

Europe finally has the talent to build its first tech giant

Why has Europe never produced a truly global tech giant? This is one of the oldest questions in European tech. This question lurks behind every headline about record breaking investment levels in European VC and London competing with Silicon Valley. The European tech ecosystem is growing and maturing, but where is our Google, or Microsoft, or Facebook?

Temps de lecture : minute

20 June 2024

The most common answers are a lack of capital, too much bureaucracy and not enough government support. Of course there is some truth to all of these arguments. However, the real picture only comes to light when you start looking at the people behind tech giants and unicorns.

And when you frame the question in terms of founders, an obvious answer emerges - because Europe doesn't have and does not back enough technical founders.

What do we mean by technical founders? Founders either with computer science or IT degrees, or careers that have included roles as software developers or engineers, e.g. as CTO of a company.

And why are technical founders so important? Because - almost exclusively - they are the people who build tech giants.

In the US, when you look at the ten most successful tech companies by market capitalisation, 96% of their founders have technical backgrounds. In Europe, that figure drops to 76%. Which does not seem to material,

however the majority of US top 10 tech companies are less than 30 years old, the majority of the European ones are older than 40 years, suggesting that the past decades have not seen the big successes in European tech.

There is a very clear difference when you look at tech unicorns built since 2000. 70% of American founders of unicorns have technical backgrounds, compared to just 30% of European founders.

In Europe, we've always had great financial, consultancy and creative talent who have built a large number of successful companies in the past decades. What we've lacked is technical talent that was working on solving the really tough technological issues, until now.

When you look at European tech startups that have achieved unicorn status since 2023, for the first time there are more technical founders than those with non-technical backgrounds.

This tracks against the trends we see in the thousands of founders that apply to Antler residencies in Europe.

Between 2021 and 2023, the number of aspiring technical founders increased by 300%. The number of people deciding to become tech founders who were previously data engineers or data scientists increased by 1,600% and full stack engineering leads increased by 1,300%.

This is a change that has taken place during the downturn. And the key driver to that change seems to be layoffs.

Between 2021 and 2023, the number of applications Antler received from former employees of tech companies that made layoffs increased by 3.5x. When you specifically look at the number of technical founders coming from these companies, that figure rises to an increase of 800%.

The layoffs at companies like Zalando, Gorillas and Klarna have turned world-class technical talent into technical founders.

This could well be the missing piece of the puzzle for European tech. You can already see the impact these technical founders are having. Look at the meteoric rise of Mistral - the AI startup built by three technical founders. They have achieved a valuation of \$6B in just 18 months.

This could be the start of a new era for European tech. With this calibre of technical founder talent entering the market, there has never been a better chance for Europe to produce a tech giant.

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