



VIRGINIA ISRAEL ADVISORY BOARD

COMMONWEALTH OF VIRGINIA
OFFICE OF THE GENERAL ASSEMBLY

Virginia Israel Advisory Board

Office of the General Assembly

Minutes of the Board of Directors' Meeting

March 23, 2021 10:00 AM, Vanguard Research, Springfield, Virginia

Attended in Person: Mel Chaskin, Dov Hoch, Julie Strauss

Attended Via Zoom: Jeff Brooke, Bob Budoff, David Cohen, Mark Dreyfus, Don Ferguson, Vicki Fishman, Michael Gillette, Batya Glazer, Allison Lawrence, Chuck Lessin, Bill Nusbaum, Nathan Shor, Steven Skaist, Eitan Stern

1. Mel Chaskin, Chairman, called the meeting to order at 10:02 AM.
2. Mel began by presenting the following: Due to the Governor's Declared State of Emergency due to COVID-19, it is impracticable and unsafe for the Board to assemble in a single location, so this meeting is being held electronically, pursuant to Section 4-0.01 of the 2020-2022 Appropriations Act. The purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the Board and the discharge of its lawful purposes, duties, and responsibilities. The public is welcome to use the number [stated] to attend the meeting electronically. The Board will make available a recording or transcript of the meeting on its website in accordance with the timeframes established in Sections 2.2-3707 and 2.2-3701.1 of the Code of Virginia.
3. After roll call, request was made to review the November 24th 2020 BOD Meeting Minutes.
4. Mel invited Dov Hoch to update the Board on on-going programs and events that VIAB is conducting.

5. Virginia is still not open for business. The Economic Development Associations are not meeting in person, however retention work with current companies is in the works to ensure existing companies have necessities to make it strongly through the pandemic. VIAB has pivoted to leverage EDAs outreach to Virginia companies and interest them in partnering with Israeli companies. VIAB is utilizing the EDAs to communicate our Open Innovation program to build partnerships between Israeli and Va. companies.
6. VIAB has been marketing in Israel to fill the pipeline for companies to come to Virginia.
7. Legislation affecting companies setting up operations in Virginia include: (i) Waiver associated with capital investment to still provide incentives under conditions when the majority of employees are teleworking (ii) In addition, on-going legislation also includes aligning education frameworks to the Virginia labor markets.
8. VIAB is working with Va. utilities e.g. Dominion Innovation Center and the Israel Electric Company business accelerator who have 50 portfolio companies who can provide a innovative technologies to Virginia and springboard for Israeli companies to set-up operations in Virginia. An example are cyber security related companies. Companies like Dominion and AEP can use Israeli cyber security as a second opinion or even for training purposes.
9. Economic Impact Case Studies were conducted to research and measure the value that VIAB is bringing to the Commonwealth. The latest study includes Zim Shipping based in Norfolk. The Company contributed more than \$900m to the GDP of Virginia during a ten year period (case studies are on the VIAB Website). The studies apply commonly used methods and the most conservative assumptions allowable. Professor of Economics Robert McNabb from the Dragas Center of Economic Policy and Analysis at Old Dominion University conducted the research. In the case of Zim, there was a \$900 million contribution to the Virginia economy which is 4,000 times the VIAB annual budget and 200 times the VIAB budget since inception. Included on the VIAB website is the full case version in addition to the summary flyer. As of nine months ago with VIABs help, Zim has been working with the Norfolk Economic Development to address growth

issues the company is encountering. Q1 of this year Zim's revenue was amongst the highest in the past ten years.

10. Three Economic Impact Studies were made on different companies. Zim Shipping, Oran Safety Glass (OSG), and Energix were all covered in Board meetings. OSG's economic impact was \$400 million which is 2,000 times the VIAB annual budget. The study was conducted from an 11-year period as well. Energix has only been in Virginia for two years, therefore only 2 years was included in their study. Energix's economic impact was \$35 million which is 150 times the VIAB budget. There is clear growth being shown from Energix. We hope to have an additional economic case study analysis done on another Israeli company to present in the July board meeting.
11. Global companies have looked to Israel for open innovation and R&D because Israel is the global leader by all measures in this category. Leading USA companies that have significant R&D presence in Israel include Intel, Microsoft, Facebook, Google, and IBM. Intel has invested \$35 billion in Israel over the past 30 years. This shows the scale and appreciate for Israeli companies that can deliver competitive advantages for foreign companies. The VIAB is providing Virginia companies with access to Israeli Innovation.
12. Virginia companies are accessing Israeli Innovation using a range of different models. Companies are utilizing partnerships for technology access, acquisition, investment, and R&D. MARS Co. made a partnership with Jerusalem Venture Partners for food technology. Altria bought Israeli company Green Smoke Inc. for \$100 million in cash for their technologies and stake in the vaping industry. Carilion Clinic invested in an Israeli Venture Capital company that is investing in mid stage health care companies.. VA Bio+Tech Park conducted R&D with several Israeli companies including Cupron who had built an R&D unit in Richmond. Cupron has copper infused masks that kills pathogens like Covid. The idea is that their technologies are not only relevant for the pandemic, but also in hospitals as counter surfaces, etc. Cupron has licensed its technology to another Virginia company who applies it in hospital counter surfaces. VIAB is working with ten other Virginia companies to access Israeli technology through open innovation programs to provide competitive advantages to the Commonwealth companies and to pave a way for the Israeli companies to make their move to Virginia..

13. Plans for Q2 2021 include, an interactive synergy map for Israeli companies to find their partners in Virginia.
14. We are exhibiting at a marketing event in Israel with the US Embassy next month to promote the US as a place to bring your companies. All US states and counties that have a presence in Israel will be in attendance. There are 21 states and counties that have a permanent presence in Israel. These are the states and counties that are meeting and promoting themselves to Israeli companies.
15. There is an Exhibition of 36 Israeli artists at Taubman Museum of Art. There was a soft opening on March 6th. There are hopes that by June, VIAB will be able to hold a business event with an Israeli tour guide, archeologists, and Israeli wine tasting. Board Member David Tenzer is involved in Roanoke and associated with funding the exhibition. Dov Hoch is curating conversations surrounding the exhibit. Intentions of having a business event date by next month, COVID permitting, is in the works. If you would like to be involved in the event please notify Dov Hoch of your intentions.
16. In other news, the Washington Wizards recruited 19-year-old Israeli basketball player, Deni Avdija. We are partnering with the team to develop an Israel night at the Capital One Stadium.
17. Dov passed the meeting back to Mel to wrap up. If the Capitol is open, the next meeting will be held in person. There are three people rotating off the Board in June, if anyone has any possible nominations to bring to the House or Senate, please notify Mel Chaskin.
18. The next board meetings are scheduled for Thursday, July 22, 2021 and Thursday, December 2, 2021.
19. Meeting was adjourned at 11:01 AM.