

Israeli, U.S. venture firms open joint lab

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An Israeli venture-capital firm and a U.S. venture-capital company announced Wednesday they would join forces to invest millions in 10 new tech startups.

Gemini Israel Funds and Lightspeed Venture Partners said they have founded a new joint lab to pour up to \$1 million each into the new companies over the next year and a half to two years, according to a report in the Israeli business newspaper Globes.

"Our goal is to exploit Gemini's experience and know-how in Israeli seed-stage investment and our network of Israeli and global connections, while leveraging Lightspeed's vast network in the US. The two funds will invest in the venture in equal shares, demonstrating their full commitment to it," Gemini partner Danny Cohen said, according to the report.

Cohen added, "Speed is one of the purposes of the venture. We've created an efficient mechanism for approving investment in a company within weeks of the first meeting with it," the newspaper said.

In particular, representatives from the companies said they were interested in investing in new kinds of Internet search engines, according to the report.

The concept of nurturing technology startups in central labs is not new to Israel. The country has a technology incubator program, started by the government and still partially government-run, that has been investing in

new technology ventures for over a decade.

The technology incubator program held its annual conference on Sunday in Shefayim, where acting Prime Minister Ehud Olmert announced that 2005 had seen near-record government investment in the technology incubators -- \$30 million.

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