

Welcome to
the **New French**
Revolution



“ When I said 4 years ago
that France would be the tech leader
in Europe, nobody believed that
— and it’s happening.”

John Chambers,
former Chairman & CEO,
Cisco

“ France is a country
that is at the forefront
of defining what
this new era of technology
will mean to our society...
globally”

Satya Nadella,
CEO, Microsoft

Welcome to the **New French Revolution**

Since **Emmanuel Macron's election** in 2017, France has pivoted to a pro-business agenda: labor laws have been reformed, tax cuts introduced and new regulations voted - including introducing the best startup talent visa in the world. The economy is now back on a **trajectory of growth and innovation**. France doubled its count of unicorn startups in the first half of 2019 alone, and the gold rush for AI **talents** has seen global technology leaders opening up AI research centers in France.

Combined with **its strong history of innovation** and values, France has built a solid reputation for producing category-defining startups.

A rising generation of unicorns

4 new unicorns in 2019 (so far)

meero

► B2B photography

Series B | \$230M

June 2019

Eurazeo, Prime
Venture, Idinvest,
Alven...

eFront

► Investment Software
acquired by BlackRock

March 2019

ivalua

► Spend management

Growth | \$60M

May 2019

Ardian Growth,
Tiger Global

Doctolib

► eHealth platform

Series E | \$170M

2019

General Atlantic, Accel,
Eurazeo, Bpifrance...

Thriving French Unicorns

BlaBlaCar

OVH

deezer

Veepee

French startups are now able to raise mega rounds to support their global ambitions:

Insect

Series C | \$120M

Astanor Ventures,
Bpifrance, Idinvest,
Talis Capital...

**mano
mano**

Series D | \$120M

General Atlantic,
Eurazeo, Aglaé Ventures,
Partech, Bpifrance...

wynd

Series C | \$79M

Sodexo Ventures,
Natixis, Sofina...

PayFit

Series C | \$77M

Eurazeo Growth,
Idinvest Partners,
Bpifrance, Accel
Partners, Frst Capital...

MIRAKL

Series C | \$70M

Bain Capital Ventures,
83North, Felix Capital,
Elaia Partners...

Shift Technology

Series C | \$58M

Bessemer Venture
Partners, Accel, General
Catalyst, Iris Capital,
Elaia Partners...

Overview of France VC & Growth activity
within the last 6 months

A strong appetite for Venture Capital

—

2nd
place for fundraising
among European countries
(Venture Beat)

2nd
in Europe for fast-growing
companies in the technology
sector
(Financial Times)

1st
in Europe for the number
of large companies
that created a lab,
incubator or accelerator
48% in France,
40% in Germany,
25% in UK
(Venture Beat)

\$2.7B
raised during the first
semester of 2019
(CB Insights)

1st country

in Europe with 97 companies
among 500 tech leaders
(92 for UK and 50 for the
Netherlands)
(Deloitte Technology Fast EMEA Study)

x 4,3
number of deals > \$22M
between 2013 and 2018
(Bpifrance)

French Tech annual financing trends

2014-2019 (6/30/19)



Source : CB Insights

Tech giants are investing big in France. Not just for technology, but for the teams that build them. Some examples:

Mobile

- ▶ **Snapchat**
Zenly: \$300M
- ▶ **IAC**
Meetic: \$500M
- ▶ **Trainline**
CaptainTrain: \$189M
- ▶ **Microsoft**
Sunrise: \$100M

Deeptech

- ▶ **Nokia**
Withings: \$190M
- ▶ **Softbank**
Aldebaran: \$100M

Marketplaces

- ▶ **GetAround**
Drivy: \$300M
- ▶ **TripAdvisor**
TheFork: \$150M

SaaS

- ▶ **Adobe**
Neolane & Fotolia: \$1B
- ▶ **SAP**
BusinessObjects: \$6B
- ▶ **Ultimate Software**
PeopleDoc: \$300M
- ▶ **BNP Paribas**
Compte Nickel: \$200M

The playbook from investment to IPO is clear thanks to Criteo (NYSE: \$1.69B IPO) & Talend (Nasdaq: \$537M IPO).

An unlimited pool of tech talent

Startups grow faster when they have access to a sustainable source of talent. France has **1 million engineers** and trains 50.000 more every year – that's what you get when you invest in STEM education. Additionally, half of our 70.000 PhD students are international.



2nd largest mathematics institution in the world



Leading engineering school

INSEAD

1st MBA program in Europe

HEC
PARIS

1st Master in Management in Europe



1st tuition-free computer programming school

Europe's AI Capital

France leads in field medals (per capital & total), so it's no surprise to find French innovators Luc Julia & Yann LeCun leading **Samsung & Facebook's** respective AI departments. Alongside **Google, Microsoft, Fujitsu & IBM**, they employ 1.000+ AI researchers in France.

US startups put down roots

Unicorns like **Datadog, Symphony & Bird** are investing big in France already, hiring technical & operations talent that will allow them to stay competitive in Europe and grow worldwide.

7 innovations in how the government supports startups

- ▶ **The world's most open talent visa:** 4 years, no diploma, no fees & no quotas: the FrenchTech Visa enables hypergrowth startups to recruit global talent at hypergrowth speeds.
- ▶ **Labor reforms that mean business:** standardized severance caps, flexible company level bargaining and simplified contract termination.
- ▶ **€1.6 Billion public investment fund:** including €300M earmarked for deep tech, we're funding the next generation of startups.
- ▶ **30% deduction of R&D expenses:** the most favorable tax incentive among OECD members; setting up an engineering hub is a no-brainer.
- ▶ **3 major tax reforms for startups:** 30% capital gains tax, elimination of wealth & exit taxes, and a 25% corporate tax rate by 2022.
- ▶ **We're bullish on crypto:** we've created a comprehensive legal, tax and regulatory framework for ICOs.
- ▶ **Rolling out the red carpet:** our newly launched French Tech 120 program unlocks access to dedicated "startup correspondents" across key ministries & agencies to fast-track services, procurement & invitations to join the President on foreign visits.

“Our company saved €1.5M in 2018 thanks to France’s research tax credits.”

Luca Verre,
Co-founder and CEO of Prophesee,
a metavision for machines

“France is one of the more progressive nations when it comes to tackling cryptocurrency regulatory issues and is seemingly **never** afraid of getting stuck in.”

The Next Web

So...

What are you waiting for?

In this new France, fortunately many of the best things stay the same. Your next board meeting could be during Paris Fashion Week, at one of the 118 Michelin-star restaurants in Paris, or coupled with a family vacation in Aix-en-Provence.

Some would have you believe that you must choose between building a great business and living a great life. **You believe in Unicorns - now believe in the new French Revolution.**

