



The State of VC in Italy 2024

Keynote by **Yoram Wijngaarde**

Day 2 / 26th September 2024

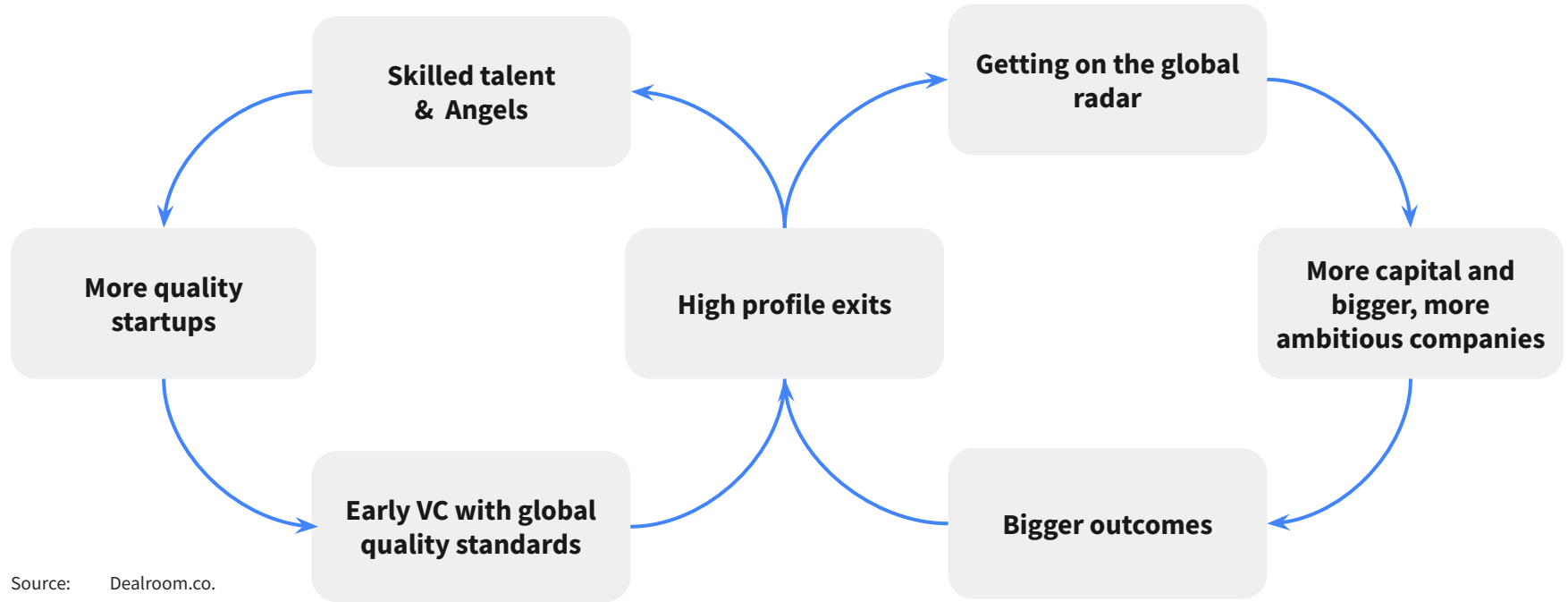
1 Italian tech coming of age

2 The starting line is now

3 Italy's role in Europe



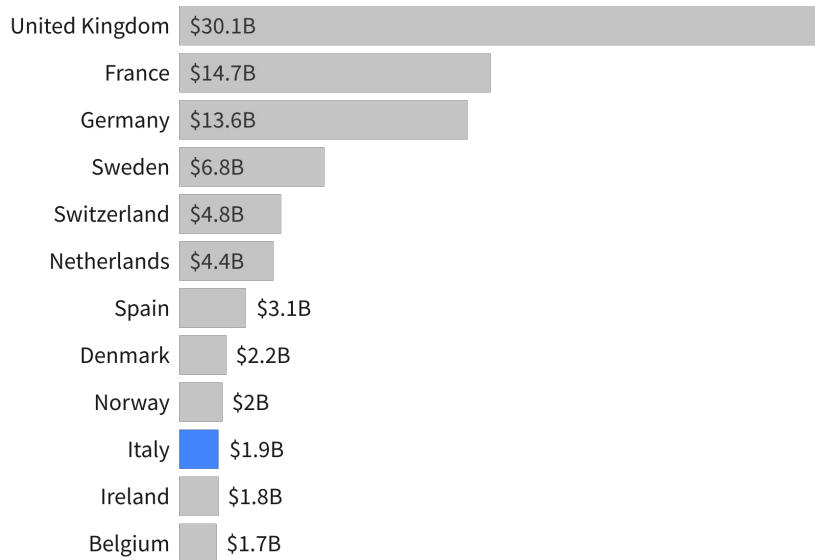
The message in 2021 was: Italy needs the flywheel to start spinning.



Source: Dealroom.co.

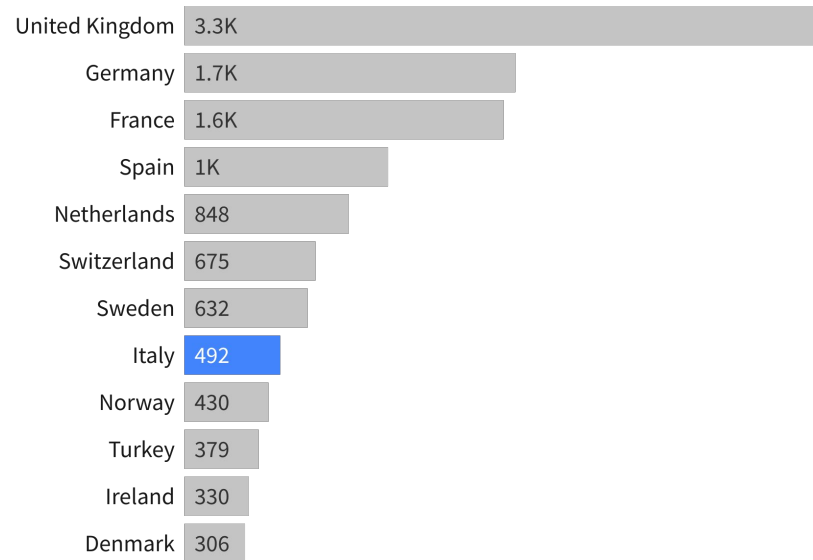


#10 in Europe by VC investment (2023-2024 YTD)



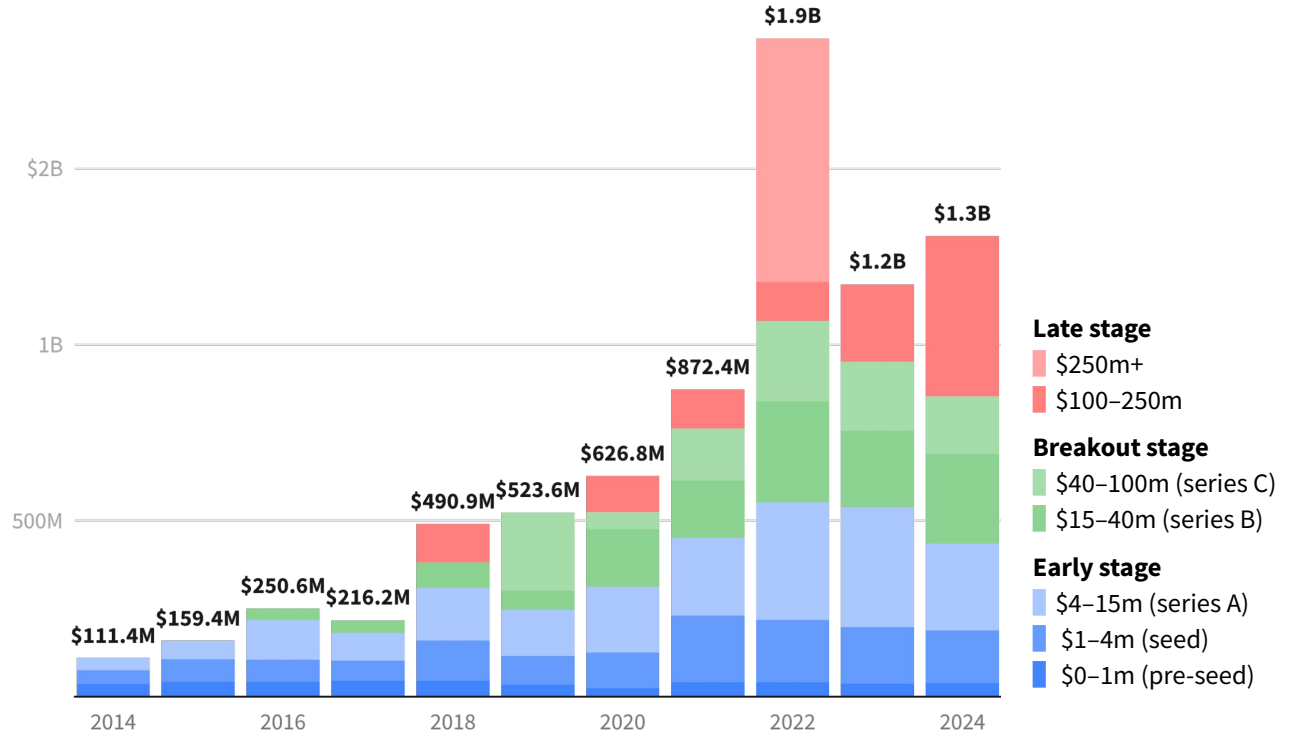
Source: Dealroom.co.

#8 in Europe by VC rounds (2023-2024 YTD)



VC investment in 2024 is on track to be the second highest year to date.

VC investment into Italian startups

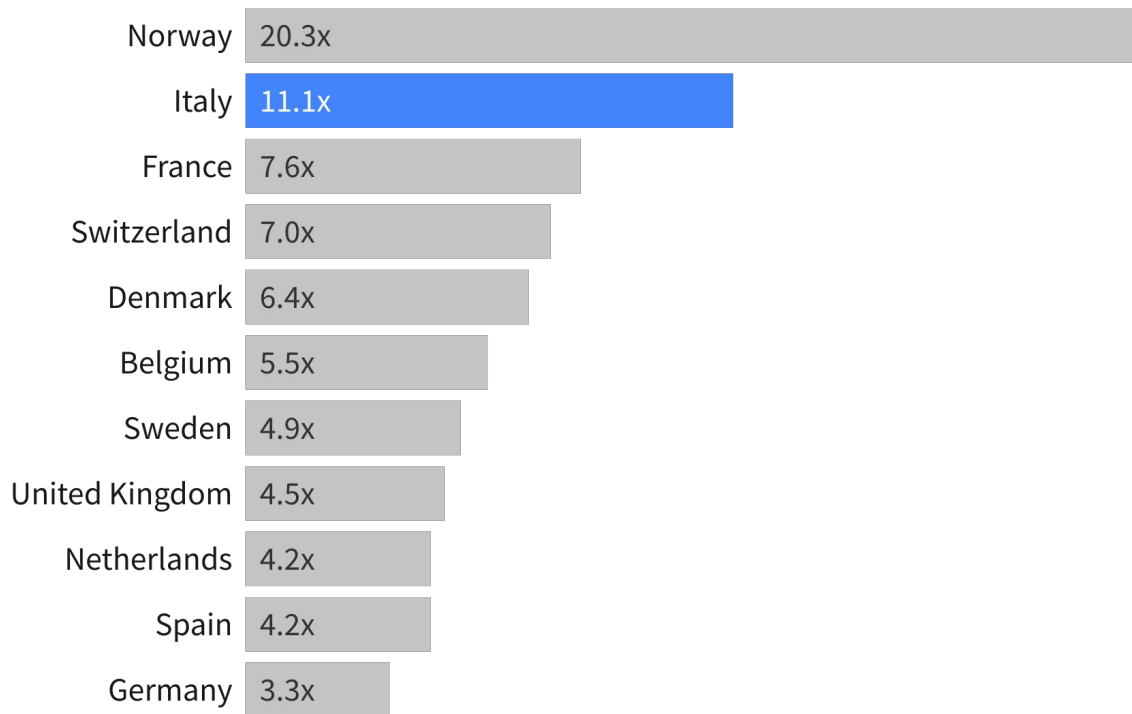


Source: Dealroom.co 2024 calculated based on projection of data as of July 2024.



Italy is one of the fastest growing ecosystems in Europe, growing 11x in the last ten years.

VC investment growth of European ecosystems (2014-2024E)

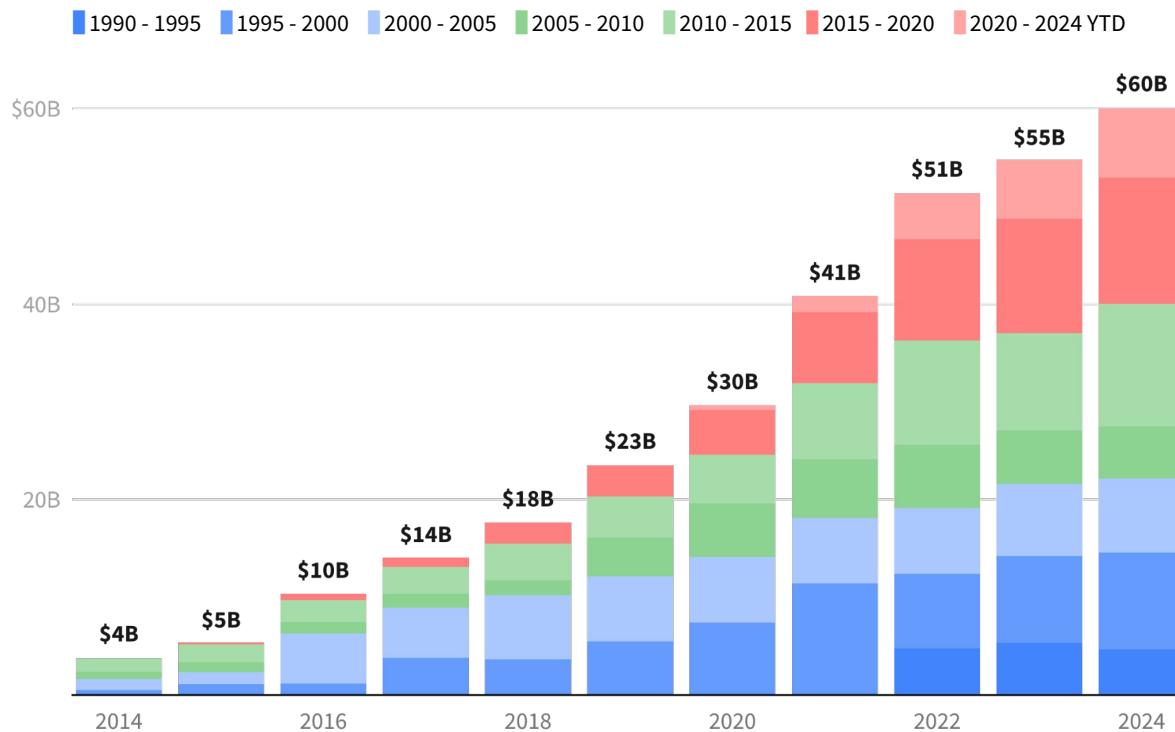


Source: Dealroom.co. 2024E calculated based on data as of July 2024. Includes ecosystem for which 2024E is >\$1B.



The combined enterprise value of Italian startups has reached \$60B in 2024.

Combined enterprise value of funded Italian startups, by launch year

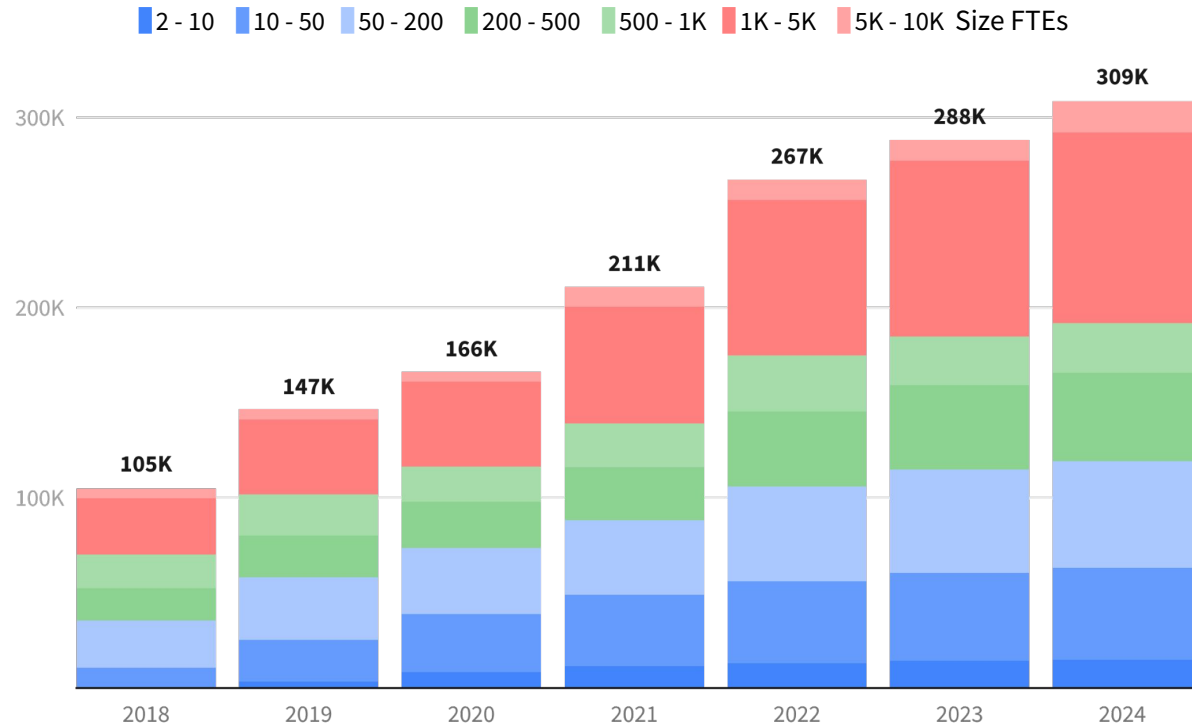


Source: Dealroom.co



**Italian startups
have created
over 300k jobs,
driving
consistent job
growth for the
Italian economy.**

Employees of Italian startups



Source: Dealroom.co



Italian Investor landscape has bloomed.

Note: The landscape is representative and not exhaustive. Investors are shown only at the most common entry stage point. Logos are represented in alphabetical order *VC funds with HQ outside of Italy, that invested in at least 1 Italian Startups since 2019 and have at least 10 Portfolio companies

Italian VC Funds

Late Stage & Growth Series C+

cdp
Fondo Nazionale Innovazione
CDP Venture Capital Sgr

FONDO ITALIANO D'INVESTIMENTO
FITEC

Italian Corporates & CVC

azimut

Banca Valsabbini

CAMPARI GROUP

Chiesi

esprinet

Posteitaliane

TeamSystem

TINEXTA

Foreign Funds*

ARDIAN

SILVER LAKE

INSIGHT PARTNERS

Tencent

Growth & Early Stage Series A & B

alchimia

ALKE MIA

INNOGEST

INDACO

P101 VENTURES

Milano Investment Partners

PANAKES PARTNERS

OLTRE IMPACT

united ventures

ADL VENTURES

greysilo

healthware ventures

INVENT Innovation Ventures

Immobiliare.it

iren | up

NEVA SGR

Sella

UniCredit evo
Equity Venture Opportunities

360 CAPITAL

BONSAI PARTNERS

endeavor CATALYST

FSV

partech

RACAPITAL

360 CAPITAL

Sofinnova partners

Early Stage Pre-Seed & Seed

Alphabeta

CLARIS VENTURES

CYSERO

cdp

Jeep

GELIFY

ICONIUM

Italian Angels for Growth

LIFT

Lumen Ventures

PranaVentures

PRIMO VENTURES

PROXIMITY

SocialCare seed

TechEnergy Ventures

TLI SPACE

VERTIS SGR

Moonstone

2100 VENTURES

B4i

L'venture

vento

AZIMUT LIBERA IMPRESA

a2a

Angelini Ventures

BluFuture

CRIF

eniverse

TECHNOGYM

TIM Ventures

Vodafone

ZANICHELLI VENTURE

Zcube

BORDERLESS CAPITAL

Exor Ventures

PTCUS CAPITAL

PLUGANDPLAY

EATABLE ADVENTURES

URANIA

Accelerators



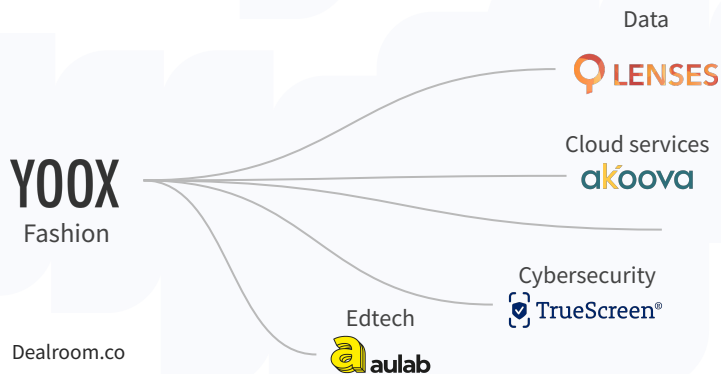
Source: Dealroom.co, P101, Versible.eu



- 1 Italian tech coming of age
- 2 The starting line is now**
- 3 Italy's role in Europe



Italian successes spawn dozens of alumni founders, creating more frontier tech in Italy and abroad.

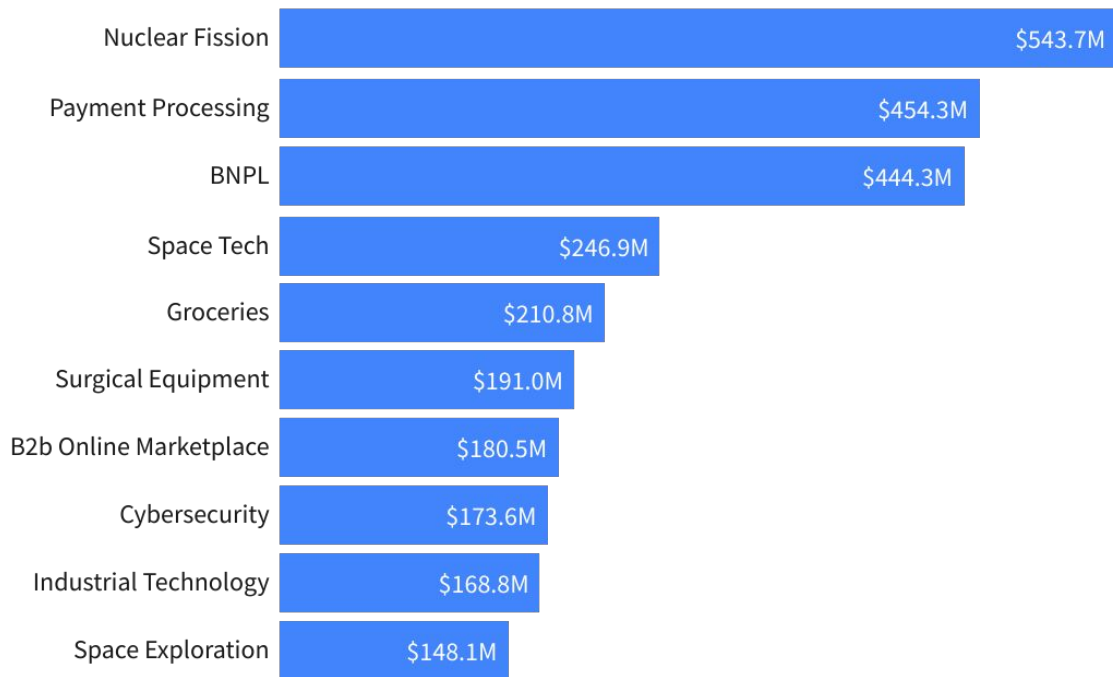


Source: Dealroom.co



In the last five years, top segments have included Nuclear, Payments, Space Tech and Surgical robots.

Italy VC investment by segment since 2019

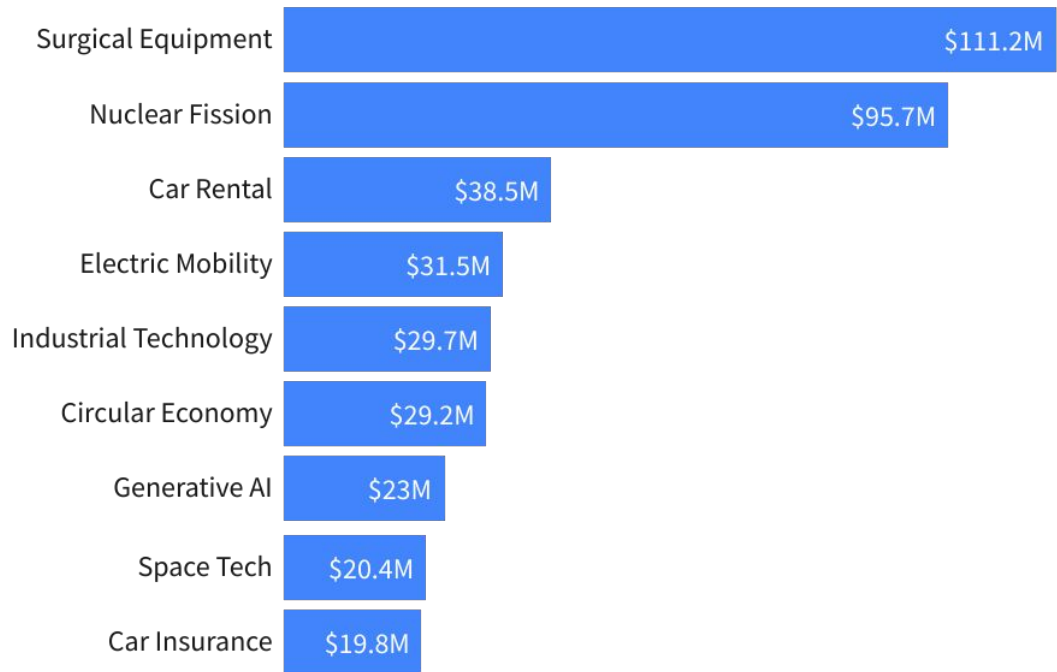


Source: Dealroom.co



Top segments in 2024 are related to deep tech.

Italy VC investment by segment in 2024



Source: Dealroom.co

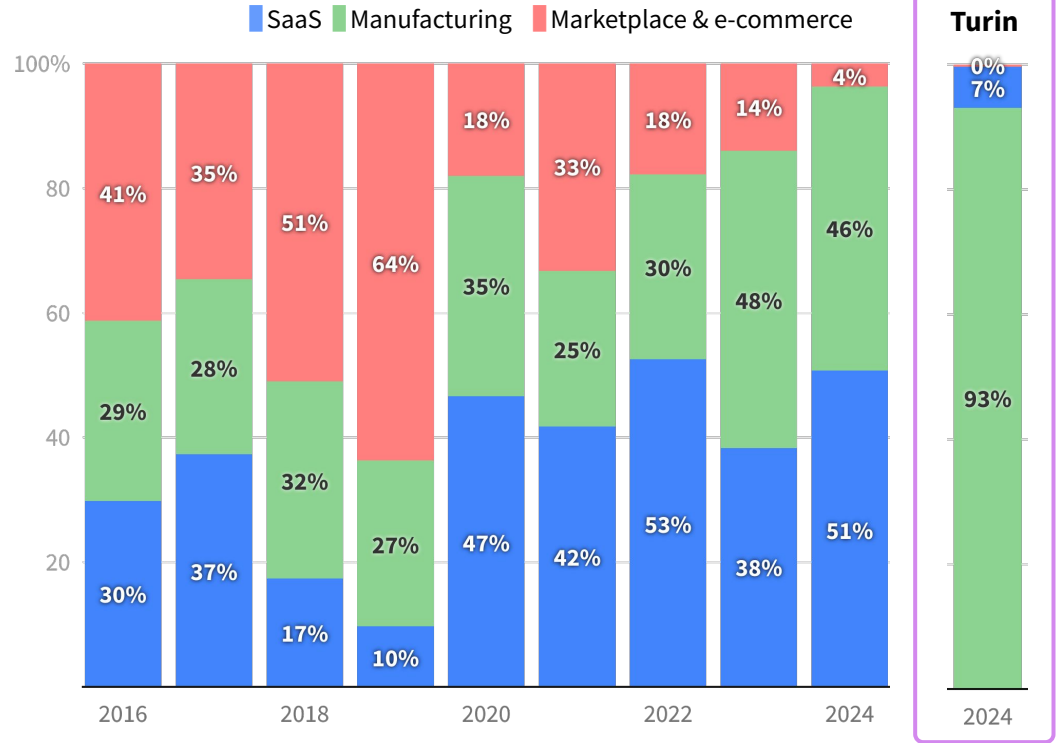


A shift to SaaS and Manufacturing, away from eCommerce.

Turin is Italy's main hub for Manufacturing startups.

Source: Dealroom.co

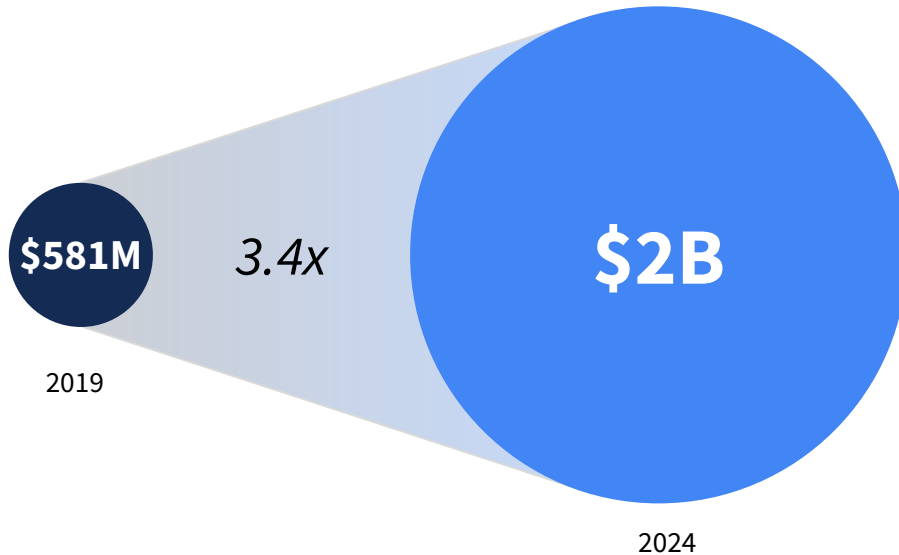
Italy VC investment by business model



Italian university spinouts are now worth over \$2B, growing more than 3x in the last five years.

Combined enterprise value of Italian spinouts

Selected Italian spinouts



Source: Dealroom.co

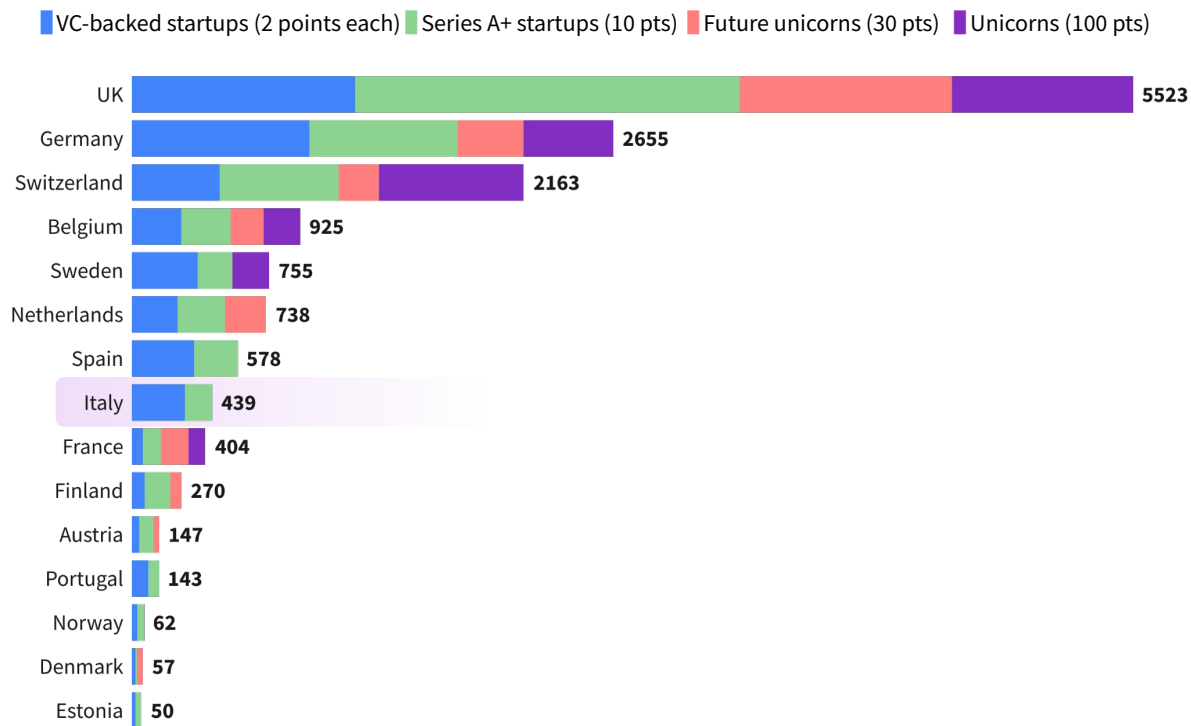


Italy is still far behind when it comes to creating value from university spinouts.

University value creation is ranked by multiplying the number of startups at every stage of maturity for a score 2 for a VC-backed startup to 100 for a unicorn. Spinouts policies vary from country to country. Countries like France and Sweden are hard to compare due to the professor privilege model, where universities have no stake in any research innovation coming out of the activities carried out there. The definition of spinouts and their comparison with other countries like UK, Germany and Switzerland is therefore challenging. Some universities such as KTH collaborated in sharing detailed data for a fair comparison. The ranking might evolve with better involvement of more universities

Source: Dealroom.co

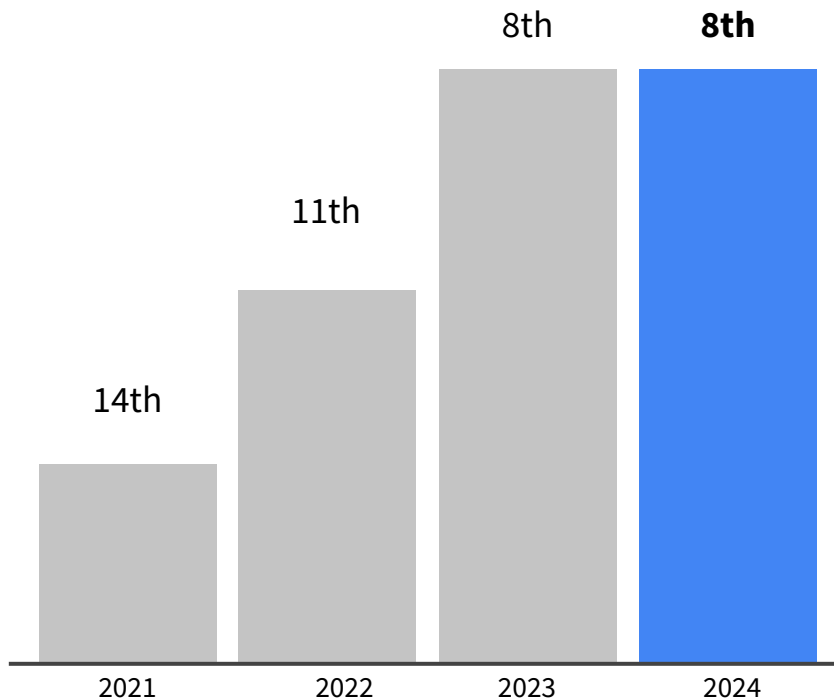
European countries by spinout value created: composite index



Italy now ranks 8th in European Deep Tech VC in the last years.

Given Italy is Europe's 4th largest economy, getting closer to where it needs to be.

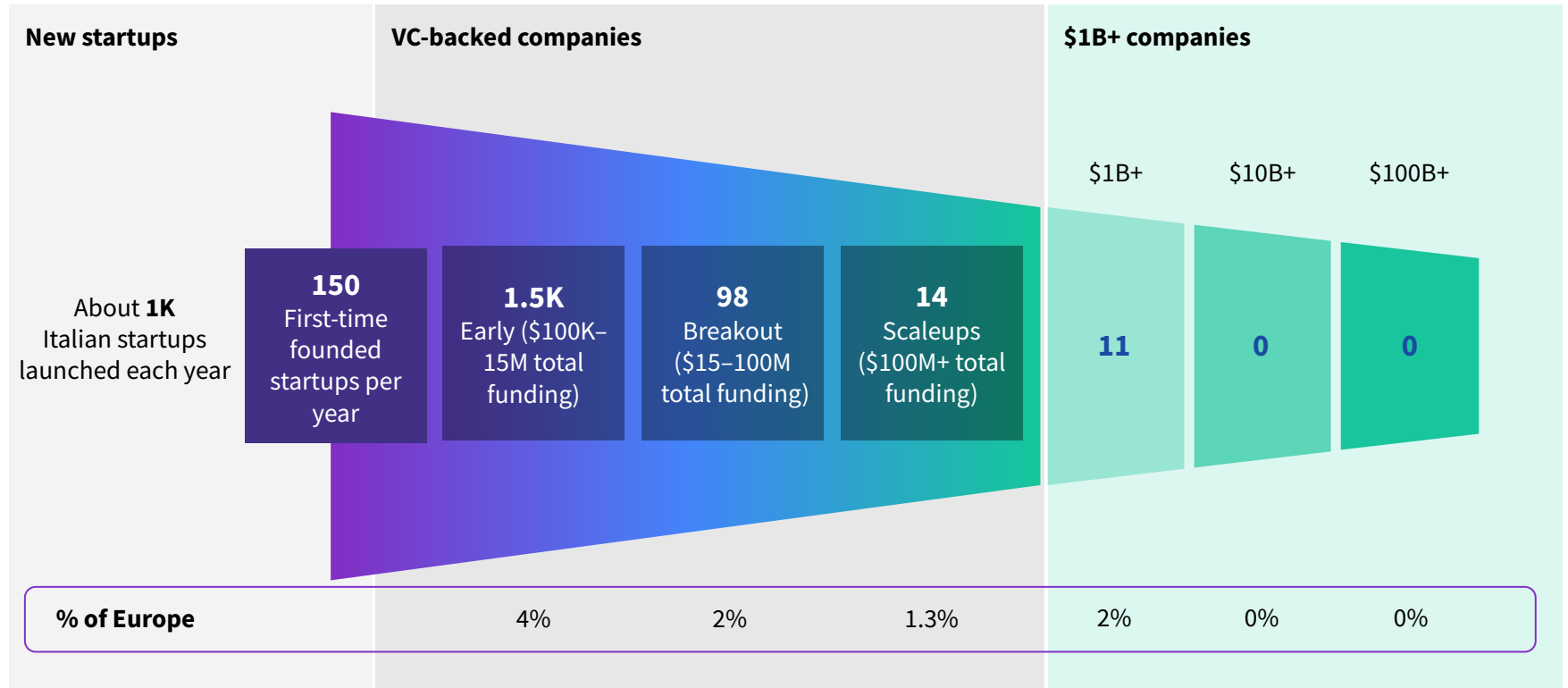
Italy's rank in Europe by deep tech VC investment



Source: Dealroom.co



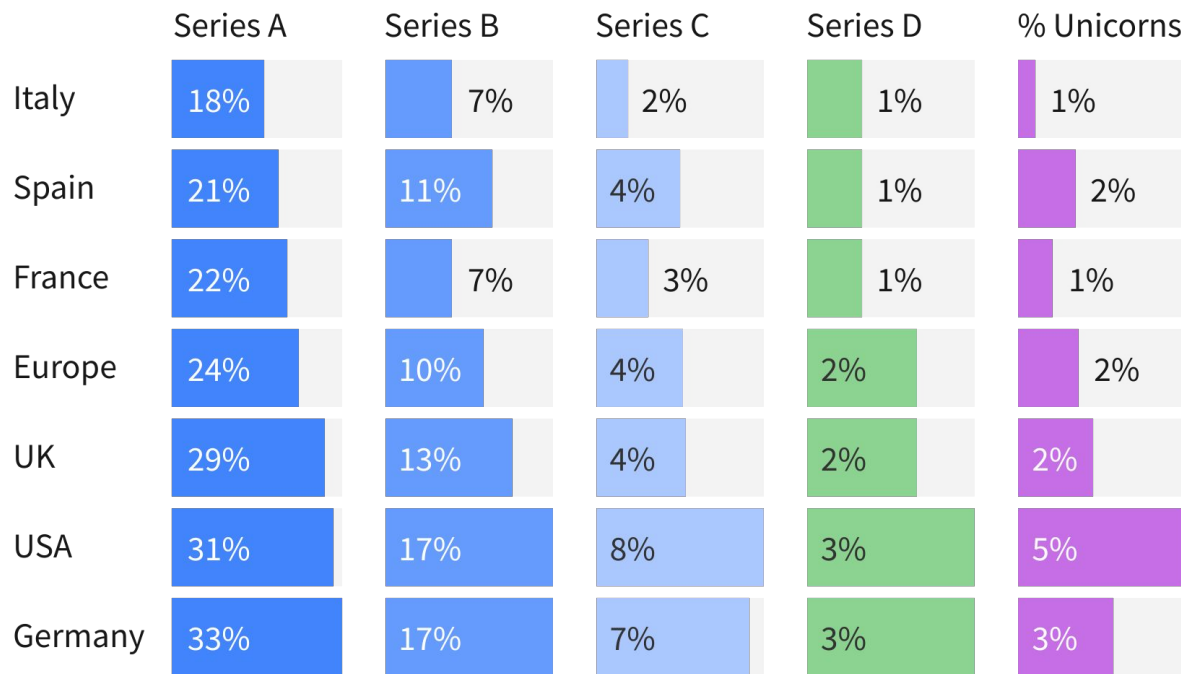
There are 1.6K VC-backed startups in Italy.



18% of Italian startups advance to series A funding.

European average is at 24%.

Graduation rate of startups from standardized seed rounds between 2015 and 2020



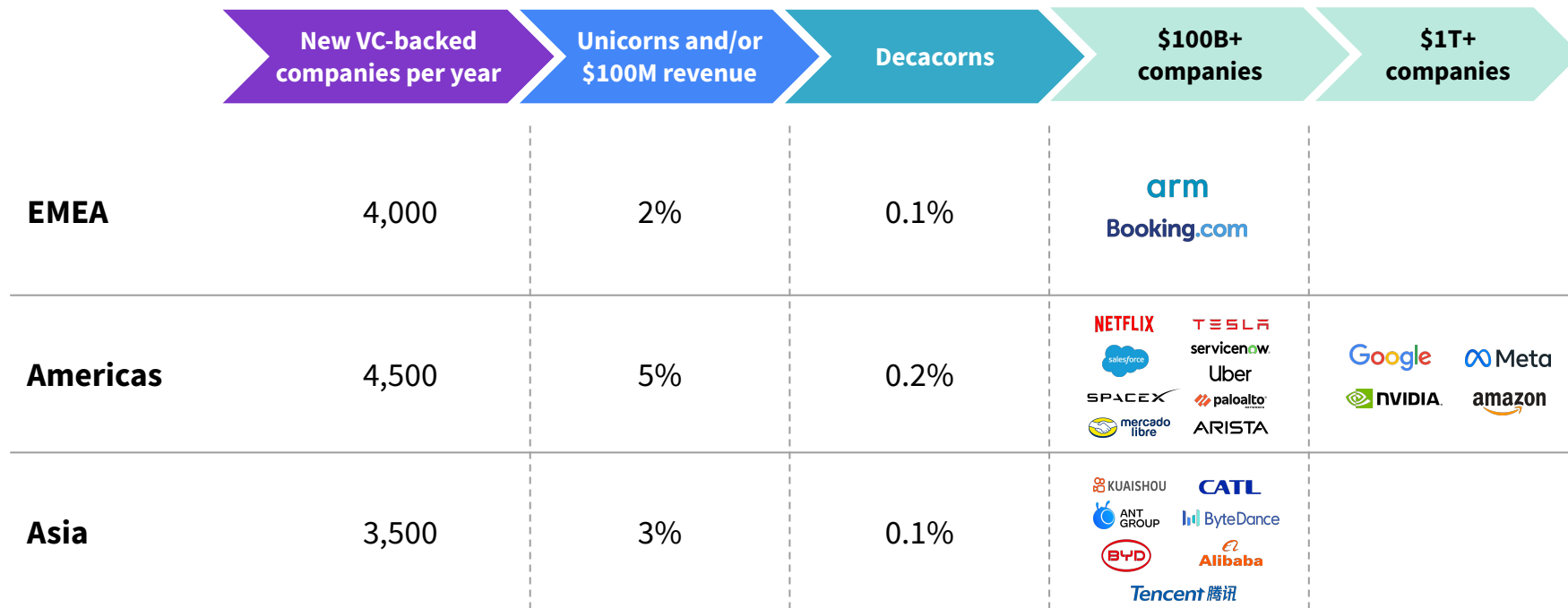
Source: Dealroom.co



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Thinking in Power Law terms: \$29 trillion of new enterprise value from VC-backed companies in the last 35 years ...



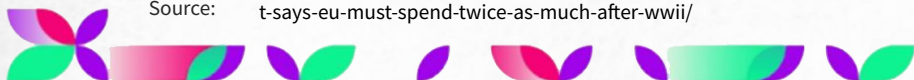
Source: Dealroom.co, conversion based on standardized seed rounds between 2015 and 2020



NEWS > FINANCIAL SERVICES

Draghi demands €800B cash boost to stem Europe's rapid decline

“Without action, we will have to either compromise our welfare, our environment or our freedom,” former ECB chief says in hotly anticipated report. Read the full paper here.



Source:

<https://www.politico.eu/article/mario-draghi-report-says-eu-must-spend-twice-as-much-after-wwii/>



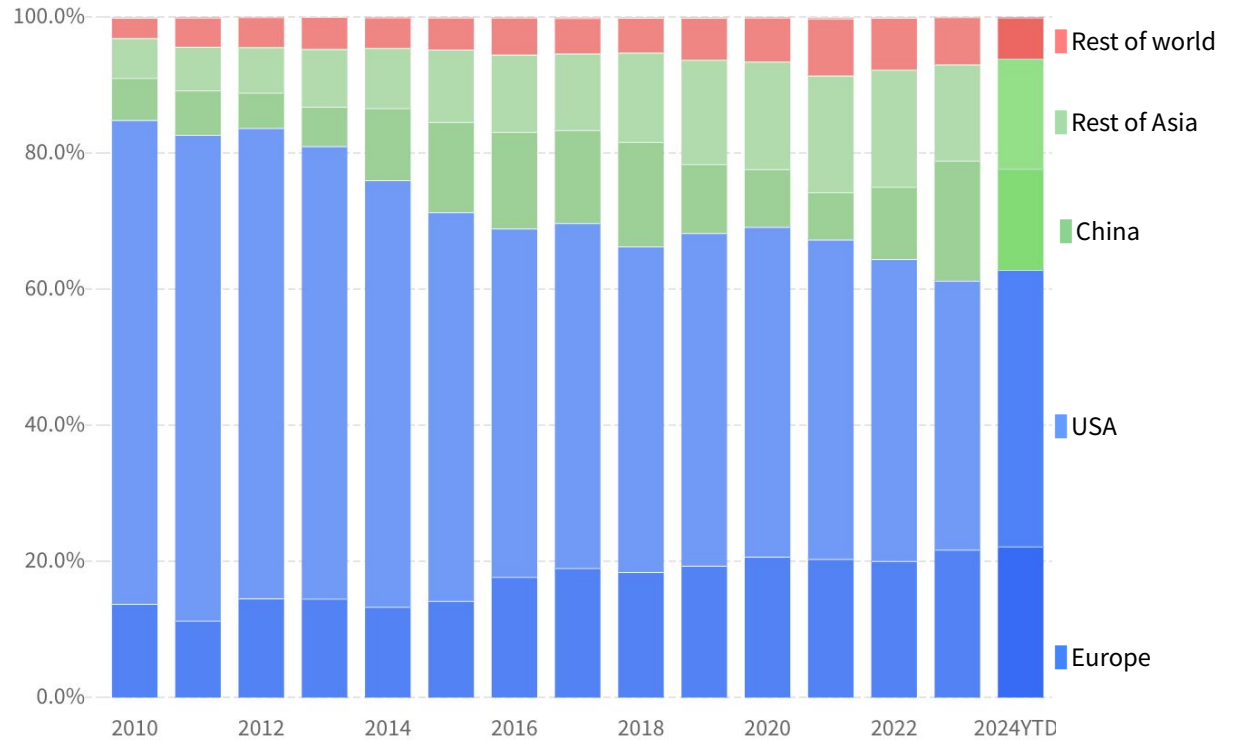
Europe's share of global early-stage VC is at a record 22% in 2024.

(<\$40M rounds)

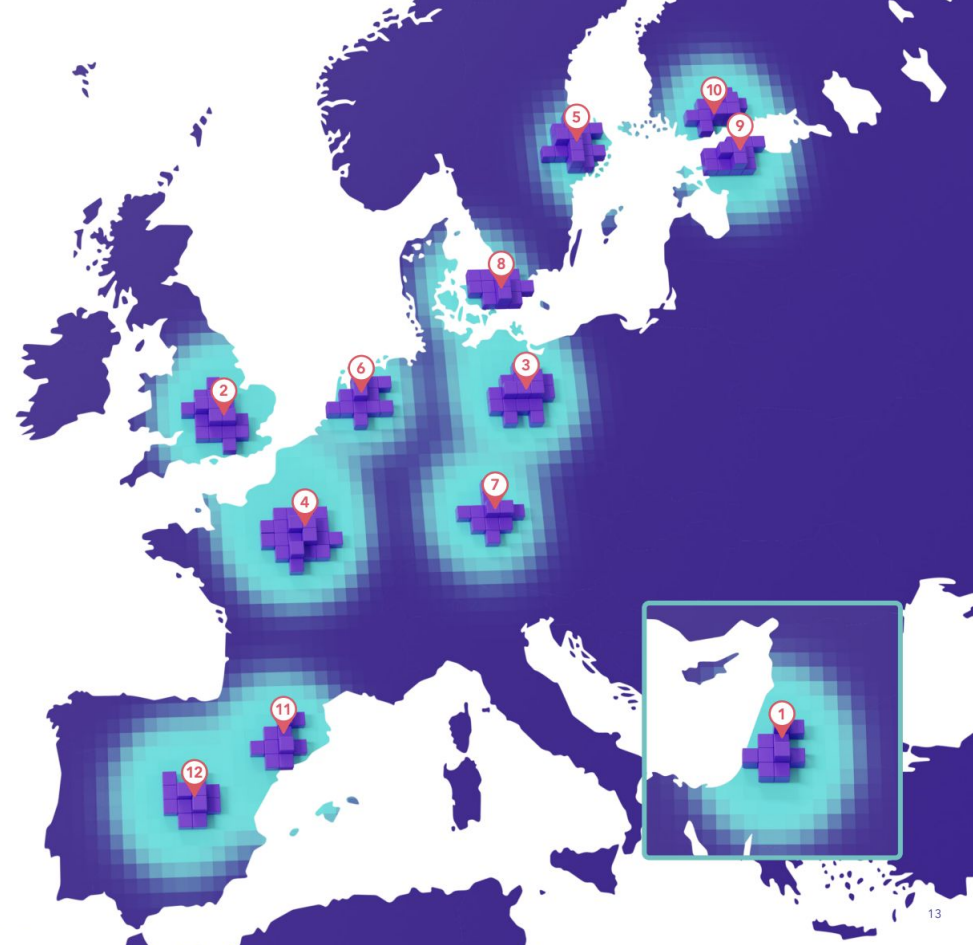
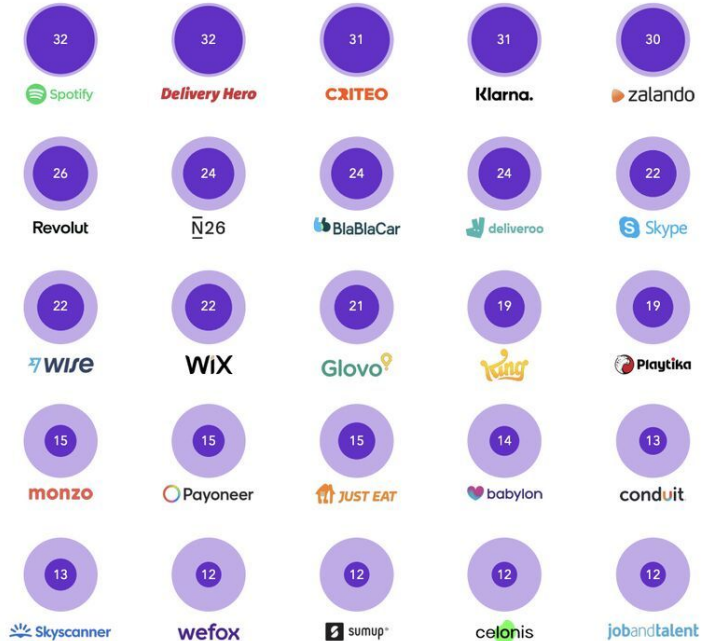
Double the level of 2011.

Source: Dealroom.co

Early stage VC investment in Europe (<\$40M rounds)



More entrepreneurial talent than ever in Europe and Israel.



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Source: Accel & dealroom.co



Entering a new era in tech, more driven by Physical Tech.



PC era

Selling hardware and software to large enterprises and homes

arm 
ASML

Internet era

Entire industries shifting online, to cloud, and to mobile.
Big home market was huge advantage (Amazon, Facebook).
In this second era, European players could go up against US counterparts

 Spotify 
adyen **Revolut**

Next 20 years

AI deeply embedded in physical world including biotech, healthcare, defense, manufacturing, et cetera


Helsing

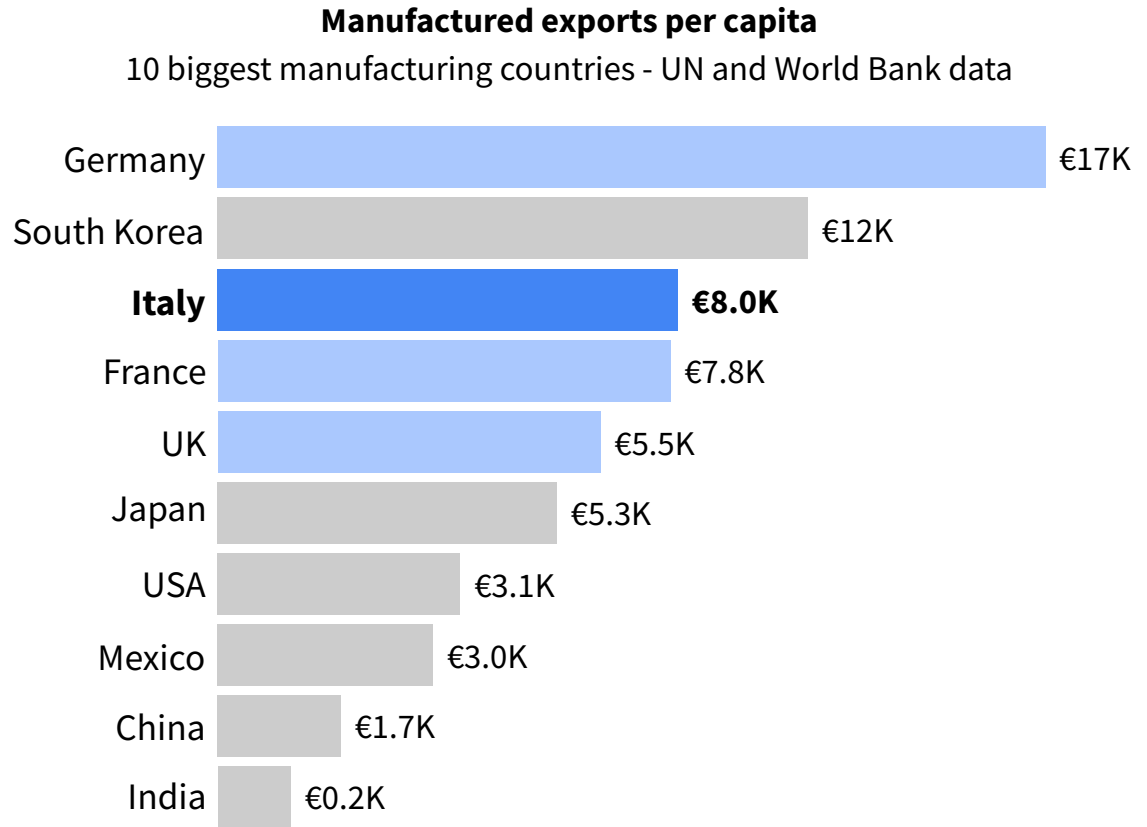
northvolt

QUANTUM SYSTEMS

 **AGILE ROBOTS**



Italy is Europe's fourth economy and a world leader in manufacturing.



European industrial expenditure on tech dwarfs VC.



€700–900 billion
annual spending

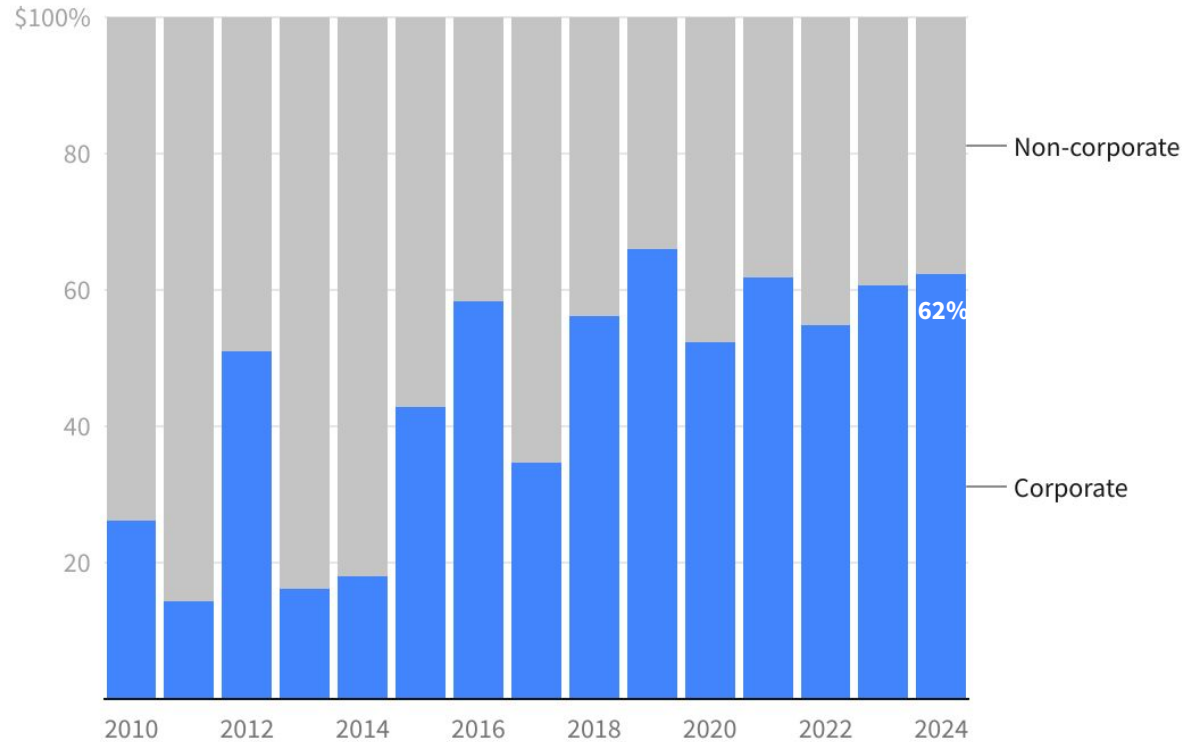
IT spending &
Capex in Industry 4.0

€20
billion
VC investment



Corporates involvement in European industrial tech VC is on the rise.

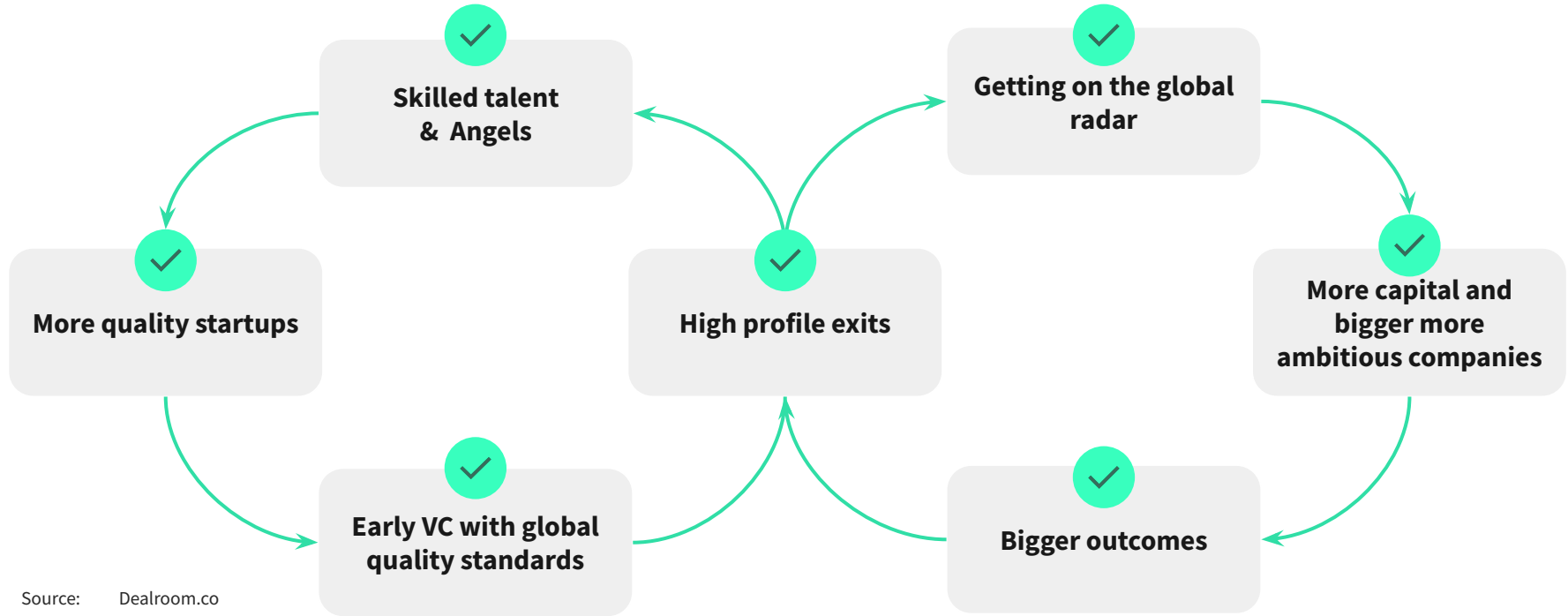
Corporate funding in selected industrial segments



Source: Dealroom.co



In 2024, flywheel is getting there. The starting point is now.



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ITALIAN
Tech
week²⁴