



USAID
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ICT MISSION TO THE US

Enterprise Development and Investment Promotions Project (EDIP)

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I. Executive Summary:

A Delegation of 10 leading companies (9 from West Bank, and 1 From Gaza Strip) specializing in software development and outsourcing; had explored partnering opportunities with U.S. companies during a roundtable and a business to business (B2B) conference sponsored by the U.S. Agency for International Development (USAID) in Washington, D.C. that took place from the January 20-22, 2010. Companies participated in the delegation were able to network and build ties with global industry leaders including US companies such as; Cisco, Sun Microsystems, HP, Oracle, and Microsoft.

The event started with an educational session with the State Department of Commerce and with Avasant whom communicated outsourcing statistics and trends in U.S. market.

In the second day PITA delegation has presented during the event, the Palestinian ICT sector value proposition addressing why U.S. Companies need to work with Palestinian IT companies. In addition, PITA has presented an overview of the ICT sector in Palestine; trend, average growth, contribution to the GDP, and success stories that PITA members have developed with global companies in other international markets.

Palestinian companies participated in the event have offered U.S. companies an opportunity to work with a highly educated, bilingual, tech savvy workforce that can provide U.S. business partners creative software solutions, an expanded footprint in the Middle East, and competitive outsourcing solutions. This was during companies' presentations on their core competencies, commitment, cost effective success stories, and meet one-on-one with U.S. firms.

Several U.S. companies have been interested in partnering with Palestinian companies. For instance, Atomic Learning (A Company specialized in Virtual Training), has showed its interest to partner with Palestinian companies to expand in the Middle East, in addition to Intel which said it will consider partnering with Palestinian companies in its future projects. Moreover, Cisco which already have projects with Palestinian companies said that there are many available opportunities in the Palestinian market to develop business there.

In the third and last day, the Palestinian delegation conducted a workshop with CARANA management to discuss action items and future plans for the cluster of companies.

II. Background Information:

The Palestinian ICT market growth has been limited to the local market. Hence, PITA seeks to enhance the capacity of their local members by gaining exposure into new markets in the United States. Through this exposure local members can exploit opportunities for high-margin projects and gain knowledge of what is needed to penetrate the United States market. These individuals seek assistance in increasing the attractiveness of their products as well as the company to attract potential partners. It is important to note that to achieve success in the highly competitive U.S. market it is required to offer a product and firm that is conceived to provide an exceptional value.

The building of a network is considered one of the most important elements for successfully penetrating new markets, particularly the American market. The coupling of a solid business with a strong market network provides the necessary means for a successful market penetration by PITA members.

As part of their objective in helping penetrating new markets, the Palestine IT Association (PITA) in support with the Enterprise Development and Investment Promotion “EDIP” had organized for a US Mission.

EDIP contracted Global Integrated Management Consulting to organize a three-day information and networking event, held in the Washington DC area, a strategic location for companies in the North American market.

Furthermore PITA and EDIP cooperated with the National U.S.-Arab Chamber of Commerce (NUSACC) to organize a roadshow in the USA with the assistance of the US Commercial Services and the State Department.

III. US Mission Objective

The US Mission had a combination of training, business-2-business meeting, visiting consumer show electronics and participation at a conference.

- Demonstrate how PITA members can enhance the competitiveness of US based IT services with highest levels of better, faster, less costly and highly qualified resources to work any shore;
- Show how the outreach and footprint of PITA members in Emerging Markets (Middle East and Africa) can benefit U.S. IT companies ready to enter these

markets, and demonstrate the competitive advantage gained by partnering with strong Palestinian IT companies;

- Present leading edge specialized IT solutions that PITA members have developed with possible application to existing challenges in the US market and other global markets.
- Provide a knowledge sharing session addressing issues and trends about Outsourcing industry leading to have a better understanding to position PITA members' core competencies.

IV. PITA Participating Companies:

PITA successfully arrange for nine companies to participate in the event on the below list:

No	Name	Company Name
1.	Ala' Ala' Eldin	PITA / Intertech www.intertech.ps
2.	Mohannad Alkhaire	Primus www.primuspalestine.com
3.	Tareq Eslim	Altareq http://www.altariq.ps
4.	Murad Tahboub	Asal Tech http://www.asaltech.com
5.	Husam Dweikat	Alisraa' http://www.iscosoft.com
6.	Hasan Al-Qasem	Dimensions www.dimensions.ps
7.	Yahya Al-Salqan	Jaffa .net http://www.i-jaffa.net
8.	Ghassan Anabtawi	Reach http://www.reachcallcenter.com/
9.	Tareq Maayah	Exalt www.EXALT.ps
10.	Laith Kassis	PITA www.pita.ps

V. US Mission Agenda:

The three days mission was very structured to achieve the maximum benefits for the Palestinian ICT Sector at large, promote individual companies, meet leading Outsourcing practitioners, and identify potential partners. The 3 days summary agenda as follows:

Jan. 19	Arrival to Washington
Jan.20	Workshop with Global IMC
Jan 21	B2B meeting and one on one meetings
Jan 22	Workshop at CARANA premises
Jan 23	Departure

A more detailed structure of the event is as follows:

Day 1 –January 20, 2010: Outsourcing Capacity Building Workshop

This is a 3-hour workshop (1:00 pm to 4:00 pm) and open discussions with the PITA members CEOs to share with them recent trends in outsourcing industry starting with common definitions to set the floor and then provide them with the a global overview of the market segmentation and key players. It focused as well on the US market and what are the best strategies to penetrate such market.



Day 2 –January 21, 2010: Outsourcing Event and B2B Meetings

Opening remarks – Assistant Undersecretary U.S. Department of Commerce addressing US-Palestine commercial relationship. Ayman Dhair has lined up a senior outsourcing market practitioner to lead with him this workshop

Session 1:

The event started with presenting the Palestinian ICT sector value proposition addressing why U.S. Companies need to work with Palestinian IT companies. This was presented by a Senior Executive from the IT industry association (Mr. Laith Kassis).



Session 2:

Addressed how to enhance U.S. companies competitiveness through outsourcing and/or partnership with PITA members. It was a panel discussion facilitated by Ayman Dhair (provide overview of opportunities in the MENA region and the importance to work with local strong partners to get access to the 300 million consumers market) and panelists included representatives from:

1. The Palestinian IT association,
2. Cisco (talk about their success story working with PITA companies and highly technical solutions they are participating in developing),
3. Avasant (trends and lessons from the global and US market), and
4. U.S. Department of Commerce (present recent data about the size and segmentation of the U.S. IT/SW market including exports to the MENA region, emphasize on the importance of working with strong local partners to enhance U.S. exports and competitiveness).

30 min Break – During this Break PPT slides were shown for selected success stories.

Session 3:

Representative CEOs had 7-10 min to present their companies competencies. A factsheets were prepared for each company stating their fields of competencies, and their success stories.



Session 4:

Lunch Keynote Speaker (a senior person form the U.S. Department of State).

Session 5:

During the second half of the day, the B2B meetings started between US companies and Palestinian Companies. This session was organized based on time schedule sheets that had open slots

for each PITA company and audiences entered their names and select which company they need to meet. The schedule was available during the whole day for participant to block their time.



Day 3 –January 22, 2010: Follow Up and Next Steps Action Plan – Workshop at CARANA

This was a 3-hour brainstorming meeting to discuss and identify specific activities to be implemented over the next 3-6 months to enhance PITA member companies competitiveness and access to the U.S. market.



VI. Conclusion:

The Palestinian ICT market is limited to the local market; PITA seeks to enhance the capacity of their local members by gaining exposure into new markets in the United States. Through this exposure local members can exploit opportunities for high-margin projects and gain knowledge of what is needed to penetrate the United States market. Thus, PITA organize a mission to the U.S. in order to present the sector success stories and networking with U.S. counterpart.

The mission duration was 3 days from 20-22 January, 2010, it participated in outsourcing capacity building workshop, in addition to B2B meeting with U.S. companies where mission's members were able to present their companies competencies, and networking.

U.S. companies attended this event, and met Palestinian companies where interested in partnering with them, and looking forward for future projects.

VII. Recommendations:

At the time being, there is a window of opportunity results of political sympathy which the ICT sector has to benefit from, and is a need for establishing an ecosystem to serve the export oriented strategy of the sector. The Following points are important to sent to potential clients as part of value proposition statement for the outsourcing:

- English language for Engineers and Software developers.
- Project management skills for executives and senior managers.
- Time Zone.
- Innovative employees (think outside the box).
- Resilience & crisis management abilities.
- Staff's ethics and loyalty towards employer.
- Arabic accent is neutral
- Cultural diversity, and keen to work for international projects.
- Success Stories in local market (Product Based), and in outsourcing projects.
- Infrastructure (Telecom, Internet, and facilities).
- High unemployment rate of university graduates.