

# Silicon Israel

Insights and developments in an aspiring legal tech market



**Or Bakai**

Head of Legal tech Department  
Tech&Law (Israel)

Germany, 04<sup>th</sup> December 2018

# **THIS ISN'T ISRAEL** **(WELL, AT LEAST NOT ANYMORE...)**

SIDE NOTE: DON'T WORRY  
WE KEPT SOME OF THE CAMELS







**ISRAELIS ARE  
GOOD AT SOLVING  
PROBLEMS**



# ISRAELIS ARE GOOD AT SOLVING PROBLEMS

- It became a leading force in agriculture



# ISRAELIS ARE GOOD AT SOLVING PROBLEMS

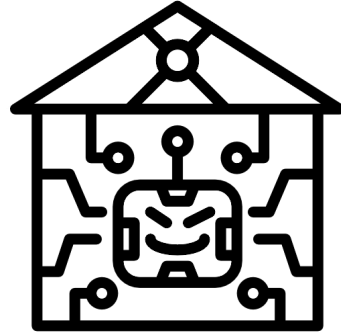
- It became a leading force in agriculture
- It became a leading force in seawater desalination



# ISRAELIS ARE GOOD AT SOLVING PROBLEMS

- It became a leading force in agriculture
- It became a leading force in seawater desalination
- It became a high-tech superpower

# FOUR MAIN REASONS



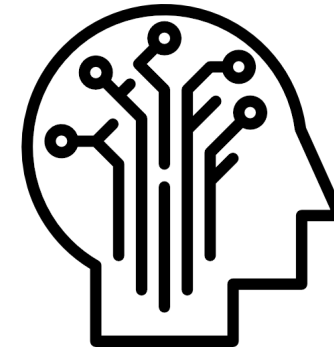
ISRAEL IS A STARTUP  
POWER HOUSE



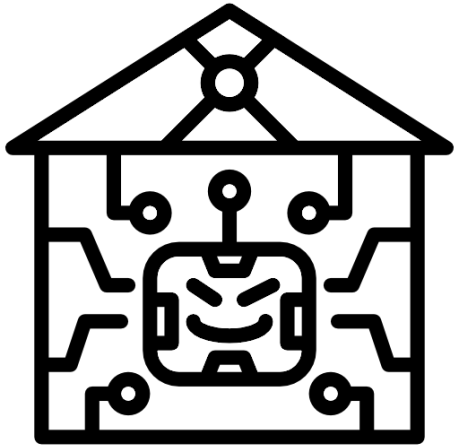
IT PAYS TO INVEST IN  
THE STARTUP NATION



INNOVATIVE  
INFRASTRUCTURE



ISRAELI  
MENTALITY

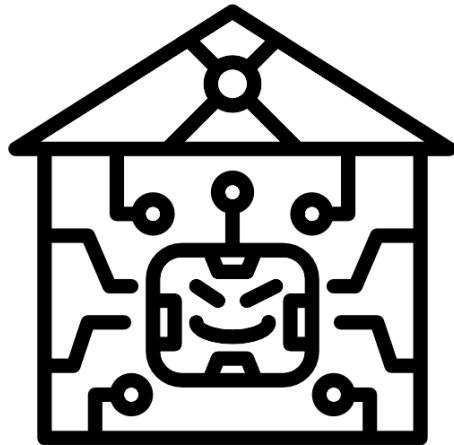


ISRAEL IS A STARTUP  
POWER HOUSE

# ISRAEL **HAS THE HIGHEST STARTUPS (PER-CAPITA) RATIO IN THE WORLD**

Source: Bowei Gai, World Startup Report



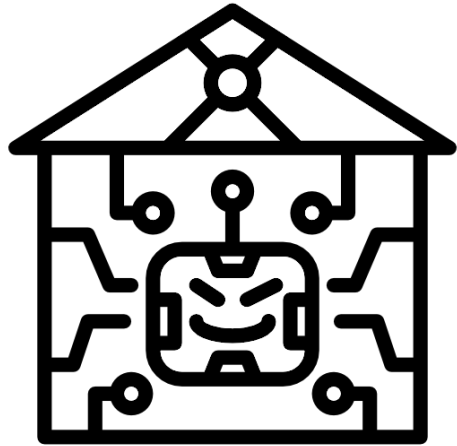


ISRAEL IS A STARTUP  
POWER HOUSE

- Highest startups per capital ratio in the world

# ISRAEL **HAS OVER 300 R&D CENTERS** OF MULTI INTERNATIONAL COMPANIES

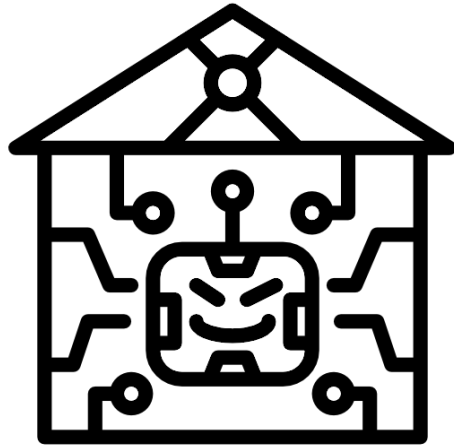
Including Google, Facebook, Intel, Apple, Microsoft, Amazon, eBay, HP, IBM, Samsung, Sony, PayPal, Cisco, Dropbox and more.



ISRAEL IS A STARTUP  
POWER HOUSE

- Highest startups per capital ratio in the world
- Over 300 R&D centers

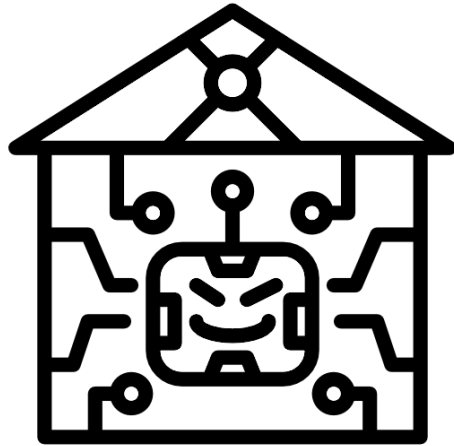
ISRAEL HAS  
**CLOSE TO  
100 COMPANIES ON  
NASDAQ, WITH \$70B  
MARKET CAP**



ISRAEL IS A STARTUP  
POWER HOUSE

- Highest startups per capital ratio in the world
- Over 300 R&D centers
- Close to 100 companies on NASDAQ with \$70B MK

ISRAEL  
HAS HAD  
**11 IPO'S IN 2017**  
ALONE



ISRAEL IS A STARTUP  
POWER HOUSE

- Highest startups per capital ratio in the world
- Over 300 R&D centers
- Close to 100 companies on NASDAQ with \$70B MK
- Had 11 IPO's in 2017

ISRAEL  
HAS HAD  
**EXITS AND M&A DEALS  
VALUED AT \$23.8 BILLION  
IN 2017**



IT PAYS TO INVEST IN  
THE STARTUP NATION

# ISRAELI UNICORNS

ISRAEL HAS THE HIGHEST  
UNICORNS PER-CAPITA  
RATIO IN THE WORLD

Source: Survey of 183 companies published by the strategic consulting division of accountants BakerTilly



WIX

wework

waze  
OUTSMARTING TRAFFIC, TOGETHER

MOBILEYE

Gett



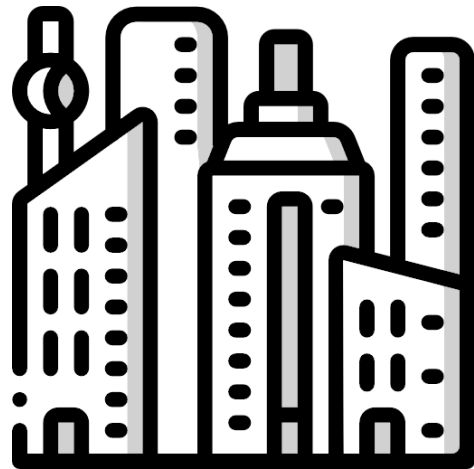


INNOVATIVE  
INFRASTRUCTURE

# TEL AVIV **BEST STARTUP ECO-SYSTEM OUTSIDE OF THE US**

According to Startup Genome





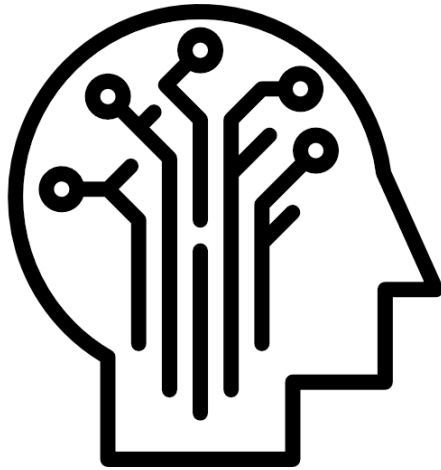
INNOVATIVE  
INFRASTRUCTURE

- Best startup ecosystem outside the US

ISRAEL' 3000 STARTUPS  
IS THE LARGEST  
CONCENTRATION  
OF STARTUPS\*

**AWARDING HER  
THE NICKNAME  
SILICON WADI**

After silicon valley\*



ISRAELI  
MENTALITY

# ISRAEL **HAS LOWEST POWER-DISTANCE SCORE OUT OF ANY CULTURE**

According to Hofstede Insights



**NOT BAD FOR A COUNTRY  
WITH A POPULATION  
OF LESS THAN  
9 MILLION PEOPLE**



# ISRAELI CYBER SECURITY STARTUPS **HAVE RAISED \$814.5 MILLION ACROSS 81 DEALS IN 2017**

Source: The times of Israel

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# ISRAELI FINTECH STARTUPS **HAVE RAISED \$307 MILLION ACROSS 53 DEALS IN 2017**

Source: Fintech Global



# THE CHALLENGES

BEING AN  
EARLY STAGE  
ISRAELI LEGAL TECH  
STARTUP

# CAPITAL RAISING

ISRAELI LEGAL TECH SECTOR IS  
STAGGERING BEHIND BOTH IN  
ABSOLUTE QUANTITY OF DEALS AND  
AMOUNT OF MONEY RAISED



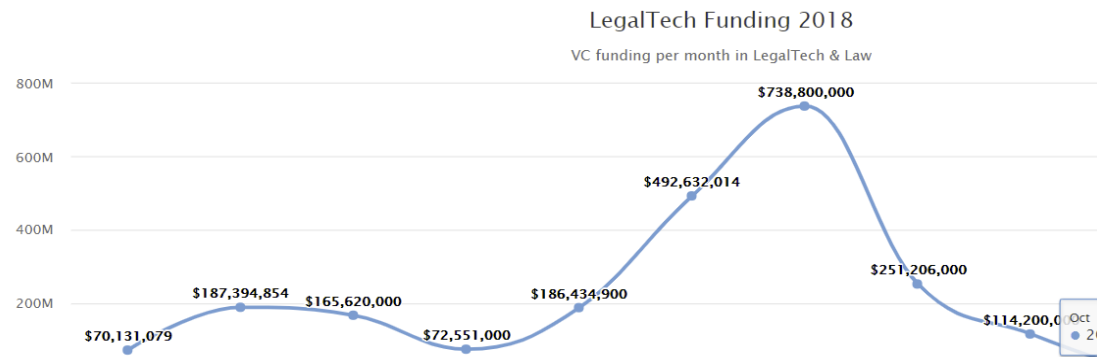


# \$ 1.2 BILLION RAISED

## FIRST HALF OF 2018 LEGAL TECH

[update: October 24, 2018]

Added the line graph from the LegalTech Funding Landscape infographic to [LegalTech Charts](#).



Israeli legal AI co LawGeex  
raises \$12m



The Tel Aviv-based company's platform is more accurately able to identify risks in some contracts than professional US lawyers.

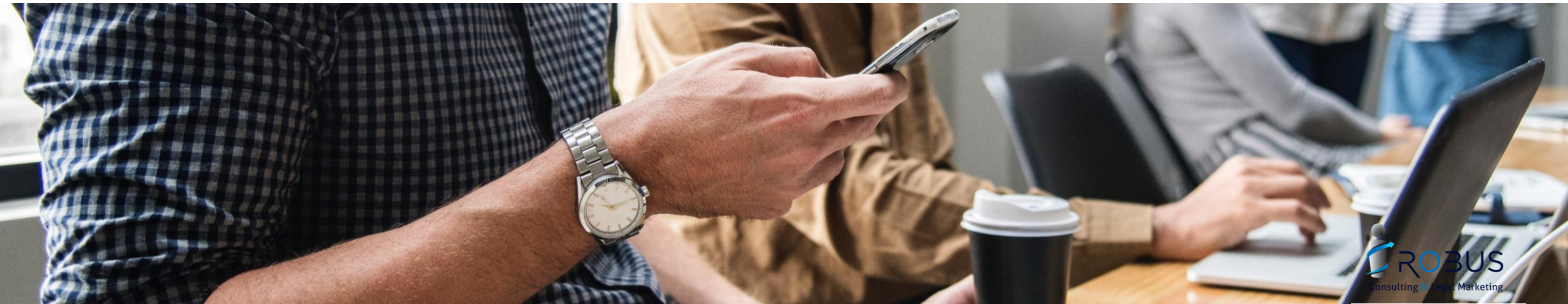
# FINDING EXPERIENCED VC / ANGEL

AN EXPERIENCE INVESTOR COULD BE THE  
TURNING POINT FOR AN EARLY STAGE  
STARTUP TO EXPAND INTO THE  
INTERNATIONAL MARKET



# LACK OF UNIQUE LEGAL TECH ACCELERATORS

THERE ARE AROUND 90 ISRAELI  
ACCELERATORS, BUT NONE TOUCH THE  
UNIQUE ISSUES THAT ARE RELEVANT ONLY  
TO THE LEGAL TECH SECTOR



**ROBUS**  
Consulting in Legal Marketing

**tech&law**  
ISRAEL



# OVERCOME

FORTUNATELY THESE ARE ALL  
DIFFICULTIES THE ISRAELI MARKET HAS  
OVERCOME IN THE PAST





# ISRAELI LEGAL TECH SCENE CHARACTERISTICS



# THE LAW FIRMS







Still, most law-firms use low-tech solutions instead of differentiating themselves

Well, maybe because...



**COSTS**

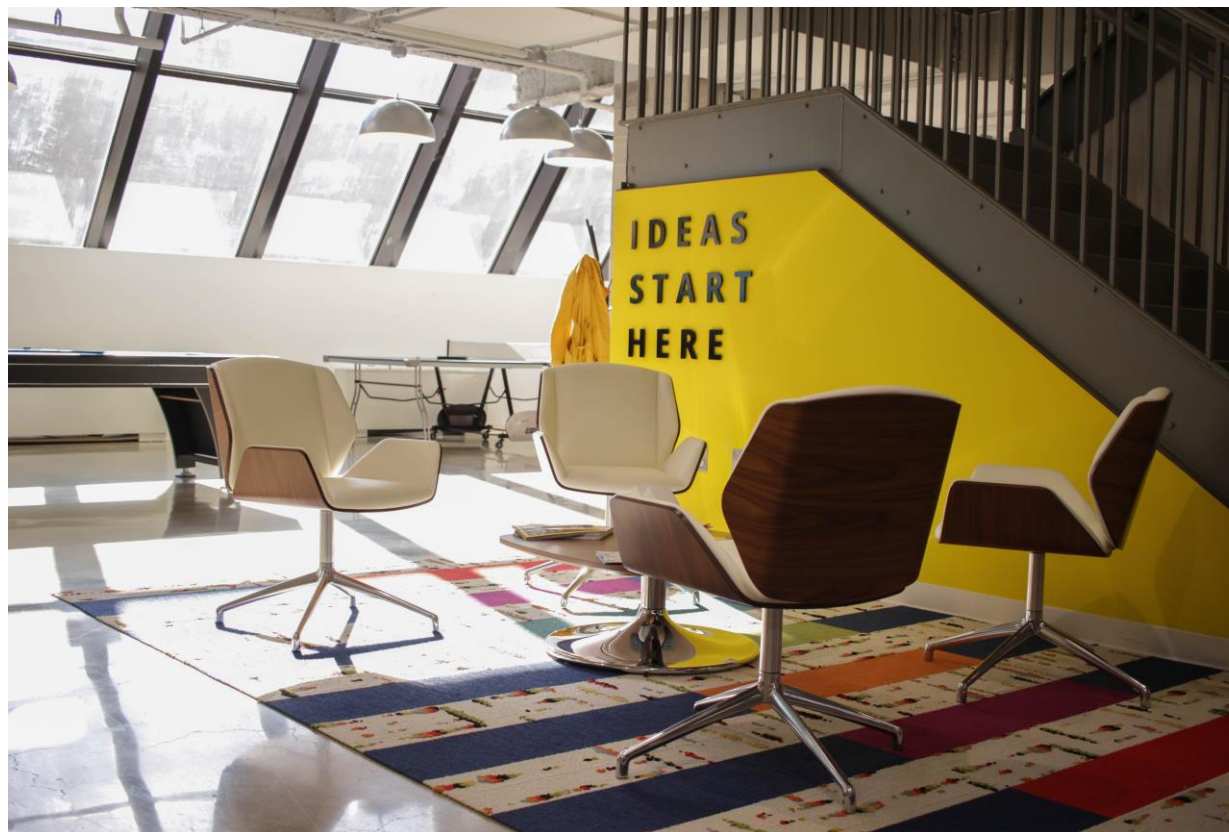
**IMPORTING NEW  
TRENDS TAKES  
TIME**



**LANGUAGE  
BARRIERS**



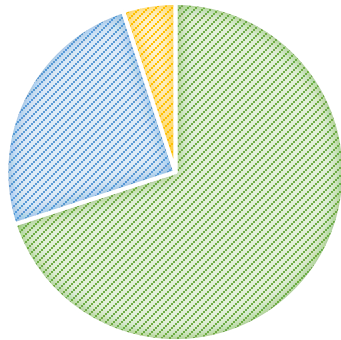
# LEGAL TECH STARTUPS



# Israeli Legal Tech Startup

## CAPITAL RAISING

■ Hasn't raised capital yet ■ Pre-Seed / Seed ■ Round A



## Other Characteristics

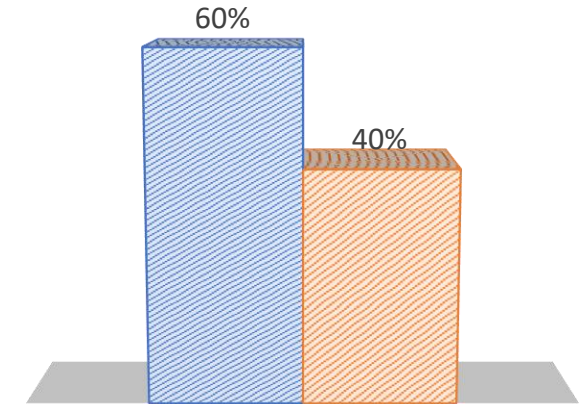
Most startups have at least one lawyer co-founder

Vast majority of early stage companies

Mostly Internationally Wired

A strong presence of female entrepreneurs in the leading legal tech startups

■ B2B ■ B2C



## Business Model

True to 2018, according to a survey made by the Tech&Law Department: from 30 companies surveyed

The quickest and easiest way for businesses to review and approve incoming contracts

[FIND OUT MORE](#) [REQUEST A DEMO](#)

# {LawGeex}

GREAT COMPANIES RELY ON LAWGEEEX

randstad Spark<sup>™</sup> howden Deloitte. Brandwatch Social Media Monitoring QUADRANT LAW GROUP

  
**80%**  
**Time Saved**  
reviewing & approving contracts

  
**Streamlined**  
**Workflows**  
between legal, operations, and procurement

  
**90%**  
**Cost Saved**  
compared to manual review

## Contract Review Automation Software



# lawflex.

Lawflex is the leading legal resource firm in Israel, providing law firms, financial institutions and other corporations with top lawyers on a flexible basis, at competitive rates.

**250** lawyers  
**24** jurisdictions  
**18** languages

## Legal Outsourcing Company



# LEGAL TECH ORGANIZATIONS

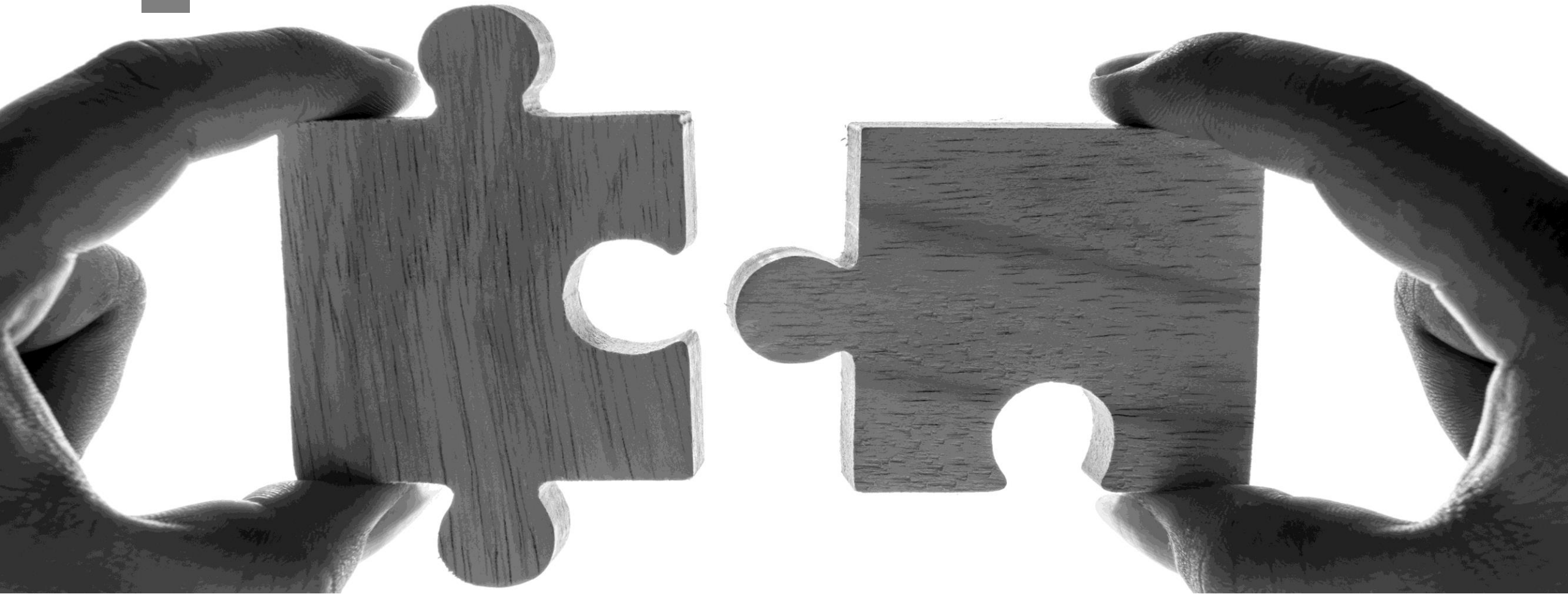






- Help law firms & In-house  
**FIND TECHNOLOGICAL SOLUTIONS**
- Host Legal Tech  
**CONFERENCES & EVENTS**
- Write legal tech  
**ORIGINAL CONTENT**
- Help Israeli startups  
**RAISE CAPITAL**

# OPPORTUNITIES AHEAD



## Stay in touch



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