

## Carlyle Group

Canada Pension Plan  
2011 Investment

\$76 million

This private US-based investment club caters to the profit-making ambitions of some of the world's richest and most powerful men. With more than US\$150 billion in assets, Carlyle is the world's third largest private equity firm. For seven years between 2000 and 2009, it was one of the US military's top contractors. Having supplied over US\$14 billion worth of products to the Pentagon in that decade, Carlyle ranked 18th.

Carlyle advisors and executives have included President George Bush Sr., members of Osama Bin Laden's family, James Baker III (Bush Sr.'s Secretary of State), Frank Carlucci III (Reagan's Defense Secretary and former CIA deputy director), John Major (former British prime minister), Fidel Ramos (former Philippines president), and Frank McKenna (former New Brunswick Premier and Canadian Ambassador to the US).

### DHS Technologies

Venture Partners II (VP2), a Carlyle fund that began in 2002, owns a major stake in DHS. It makes "mobile tactical operations centers" used by US forces in Iraq and Afghanistan. The firm says its Deployable Rapid Assembly Shelter, sold under the catchy slogan "The warfighter's choice," "is deployed by the armed forces of... Israel."

## Actelis Networks

### Actelis Networks

Carlyle's VP2 fund is also a major shareholder in Actelis Networks, an Israeli firm providing computer networking solutions for American, NATO and other military forces. (Another Actelis shareholder is "Vertex Venture Capital." See pp.50-52.) Although the operational headquarters of Actelis was moved to the US, the company's "international sales office" is in Israel.

Actelis cofounder, Yuval Baron, is a former marketing director for Comverse Technology, which owned Israeli mass surveillance firm, Verint Systems. (See "Israeli Spy Companies," p.43.) Other key Actelis figures include:

- Director of Business Development, Adi Nativ, "held various team and project management positions in an elite R&D unit of the Israeli Ministry of Defense."
- Sharon Peleg, "held senior technical and management positions in the elite technical division of the Israel Defence Forces."
- Executive Chair, Tuvia Barlev, "held a top management position in the Israeli Defense Forces, as the head of major communications projects."
- Cofounder Gilad Rozen, "served in the elite R&D unit of the Israeli Army," and filled key positions at NICE Systems. (See table, "CPP Investments," p.53.)
- A "Team Leader" in Advanced Technologies at Actelis, Maya Bar-El, served for four years (1989-1993) as an electrical engineer with the Israeli military's unit 8200, an intelligence corps similar to the US National Security Agency.

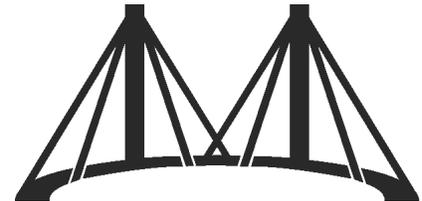
## panasas

### Panasas

Another firm funded by VP2 is Panasas. It provides "high performance parallel storage solutions for technical computing applications and big data workloads" used by "defense and homeland security" agencies. Its products are used by US military agencies such as the Army Research Lab., the Air Force Research Lab., the Army Engineer R&D Center, and the Navy Supercomputing Resource Center.

Several other Panasas clients are central to America's nuclear weapons programs, such as four National Laboratories: Lawrence Livermore, Los Alamos, Oak Ridge and Sandia. Panasas also lists the UK Atomic Weapons Establishment as a customer. Panasas is now working on a military contract with Hewlett-Packard. (See pp.36-37.)

Panasas is also linked to Israel's military-industrial complex through ties with Mellanox Technologies.



### Mellanox Technologies

This Israeli company provides high-performance computer networking technologies to the US Army, Navy, Air Force, FBI, Department of Homeland Security "and various intelligence agencies." It also sells to the world's leading war industries, including the top five: Lockheed Martin (#1), Boeing (#2), Northrop Grumman (#3), Raytheon (#4) and General Dynamics (#5).



DHS Technologies' Deployable Rapid Assembly Shelter (DRASH) is used by Israel's armed forces.

Mellanox systems are integrated into the products of IBM, which has sold tens of thousands of computers to Israel's military. Silicon Graphics Inc. which has provided visual systems for flight simulators to train Israel's F-15 pilots, also uses Mellanox systems. Other Mellanox clients catering to Israel's military are Dell, EMC, Fujitsu and Hewlett Packard. (See p.24, pp.30-31, p.35 and pp.36-37.) Other customers include NetApp and Oracle. (See table "CPP Investments," p.53.)

One Mellanox director, Dov Baharav, also chairs Israel Aerospace Industries, Israel's second largest weapons maker. (See "State-owned Israeli War Industries," pp.48-49.) Baharav worked for Amdocs between 1991 and 2010, culminating in his posting as CEO and president of Amdocs Management (2002-2010). (See pp.5-6.)

Other Mellanox executives, holding vice-president level positions, have served in Israel's military. Avi Prescher, served ten years "as an officer in Israel's Defense Forces Technical Intelligence Unit." He co-founded Mellanox subsidiary, Voltaire, which makes "grid backbone switching solutions" for "high performance supercomputers" used in "advanced weapons system design research."

And then there's Dror Goldenberg, Mellanox's vice president of Architecture, who "held various software development positions at an elite R&D team in the Israeli Defense Force."

**Combined Systems Inc.**



The US Army Association says CSI makes "tactical munitions,...crowd control products,...rocket components and pyrotechnics" for "military forces and law enforcement agencies worldwide." Although Carlyle's website mentions CSI's "less-lethal munitions" and "anti-riot products," a grassroots alliance of groups and individuals in New York, called Adalah-NY, reveals that the:

"Israeli military is using CSI tear gas as lethal weapons to crush legitimate unarmed protest by Palestinians and their Israeli and international supporters, against Israeli efforts to seize...Palestinian land in the Israeli-

occupied West Bank and East Jerusalem.... The Israeli military suffocates entire villages with clouds of tear gas when they protest."

Adalah-NY also reports some tragic examples of Palestinian deaths caused by CSI-made gas:

"[On] January 1, 2011, Jawaher Abu Rahmah died after she was overcome by tear gas at a protest against Israel's confiscation of land...in the West Bank village of Bil'in. Tear gas canisters embossed with the letters CTS, a CSI brand name, were found littering the village.... Jawaher's brother Bassem was killed in April 2009 when he was hit in the chest with an extended range CSI tear gas canister. US citizen Tristan Anderson and Bil'in resident Khamis Abu Rahmah were also gravely wounded when they were shot in [the] head by the Israeli military with the same kind of CSI canisters. The Israeli military directly shot at least 15 other people in two villages alone with these canisters."



**Indigo Systems**

Carlyle's VPII also owned Indigo Systems, whose infrared cameras are used to target various weapons, including those that will be aboard the F-35 "Joint Strike Fighter," which Israel has on order from the US. The prime contractor for the F-35 is Lockheed Martin. (See table "CPP Investments," p.53.)

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