



**U.S.
New York**

COHEN & GRESSER LLP

Karen H Bromberg

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Doing Business in New York

As the business sector in Israel continues to boom, an increasing number of Israeli companies are looking to New York City to take advantage of the financial and market opportunities that the city has to offer. Israeli companies have experienced such growth that the true sign of success is no longer being acquired by an American company, but successfully competing head-to-head against them – and to do that, it is important to establish a presence in New York City.

There are many reasons for Israeli companies to come to New York.

First, easy access to the 320 million consumers in the U.S. market is essential for Israeli companies with global ambitions, and New York is the most convenient location for a U.S. affiliate that can serve as a gateway to this market. Access to the U.S. market is particularly important for Israeli entrepreneurs who are focused on building their companies into global leaders rather than seeking an early exit, and the early returns on this “build to hold” strategy are promising: the Harvard Business Review recently analyzed 112 Israeli companies established between 1996 and 2013 and found that many have become global market leaders.

Second, New York’s status as a world financial center gives Israeli companies with a presence in the city unparalleled access to capital sources large and small – everything from angel investors and venture capital funds to NASDAQ and NYSE IPOs. According to the 2015 Compass Global Startup Ecosystem Ranking, New York City provides one of the strongest ecosystems for start-ups and has the second largest amount of aggregate venture capital investment in the world.

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Third, New York City has created excellent incentives to attract and nurture early stage companies, particularly Israeli companies. START-UP NY, for example, offers new and expanding businesses the opportunity to operate tax-free for 10 years if they become affiliated with a New York university. ICONYC Labs in Manhattan is a program devoted exclusively to supporting the efforts of accelerators and early stage Israeli companies. Israeli StartUps NYC is the largest active Israeli-American tech community in New York focused on building relationships between Silicon Alley and the Start-Up Nation. In addition, New York City offers a myriad of other programs designed to help

global entrepreneurs and businesses from around the world leverage New York City's resources and economic opportunities, such as NYCEDC, which assists international companies in finding affordable workspaces, developing customized solutions to help businesses grow in a variety of sectors, identifying financing programs, providing mentors and helping new businesses measure and improve their business practices, among many other services.

New York City also provides an excellent environment for the next phase in a company's life, and the cultural differences between New York and Tel Aviv nicely complement each other. New York, more than any other U.S. city, offers an easy and embracing environment for Israeli companies to assimilate and thrive. And New York is home to the largest Jewish community outside of Israel.

Moreover, getting to New York from Israel by a direct flight in 8 hours is far easier than getting to the West Coast (which takes 20 hours and often entails a stop-over). In addition, the smaller time difference between Israel and the East Coast versus the West makes communications with Israeli headquarters easier to manage.

An ever-increasing number of Israeli companies seem to agree: as of 2015, New York City was home to over 268 Israeli startups, and this figure continues to grow at a pace of 10 new companies a month.

In terms of product testing and launch, New York City is the perfect market because it is widely considered to be the world's economic epicenter. The market reach is the strongest in the world, and the GDP of the city is US\$1.5 trillion. Thus, New York is the ideal location to test and market a new product.

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By the same token, working in a new country presents some hurdles. To Israelis, the U.S. legal framework can seem puzzling with our vast body of corporate law, significant differences in privacy law, and highly litigious culture. A business wishing to register a new firm to do business in the U.S. will face some bureaucratic and legal hurdles, including reserving a name, obtaining a federal identification number, registering to collect sales tax, arranging for workers compensation insurance, organizing the company and documenting the same, among many other things. But none of these things should be daunting with the right mentors and legal counsel. Israeli companies new to the U.S. legal market also need to be aware of the differences in billing rates and the high cost of legal services, but insisting on transparency in billing and requesting budgets prior to engaging a law firm will go a long way toward avoiding – or at least reducing – culture shock.



Cohen & Gresser LLP

Karen H Bromberg, Partner and Chair of Intellectual Property and Technology practice group

Cohen & Gresser is an international law firm with offices in New York, Paris, Seoul, and Washington, DC. We have litigated and negotiated against some of the largest law firms in the world and have an outstanding record of success in high-stakes and high-profile engagements. Founded in 2002, the firm has grown to nearly 60 lawyers in six practice areas:

Corporate: Cohen & Gresser assists clients in a wide range of corporate matters, including cross-border mergers and acquisitions, private equity and venture capital financing, fund formation, corporate governance, securities law compliance, and real estate. Several of our attorneys have privacy certificates and can draft and provide counsel on intra-company and transactional privacy practices. The firm also serves as outside general counsel to a number of privately held companies.

Intellectual Property and Technology: The firm handles a wide range of intellectual property and technology matters. The firm's litigators have experience in patent, trademark, copyright, trade secret, and unfair competition litigation and advise clients on internet privacy issues, data security, and technology law. The transactional lawyers protect clients' patents, trademarks, service marks, copyrights, and trade secrets, manage domestic and international trademark portfolios, and negotiate and draft a broad range of licensing and technology-related agreements.

Litigation and Arbitration: The firm has substantial experience litigating cases in a variety of areas, including antitrust and unfair competition, bankruptcy litigation and counseling, class action defense, commercial litigation, directors and officers litigation, international arbitration, partnership disputes, products liability, real estate litigation, and securities litigation.

White-Collar Defense: Cohen & Gresser represents companies and individuals in U.S. regulatory investigations, proceedings before self-regulatory organizations, corporate internal investigations, and white-collar criminal cases. Staffed by highly experienced former federal and state prosecutors and defense counsel, we have represented clients in most of the major investigations of recent years and have defended institutions and senior executives in proceedings involving many of the top U.S. government agencies.

Employment: The firm's employment attorneys have significant experience counseling international clients, employers, and top managers/executives, as well as representing them in litigation relating to various employment and labor-related issues.

Tax: The firm's tax attorneys have a deep understanding of corporate tax, private client tax issues, tax litigation, and real estate tax restructuring.

Karen Bromberg is chair of the firm's Intellectual Property and Technology group. Her IP practice focuses on litigation, counseling, and dispute resolution in all aspects of IP, including patents, trademarks, copyrights, trade secrets, and internet related issues. She regularly negotiates and drafts technology transfer, outsourcing, and license agreements, and represents companies in the due diligence review and evaluation of target companies' IP assets. She has been recognized as a leading individual for patents by Chambers USA, in Intellectual Asset Management's Patent 1000, by Managing IP as an IP Star for her work in counseling, licensing, and patent litigation, and by Benchmark Litigation.

Karen has been named as one of New York's Super Lawyers for Intellectual Property each year since 2010 and is on Super Lawyers' list of the top 50 women lawyers in the New York metropolitan area. Karen is a Certified Information Privacy Professional with certifications covering U.S. and European privacy law. She advises clients on many privacy and data protection matters, including privacy policies, global compliance, cross-border data transfers, cybersecurity and network intrusion issues, and contractual issues involving privacy and security with an emphasis on litigation avoidance. She represents multiple Israeli companies, and travels frequently to Tel Aviv.

CONTACT INFORMATION:

www.cohengresser.com
office: +1 212 957 7604
kbromberg@cohengresser.com