

# Italian Unicorns:

*what do we need?*

Turin, July 2022

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# Executive Summary

It is often discussed whether **Unicorns** are a measure of the **growth** of a country's innovation ecosystem.

These companies are not only an example of success and a role model for young founders, but also **create economic value**.

On average, a European unicorn has about **1,000 employees** when it reaches a valuation of **€1bn** (today we have euro/dollar parity) and it goes up to **2,000** if it reaches the next step: a **stock market listing**.

Every venture capitalist dreams of investing in a start-up that will become a unicorn. But which Italian entrepreneurs, together with their investors, will be able to achieve this?

Today we formally have only one unicorn (**Scalapay**) and, according to some research, about **ten “soonicorn”**.

To understand how to achieve these goals, we did a research among **10 unicorns** founded by **Italian entrepreneurs worldwide** and cross-referenced the data with those of **over 100 European unicorns**.

# Executive Summary

We deduced at least three tips for founders and investors:

 **Don't rush.** The average time to become a unicorn is **10 years** from the foundation of the company.

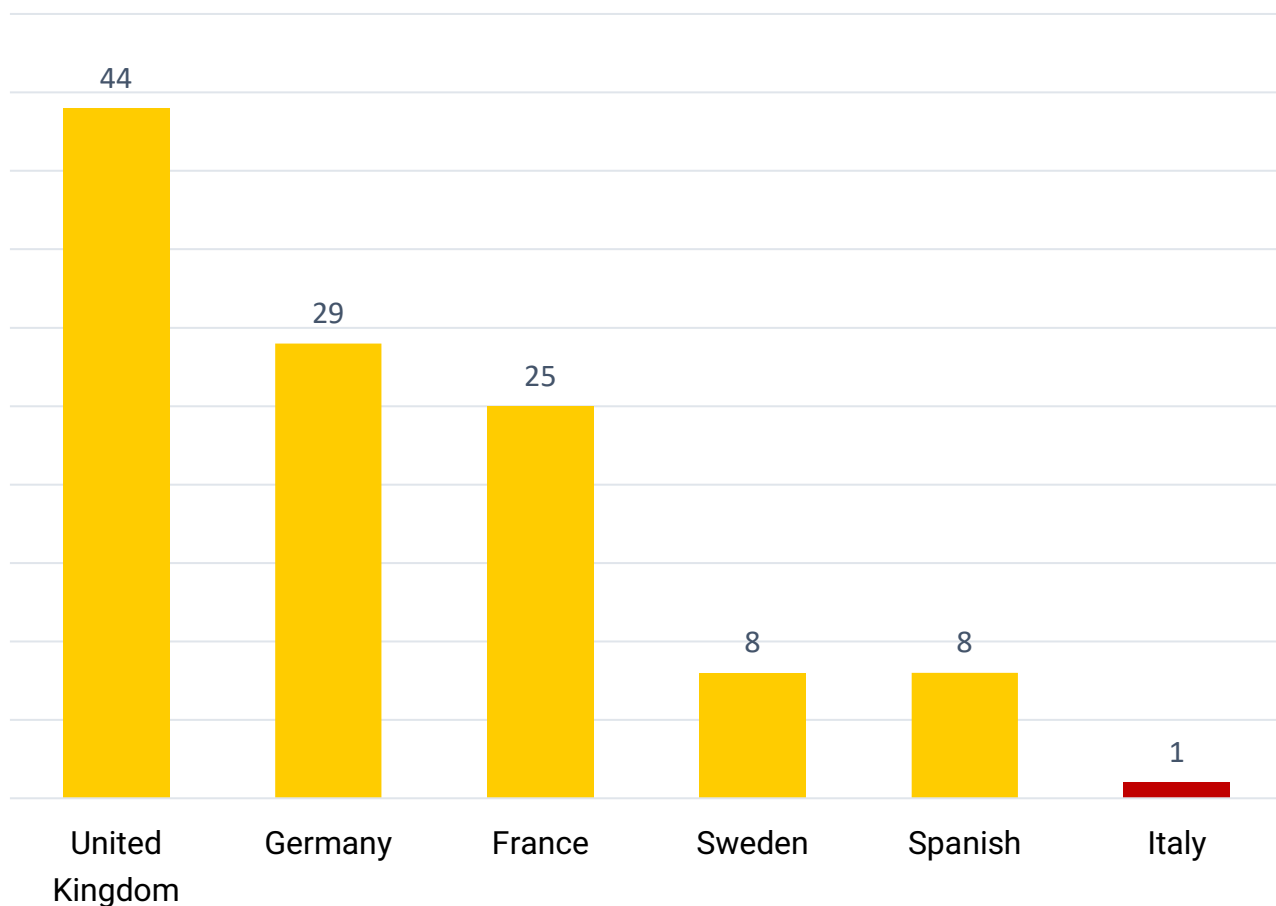
 **Have a global or at least European strategic and financial vision:** 9 of the 10 companies analysed operate in international markets. European unicorns have raised an average of **300 million** and over **40%** of the funds come from investors beyond their borders or from the USA.

 **Founders must have previous experience:** the average age of a unicorn founder is about **40 years old** and all of our sample of Italians had executive experience (4 out of 10) or had already founded a start-up (6 out of 10).

# European Unicorns: H1 2022



Top European countries by number of Unicorns *vs Italy*



## Sources

*CbInsights, "Global unicorn club market map" & Club degli Investitori Analysis*

## HIGHLIGHTS

To date, there are 151 unicorns in Europe.

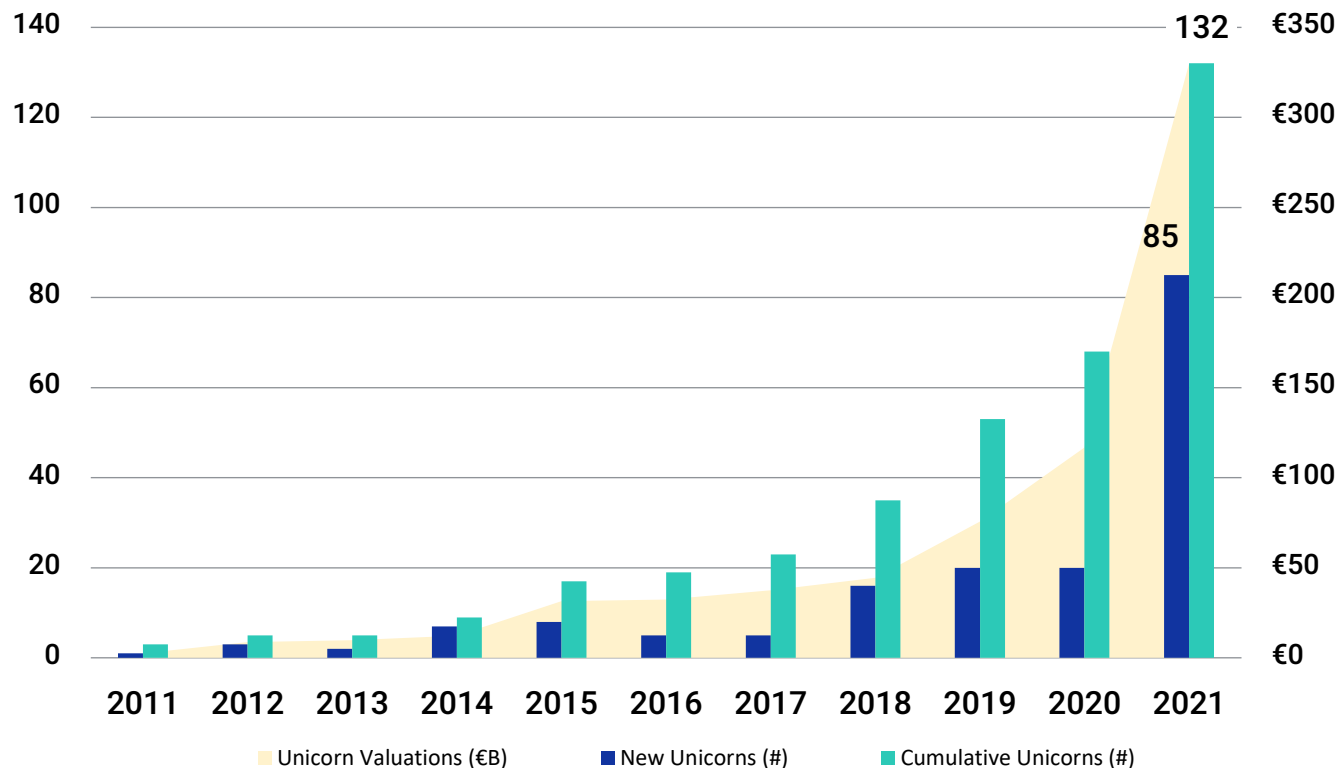
The United Kingdom is the leading European country with 44 tech companies with a valuation of at least €1bn.

The total value of European unicorns is over €500bn and there are currently 6 “decacorns”, 4 of which are in the UK.

# European Unicorns: 2021



## Number of European Unicorns (2011-21)



### Sources

*Pitchbook, "European VC Valuations Report", Club degli Investitori Analysis & The 2022 European Unicorn & Soonicorn Report*

## HIGHLIGHTS

With 85 new unicorns created in 2021, at the end of year Europe counted 132 tech companies with a valuation of at least €1bn.

They total have created over 135,000 jobs.

The average number of employees is 1,033.

# Unicorns founded by Italian entrepreneurs



Federico Marchetti

**YOOX**

**\$6,3 Bn**



Riccardo Zacconi



**\$7 Bn**



Niccolo Maisto



**\$1,5 Bn**



Augusto Marietti



**\$1,5 Bn**



Stefano Buono



**\$4 Bn**

<i>Previous experience</i>	<ul style="list-style-type: none"> <li>- <a href="#">Lehman Brothers</a></li> <li>- <a href="#">Bain &amp; Company</a></li> </ul>	<ul style="list-style-type: none"> <li>- <a href="#">Boston Consulting</a></li> <li>- <a href="#">Founder of Spray</a></li> <li>- <a href="#">Benchmark Capital</a></li> <li>- <a href="#">Founder of uDate</a></li> </ul>	<ul style="list-style-type: none"> <li>- <a href="#">Lehman Brothers</a></li> </ul>	<ul style="list-style-type: none"> <li>- <a href="#">Founder of MemboxX</a></li> </ul>	<ul style="list-style-type: none"> <li>- <a href="#">Scientific Associate, CERN</a></li> </ul>
<i>Years to become a unicorn</i>	<a href="#">15 years</a>	<a href="#">Born in 2003, it was sold for \$5.9bn in 2016.</a>	<a href="#">9 years</a>	<a href="#">12 years</a>	<a href="#">13 years</a>
<i># Employees</i>	<a href="#">5.000+</a>	<a href="#">2.000+</a>	<a href="#">~200</a>	<a href="#">480</a>	<a href="#">&gt;1000</a>
<i>Funding before being unicorn</i>	<a href="#">€25M</a>	<a href="#">\$84M</a>	<a href="#">\$29M</a>	<a href="#">\$169.1M</a>	<a href="#">€300M</a>

# Unicorns founded by Italian entrepreneurs



Simon Beckerman



**\$1,6 Bn**



Simone Mancini



**\$ 1 Bn**



Marco Pescarmona



**\$ 1,2 Bn**



Francesco Simoneschi



**\$ 1 Bn**



Loris Degioanni

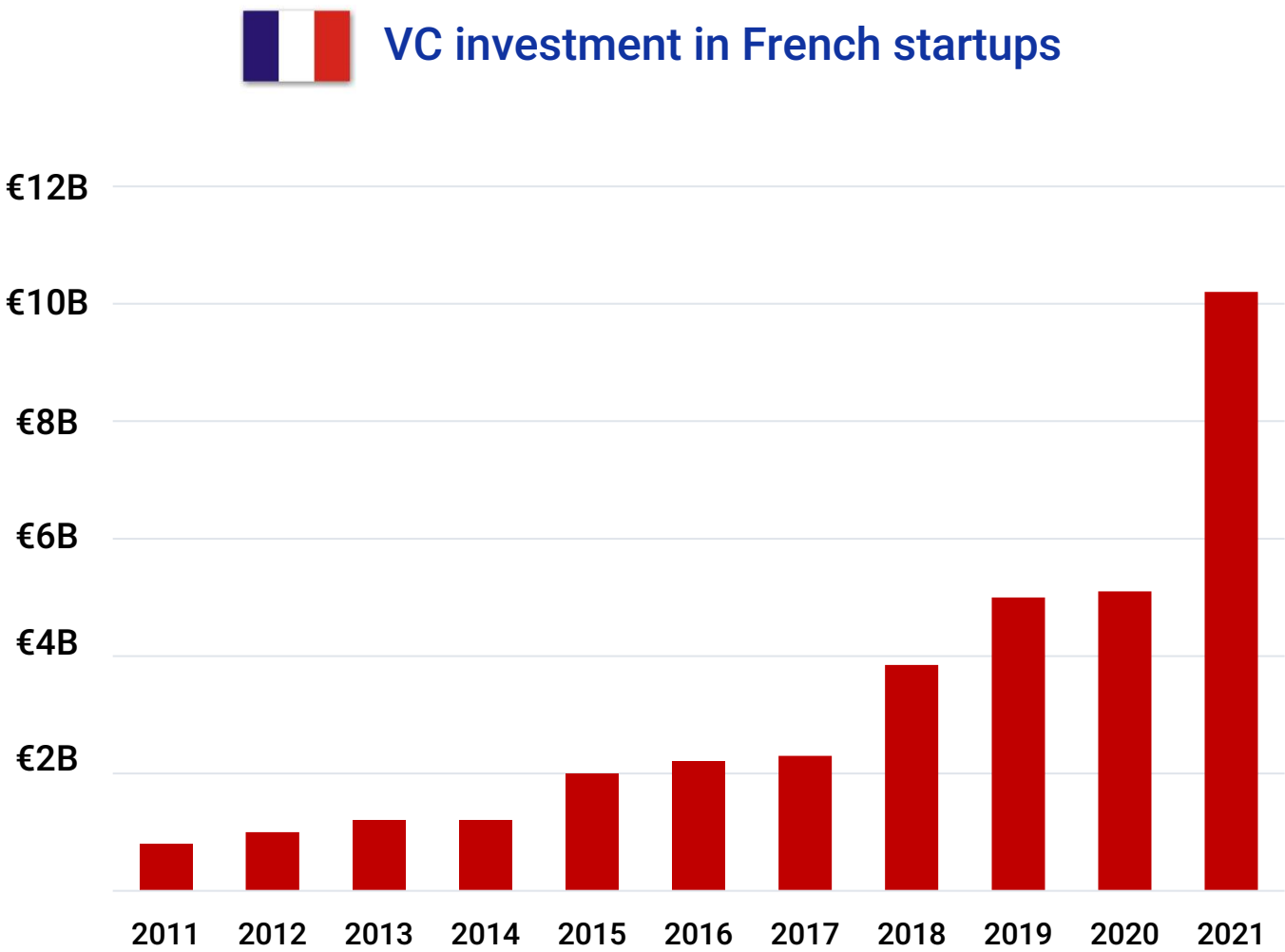


**\$2.5 Bn**

<i>Previous experience</i>	- <a href="#">Founder Pig magazine</a> - <a href="#">Co-founder glasses brand with his brother</a>	- <a href="#">Founder EatTonight</a> - <a href="#">Founder Sweetly</a>	- <a href="#">McKinsey&amp;Company</a> - <a href="#">Morgan Stanley</a>	- <a href="#">Founder Staq.io (acquired by Playhaven)</a> - <a href="#">Founder Upsight</a> - <a href="#">Founder Mission and Market</a>	- <a href="#">Founder CACE Technologies (acquired by Riverbed a \$30M)</a>
<i>Years to become a unicorn</i>	<a href="#">10 years</a>	<a href="#">3 years</a>	~20 years	<a href="#">5 years</a>	<a href="#">8 years</a>
<i># Employees</i>	<a href="#">&gt;400</a>	<a href="#">200</a>	<a href="#">&gt;1.500</a>	<a href="#">&gt; 200</a>	<a href="#">&gt;650</a>
<i>Funding before being unicorn</i>	<a href="#">\$105,6M</a>	<a href="#">\$727M</a>	<a href="#">round seed da Nestor 2000 e Net Partners Ventures</a>	<a href="#">\$271.5M</a>	<a href="#">\$394M</a>



# European Unicorns: France



**Sources**

*Dealroom, "French startups and venture capital on record track in 2021".*

## HIGHLIGHTS

# Unicorn 2021: **23**

# Startup 2021: **21K**

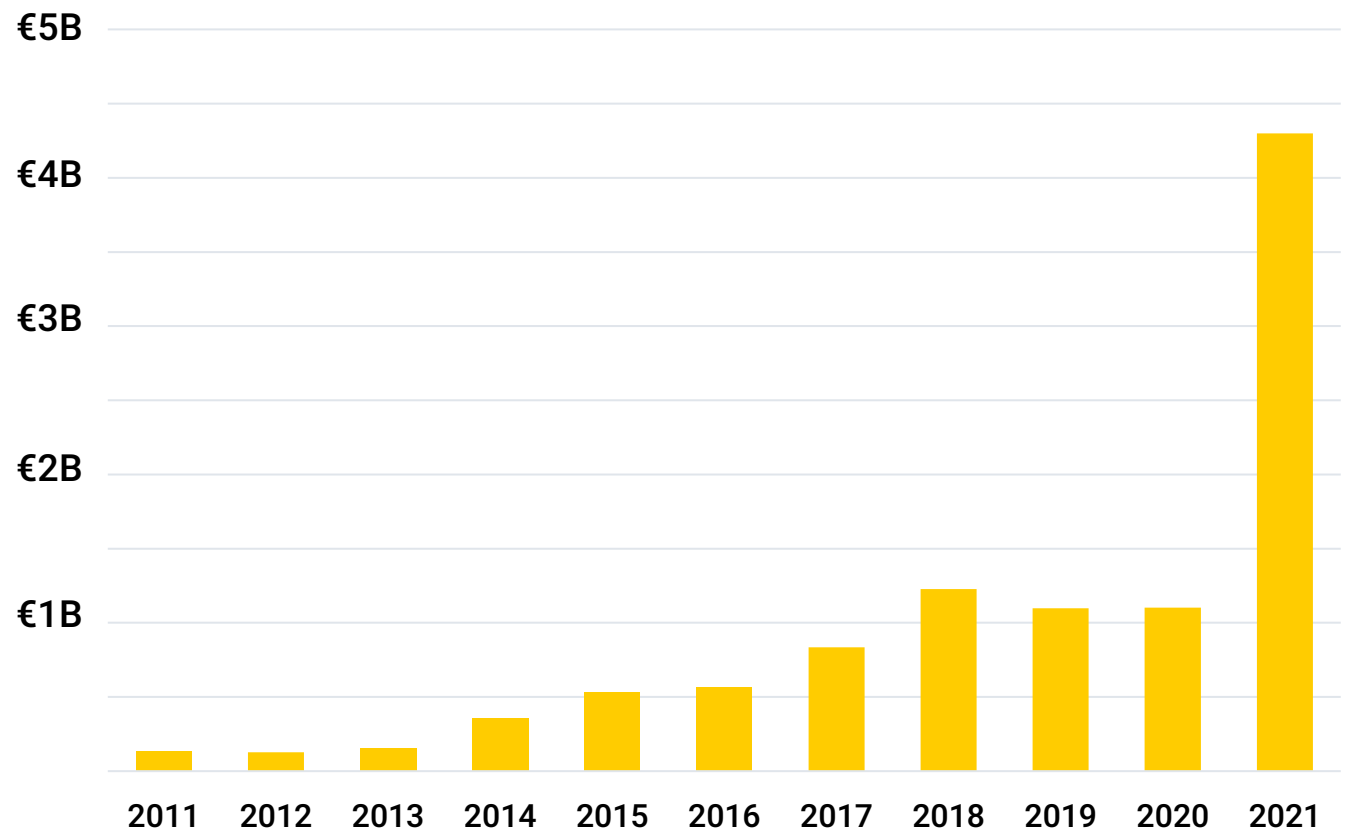
Funding 2021: **€10.2bn**

Funding (2011-21): **€ 35bn**

# European Unicorns: Spain



## VC investment in Spanish startups



### Sources

[Fundacion Bankinte, "Investment trend in Spain 2021"](#)

## HIGHLIGHTS

# Unicorn 2021:

8

# Startup 2021:

11K

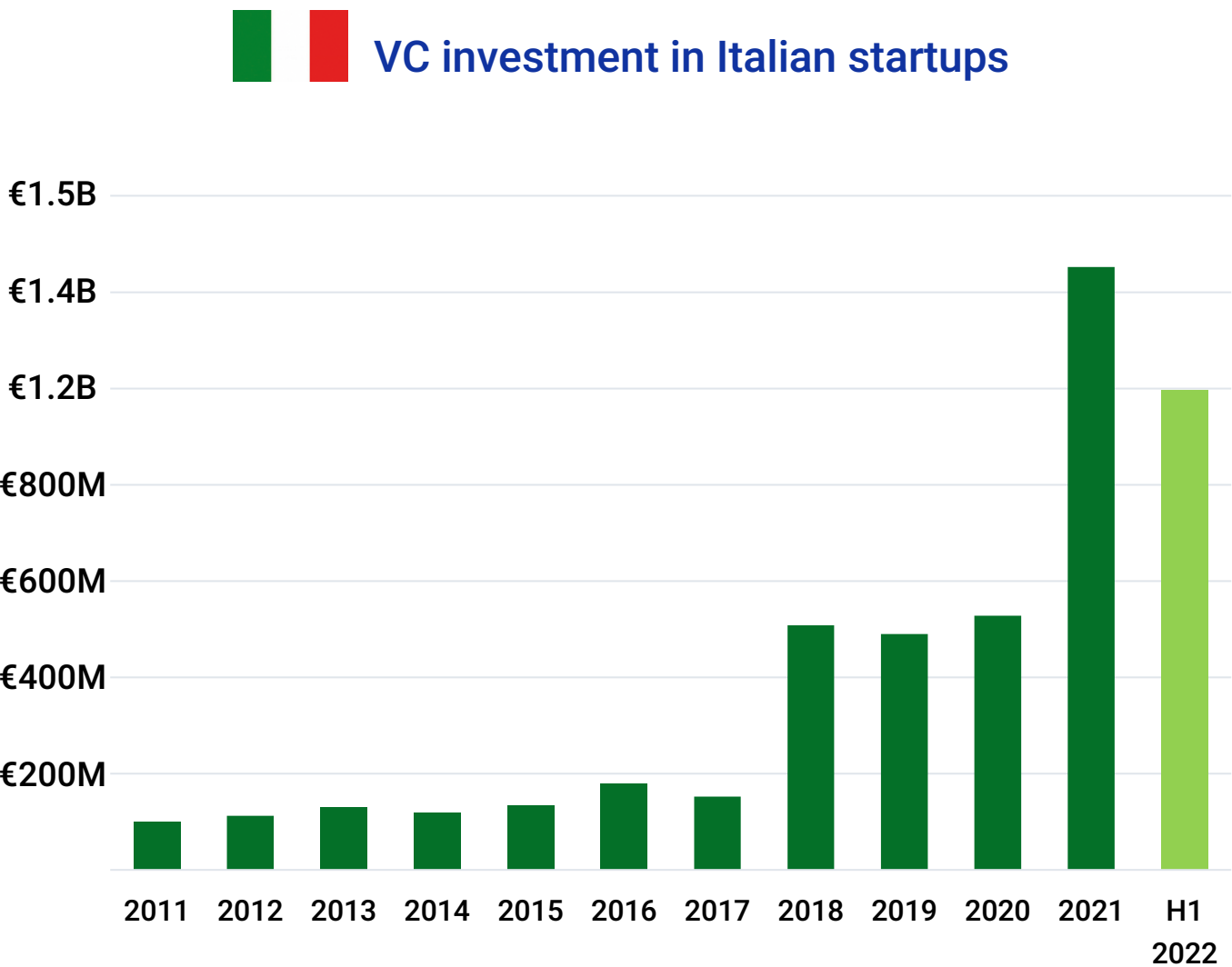
Funding 2021:

€4.3bn

Funding (2011-21):

€10.4bn

# European Unicorns: Italy



## Sources

*Italian Tech Alliance & Growth Capital, "Osservatorio Trimestrale VC - Q2-22"; StartupItalia; Club degli Investitori*

## HIGHLIGHTS

# Unicorn 2022:

**1\***

# Startup 2021:

**14K**

Funding 2021:

**€1.25Bn**

Funding (2011-21):

**€ 3.7bn**

*\*Scalapay became a unicorn in 2022*

# Italian “soonicorn”

## Headquarters



### Sources

*The 2022 European Unicorn & Soonicorn Report & Club degli Investitori Analysis*

## HIGHLIGHTS

4 of the 16 companies analysed are based outside Italy.

5 of the 16 companies analysed have a valuation above €500M.

The industry with the highest number of “soonicorns” founded by Italians is Fintech/Insurtech.

# Conclusions

So how can we foster the development of Italian tech champions in our country?

Here are three tips for our innovation system:

- 1. For the more than 200 VC operators:** integrate and cooperate in supporting founders in their search for executives to scale up and raise funds.
- 2. For CDP:** create a 1 bn fund that can invest from 50 million in operations with international funds.
- 3. For the government:** innovate the 2012 start-up law to prevent new tech companies from moving abroad. In fact, over 30% of Italian 'soonicones' already have registered offices outside Italy and some think they will have to move abroad sooner or later. The points are: revisiting the right of withdrawal, golden shares, legal certainty and flexibility.

# Conclusions

If we work in this direction (and investment growth continues at the pace it is now) Italy could give birth to **15 unicorns** in the next five years (we could potentially reach one unicorn for every 1,000 start-ups, like France).

Moreover, **Italians are more efficient** than the European average in reaching unicorn status: in fact, they have raised around **USD 200 million** compared to the European average of 300.

**The next two years will be crucial in closing the gap.**



# Sources

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- **European Unicorn Map**: <https://europeanunicornmap.com/>