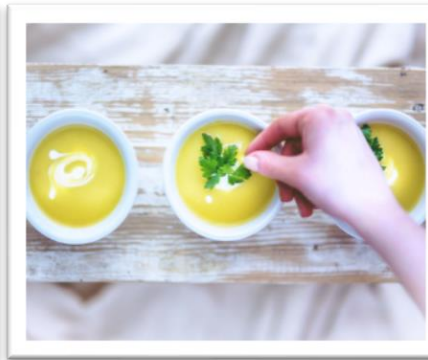


Israel Main Hotelier School Ltd.

TADMOR

Privatization of School Activity
Business Development Opportunities and Overview

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- The description provided hereunder in this overview ("the Overview") is intended to provide general information only and does not come instead of the Procurement Documents.

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Background

- Tadmor Culinary, Hotelier and Tourism School (since 1962) is a leading vocational school teaching and training adults and high school classes in the culinary, hotelier, and tourism fields. The campus includes a hotel.
 - The Government of Israel, through its Ministerial Privatization Committee, has decided to assign Tadmor's activities and business to a professional and experienced entrepreneur.
 - The assignment of rights includes the lease agreement with the government in respect to the property on which Tadmor's facilities are located. The lease is for a period of ten years, with an option for two extensions of up to 24 years in total. Furthermore, the assignment includes agreements between Tadmor and the State regarding the opening and funding of courses in the fields of Hotelier, Culinary and Tourism for a period of up to 6 years.
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About Tadmor

- Tadmor is located in Herzliya Pituach, within a ten-minute walk from the beach, in the center of Israel and close to Tel Aviv.
- Tadmor includes a vocational educational training school in the culinary, hotelier, and tourism professions for high school graduates.
- Over 50,000 Tadmor graduates have found positions over the years in restaurants, bakeries, hotels, and hospitals throughout the country.
- Tadmor graduates include culinary stars who are top chefs at Israeli restaurants and on culinary TV shows.



1. Professional School, Courses & Continuing Education Programs

Tadmor's professional training program offers curricula covering various fields of the hotel, hospitality, and culinary industry.

Sample courses offered (currently and/or in the past):

- **A La Carte Professional** – a gourmet cooking course for restaurants
- **Grande Patisserie** – a comprehensive course that includes all fields of confectionary, baking, and desserts
- **Butchers and culinary counselors** – an introduction to the art of butchery and methods of cooking meat, poultry, and fish
- **Culinary Business Management** – provides training in management, entrepreneurship, marketing and sales, and kitchen planning
- **Restaurant Design**

2. Hotel, Conferences & Events



- The hotel is a major asset and competitive advantage of the school, featuring a homely and unique atmosphere.
 - The hotel offers its guests 58 partially renovated rooms, a business floor, conference and events halls, and a swimming pool.
 - The school's students support the daily hotel operations throughout the entire course of their studies.
 - The hotel and school facilities host business events, conferences, seminars, exhibitions, and business meetings.
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3. High School

- The high school program at Tadmor is part of the central Tadmor Hotelier School, under the supervision of the Ministry of Labor and Social Affairs
- The school accepts 9th grade graduates who have the ambition to specialize in the cooking profession.
- There are currently some 72 students at the School, in grades 10-13 .
- The curriculum includes professional studies such as culinary arts, menu theory, nutrition and food technology, food sanitation, etc.

- Key Tourism Market Highlights -

Impressive Growth in Incoming Tourism



According to the Ministry of Tourism, 3.6 million tourists came to Israel during 2017 – an increase of 25% compared to 2016.

The ministry of tourism estimates revenue from incoming tourism at 20 billion per year.

A total of 408K tourists entered Israel in April 2018 – an increase of 17% compared with April of last year, The Ministry of Tourism estimates that revenues from tourists last April totaled more than NIS 2.1 billion.

*According to data from the Tourism Ministry and the Central Bureau of Statistics

- Key Tourism Market Highlights -

Israel School Training: Professional Labor Shortage



- The tourism industry is considered the world's leading job creator, including many sectors directly connected with the tourism industry and a large number of employees who are indirectly related to the industry.
 - The goal of the Ministry of Tourism is to upgrade tourism services through its Professional Training Division.
 - A major objective is to bring a new level of professional training in the field of tourism by providing high-quality training to about 40,000 employees in the hotel & hospitality industry in Israel.
 - Tadmor school offers extensive study tracks, courses and fields of training in a variety of tourism-related subjects.
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Professional Labor Shortage

	Profession	Number of employees	Percentage of total employees	Number of workers lacking, and needed, since March 2017
1	Cooks and bakers	5,550	15%	990
2	Waiters and bartenders	7,400	20%	1,665
3	Household and kitchen cleaning staff	10,360	28%	2,041
4	Reception staff, reservations and concierge / valet service	3,330	9%	577
5	Maintenance workers and electricians	3,330	9%	347
6	Security officers and guards	2,590	7%	340
7	Lifeguards, spa therapists, pool workers	2,220	6%	452
8	Administrative personnel, sales, and clerks	2,220	6%	282
	Total number of employees in hotels	37,200	100%	6,694

Source: Israel Hotel Association- March 29, 2017

- Market Analysis - Culinary Trends – Global

- The U.S. Bureau of Labor reports that the culinary industry added 313,000 new jobs in 2016.
- The restaurant industry continues to be one of the strongest job creators in the economy.



Business Development Potential



Tadmor's strong professional reputation, strategic location in the heart of Israel, and extensive knowledge and experience provide a strong foundation for business development.

Tadmor offers a number of additional opportunities that can be leveraged, creating the potential for business development of the current services, as detailed below:

Potential Development Plans



- Tadmor school has interesting potential in taking the Tadmor complex and leveraging it in accordance with the development of the markets and the opportunities at present, and the expectation in the years to come.
 - Healthy food cuisine is gaining significant interest
 - Israel is the country of the ingathering of the exiles whose impact in the culinary world are evident.
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- Potential Development Plans - Training and teaching

- **Opening professional courses:** healthy cooking, gluten free, Asian, vegan, etc.
 - **Courses open to a non-professional audience** – for example: courses for companies, organizations, etc.
 - **Establishing a school for bartenders**
 - **Israel cuisine / kosher workshops for tourists**
 - **Expanding fields of study**
 - **A platform for amateur cooks**
 - **Small Food Business Management Course**, in cooperation with the Small & Medium Enterprises Authority – providing tools for the home business on how to manage the business, pricing, marketing, accounting, etc.
 - **Operating summer camps** for children during school vacations
 - **Workshops** for Corporate Team Development and leisure programs.
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- Potential Development Plans - Culinary and Hospitality in Israel

- **A student restaurant** run by a well-known chef
- **Once a month the "house" restaurant** hosts one of Israel's leading chefs
- **Collaboration with cooking programs**
- **Store / Deli** – establishing a nationwide chain of stores and/or delicatessens
- **Catering prepared by the students**- marketed to the Herzliya households.
- Partnerships with leading kitchen labels (for example: Arcosteel)
- **Guest lectures by leading chefs**
- **Food events**
- Hosting a one-time course for a professional school from somewhere in the world

- Potential Development Plans - Tourism in Israel

- **HR of professional manpower** – placement of personnel who have completed training at the school in various hotels and restaurants in Israel.
- **Student exchange program**
- **On the Job Training Cooperation with hotels and restaurants in Israel, especially in Herzliya.**
- **Tour Guides and Group Escort courses : domestic and international travel**
- **Senior Hotel Manager Course** – creating a flagship course to take place once a year.

Privatization of School Activity – Summary

- ✓ The school has high marketing potential and a strong reputation in Israel and abroad, and has every opportunity to succeed in growing national and international industries
 - ✓ Tadmor offers the commitment by the Ministry of Labor and the Ministry of Tourism to provide funding. Subject to budget approval, the Ministry of Economy will allocate a sum of up to 24 million NIS for within a six year period (commencing 27 December 2015). Out of this sum, an amount of approx. 7.4 million NIS has already been used.
 - ✓ The winner of the procurement process will operate the school, clean of past financial debts, and will be obliged to complete all previous obligations such as ongoing courses, booked hotel rooms, scheduled events, etc.
 - ✓ Developers and entrepreneurs with knowledge and experience in the hotel industry and culinary training are welcome to participate in the procurement process.
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Welcome to the new TADMOR Tourism & Culinary Academy

