2019: A record year for VC investment in the UK

January 2020
In Europe, the UK ranks #1 by number of unicorns.

Cumulative number of unicorns created by year $1 billion valuation is reached

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Unicorns created in 2019

UK: 8
- Rapyd
- meero
- eFront
- value
- kyriba
- Dottlk

France: 6
- CVM
- Acronis
- luxoft
- Veeam
- Numbers

Switzerland: 4
- babylon
- sumup
- Lemonade
- Riskified

Israel: 4
- trainline
- Acuris
- checkout.com
- glovo

Germany: 3
- energy
- Kaseya
- iON

Rest of Europe: 5
- checkout.com
- Glovo
- teomblue
- cofflibri
- Vinted
UK has several major tech hubs that measure up to Europe’s capitals.

<table>
<thead>
<tr>
<th></th>
<th>London</th>
<th>Berlin</th>
<th>Oxbridge</th>
<th>Paris</th>
<th>Amsterdam</th>
<th>Manchester</th>
<th>Dublin</th>
<th>Edinburgh</th>
<th>Bristol</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unicorns created</td>
<td>46</td>
<td>12</td>
<td>11</td>
<td>11</td>
<td>9</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Population</td>
<td>8.2M</td>
<td>3.5M</td>
<td>290K</td>
<td>2.2M</td>
<td>821K</td>
<td>510K</td>
<td>565K</td>
<td>489K</td>
<td>535K</td>
</tr>
<tr>
<td>Investment per capita</td>
<td>$1180</td>
<td>$1290</td>
<td>$3,420</td>
<td>$1500</td>
<td>$980</td>
<td>$1080</td>
<td>$660</td>
<td>$330</td>
<td>$780</td>
</tr>
<tr>
<td>Highest ranked university</td>
<td>8</td>
<td>62</td>
<td>1 &amp; 2</td>
<td>72</td>
<td>59</td>
<td>54</td>
<td>117</td>
<td>27</td>
<td>87</td>
</tr>
<tr>
<td>Number of accelerators</td>
<td>146</td>
<td>54</td>
<td>22</td>
<td>51</td>
<td>28</td>
<td>10</td>
<td>14</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>

Unicorns: number of companies founded since 1990 that reached $1 billion valuation. Investment per capita based on investment in 2019 and city population. University rank as per Times Higher Education.
Venture capital investment in the UK: $13.2 billion invested in 2019.
2019: A record year for VC investment in the UK

The UK received more investment than Germany and France combined, and about one third of total investment in Europe in 2019.

![Graph showing investment trends in UK, Germany, France, and Rest of Europe from 2014 to 2019.](https://datacommons.technation.io)
Venture capital investment in the UK compared to the rest of the world.

### Venture capital funding by country 2019

- **United States**: $116.0B
- **Europe**: $39.8B
- **China**: $33.5B
- **United Kingdom**: $13.2B
- **Germany**: $7.0B
- **France**: $5.2B
- **Israel**: $4.6B
- **Sweden**: $2.9B
- **Switzerland**: $2.6B
- **Netherlands**: $1.6B
- **Spain**: $1.4B

### Venture capital funding by city 2019

- **Bay Area**: $16.0B
- **Beijing**: $9.7B
- **New York**: $14.4B
- **London**: $7.3B
- **Shanghai**: $4.5B
- **Berlin**: $3.8B
- **Paris**: $3.3B
- **Stockholm**: $2.8B
- **Munich**: $2.1B
- **Amsterdam**: $1.5B
- **Barcelona**: $1.3B
- **Cambridge**: $0.8B
- **Madrid**: $0.6B
- **Zurich**: $0.5B
- **Bristol**: $0.5B
- **Copenhagen**: $0.4B
- **Helsinki**: $0.4B
- **Dublin**: $0.4B
- **Utrecht**: $0.3B
- **Milan**: $0.3B
- **Oxford**: $0.2B
- **Hamburg**: $0.2B
- **Oslo**: $0.2B
- **Vilnius**: $0.2B
- **Manchester**: $0.2B
- **Edinburgh**: $0.2B
Investments in the UK grew by 44% in 2019 compared to last year.

2018-19 change in VC investment in percentage
2019: A record year for VC investment in the UK

Strong performance across key tech sub-sectors.

2018-19 change in VC investment in percentage per key sector.
A closer look at UK best performing sectors: Fintech

Amount invested in fintech startups by country ($B)

- **United Kingdom**
  - 2014: $0.4B
  - 2015: $0.7B
  - 2016: $1.6B
  - 2017: $0.9B
  - 2018: $2.7B
  - 2019: $5.3B

- **Germany**
  - 2014-2019: Various amounts

- **France**
  - 2014-2019: Various amounts

**2019: A record year for VC investment in the UK**

- [Check underlying data](https://datacommons.technation.io)
2019: A record year for VC investment in the UK

A closer look at UK best performing sectors: AI & Deep tech

Amount invested in AI & deep tech startups by country (SB)

- **United Kingdom**: $2.6B in 2018, $3.2B in 2019
- **Germany**: $0.9B in 2018, $1.2B in 2019
- **France**: $1.2B in 2018, $1.4B in 2019

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**BenevolentAI**
- AI to accelerate scientific discovery
- $90M

**melody VR**
- Virtual Reality Music
- $60M

**ContractPodAI**
- Contract Management
- $55M

**TESSIAN**
- Machine Intelligent Email Security
- $40M

**PRIVITAR**
- Data Collection Privacy
- $40M

**eigen technologies**
- Text Algorithms
- $38M

**FEATURESPACE**
- Fraud Management
- $33M

**SIGNAL**
- AI Powered Media Intelligence
- $25M

**PROWLER.io**
- AI Decision Making Platform
- $24M

**WAYVE**
- AI for Self Driving Cars
- $20M

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January 2020 | Check underlying data via [https://datacommons.technation.io](https://datacommons.technation.io)
2019: A record year for VC investment in the UK

A closer look at UK best performing sectors: Energy & Cleantech

Amount invested in energy & cleantech startups by country ($B)

- **United Kingdom**
  - 2014: $0.3B
  - 2015: $0.3B
  - 2016: $0.3B
  - 2017: $0.3B
  - 2018: $0.4B
  - 2019: $0.9B

- **Germany**
  - 2014: $0.4B
  - 2015: $0.3B
  - 2016: $0.3B
  - 2017: $0.3B
  - 2018: $0.3B
  - 2019: $0.3B

- **France**
  - 2014: $0.1B
  - 2015: $0.1B
  - 2016: $0.1B
  - 2017: $0.1B
  - 2018: $0.1B
  - 2019: $0.1B

- **United States**
  - 2014: $0.7B
  - 2015: $0.8B
  - 2016: $0.8B
  - 2017: $0.7B
  - 2018: $0.6B
  - 2019: $0.5B

- **China**
  - 2014: $1.0B
  - 2015: $0.9B
  - 2016: $0.3B
  - 2017: $0.3B
  - 2018: $0.3B
  - 2019: $0.3B

- **Other**
  - 2014: $0.2B
  - 2015: $0.2B
  - 2016: $0.2B
  - 2017: $0.2B
  - 2018: $0.2B
  - 2019: $0.2B

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**Energy Technology company and Supplier**
- **P2O Energy**
  - $260M

**Hybrid Organic Photovoltaic Systems**
- **Oxford PV**
  - $81M

**Solar Power Systems**
- **Bboxx**
  - $81M

**Power Technology Developer**
- **Faraday Grid**
  - $33M

**Battery Energy Storage Solutions**
- **ZENOBÉ**
  - $33M

**Solar Systems for rural off-grid homes**
- **Azuri**
  - $26M

**Next generation clean energy**
- **Tonik**
  - $17M

**Specialises in wells and well related technology**
- **Frontrow Energy Technology Group**
  - $13M

**Developer of Distributed Energy Storage**
- **Moixa**
  - $11M

**Biomaterials & mushroom technology start-up**
- **Ecovative Design**
  - $10M

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January 2020 | Check underlying data via [https://datacommons.technation.io](https://datacommons.technation.io)
Early stage VC funding in the UK is growing by both investment amounts and number of rounds.
2019: A record year for VC investment in the UK

Compared to Germany and France, the UK has a wider mix of investor and received more investment from Asia and North America.
Methodology & definitions

- Investment numbers refer to venture capital investment rounds such as seed, series A, B, C, …. late stage, and growth equity rounds. It excludes debt or other non-equity funding, lending capital, grants and ICOs.
- Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data, but included in exit data.

- A unicorn is defined as a tech driven company that has reached a $1 billion valuation, on the basis of a funding round (unrealised), acquisition or IPO (realised).
- There are some notable edge-cases:
  - Companies that IPO-ed at or above $1 billion but subsequently dipped below that valuation, are still included as $1B+ exit (examples: Alfa, Rovio, eDreams).
  - Some companies have at some stage reached a $1 billion but subsequently raised, IPO-ed or were acquired below that value. In this case the company is not counted as a unicorn (examples: Blippard, Home24, Fanduel, Ulmart, Conduit, Wonga, VE Interactive, Powa).
  - If a unicorn moved HQ, the company is counted in the country where it reached unicorn status. Occasionally companies received dual HQ status.

- This report focuses on companies in the post-internet age, i.e. after 2000. Most but not all unicorns are VC backed.
- Companies included in the analysis are tech-driven. Industries include software, ecommerce, online marketplaces, hardware, ICT infrastructure. The full [industry & business model taxonomy](#) can be found online.

- Dealroom’s proprietary database and software aggregate data from multiple sources: harvesting public information, user-submitted data verified by Dealroom, data engineering. All data is verified and curated with an extensive manual process.
- Most underlying data from the report is available online via [https://datacommons.technation.io](https://datacommons.technation.io). For more info please visit dealroom.co or contact support@dealroom.co
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