

# Europe and Israel's startup founder factories and the founder journey

Accel ×  dealroom.co

# Contents

---

<b>Introduction</b>	p. 04
---------------------	-------

---

<b>01</b>	<b>Europe and Israel's founder factories</b>	p. 06
	Venture-backed unicorns	p. 07
	Founder factories in the spotlight	p. 10
	Tech hubs across Europe and Israel	p. 12

---

<b>02</b>	<b>Funding for the new wave of startups</b>	p. 14
	Regional breakdowns	p. 15

---

<b>03</b>	<b>The journey from unicorn employee to tech startup founder</b>	p. 18
-----------	--	-------

---

<b>Methodology &amp; Appendix</b>	p. 26
-----------------------------------	-------

# Introduction

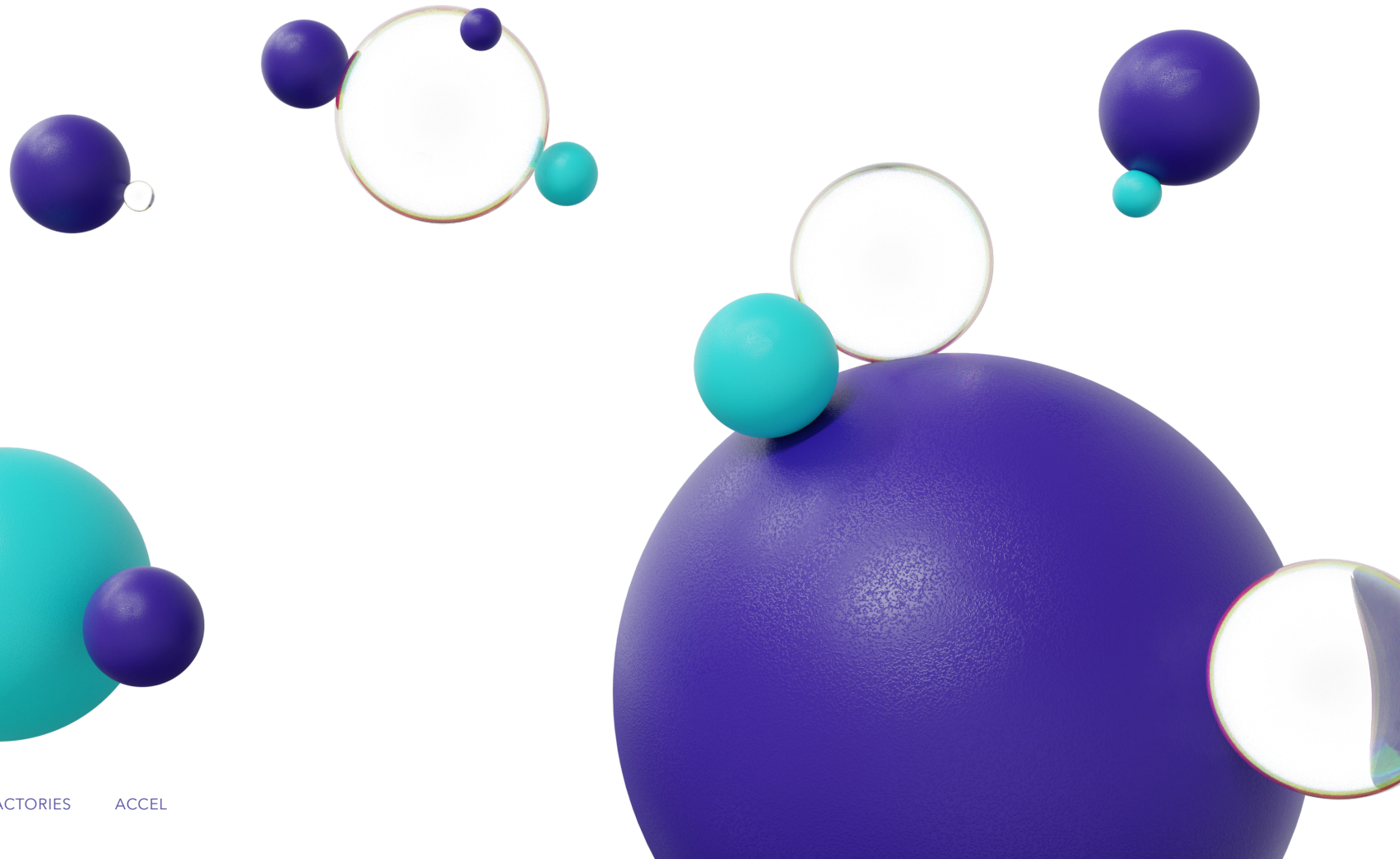
Talent and innovation emerging from European and Israeli unicorns continues to gather pace as 221 of the region's 353 VC-backed unicorns have fuelled 1,171 new tech-enabled startups, with former employees becoming founders. More than half (54%) of this new wave of startups were founded in the same city as the unicorn they were spun out of and 59% have already secured private funding.

This report, created in partnership with data provider Dealroom, explores not only the trends emerging in this new wave of startups, but also the journey from unicorn employee to tech startup founder in Europe and Israel. These founders are in a strong position to build the next generation of tech leaders due to their experiences before and during their time at the unicorn.

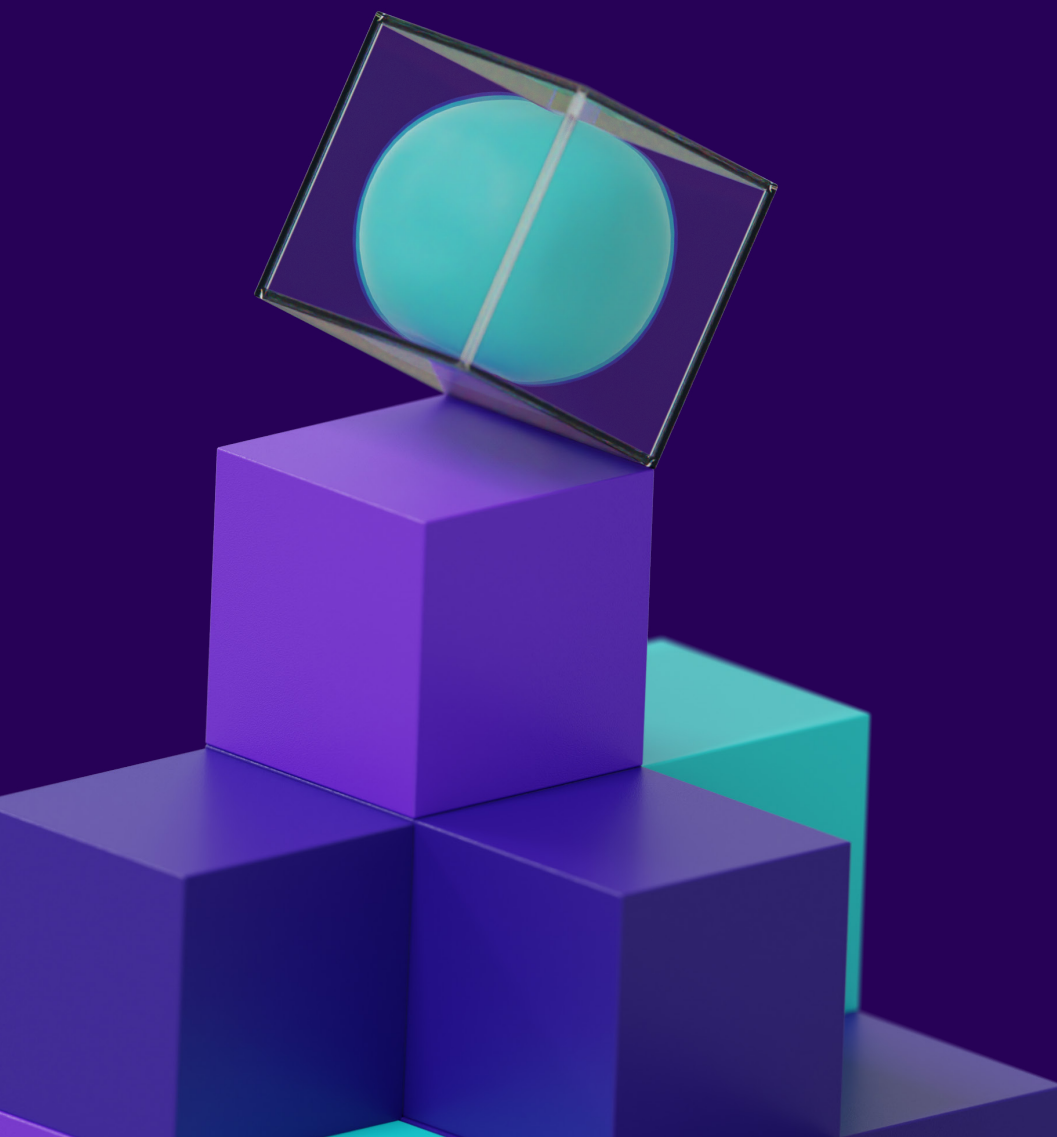
Commenting on the report's findings, Harry Nelis, Partner at Accel, said: "The European and Israeli tech ecosystem is experiencing a true coming of age. In the 23 years since Accel opened its London office, Europe has evolved into a dynamic hub of innovation, with a growing number of category-defining companies making a global impact. This transformation has been driven by a combination of factors, including access to top-tier talent, a

supportive regulatory environment, and an increasing amount of capital flowing into the region over the past two decades. As we look to the future, we're excited to continue partnering with exceptional founders and helping to build the next generation of industry-leading companies out of Europe and Israel."

**LONDON, 24 MAY 2023**



# 01 Europe and Israel's founder factories

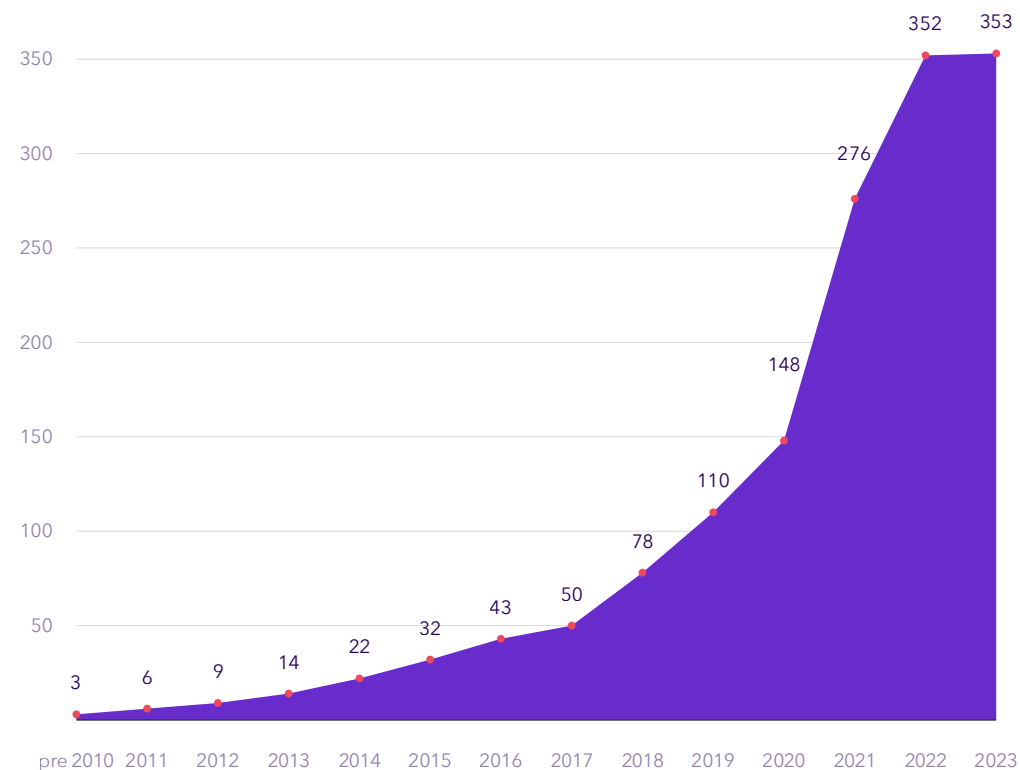


## Venture-backed unicorns

Europe and Israel have produced 353 startups that have reached a billion dollar valuation or exit, after receiving venture capital backing.

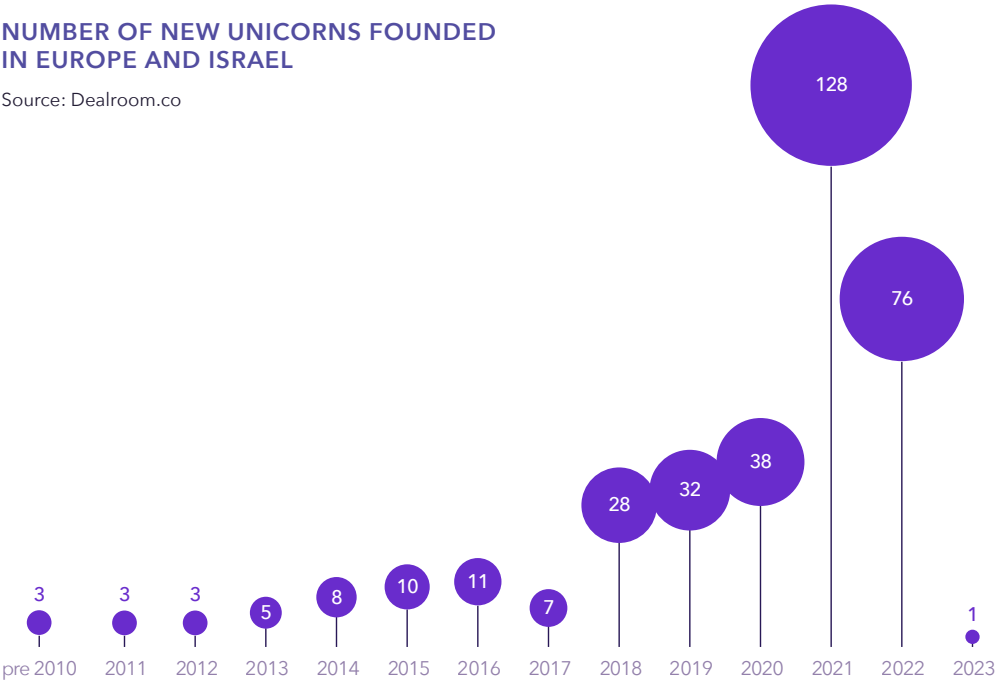
### CUMULATIVE NUMBER OF VENTURE-BACKED UNICORNS FOUNDED IN EUROPE AND ISRAEL

Source: Dealroom.co



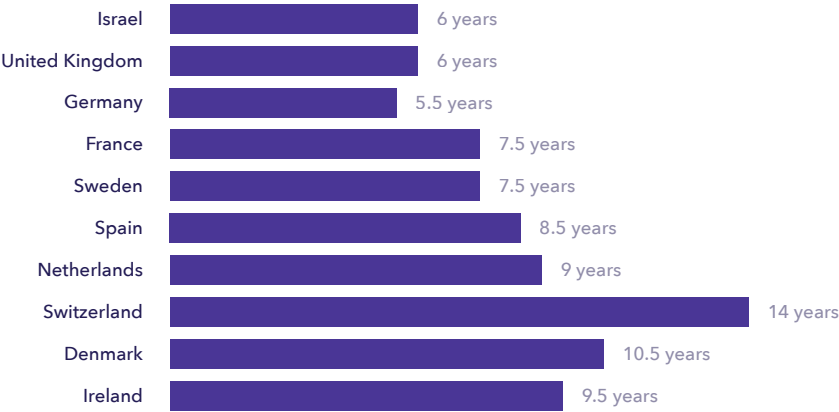
NUMBER OF NEW UNICORNS FOUNDED IN EUROPE AND ISRAEL

Source: Dealroom.co



MEDIAN TIME TO BECOME A UNICORN

Source: Dealroom.co

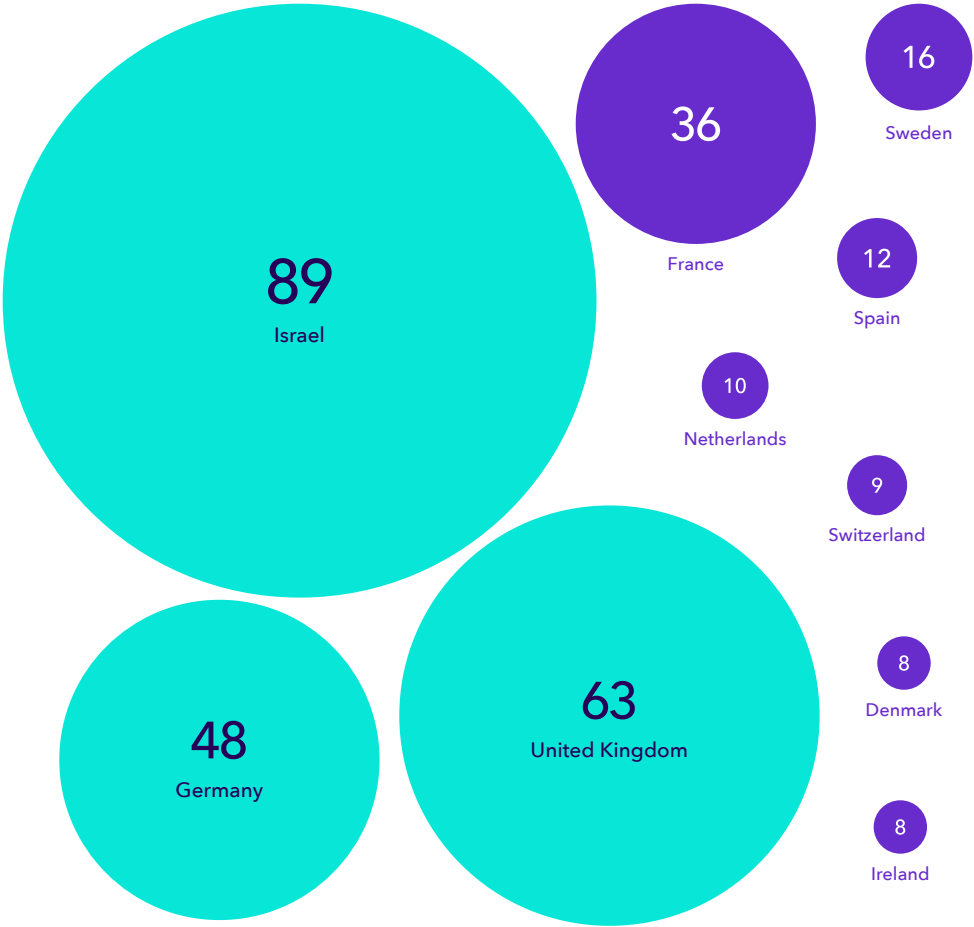


The UK and Israel have produced the most venture-backed unicorns outside the US and China.

TOP 10 COUNTRIES BY VENTURE-BACKED UNICORNS

(founded in Europe and Israel, excluding Biotech and Quasitech)

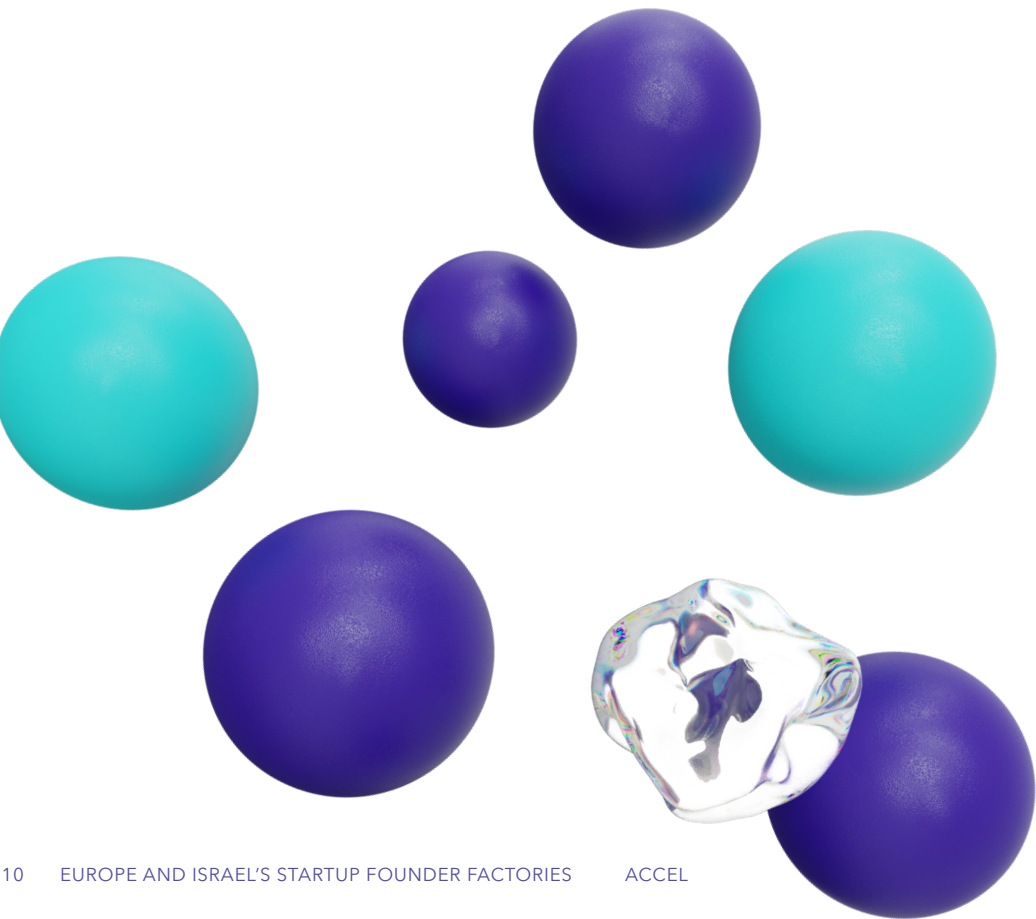
Source: Dealroom.co



# Founder factories in the spotlight

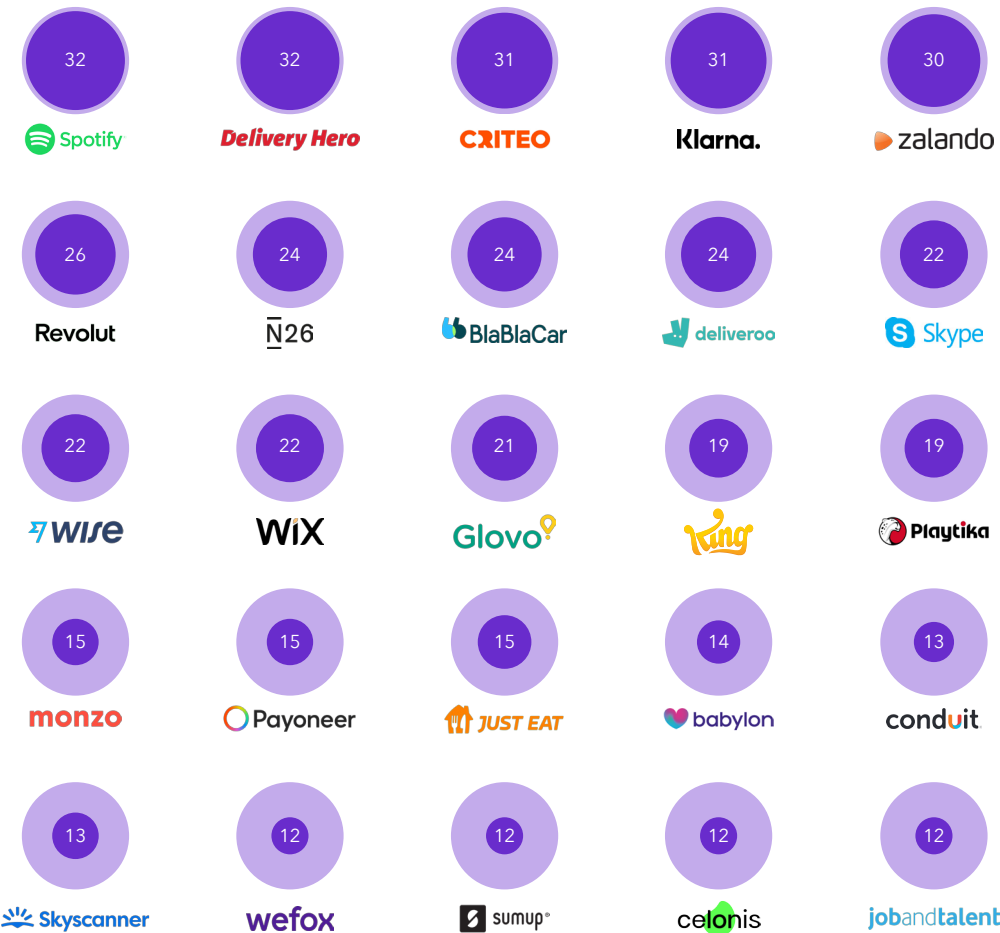
European and Israeli unicorns are fuelling the next generation of startups across the region. Talent and innovation emerging from unicorns across the region continues to gather pace as 221 of the region’s 353 VC-backed unicorns have fuelled 1,171 new tech-enabled startups.

Familiar founder factories including Criteo, Delivery Hero and Spotify continue to top the rankings. However, a new wave of founder factories is on the rise, with alumni from companies such as Glovo, King, Babylon and wefox all creating new startups.



## NUMBER OF 2ND GENERATION STARTUPS

Source: Dealroom.co





# Tech hubs across Europe and Israel

Tel Aviv, London, Berlin and Paris are home to the highest number of unicorn founder factories.

Source: Dealroom.co

## 1. TEL AVIV

33 unicorn founder factories  
127 startup spinouts  
79% founded in Tel Aviv

## 2. LONDON

27 unicorn founder factories  
185 startup spinouts  
67% founded in London

## 3. BERLIN

25 unicorn founder factories  
165 startup spinouts  
65% founded in Berlin

## 4. PARIS

23 unicorn founder factories  
138 startup spinouts  
75% founded in Paris

## 5. STOCKHOLM

11 unicorn founder factories  
115 startup spinouts  
57% founded in Stockholm

## 6. AMSTERDAM

8 unicorn founder factories  
31 startup spinouts  
52% founded in Amsterdam

## 7. MUNICH

6 unicorn founder factories  
28 startup spinouts  
50% founded in Munich

## 8. COPENHAGEN

6 unicorn founder factories  
24 startup spinouts  
46% founded in Copenhagen

## 9. TALLINN

4 unicorn founder factories  
40 startup spinouts  
35% founded in Tallinn

## 10. HELSINKI

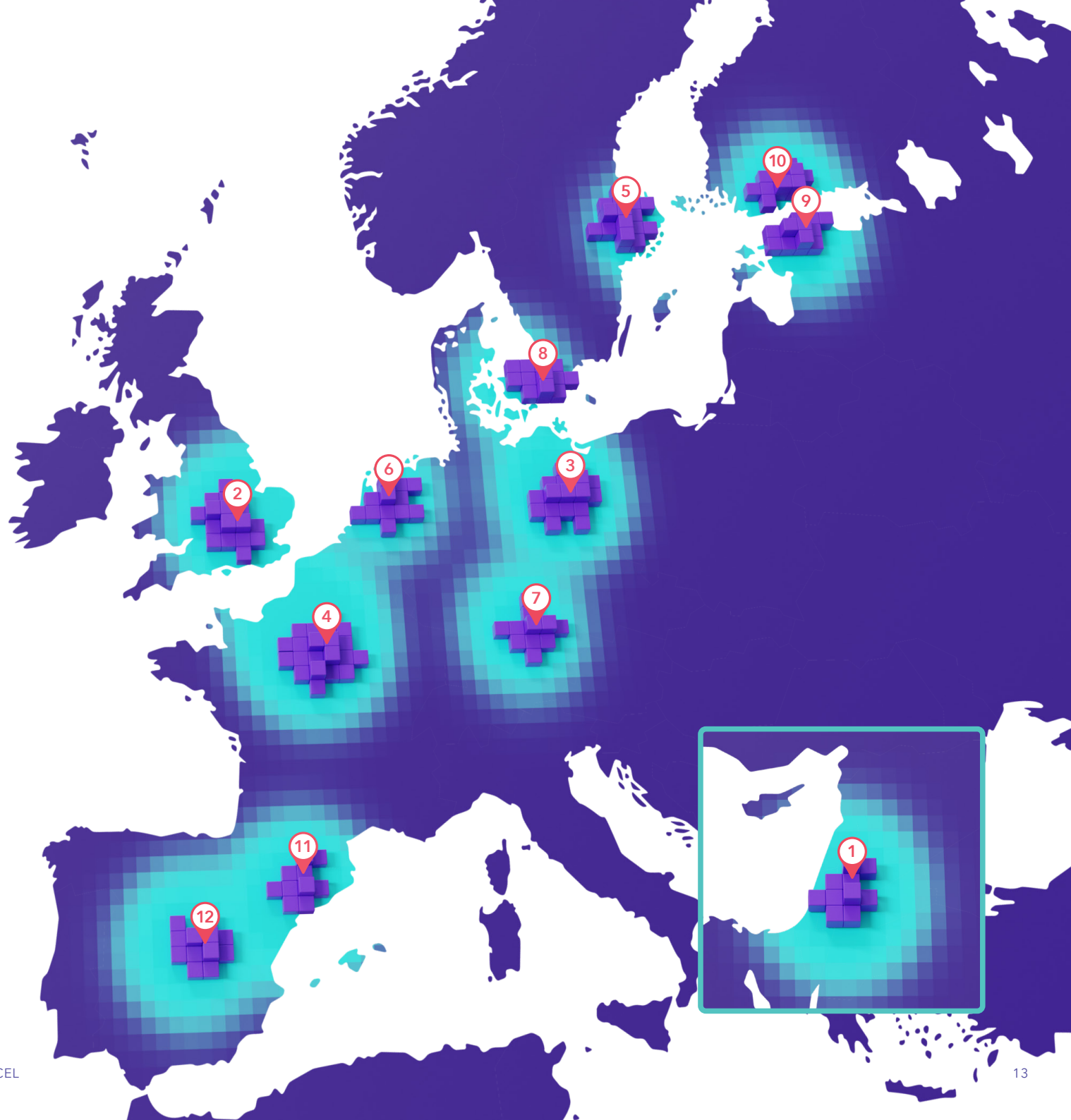
4 unicorn founder factories  
17 startup spinouts  
47% founded in Helsinki

## 11. BARCELONA

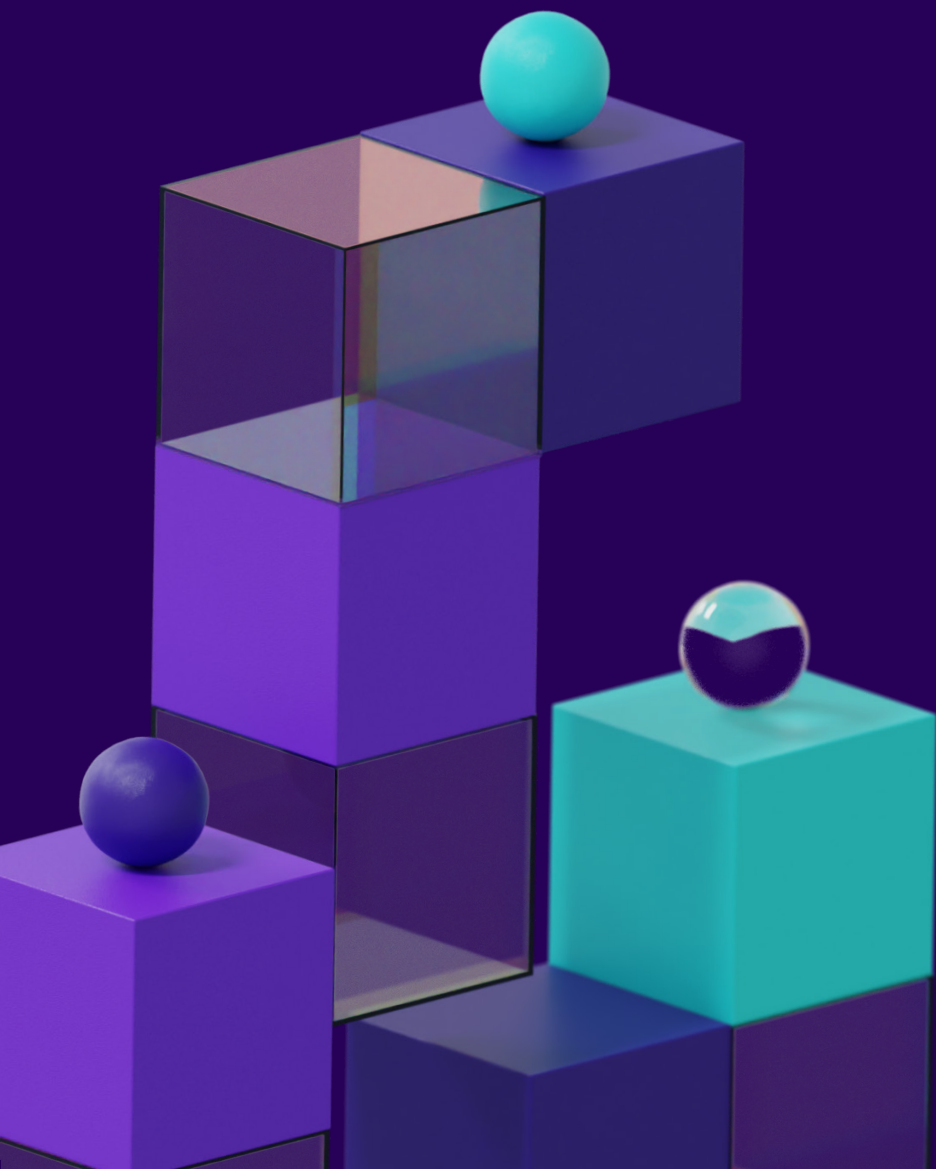
4 unicorn founder factories  
27 startup spinouts  
63% founded in Barcelona

## 12. MADRID

3 unicorn founder factories  
24 startup spinouts  
50% founded in Madrid

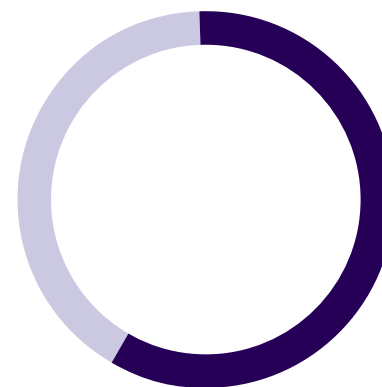


## 02 Funding for the new wave of startups

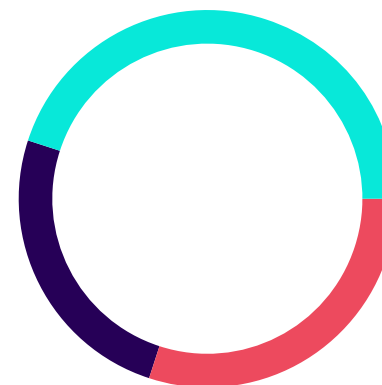


### Europe and Israel

Startups founded by former European and Israeli unicorn employees are already attracting significant private investment. The founders and operators building these new companies have gained valuable expertise and experience on their previous startup journeys, which strongly positions them to build the next global category-defining companies.



**59% SECURED  
VC FUNDING**



**45% HAVE  
RAISED BETWEEN  
\$1M AND \$10M**

**30% HAVE RAISED  
MORE THAN \$10M**

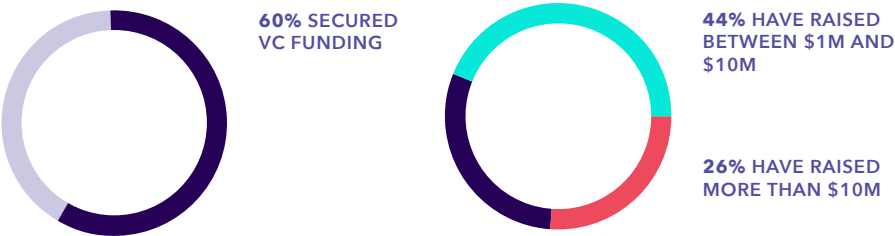
\*Of those that have secured vc funding



# Regional breakdowns

Private funding secured by the new wave of startups founded by former unicorn employees.

## Germany



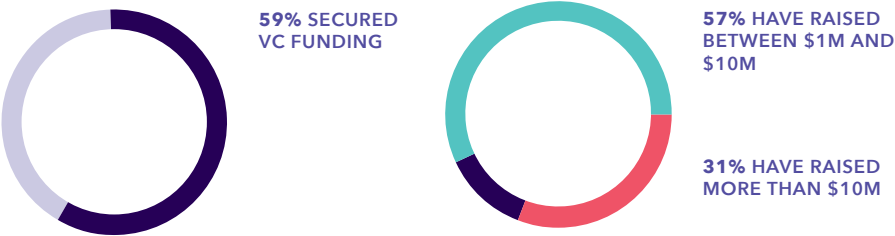
\*Of those that have secured vc funding

## Nordics



\*Of those that have secured vc funding

## France



\*Of those that have secured vc funding

## Israel



\*Of those that have secured vc funding

## United Kingdom

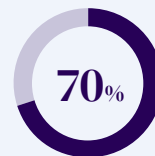


\*Of those that have secured vc funding

# 03 The journey from unicorn employee to tech startup founder

## Startup founders have a wealth of experience and are quick to create their new companies

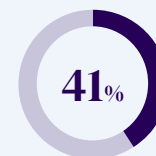
According to the data, the majority of European and Israeli unicorn alumni who go on to found their own startups have attained higher education and have built up a wealth of experience in the workplace by the time they become a founder themselves.



founders who have been through higher education



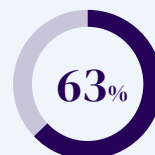
of these founders have a masters degree



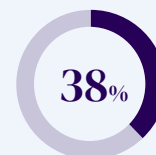
of founders who have been through higher education have a technical degree

**33yrs**

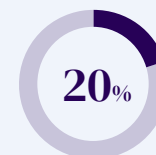
The average age of a second generation entrepreneur when they found a company



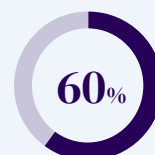
of founders had seven or more years work experience before founding their startup



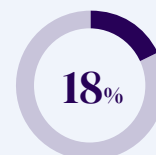
of founders worked for more than 10 years before founding their company



of founders joined the unicorn within two years of its launch and were part of its hyper growth journey



of unicorn alumni founded their startups within a year of leaving their unicorn



of founders have gone on to create more than one startup after leaving

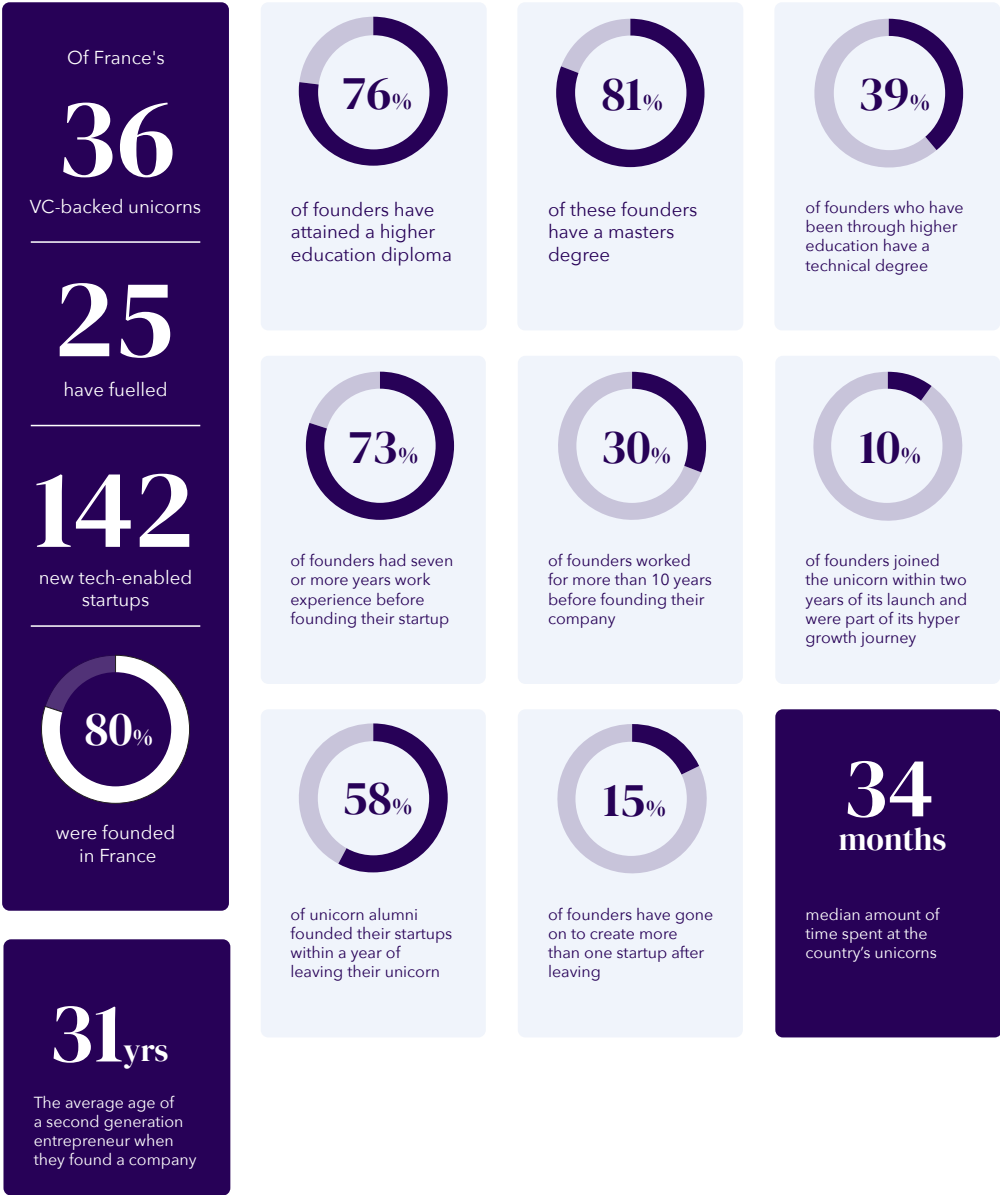
**28 months**

median amount of time spent at the country's unicorns

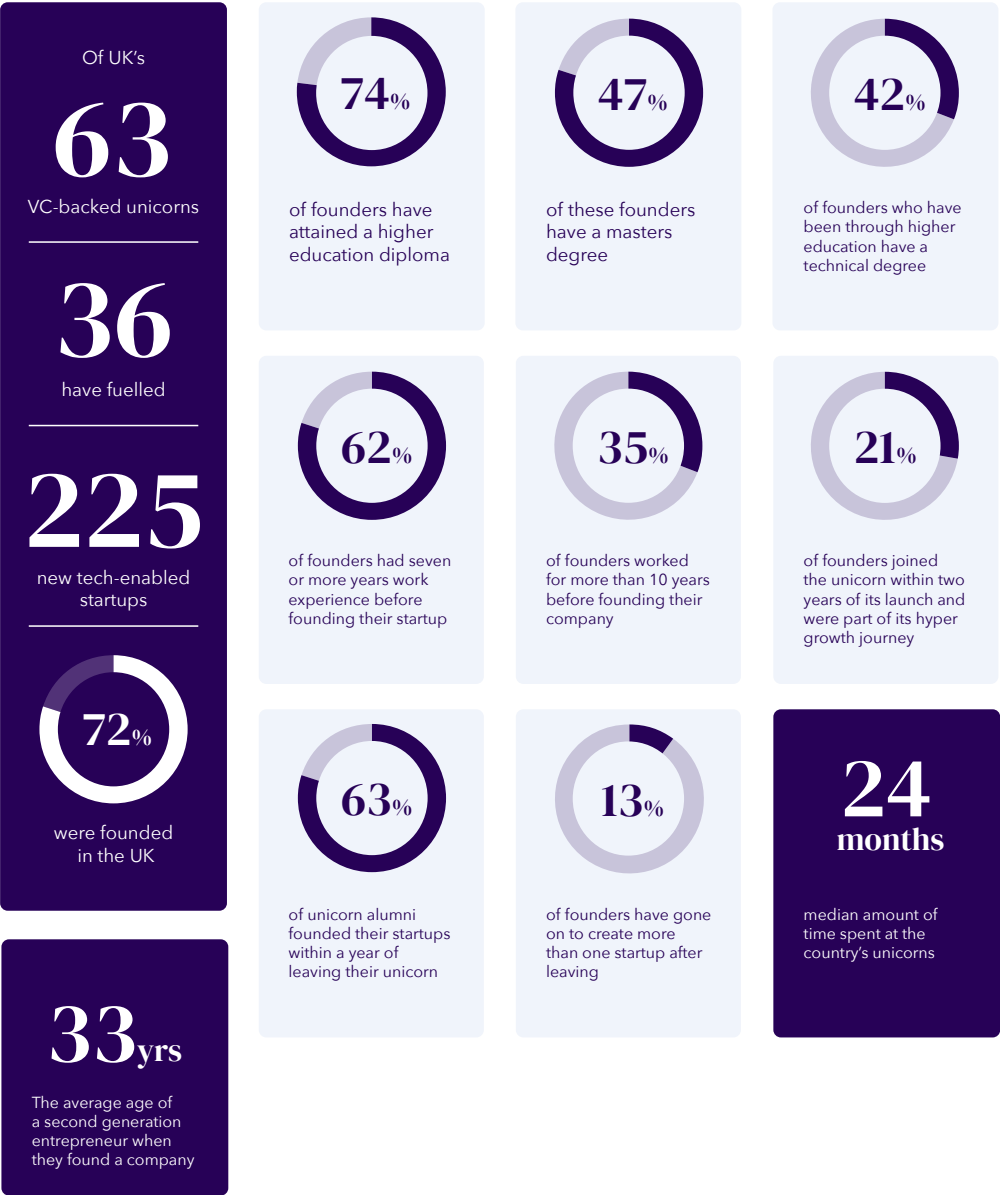
# Founders from German unicorn founder factories



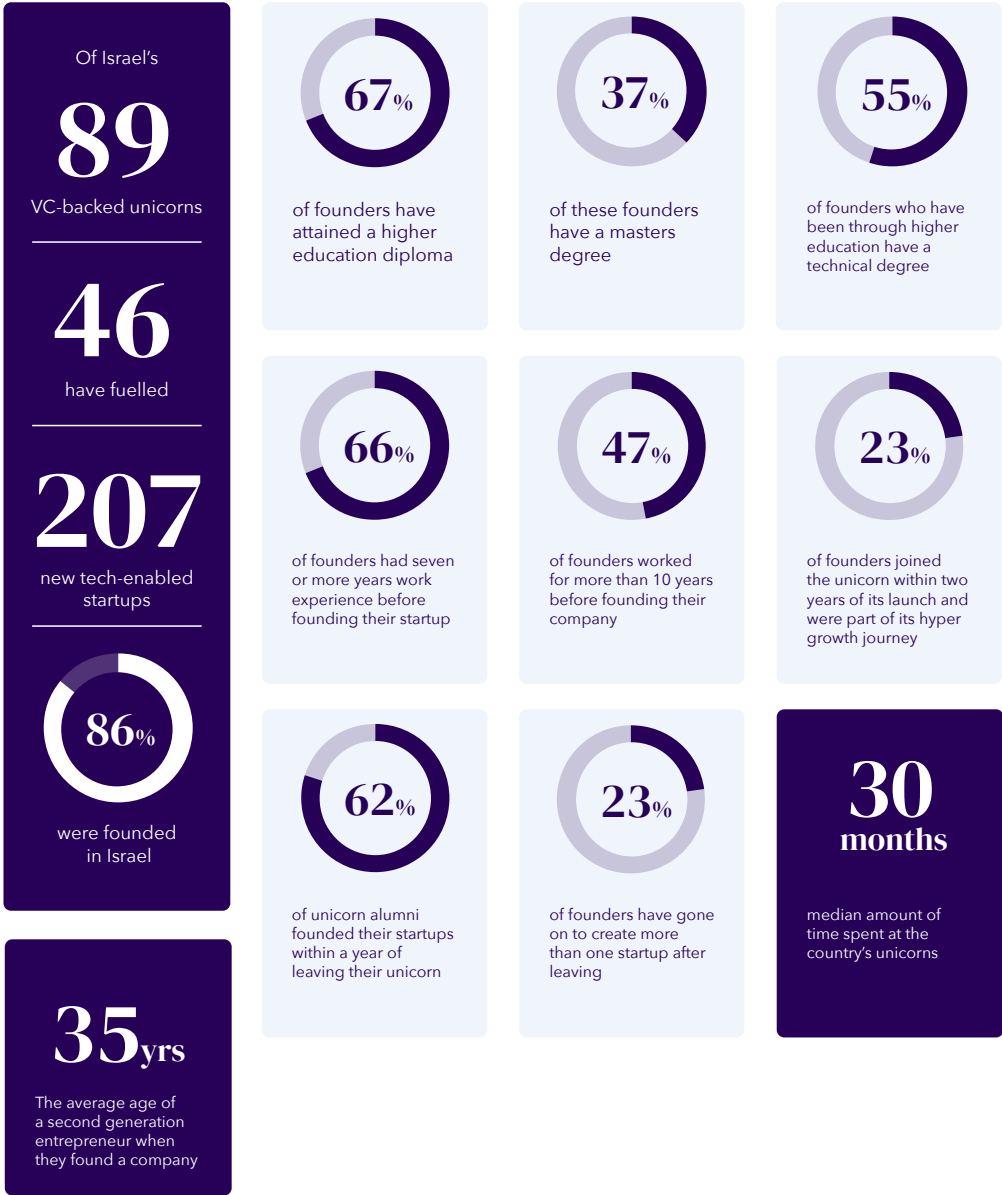
# Founders from French unicorn founder factories



# Founders from UK unicorn founder factories



# Founders from Israeli unicorn founder factories



# Founders from Nordic unicorn founder factories





# Methodology

This report is based on qualitative and quantitative research into the European and Israeli unicorn ecosystem carried out by Dealroom. All data has been gathered up until 28 February, 2023.

## Second generation startups

We consider a startup to be part of a unicorn’s “mafia” or snowball effect when a founder has held a full-time position at the parent company for more than five months.

The end date of the experience at the unicorn should not have been more than six years prior to the launch of the new tech-enabled company. The list excludes agencies, consultancies and biotech companies. It also excludes companies founded by people who were at the founders factories as consultants / interim / advisory roles.

## Locations

Locations of companies in this dataset are determined by where the company was founded. A company that was founded in Tel Aviv and later relocated its headquarters to London is counted as Tel Aviv.

## Venture-backed unicorns

Companies with \$1B+ current valuation or at exit that were founded in Europe or Israel and have received investment from a Venture Capital investor. This dataset excludes quasi-tech (BrewDog) and biotech (Oxford Nanopore Technologies) unicorns.

## About Dealroom

Dealroom.co is the foremost data provider on startups, growth companies and tech ecosystems in Europe and around the globe. Founded in Amsterdam in 2013, Dealroom.co now works with many of the world’s most prominent investors, entrepreneurs and government organisations to provide transparency, analysis and insights on startups and venture capital activity.

# Appendix

## FOUNDER FACTORY RANKING IN FULL

Source: Dealroom.co

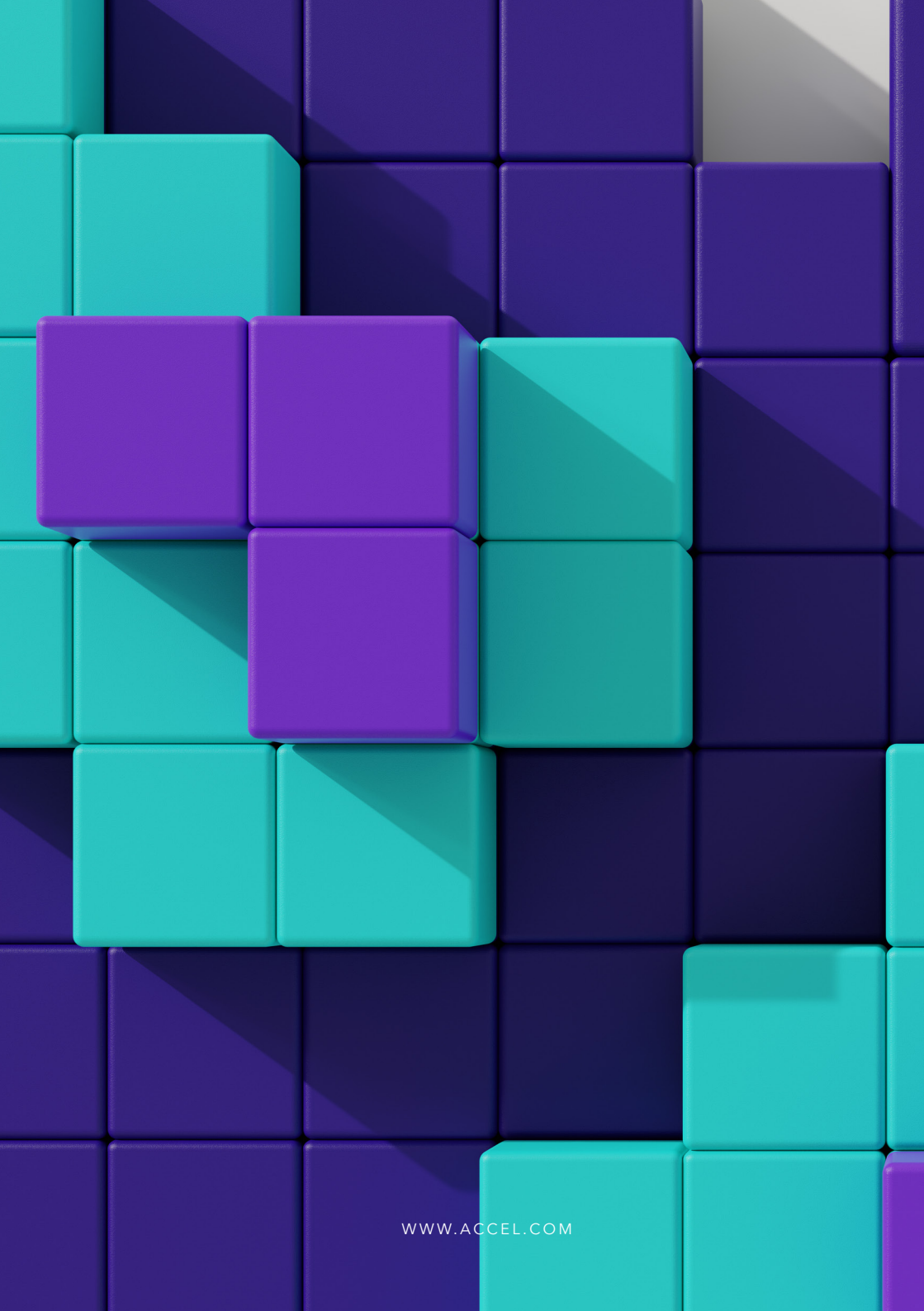
FOUNDER FACTORY	COUNT	FOUNDING LOCATION
SPOTIFY	32	STOCKHOLM
DELIVERY HERO	32	BERLIN
CRITEO	31	PARIS
KLARNA	31	STOCKHOLM
ZALANDO	30	BERLIN
REVOLUT	26	LONDON
N26 GROUP	24	BERLIN
BLABLACAR	24	PARIS
DELIVEROO	24	LONDON
SKYPE	22	TALLINN
WISE	22	LONDON
WIX	22	TEL AVIV
GLOVO	21	BARCELONA
KING.COM	19	STOCKHOLM
PLAYTIKA	19	HERZLIYA
MONZO BANK	15	LONDON
PAYONEER	15	PETAH TIKVA
JUST EAT	15	KOLDING
BABYLON	14	LONDON
CONDUIT	13	NESS ZIYONA
SKYSCANNER	13	EDINBURGH
WEFOX	12	BERLIN
SUMUP	12	LONDON
CELONIS	12	MUNICH
JOBANDTALENT	12	MADRID
DOCTOLIB	12	PARIS
ZETTLE	11	STOCKHOLM
IRONSOURCE	10	TEL AVIV
GOCARDLESS	10	LONDON
KALTURA	9	RAMAT GAN
WAZE	9	TEL AVIV
YOTPO	9	TEL AVIV
VESTIAIRE COLLEC-TIVE	9	PARIS
BOLT	9	TALLINN
ADYEN	9	AMSTERDAM
FLIX SE	8	MUNICH
UNITY TECHNOL-OGIES	8	COPENHAGEN
SIMILARWEB	8	TEL AVIV

ACRONIS	8	SCHAFFHAUSEN	GOUSTO	5	LONDON
VOODOO	8	PARIS	ODOO	5	CHAUMONT-GIS-TOUX
FUNDING CIRCLE	8	LONDON	PERSONIO	5	MUNICH
TABOOLA	8	RAMAT GAN	TRUSTPILOT	5	COPENHAGEN
CABIFY	7	MADRID	PANDADOC	5	BELARUS
SISENSE	7	GIVATAYIM	RELEX SOLUTIONS	4	HELSINKI
ETORO	7	TEL AVIV	TRADESHIFT	4	COPENHAGEN
WALKME	7	TEL AVIV	ELASTIC	4	AMSTERDAM
QONTO	7	PARIS	ANAPLAN	4	YORK
GETT (GETTAXI)	7	TEL AVIV	AVITO	4	MOSCOW
THE HUT GROUP	7	MANCHESTER	ALAN	4	PARIS
GORILLAS	7	BERLIN	VOI TECHNOLOGY	4	STOCKHOLM
IMPROBABLE	7	LONDON	TRIVAGO	4	DÜSSELDORF
SENNDER	6	BERLIN	ZOOPLA	4	LONDON
AIRCALL	6	PARIS	BLOCKCHAIN.COM	4	YORK
CHECKOUT.COM	6	LONDON	BITFURY GROUP	4	AMSTERDAM
BITPANDA	6	VIENNA	ORCAM	4	JERUSALEM
SUPERCELL	6	HELSINKI	DEEZER	4	PARIS
INTERCOM	6	DUBLIN	PPRO	4	LONDON
PIPEDRIVE	6	TALLINN	FORESCOUT	4	TEL AVIV
COLLIBRA	6	BRUSSELS	ALGOLIA	4	PARIS
UIPATH	6	BUCHAREST	CONTENTFUL	4	BERLIN
KRY	6	STOCKHOLM	TTTECH	4	VIENNA
WOLT	6	HELSINKI	TAXFIX	4	BERLIN
GETYOURGUIDE	6	BERLIN	OMIO	4	BERLIN
AUTO1 GROUP	5	BERLIN	CHOCO	4	BERLIN
SENTINELONE	5	TEL AVIV	BACKBASE	3	AMSTERDAM
FORTO	5	BERLIN	VINTED	3	VILNIUS
SPENDESK	5	PARIS	HIBOB	3	TEL AVIV
FEVER	5	MADRID	BACK MARKET	3	PARIS

ADJUST	3	BERLIN	ZEPZ (WORLDRE-MIT)	2	LONDON
VERIFF	3	TALLINN	TIER	2	BERLIN
BRINGG	3	TEL AVIV	NORTHVOLT	2	STOCKHOLM
SWILE (FORMERLY EX-LUNCHR)	3	MONTEPLIER	STARLING BANK	2	LONDON
TRUSTLY	3	STOCKHOLM	GRAPHCORE	2	BRISTOL
MAMBU	3	BERLIN	FEEDZAI	2	COIMBRA
TRUELAYER	3	LONDON	VIVA WALLET	2	ATHENS
ROHLIK	3	PRAGUE	DATAIKU	2	PARIS
CHAINALYSIS	3	COPENHAGEN	LENDABLE	2	LONDON
TINK	3	STOCKHOLM	OPENWEB	2	TEL AVIV
FUNDBOX	3	TEL AVIV	EINRIDE	2	STOCKHOLM
ZOPA	3	LONDON	KYRIBA	2	PARIS
THOUGHT MACHINE	3	LONDON	DARKTRACE	2	CAMBRIDGE
K HEALTH	3	TEL AVIV	LYDIA	2	PARIS
COGNITE	3	OSLO	HYBRIS	2	ZUG
GITLAB	3	KYIV	VERBIT.AI	2	TEL AVIV
LEDGER	3	PARIS	HOPIN	2	LONDON
INFOBIP	3	VODNJAN	LILIUM	2	WESSLING
FANDUEL	3	EDINBURGH	TRAVELPERK	2	BARCELONA
PRODUCTBOARD	3	PRAGUE	CLOUDBEES	2	NEUCHÂTEL
BUNQ	3	AMSTERDAM	SPORTRADAR AG	2	ST GALLEN
PICNIC	3	AMSTERDAM	APPSFLYER	2	TEL AVIV
ONEFOOTBALL	3	BERLIN	MOLLIE	2	AMSTERDAM
FLYWIRE	3	VALENCIA	MIRAKL	2	PARIS
FARFETCH	3	PORTO	SHIFT TECHNOLOGY	2	PARIS
PAYFIT	3	PARIS	ALLEGRO	2	ARNHEM
HELLOFRESH	3	BERLIN	LETGO	2	BARCELONA
PADDLE	3	LONDON	MIRO	2	PERM
MESSAGEBIRD	3	AMSTERDAM	OPTIBUS	2	TEL AVIV
OVO ENERGY	3	BRISTOL	PLEO	2	COPENHAGEN

ORCA SECURITY	2	TEL AVIV	TRIPLEDOT STUDIOS	1	LONDON
SALTPAY	2	LONDON	AIVEN	1	HELSINKI
EPIDEMIC SOUND	2	STOCKHOLM	GROVER	1	BERLIN
MEERO	2	PARIS	AQUA SECURITY	1	RAMAT GAN
SITCORE	2	COPENHAGEN	HABANA	1	CAESAREA
SALT SECURITY	2	TEL AVIV	WORKHUMAN	1	DUBLIN
FACTORIAL	2	BARCELONA	OUTSYSTEMS	1	LISBON
PLACER	2	TEL AVIV	GOSTUDENT	1	VIENNA
BLUE PRISM	2	WARRINGTON	JELLYSMACK	1	PARIS
CURRENCYCLOUD	2	LONDON	IVALUA	1	MASSY
LUNAR	2	AARHUS	COMMERCETOOLS	1	MUNICH
SELLERX	2	BERLIN	TALKDESK	1	LISBON
ZEGO	1	LONDON	FLINK	1	BERLIN
FLIPDISH	1	DUBLIN	CATO NETWORKS	1	TEL AVIV
YOUNITED	1	PARIS	REMARKABLE	1	OSLO
GELATO	1	OSLO	ARMIS	1	TEL AVIV
INNOVID	1	RAMAT GAN	ZWIFT	1	LONDON
ÖURA	1	OULU	AGILE ROBOTS	1	MUNICH
TRADE REPUBLIC	1	BERLIN	LUSHA	1	TEL AVIV
INFARM	1	BERLIN	EARNIX	1	GIVATAYIM
SOLARIS	1	BERLIN	DRIVENETS	1	RA'ANANA
RIMAC AUTOMOBILI	1	SVETA NEDELJA	CYBEREASON	1	TEL AVIV
CLAROTY	1	TEL AVIV	HUUUGE GAMES	1	WARSAW
RISKIFIED	1	TEL AVIV	JOKR	1	BERLIN
SOLAREGE TECHNOLOGIES	1	HERZLIYA	MELIO	1	TEL AVIV
FORTER	1	TEL AVIV	MELLANOX TECHNOLOGIES	1	YOKNE'AM ILLIT
TRANSFERMATE GLOBAL PAYMENTS	1	DUBLIN	NEO4J	1	MALMO
RAPYD	1	TEL AVIV	NORD SECURITY	1	VILNIUS
TRACTABLE	1	LONDON	OTONOMO	1	TEL AVIV
			SCALABLE CAPITAL	1	MUNICH

SNYK	1	TEL AVIV
SORARE	1	PARIS
STAFFBASE	1	CHEMNITZ
VOLOCOPTER	1	BRUCHSAL



[WWW.ACCEL.COM](http://WWW.ACCEL.COM)