Welcome note by the members of SECA’s Chapter Venture Capital

The Swiss venture capital market experienced a stable year 2020 with CHF 2.1 billion invested in 304 start-up funding rounds. The largest sectors remain biotech and ICT (incl. fintech), where Switzerland provides world-leading research facilities and human capital. Venture capital in Switzerland is being further established as an asset class, with an increasing number of professional investors.

Stable funding environment

Investments in Swiss start-ups have proven to be surprisingly robust against the COVID-19 crisis. The total amount of investment in 2020 decreased only slightly by 7% compared to 2019, mainly due to the absence of very large funding rounds of more than CHF 100 million. The resilient development can be attributed to a higher number of funding rounds (304 rounds, +14% compared to 2019). The most dominant sectors remain biotech and ICT including fintech. Start-ups in early-stage phases stand out, accounting for more than 50% of all funding rounds and increasing by about a third in terms of capital invested. Mainly during the first half of 2020, there was a lack of foreign investment that was to a large extent compensated by domestic investors.

2020 was also a strong year in terms of exits, with two IPOs (HeiQ and ADC Therapeutics) and more than 30 trade sales of Swiss start-ups.

The above data stems from the Swiss Venture Capital Report 2021, the leading annual market summary jointly published by startupticker.ch and SECA.

Switzerland as a strong basis for innovation

Switzerland is home to world-leading research institutions such as CERN, ETH Zurich, EPF Lausanne, or Paul Scherrer Institute. An impressive number of spin-offs emerge from these institutions; for example, the ETH Zurich produced more than 400 spin-offs to date. These leading technology start-ups have increasingly become targets of foreign investors or buyers – including well-known names such as Apple, Google, Samsung or Sony.

An increasing number of corporates, seeking innovation, have opened up to the start-up world. They actively look at buying innovation or entering cooperations with start-ups. Together with start-ups, the corporates gain faster time-to-market, a more innovative corporate culture or outside-of-the-box thinking. This development fosters the exit market for start-ups in Switzerland and puts the Swiss start-up eco-system into the global spotlight.

In addition, Switzerland is home to a versatile and well-educated workforce. Many start-up founders are experienced professionals who leave their corporate employment behind to venture out as entrepreneurs.

Institutionalization of venture capital in Switzerland

In the last five years, more than ten professional VC funds were newly established. Often, these are “new funds by old hands” – meaning that the funds are managed by experienced entrepreneurs and investors. Such examples include Spicehaus Partners, Uebermorgen Ventures and Wingman Ventures. They are complemented by an increasing number of
private investors, ranging from business angels to family offices and corporates. The new funds can act as lead investors and systematically support promising Swiss start-ups. Among the more established Swiss VC funds, for example Redalpine has become a leading brand name in the European venture capital market.

The SECA VC Chapter members are proud to be part of the incredibly dynamic ecosystem and to contribute to the success of Swiss start-ups.

Representatives of the Venture Capital Chapter of SECA

Michael Sidler, (Redalpine; Chairman), Teddy Amberg (Spicehaus Partners), Diego Braguglia (VI Partners), Kiran Dallenbach (BioMedPartners), Thomas Dübendorfer (SICTIC), Martin Eisenring (Crypto Valley Association), Ulrich Geillinger (HBM Partners), Andreas Göldi (btov Partners), Thomas Heimann (HBM), Karim Maizar (Kellerhals Carrard), Pascal Mathis (Wingman Ventures), Peter Letter (paprico), Susanne Schorsch (investiere / Verve Capital Partners AG), Beat Speck (Wenger & Vieli), Lorenzo Leoni (TiVenture), Jean-Philippe Tripet (Aravis) and Christian Winkler (ASC Impact).

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