

BIRD – Israel-US Binational Industrial R&D Foundation to invest \$5.4 million in six new projects

The approved projects involve innovations in the areas of communications, healthcare IT and personalized medicine

December 22, 2010 – During its meeting last week, the Board of Governors of the Israel-U.S. Binational Industrial Research and Development (BIRD) Foundation, approved \$5.4 million of funding for six new projects between Israeli and American companies. In addition to the grants from BIRD, the projects will access private sector funding, boosting the total value of all projects to \$15.4 million.

The BIRD Foundation promotes collaboration between Israeli and American companies in various technological fields for the purpose of joint product development. Specifically, the Foundation assists by locating strategic partners from each country, making the necessary introductions, and providing conditional grants of up to \$1 million for approved projects.

The six projects approved by the Board of Governors add to the more than 800 projects in which the BIRD Foundation has invested over its 33 year history. To date, BIRD's total investment in these projects has exceeded \$280 million, helping to generate direct and indirect sales of more than \$8 billion.

The approved projects are the following:

- **Altair Semiconductor** and **US Company** will develop a high-performance, dual-mode communication device.
- **Civcom Devices and Systems Ltd.** and **GigOptix Inc.** will develop a low power module for next generation optical communications.
- **First Life Research, Inc.** and **Healthline Networks, Inc.** will develop a web environment to analyze and present patient's drug usage. This new web based application will empower patients and also provide an additional research tool to health professionals.
- **HQL Pharmaceutical** and **Emerald BioStructures**, will co-develop novel anti-microbial drug compounds against Gram-negative infectious microbes for which there are critical unmet medical needs for new therapies.
- **Nextar Chempharma** and **OsteoGenex** will develop and formulate new molecules for localized bone building therapy.
- **Vaica Medical Ltd.** and **MTS Medication Technologies Inc.** will develop an automated medicine pill dispensing system thus helping in improving compliance, while providing accurate reporting to caregivers.

Dr. Eitan Yudilevich, Executive Director of the BIRD Foundation, commented: “the projects approved in this cycle reflect a trend towards personalization using advanced information and communication technologies. This trend is evident in sectors such as healthcare IT and entertainment, which require easier exchange of information and increased transparency. The approved projects have a great potential for global economic and social contribution.”

Dr. Yudilevich thanked the co-Chairmen of the Foundation who are retiring after many years of service for their enormous contribution to the success of the Foundation: Mr. Marc Stanley, former Deputy Director of NIST (National Institute of Standards and Technology) has been the U.S. co-Chairman for a decade, and Dr. Eli Opper, Chief Scientist of the Ministry of Industry, Trade and Labor, has been the Israeli co-chairman for nine years. He also wished success to the appointed Chief Scientist, Mr. Avi Hasson, who will begin his term on January 1, 2011 and will join BIRD’s Board of Governors.

Mr. Stanley summarized his tenure: “The Bird Foundation has played a major leadership role as one of the principal public private partnerships between the United States and Israel in investments in high risk, high payoff programs. It’s success rate has been outstanding and a large credit has to go to an incredibly talented group of dedicated professionals. It has been my privilege and honor to serve as the U.S. Governor to the BIRD for the past ten years and I wish them every success in their future endeavors.”

Dr. Opper : “The BIRD Foundation is a very special cooperative framework between the U.S. and Israel. Following its success, Israel has adopted a similar model for R&D cooperation with other countries.”

Dr. Opper praised the daily work of the BIRD team “to foster cooperation and identify high quality projects, implementing new technologies and developing new products. At the end of my tenure as co-Chairman of BIRD’s Board of Governors I am proud of BIRD being a pillar of U.S.-Israel industrial cooperation and of its contribution to the technological and commercial ties between the two countries.”

About the BIRD Foundation

The BIRD (**B**inational **I**ndustrial **R**esearch and **D**evelopment) Foundation works to encourage cooperation between Israeli and American companies in the various areas of technology, and provides free assistance in locating strategic partners from both countries for developing joint products. During its 33 years, the BIRD Foundation has invested in more than 800 projects, which have yielded direct and indirect revenues of about \$8 billion.

The BIRD Foundation supports projects without receiving any rights in the participating companies or in the project itself. The financial assistance is repaid as royalties from sales. The Foundation provides support of up to 50% of a project’s budget, beginning with R&D and ending with the initial stages of sales and marketing. The Foundation shares the risk and does not demand that the investment be repaid if the project fails to reach the sales stage.

The BIRD Foundation works in full cooperation with the Chief Scientist’s Office at the Ministry of Industry, Trade, and Labor in Israel, and with the U.S. Commerce Department’s National Institute of Standards and Technology (NIST).