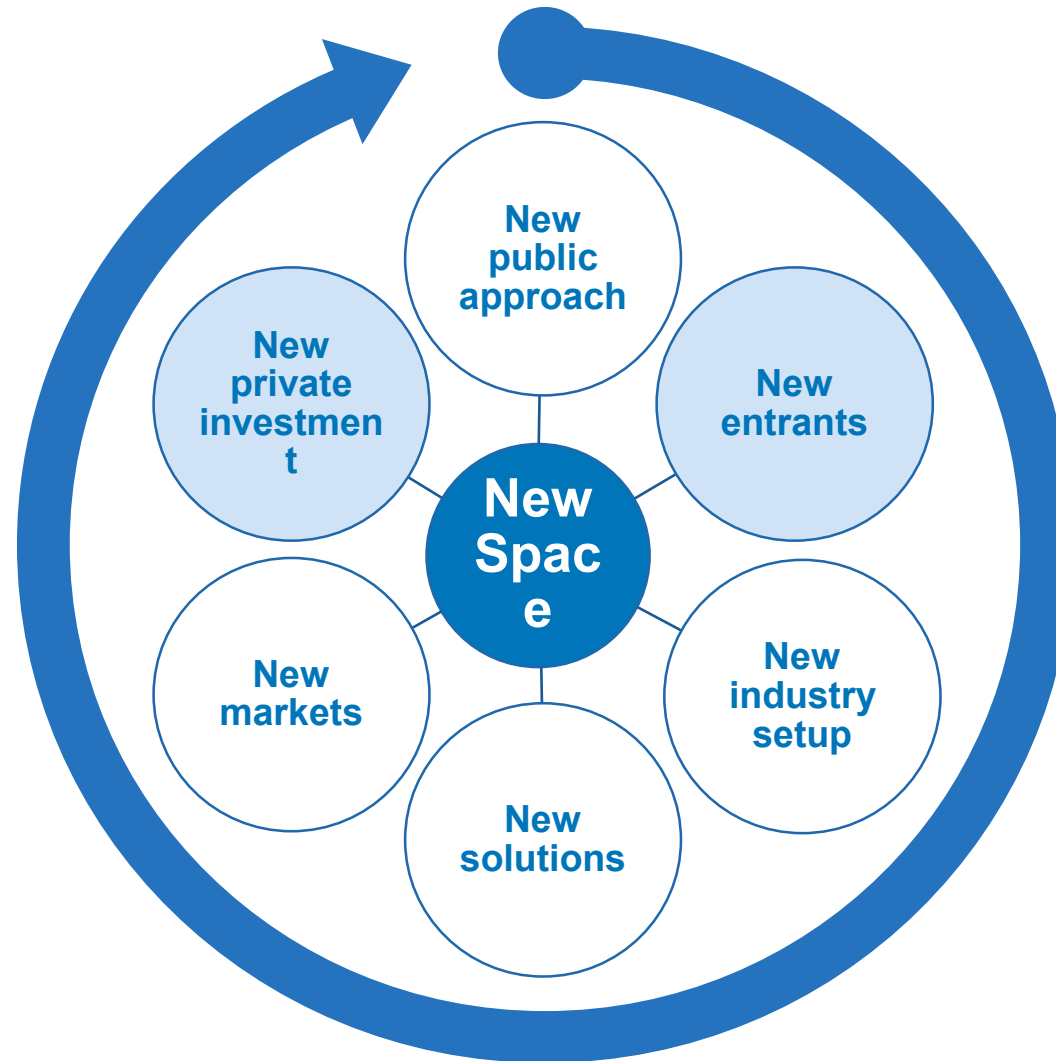


NewSpace in Europe

Private investment and entrepreneurship trends taking off

Sebastien Moranta, ESPI

NewSpace?



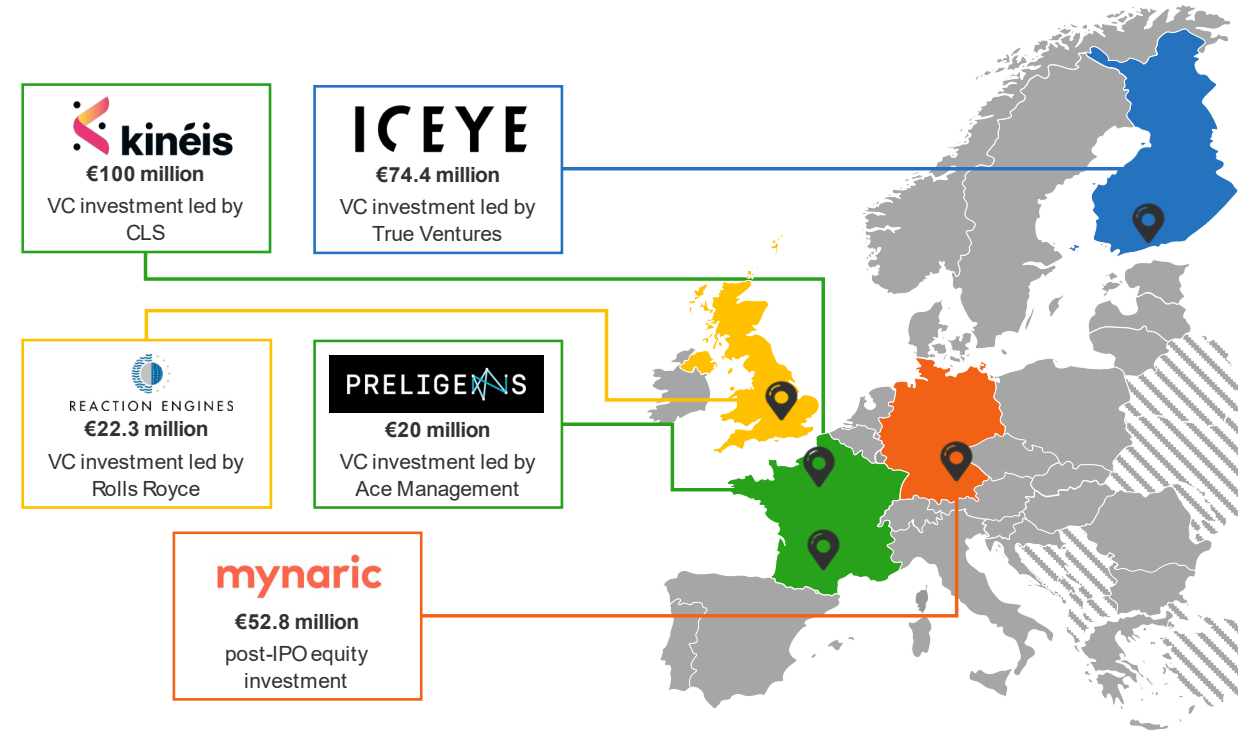
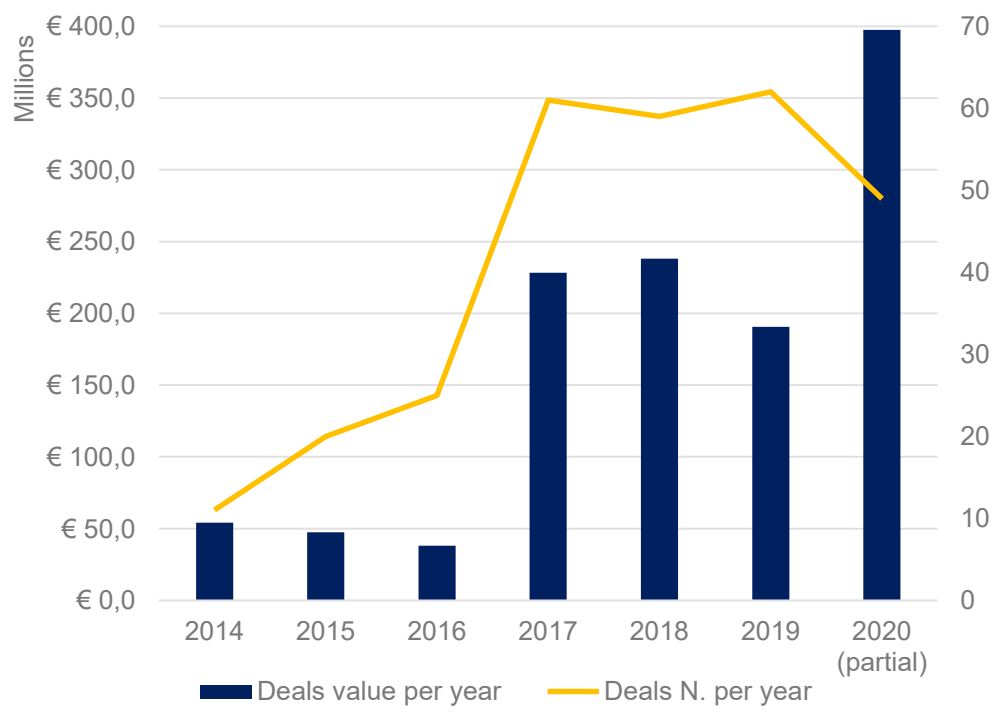
New private investment

- Quick growth of private investment since 2000 (CAGR: 15%)
- Global private investment reached \$5.7 Billion in 2019 (Bryce)
- Mix of Venture Capital and other sources (debt, prize/grants, acquisition)

New entrants

- Non-space companies eager to expand business and/or cross-fertilize ICT and space
- Space start-up leveraging private/public funding to address new markets or existing markets with new solutions.

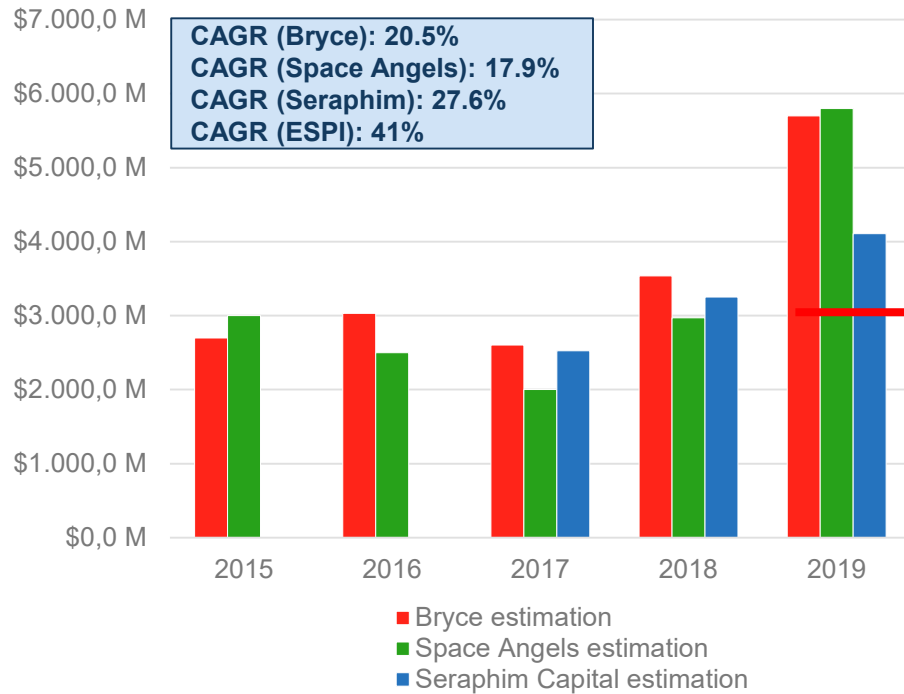
Private investment in Europe is taking off!



Private investment in European space start-ups:

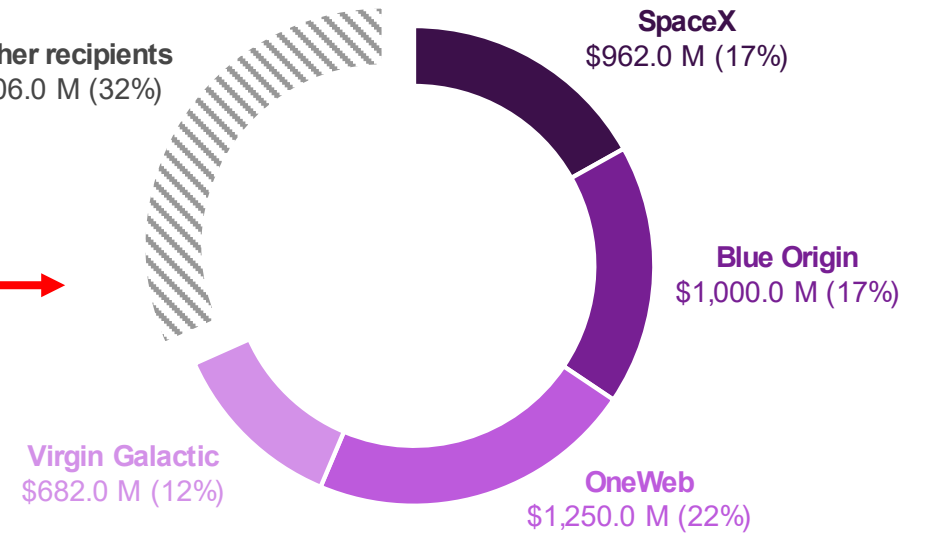
- 400M€ invested in 2020 (50 deals – so far)
- CAGR (2014-2020): 40%
- 70% of Venture Capital
- Highly concentrated in a few success stories (70% for Top 5)
- Distributed across Europe with top countries (UK, FR, DE, FI, LU)
- At least 60% of investment come from European investors

Europe in a global context

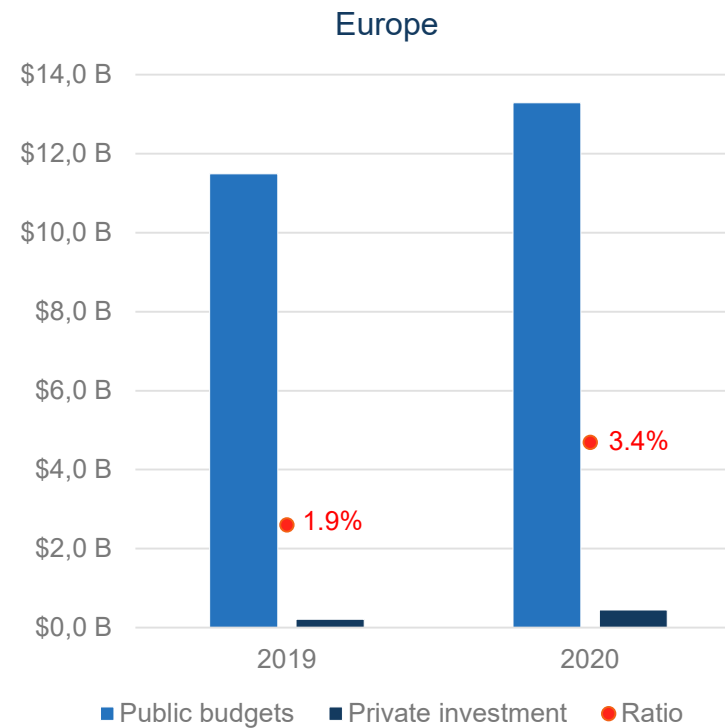
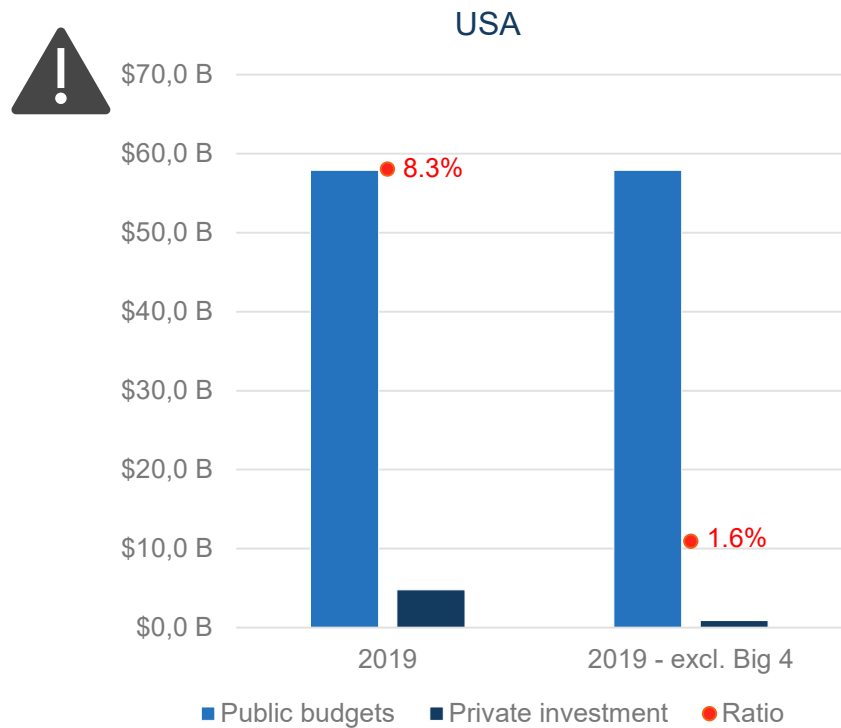


70% for the Big 4

All other recipients
 \$1,806.0 M (32%)



Europe in a global context



Wrap-up

- Massive growth of private investment in European space start-ups
50M€ in 2014 ► 400M€ in 2020
- Highly concentrated in a few success stories
European unicorn? Multiple battle horses?
- Private investment still very low in comparison to public budgets
Complement, NOT Replacement
- Europe is catching up!
Stop European complex ► Focus on new challenges

ESPI Space Venture Europe Survey

Space Venture Europe 2020

About your company

5. Company name *

6. Year of foundation *

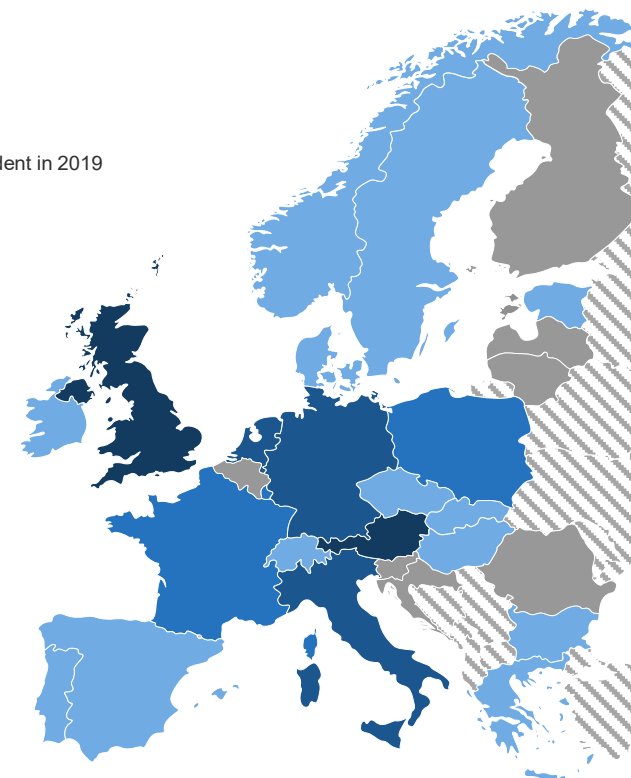
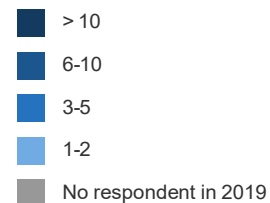
7. Headquarters country *

8. To what extent is your business related to space?

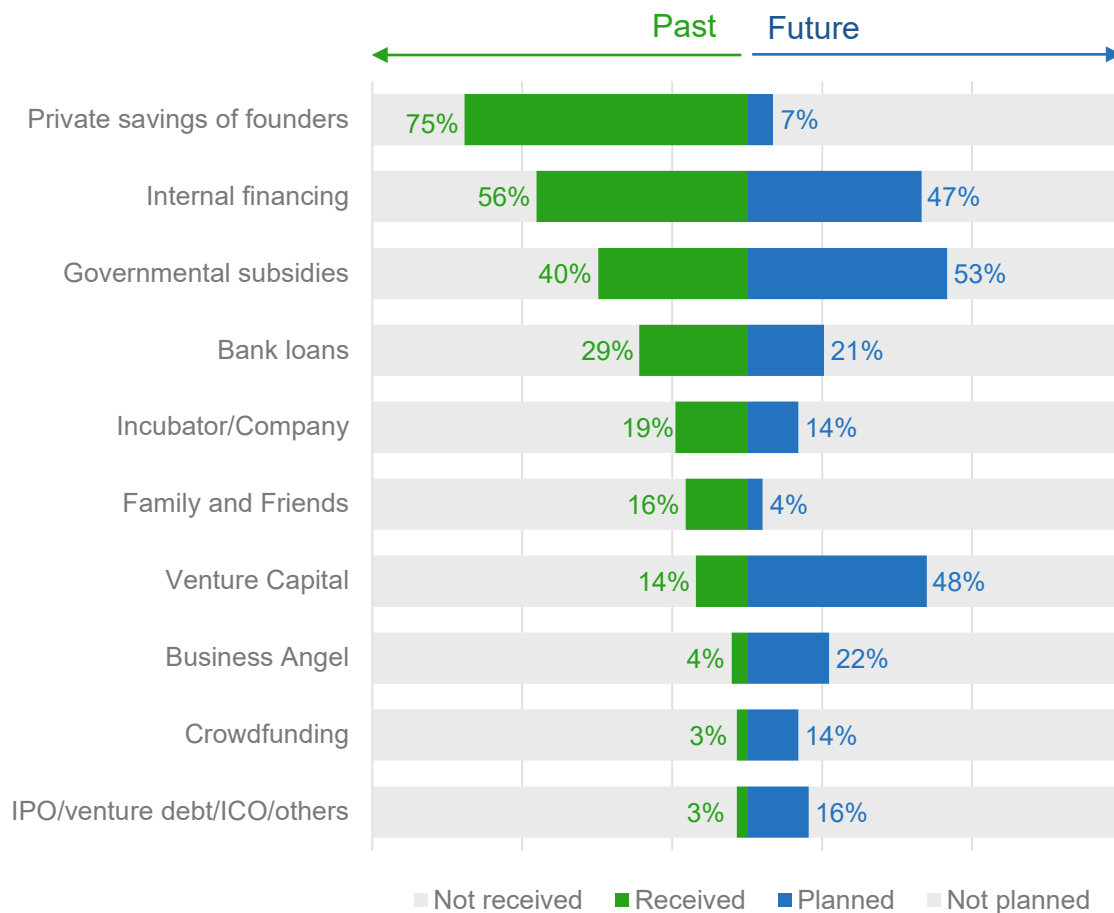
*A business is related to space if it addresses space programmes/markets and/or if it uses space-based data and services **

- Your business is fully related to space
- A significant share of your business is related to space
- A limited share of your business is related to space
- Your business is not related to space

Number of survey respondents



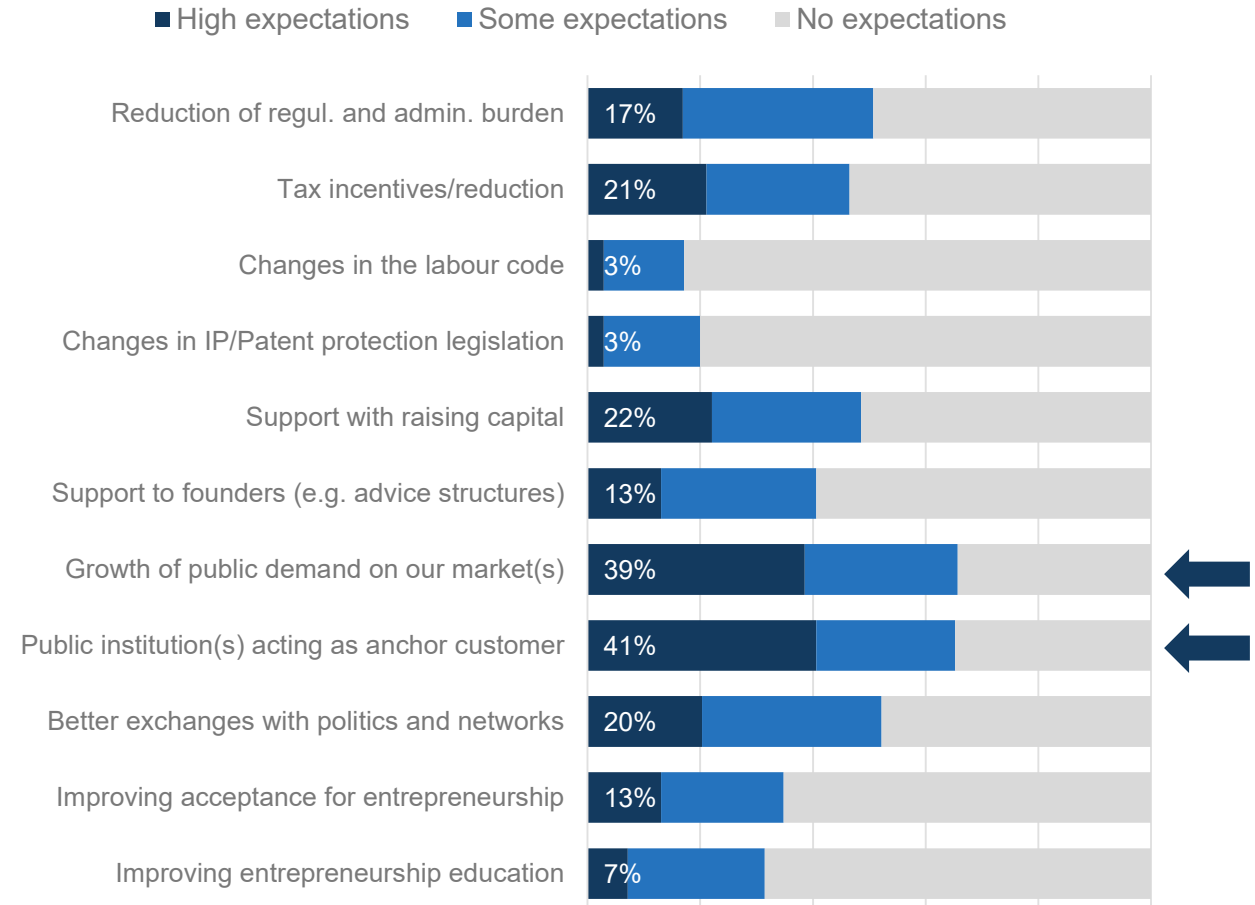
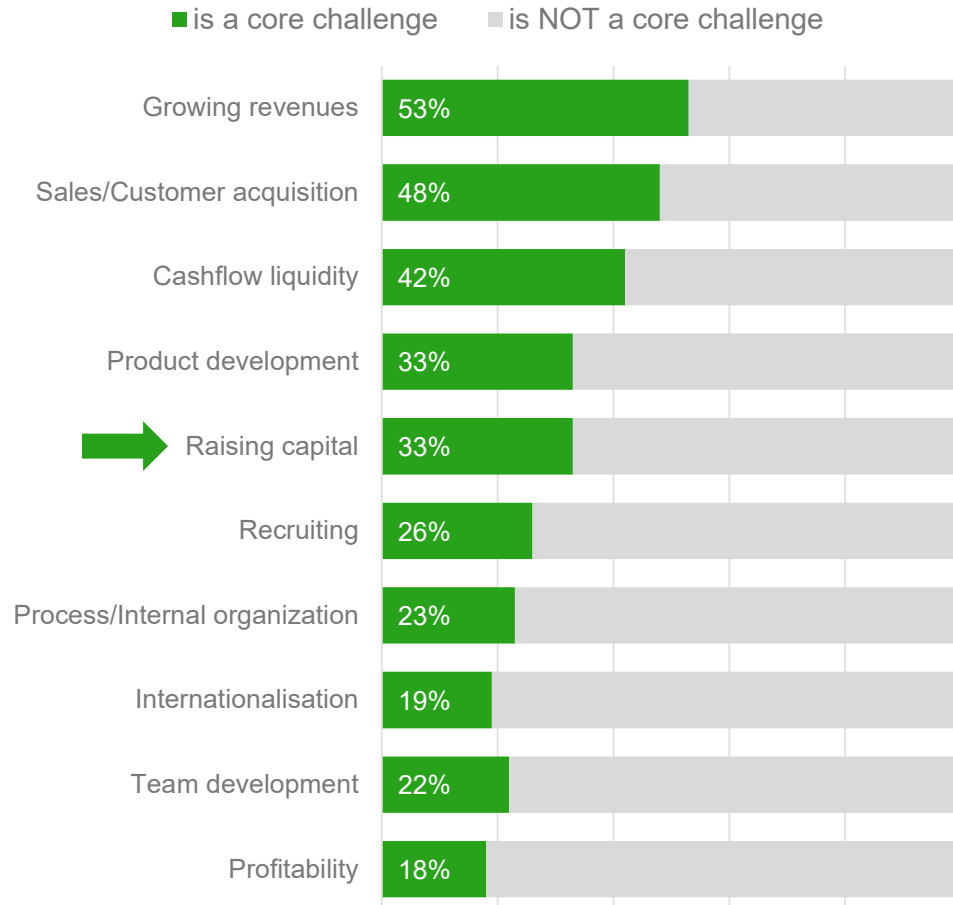
Entrepreneurs and investment: public and private please



What do you consider to be the biggest challenge(s) in raising capital or access funding?

| | |
|--|-----|
| Reaching out to potential investors | 46% |
| Associated burden and delays | 29% |
| Lack of knowledge of available options | 22% |
| Agreeing on terms and conditions | 21% |
| Lack of business expertise | 17% |
| Difficulties to comply with requirements | 14% |

From start-up to scale-up, the role of public markets



Wrap-up

- Mix of private investment and public subsidies needed
 - ▶ Synergy between institutional and commercial objectives?
 - ▶ Synergy between public and private instruments?
- European start-ups to address European markets
 - ▶ Single European market for space?
 - ▶ Emergence of public demand to serve public policies

Space Venture Europe



- ▶ Private investment and entrepreneurship in the European space sector
- ▶ Public report: www.espi.or.at
- ▶ New edition in February 2021
- ▶ Impact of COVID-19?

Thank you

ESPI is the European think-tank for space. The institute provides decision-makers with an informed view on mid to long-term issues relevant to Europe's space activities.



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