

START-UP NATION CENTRAL

THE ISRAELI CONSTRUCTION TECH INDUSTRY

START-UPS



active Israeli start-ups in the construction tech domain, a **46% jump** over the past five years.

IN TERMS OF FUNDING STAGE:



17%

are established¹



23%

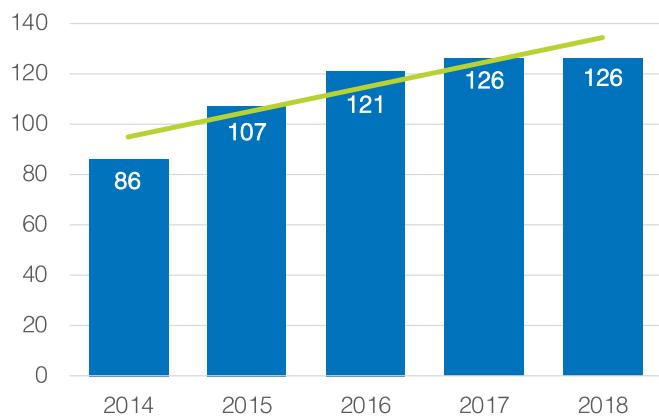
are revenue financed²



14%

are at the seed stage

Figure 1: Number of Active Companies

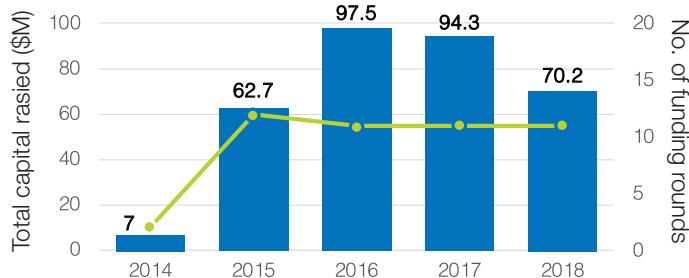


INVESTMENTS

The amount of money invested in Israeli Construction tech start-ups has dramatically increased over the last five years.

In 2014, \$2M was raised in 2 rounds, compared to 2018, where the amount jumped to **\$68M in 8 rounds**. Both **2016 and 2017 were record-breaking years, with more than \$100M worth of investments**, and approximately 10 rounds per year.

Figure 2: Fundraising



Largest funding rounds:

Startup	Date	Size
Lucmus	19/12/2016	45,000,000
Vayyar	1/12/2017	45,000,000
Airobotics	7/9/2017	32,500,000
Airobotics	1/10/2018	30,000,000
Airobotics	21/6/2016	22,500,000
Vayyar	1/12/2015	22,000,000
CyberX	27/2/2018	18,000,000
FST Biometrics	1/5/2015	15,000,000
Airobotics	1/1/2018	10,000,000
CyberX	1/8/2016	9,000,000
Seebo	26/1/2016	8,500,000

The majority of funding rounds during the last five years were **smaller than \$10M**.

The average funding round during 2018 was **\$11M**. The average for Seed rounds was **\$3.1M**, while the average for Series C+ was **\$20M**.

¹ **Established:** This means a company that is not backed by a VC fund, and which is able to finance its development and continued operations through the revenue it makes. This definition is relevant to companies that have been in the industry for anything between five to 20 years, or for more than 20 years and have more than 50 employees.

² **Revenue financed:** This refers to a company which exists on its revenue rather than on investments. This company has either existed in the industry for anything between five to 20 years, or for more than 20 years but has fewer than 50 employees.

Start-ups that raised the highest amounts of money:



An automated industrial drones' company, which raised \$101M



Developed a portable 3D imaging sensor manufacturer, and raised \$79M



Offers smart eyewear for augmented reality, and raised \$62.3M

These three start-ups obtained a big chunk of Construction tech funding, however they are not solely concentrated on the Construction tech market.

EXITS

There were two exits in recent years:



Specializes in the design, development, and manufacture of safety solutions for commercial drones. Parazero became public on the Australian Securities Exchange.



Provides high-quality specialty ingredients to the food and non-food industries worldwide including the construction industry. Galam was acquired by FIMI Opportunity Funds in October 2016 for \$80M.

Prominent Construction-Tech-centric Start-ups:



Develops a system to prevent malfunctions at construction sites in real time using a tablet and a depth camera



Offers mobile apps for construction project management



Utilizes computer vision, big data analytics, machine learning, and drone and camera technologies to provide automated tools for surveying, construction, and infrastructure mapping



Addresses the problem of human error in the implementation of business information modeling in the construction industry

MAIN HUBS, PROGRAMS, PARTNERSHIPS



- The **Contech** program aims to build a unique ecosystem, making Israel a leading global Construction tech hub. This is a joint initiative between Sosa, the Israeli Builders Association, the Ministry of Construction and Housing, and the Ministry of Economy.
- Israel's largest construction firm, **Shikun & Binui**, launched BuildUp in October 2015. The initiative calls on local start-ups to propose ideas for bringing innovation to the construction industry.
- Solel Boneh Building & Infrastructure Ltd.**, a subsidiary of Shikun & Binui, announced a cooperation agreement with IntSite, an Israeli start-up founded in 2017 that develops autonomous cranes for construction sites.
- Shikun & Binui Holdings Ltd.**, **Solel Boneh** and Italian energy corporation **ENEL** operate a technological lab in the Haifa Bay area called INFRALAB, which focuses on smart infrastructure in the fields of construction, transportation and energy.
- Innogy Innovation Hub Israel** focuses investment opportunities into four main areas, including smart and connected buildings.

The most active investors in this domain:



Invested in Datumate, Vayyar and SiteAware



Invested in CyberX, Airobotics



Invested in Buildup, Airobotics, ARcadia Augmented Reality

About Start-Up Nation Central

Start-Up Nation Central is an independent non-profit that builds bridges to Israeli innovation. We connect business, government, and NGO leaders from around the world to Israeli innovation, through highly customized business engagements, and through Start-Up Nation Finder – an easy to use, up-to-date, free online platform for discovering and connecting with thousands of relevant innovators. We identify technological sectors with high-growth potential, helping them develop to maturity, develop practical tools, and attract investors. We help establish and nurture tech communities to increase collaboration, knowledge-sharing, and skill expansion. We accumulate knowledge and generate in-depth insights about Israel's innovation sector, and share these findings with our clients and partners.

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