

Partner Communications

Canada Pension Plan Investments

2012 shares = \$1 million
(Direct & indirect investments)

2011 shares = \$3 million
(Direct investments only)

The consortium that founded Partner in 1999, launching it into position as the third largest mobile-phone network operator in Israel, was led by Israel's Elbit Systems. Elbit, which was Partner's largest shareholder at the time, is Israel's biggest manufacturer of weapons systems. (See previous issue, pp.28-29.)

Partner, which has since grown to have total assets of US\$2.2 billion, has kept close corporate links to Elbit ever since. For instance, the two companies have shared directors like Uzia Galil, who joined Partners' board at its inception. He also served as the chairman of Elbit's board from 1981 to 1999. Galil is, most notably, the founder of Elron Electronic Industries Ltd. and was its president and CEO between 1962 and 1999. Elron, considered one of the foundation stones of Israel's high-tech sector, created 30 such companies, including several war industries, like Elbit Systems in 1966.

Several former Israel military colonels have had key roles in Partner. Menachem Tirosh, one of Partner's founders, was a career soldier for 27 years (1969-1996). He "rose to the position of Department Head of Communications Systems." As a full colonel in the Israeli Signal Corps, he was "responsible for developing telecommunication systems for the ground forces of the IDF [Israel Defense Force]." Tirosh then worked at Motorola Israel (see pp.20-21) before helping start Partner where he served as vice president for technology until 2004.

Another retired Israeli Signal-Corps Colonel is Pesach Shachar. After 23 years in the armed forces, he joined Partner's board in 1998 and is a member of its executive committee.

Partner's third Colonel is Alon Berman who was in the Israel military



for 20 years and rose to the top of the technical department in the communications corps. He joined Partner in 2002 and became its chief technical officer before leaving in 2010.

Not surprisingly, Partner has received large contracts to provide cell phone products and services to the Israeli military, as well as to settlers in the occupied territories.

In 2005, *Globes*, the business paper in Israel, reported that Partner had won the tender "to supply handsets and service to IDF [Israel Defense Forces] regular army soldiers." Partner's client, The Association for Well-being of Israel's Soldiers, estimated that the deal would provide Partner with "200,000 soldier-subscribers."

Partner's 2006 report said it had "won the tender of the 'Friends of the IDF' association, as the best network for Israel's soldiers, and is now the supplier of choice to the IDF, offering men and women soldiers the ease and convenience of in-base points of sale and service."

Since 2005, Partner "has been sponsoring two army battalions" through the "Adopt a Soldier project" of the "Friends of the IDF." This was proudly noted in Partner's 2007 Corporate Social Responsibility report. One of the armor groups it "adopted" is the 198th "Ezuz" Training Battalion which teaches combatants how to operate Merkava 3 tanks.

The "Who Profits from the occupation" database reveals that Partner has "assembled over 320 antennas and

telecommunication infrastructure facilities on occupied land in the West Bank and the Golan Heights." Its communication services are provided to

"settlers and Israeli soldiers in the occupied territory, through sales and customer service centers in the settlements of Ariel, Modi'in Illit, Beithar Illit and Ma'ale Adumim."

The "Who Profits" database also says Partner "enjoys the structural advantages of Israeli cellular services providers over Palestinian competitors in the Palestinian market."

In 2011, during the country's fifth annual military exercise called "Turning Point 5," Israel's "Home Front Command" tested a system for sending messages to cell phones nationwide. The military, which estimates that within three years it will be able to reach all 10 million mobile phones in the country, wanted the government to force all Israeli cell companies to participate in the drill. However, Partner, citing potential damages to its customer's phones, declined to take part. When it received some criticism for this, Partner said the military should instead be focusing on stopping international aid flotillas from trying to reach Gaza.

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