**Beyond automotive: why Michigan is eying Israeli Industry 4.0 innovation**

By Yael Weisz Zilberman

***Don’t miss our virtual Industry 4.0 Global Leaders Summit on Dec 1-3. To register,*** [***click here***](https://www.israelindustry40.com/)***.***

COVID-19 has become a powerful accelerator for the adoption of Industrial Internet of Things (IIoT) and Industry 4.0 technologies, as manufacturers around the world realize the need for more remote accessibility, monitoring and management capabilities for production plants, as well as more visible and ‘closer to home’ supply chains. The pandemic has also accelerated digitization and automation, as global manufacturing hubs are adopting [Industry 4.0 solutions](https://www.israelindustry40.com/) to keep their competitive edge in the new coronavirus era and beyond.

Israel, [the Startup Nation](https://www.startupnationcentral.org/), is playing a significant role in developing smart technologies for manufacturers around the world. Despite having a very small manufacturing sector of its own, Israel’s 255 startups in the fields of operation optimization, inspection and testing, supply chain, maintenance, 3D printing, robotics, connectivity and security vulnerabilities, are gaining recognition for their Industry 4.0 solutions, deriving from Israel’s well-known strengths in cybersecurity and AI/ML, computer vision, sensors, and complex systems integration capabilities.

Moreover, Israel is now placed third in the world (after the US and China) in terms of venture capital investments in the field of [Industry 4.0](https://lp.startupnationcentral.org/i4map2020/?utm_source=website&utm_medium=resourcepage&utm_campaign=i4map2020&utm_content=i4map2020), which more than tripled in five years: from $112 million in 2014 to $349 million in 2019; there are more than 50 multinational corporations that have chosen to develop IIoT solutions in Israel, including car manufacturers **Ford** and **General** **Motors**, but also medical equipment corporation **Medtronic**, appliances giant **Bosch**, and others.

It’s important to note that [Michigan has its own startup ecosystem](https://michigan.globalfinder.org/), backed by local venture capital firms. With venture investors backing 97% of all Michigan venture-funded startups, the state’s entrepreneurial economy hinges on investors’ ability to consistently fund high-growth, high-potential companies. In 2019, there were 144 venture-backed startup companies in Michigan.

**“There is a big win in bringing Michigan and Israel together”**

Ahead of the [Industry 4.0 Global Leaders Summit](https://www.israelindustry40.com/), to be held Dec. 1-3 by Start-Up Nation Central and Grove Ventures, we spoke with Michigan experts on the state’s needs in this field – [beyond the automotive industry.](https://blog.startupnationcentral.org/general/israeli-startups-michigan-mobility-automotive/)

**“Michigan is known for the ability to build things, its manufacturing prowess, and Israel is known for digitization and chutzpah – audacity,” says Scott Hiipakka, CEO of the Michigan Israel Business Accelerator (MIBA). “There is a big win in bringing these two leaders together.”**

According to venture capital expert Adrian Fortino, managing director of the Mercury Fund, “industrialists in Michigan are now embracing AI in a way that they haven’t before, they are waking up and figuring out how to adopt it much faster.” He points out that the two Industry 4.0 areas that are drawing the most attention focus on visibility: supply chain visibility and production visibility – both needs that are gaining momentum in the COVID-19 reality.

In these fields in particular, Israeli innovation has some unique offerings. Take for example Israeli startup [OptimalPlus](https://finder.startupnationcentral.org/company_page/optimal2), whose lifecycle analytics solutions are already serving suppliers and OEMs in the automotive, semiconductor, and electronics industries. Its platform provides real-time product analytics and extract insights from data across the entire supply chain.

Another Israeli startup, [Plataine](https://finder.startupnationcentral.org/company_page/plataine), offers Industrial IoT and AI-based optimization solutions for advanced manufacturing. Its solutions provide manufacturers worldwide, including Airbus, GE, and Renault F1 Team, intelligent, connected digital assistants for production floor management and staff, enabling manufacturers to make optimized decisions in real time.

Israeli startup [Matics](https://finder.startupnationcentral.org/company_page/matics), on the other hand, is developing a secure, plug-and-play, cloud-based digital manufacturing real-time operational intelligence solution for small and medium enterprises. Matics provides a real-time window into the manufacturing environment for instant control and visibility over operations.

Castor and Onvego are Israeli I4 startups gaining memntum in Michigan, helping manufacturers push production capabilities to new heights. Both startups are part of the [I4 Accelerator](https://www.i40accelerator.com/) of Automation Alley, Centropolis and Lean Rocket Lab. [Castor](https://finder.startupnationcentral.org/company_page/castor)’s 3D printing software automatically scans a company’s parts catalog to identify what parts can be manufactured using a 3D printer. This decision-support software ultimately allows manufacturers to decide if and when they should use 3D printing to save time and money, proving to be particularly helpful in the pandemic era.

Onvego’s voice assistant solution for IIoT devices is also getting attention in Michigan. As today’s mainstream voice assistant solutions — Alexa, Siri, and Google Home — are not made to tackle industrial tasks, Onvego comes in to allow IoT companies to embed voice control into their IoT devices, even when offline.

A host of Israeli Industry 4.0 startups will be profiled in Start-Up Nation Central’s “Industry 4.0 Best Applications Guidebook,” which will be unveiled at the Industry 4.0 Global Leaders Virtual Summit.

Among its various panel discussions, the Summit will feature a session focused on Michigan’s manufacturing ecosystem, which has been recognized for its opportunities to leverage Industry 4.0 innovation. Organized by the Michigan Venture Capital Association (MVCA) and the Michigan Israel Business Accelerator (MIBA), this virtual session will bring together some of Michigan’s leading venture capitalists, including Doug Neal, Managing Partner at eLab Ventures and Adrian Fortino, managing director at the Mercury Fund, as well as Michigan industry experts Matt Tsien, the CTO of GM Ventures, and John Absmeier, the CTO of Lear Corp.

***To find out more about the virtual Industry 4.0 Global Leaders Summit, and to register,*** [***click here***](https://www.israelindustry40.com/)***.***