

How 3 Startups Got a VC to Say Yes

This month's investor: **Elan Zivotofsky**, head of investments, OurCrowd BY NANCY MILLER

ELAN ZIVOTOFSKY is not your typical investor. Rather than just choose where his own firm's money goes, he makes decisions that also influence thousands of smaller investors. That's because he oversees investments at OurCrowd, an innovative digital equity crowdfunding platform that's part Kickstarter, part venture capital firm. First, Zivotofsky's team vets thousands of potential deals. When a company is picked, OurCrowd invests its own partners' money, and then the deal goes onto the OurCrowd platform, where 17,000 members can choose to invest with as little as \$10,000. In four years, OurCrowd has raised about \$400 million for 110 companies. What draws his eye? Experienced, passionate entrepreneurs with big ideas and focus. He also loves founders who create "deep" technologies and disruptive business models. Here's why he said yes to three entrepreneurs.



Zebra Medical Vision

ITS APPROACH: HIT ALL NOTES

INVESTMENT TO DATE:

\$6.2 MILLION IN TWO ROUNDS

By using cloud computing and artificial intelligence, Zebra says it can spot diseases in medical images—MRIs, X-rays, CTs, etc. When the company came to OurCrowd seeking investments, Zivotofsky first looked at its leadership. Cofounder Eyal Gura has expertise in digital imaging, and he had sold companies to Getty Images and eBay. Zivotofsky liked all that. Zebra's CEO, Elad Benjamin, competed in the Enduroman Arch to Arc challenge—a grueling competition that begins with a footrace from London to Dover, a swim across the English Channel, and a 181-mile bike race to the Arc de Triomphe in Paris. It isn't a business success, but it does show determination, and it left an impression. "They have a vision to build something big and disruptive and new," Zivotofsky says, and he was convinced they had the skills and mental toughness to do it.

CrediFi

ITS APPROACH: THINK GLOBALLY

INVESTMENT TO DATE:

\$3.4 MILLION IN THREE ROUNDS

When CrediFi founder Ely Razin was pitching his company to OurCrowd, he said he wanted to become the "Bloomberg of commercial real estate." Zivotofsky liked the ambition and recognized the possibilities: Real estate truly is a market crying out for a centralized database with analytics and intelligent curation. But what sealed the deal was Razin's ready-to-go global strategy for scaling quickly—a plan that entrepreneurs rarely put together in such detail. Because of Razin's background—he launched an AI company that he sold to Thomson Reuters, which he then joined as a senior executive—Zivotofsky believed that this founder could really follow through. Plus, Zivotofsky knew CrediFi would click with OurCrowd's crowd. Many of the platform's small-time investors come from real estate, so they'd appreciate the startup's potential.

Consumer Physics

ITS APPROACH: BE VISIONARY

INVESTMENT TO DATE:

\$5.6 MILLION IN THREE ROUNDS

Like most investors, Zivotofsky has a type of entrepreneur he prefers to bet on. But also like most investors, he'll consider people outside the mold—if they wow him, like Consumer Physics' Dror Sharon did. Sharon had never been an entrepreneur, and when he met with Zivotofsky, he didn't even have a finished product. What he *did* have was a background in tech and science, and a crazy idea to radically shrink the size and cost of the optical spectrometer. That's a scientific instrument that analyzes the chemical makeup of any physical object, and precise ones are typically the size of an office copier. Sharon believed he could eventually squeeze its technology into a smartphone. That way, a user could tell if, say, a pill from China is really what it says it is, or if a "low-fat" cheese is really low-fat. "The uses can be endless," Zivotofsky says.