli system. Australia needs to further evolve decision making in this area.
- There is a need to "call out the pretenders", those who do not have the financial and functional ability to validate and legitimise their claims.
- The culture of being prepared to fail is driven by both a sense of urgency and a risk tolerance.



Mr Eliya Eylon, Head of Product and Director of Business Development, Razor Labs

Mr Eliya Eylon, Head of Product and Director of Business Development, [Razor Labs](#) described his journey as an entrepreneur, military officer and founder of an AI company that offers data analytics and deep learning technologies. The company is establishing an Australian office. Mr Eylon described the “confidence to back yourself” that leads to accelerated innovation in Israel. “Israel is maturing. It doesn’t want to be a start-up nation forever, and is now rebranding itself as a scale-up nation”.

As Western Australia continues to build a service and knowledge based economy, and evolves its own mechanisms for technology transfer, Israeli enterprise will continue to serve as an example and be present as a partner. The AICC(WA) actively pursues bilateral trade and knowledge exchange to support economic development and technology futures for Western Australia.



Emeritus Professor Lawrie Beilin, Board Member (Ex Officio), RPH MRF and Mr Jon Wilson, Director, 3Pillars Asia Pacific



Mr Eliya Eylon, Head of Product and Director of Business Development, Razor Labs and Dr Graeme Thomas, Director, 3Pillars Asia Pacific



Mr Steven Papadopoulos, Managing Director, Milcor Legal and Ms Natalie Milne, Partner, Tax, BDO



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