Mind the Bridge

StartupCity
Hubs in Europe

2018 Report

STARTUP EUROPE

European Commission

StartupCity Europe Partnership

European Parliament

STARTUP EUROPE

European Commission

StartupCity Europe Partnership

SCEP (StartupCity Europe Partnership) is a European Commission's Startup Europe initiative organized as part of Startup Europe Partnership (SEP).

This new platform, led by Mind the Bridge, aims at creating a pan-European network of cities with the goal of fostering the development of interconnected startup strategies at local level.

The mission of SCEP is to connect medium-size European entrepreneurial cities and support them in becoming StartupCities. Europe ecosystems are characterized by a strong concentration of scaleups around one city (or, less frequently, two cities) per country, typically the capital.

SCEP aims at building alternative hubs by leveraging the skills and economic potential that are scattered across Europe.

How European Cities can **unleash** their Innovation Potential?

> The material gap between cities and deindustrialised heartlands has grown over decades to become the most troublesome faultline in Western democracies.

That's what **Janan Ganesh** wrote last October on the Financial Times commenting the separatist tensions across the European continent. It is not a surprise in today's global economy where the key assets are knowledge and capital. Moreover, knowledge and capital "*convene on cities rather than to land and industry*".
Our research shows that **67% of the European scaleups are located around one or maximum two cities per country**. That means that the innovation economy in Europe is heavily concentrated in about 50 main hubs, while all the other cities and municipalities - that have been the backbone of the European economy traditionally - face the risk to be increasingly marginalized.
This growing gap could potentially trigger disaggregation and separatisms.
That's why we believe that initiatives such as **StartupCity Europe Partnership** that we are launching today are honestly addressing one of the top political priorities for the future of Europe because we do not believe in two Europes: the Europe of the main tech city hubs on the one hand, and Europe on the other.
We believe in a single Europe, where knowledge and capital can be leveraged through networks, and where all the countries and cities should be actively involved and contribute.
The following report is our first effort to **measure the impact of the "innovation economy" at a granular scale**, in particular, focusing on the role that cities have in the concentration of innovation hubs. Most importantly, our focus lies in the analysis of the potential of development for future hubs of innovation in Europe. How to unleash such potential becomes critical for the future economic development of cities, regions, and countries.
While we are aware that many of the measures used in the report are mostly proxies (see the Methodology for details), we are convinced that this is a first important step in a more global analysis of the real potential of Innovation hubs across Europe, looking beyond the status quo.
In addition to analyzing the current "tech innovation hubs" of Europe, we go deeper in finding leverages that the current **"tier-two" startup cities** can use to **step up their game and unleash their real potential**.

ALBERTO ONETTI
Chairman, Mind the Bridge

Editor Note

For the current analysis Mind the Bridge (MTB) shortlisted 476 Cities in Europe that have at least one *scaleup* company (for the remaining of the document, scaleups are tech companies that raised over $1M).
The underlying research assumption is to initially focus on cities that have produced some mature results in terms of startups (i.e. companies with stable operations).

We analysed separately the 48 Top StartupCity Hubs (i.e capitals and cities with the highest concentration of scaleups in their respective country) from the Tier-two StartupCity Hubs. For the latter (currently restricting the analysis on the main 150 cities) we dedicated some extra research to assess their potential to turn into larger scaleup hubs.

(City) Size Matters, Startups Say

In Europe we have currently 476 cities with at least a scaleup company.

It doesn't mean that the other thousands of municipalities are not startup cities. However, currently, their local ecosystems have not yet produced some mature results (i.e. innovative companies with minimally stable operations).

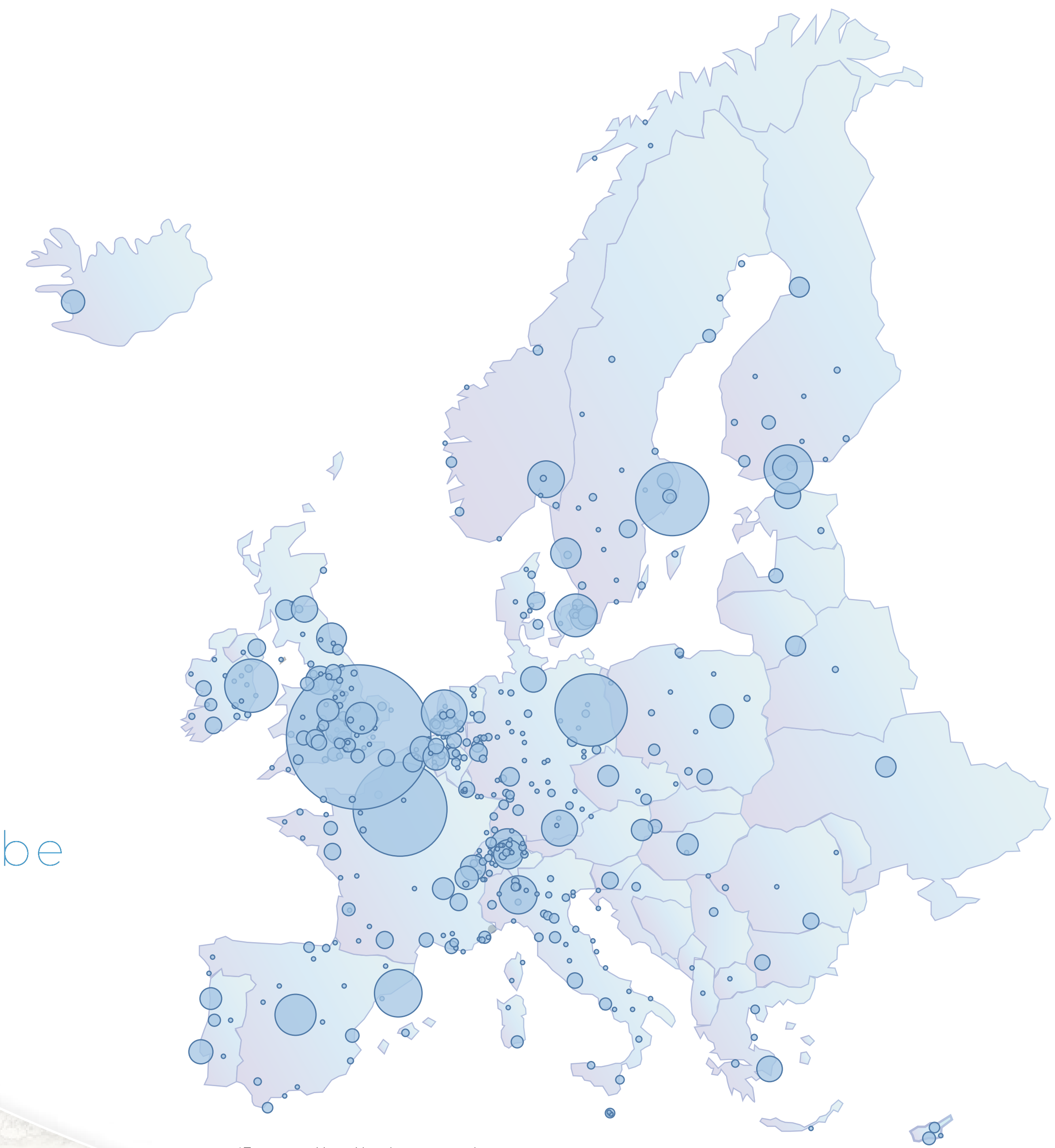
Our data confirm that startups tend to benefit from aggregation and concentration around large hotspots.

The first evidence is that, **out of 5,596 scaleups in Europe, 3,759 (67% of total) are located in only 48 cities**.

These are the hubs that will be likely driving the European economy in the next years. The remaining 1,837 scaleups are scattered across 428 cities.

Just 48 European cities will be likely driving the innovation economy in the next years.

Figure 1
VISUAL HEATMAP OF EUROPE'S StartupCity HUBS



*European cities with at least one scaleup company.

One Startup Hub per Country, That's the Rule

The second evidence is that **European innovation ecosystems are characterized by a strong concentration of scaleups around one city per country**, typically the capital.

Out of the 42 European countries that have produced scaleups, 34 (81% of the total) have more than 50% of the scaleups concentrated in one city.

For 13 countries (31%) all scaleups are located in the same city (100% concentration around the capital).

27 countries (64% of the total) show a concentration higher than 70% in the major hotspot.

***Top StartupCity Hubs**
include Cities with the highest concentration of scaleups in their respective country plus - when different - Capitals with at least one scaleup company

Figure 2
TOP StartupCity HUBS IN EUROPE*

StartupCity Hub	#Scaleups	Country Concentration Rate: Number of Scaleups	Country Concentration Rate: Capital Raised
LONDON	1,153	69%	73%
PARIS	487	72%	80%
STOCKHOLM	309	61%	80%
BERLIN	288	54%	66%
DUBLIN	157	74%	81%
HELSINKI	132	60%	60%
BARCELONA	125	49%	62%
AMSTERDAM	115	55%	73%
COPENHAGEN	101	70%	85%
MADRID	93	36%	33%
MILAN	80	45%	55%
OSLO	74	74%	78%
ZURICH	67	29%	13%
ZUG	47	20%	36%
WIEN	41	72%	82%
BRUSSELS	38	30%	28%
TALLINN	38	95%	95%
ATHENS	36	78%	92%
GENT	34	26%	36%
LISBON	32	47%	66%
WARSAW	31	46%	49%
REYKJAVIK	30	94%	66%
PORTO	26	38%	29%
BUDAPEST	25	93%	97%
PRAGUE	24	75%	85%
KIEV	23	100%	100%
VILNIUS	22	100%	100%
LJUBLJANA	15	100%	100%
BUCHAREST	14	78%	74%
LUXEMBOURG CITY	14	78%	96%
KRAKOW	13	19%	30%
ROME	13	7%	13%
SOFIA	13	100%	100%
RIGA	11	100%	100%
BRATISLAVA	10	100%	100%
LIMASSOL	9	53%	70%
NICOSIA	6	35%	17%
LA VALLETTA	5	56%	75%
BELGRADE	4	100%	100%
ZAGREB	4	80%	98%
BERN	3	1%	1%
VADUZ	3	75%	94%
MINSK	2	100%	100%
ANDORRA	1	100%	100%
MONACO	1	100%	100%
PODGORICA	1	100%	100%
SKOPJE	1	100%	100%
TIRANA	1	100%	100%

Spain, Portugal, Poland and Belgium are the Outliers

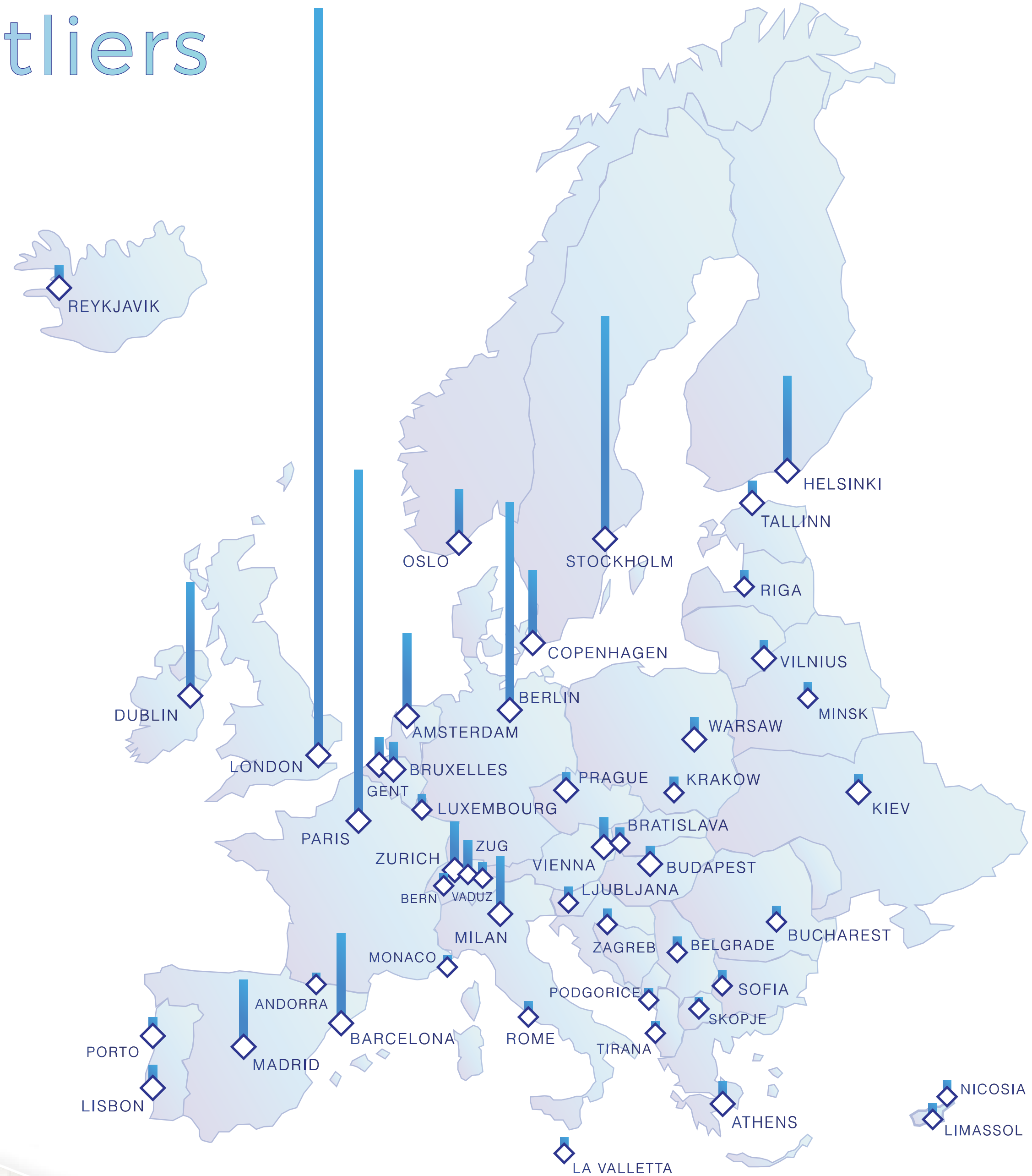
Exception Proves the Rule

Only 6 countries (14%), have two hotspots of almost comparable size: Spain (**Barcelona** and **Madrid**), Portugal (**Lisbon** and **Porto**), Poland (**Warsaw** and **Krakow**), Belgium (**Brussels** and **Gent**), Switzerland (**Zurich** and **Zug**), and Cyprus (**Limassol** and **Nicosia**).

For some (especially the last two), the geographical proximity might suggest that they are part of the same ecosystem.

Only 6 countries have two startup hotspots of comparable size.

Figure 3
TOP StartupCity HUBS IN EUROPE



Italy, Spain and Switzerland
Where the Capital Is Not the Main Hub

In only 4 countries (10%) the main hotspot is not the capital city: **Italy** (Milan), **Spain** (Barcelona), **Switzerland** (Zurich and Zug), and **Cyprus** (Limassol).
While Madrid and Nicosia show significant concentration rates (above 30%), Rome and Bern definitively play a less relevant role within their domestic startup ecosystem.

Figure 4
WHERE THE MAIN HOTSPOT
IS NOT THE CAPITAL CITY

MILAN
Italy

BARCELONA
Spain

ZURICH
Switzerland

LIMASSOL
Cyprus

Follow the Money

If we consider **capital raised**, rather than number of scaleups, the **concentration phenomena** around a single city (or maximum two) appears even **stronger**: in 37 countries (88%) a single city accounts for over 50% of the capital raised by scaleups and in 31 (74% of the total) for over 70%.

In 37 countries
a single city accounts for
over than 50% of the capital
raised by scaleups.

Innovation in Europe
Do Large City Hubs Take All?

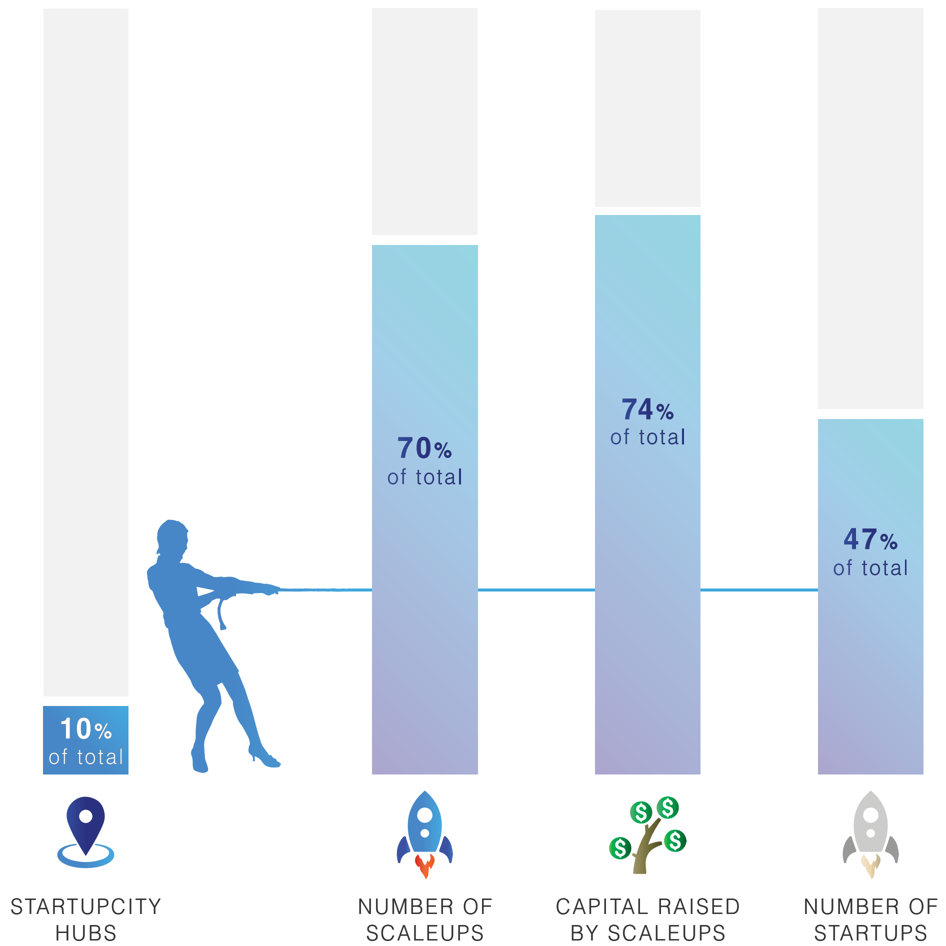
On average, 67% of the European scaleups are located around one or maximum two cities per country. That means that the innovation economy in Europe is heavily concentrated in almost 50 main hubs. The Pareto principle applies here. 10% of the cities[1] account for almost 70% of the scaleups (and 74% of the capital raised) and 47% of the startups, while the remaining 428 "tier-two" startup cities on the average host only 3% of their own country's scaleups.

Apparently the "winners take all" approach works not only for unicorns, but also for cities. This divergence is likely to widen wealth disparities because a select few hubs are about to capture increasing amounts of income that is currently more widely distributed.

Such concentration doesn't reflect the current distribution neither of the GDP nor the population. These 48 cities, on average, contribute to 34% of their own country's GDP and account for 14% of their overall population.

1 - We consider only the cities with at least one scaleup company.

Figure 5
StartupCity HUBS IN EUROPE: DO WINNERS TAKE ALL?



Predicting Future Growth Trajectories for Startup Cities

To visualize this divergence between the "existing" economy and the "new" innovation economy, we introduced an indicator called "StartupCity Future Growth".

It compares the share that a city has in the country's startup and scaleup economy - considered as a proxy of the economic role the hub might assume in the future - and the contribution of the city to the domestic economy today (measured by the current share on GDP).

Certainly, the underlying assumption here is that **a higher concentration of startups and scaleups (more mature startups) are the first proxy to measure the "innovation economy"** and, as such, an important vector for the future growth of a local economy.

Values above 1 indicate cities that are likely to increase their economic role over time. Values below 1 are characteristics of cities that might be experiencing a decline in the medium term.

Not surprisingly, all the top tech hubs show values well above 1.

For all countries, only a few cities have ratios above 1, while the majority are positioned below the parity.

UNITED KINGDOM

StartupCity Hub	StartupCity Future Growth
LONDON	1.6
MANCHESTER	0.5
NEWCASTLE	1.2
EDINBURGH	1.1
LIVERPOOL	0.3

FRANCE

StartupCity Hub	StartupCity Future Growth
PARIS	2.5
MARSEILLES	0.3
LYON	1.0
TOULOUSE	0.6
BORDEAUX	0.5

SWITZERLAND

StartupCity Hub	StartupCity Future Growth
ZURICH	1.2
ZUG	3.0
GENEVA	1.5
BASEL	0.4
LAUSANNE	1.3

IRELAND

StartupCity Hub	StartupCity Future Growth
DUBLIN	1.7
GALWAY	0.8
CORK	0.6
LIMERICK	0.5

GERMANY

StartupCity Hub	StartupCity Future Growth
BERLIN	6.1
MUNICH	2.4
HAMBURG	1.2
DUSSELDORF	0.3
FRANKFURT	0.5

SWEDEN

StartupCity Hub	StartupCity Future Growth
STOCKHOLM	1.5
GOTHENBURG	0.6
MALMO	1.4
UPPSALA	0.7
LUND	1.9

SPAIN

StartupCity Hub	StartupCity Future Growth
MADRID	1.8
BARCELONA	2.7
VALENCIA	1.0
SEVILLE	0.4
MALAGA	0.3

THE NETHERLANDS

StartupCity Hub	StartupCity Future Growth
AMSTERDAM	2.1
ROTTERDAM	0.7
DEN HAAG	0.5
UTRECHT	0.6
EINDHOVEN	0.4

DENMARK

StartupCity Hub	StartupCity Future Growth
COPENHAGEN	1.3
AARHUS	1.0
ODENSE	0.4
AALBORG	0.3
HERLEV	0.3

NORWAY

StartupCity Hub	StartupCity Future Growth
OSLO	1.8
TRONDHEIM	1.4
BERGEN	0.7
STAVANGER	0.5

POLAND

StartupCity Hub	StartupCity Future Growth
WARSAW	2.8
KRAKOW	2.9
TRI-CITY	2.7
WROCLAW	3.6
KATOWICE	0.2

FINLAND

StartupCity Hub	StartupCity Future Growth
HELSINKI	1.4
ESPOO	3.1
TAMPERE	0.7
VANTAA	0.7
OULU	0.9

ITALY

StartupCity Hub	StartupCity Future Growth
ROME	1.4
MILAN	2.6
NAPLES	0.5
TURIN	1.0
PALERMO	0.4

BELGIUM

StartupCity Hub	StartupCity Future Growth
BRUSSELS	0.9
ANTWERP	0.9
GENT	2.0
LIEGE	0.7
LEUVEN	1.3

To provide some examples: in Germany, on the one hand, Berlin scores 6.1 and Munich 2.4, while Frankfurt 0.5 and Dusseldorf 0.3. In France, Paris has a value of 2.5, while Lyon 1.0 and Marseilles 0.3. In the UK London scores 1.6, while Manchester 0.5 and Liverpool 0.3.

In Spain, the two top startup hubs (Barcelona and Madrid) show values respectively of 2.7 and 1.8, while Bilbao and Seville 0.4 and Malaga 0.3. Valencia is positioned around the parity.

In Italy, Milan scores 2.6, Rome 1.4, while Naples 0.5 and Palermo 0.4.

The Gap Is About To Get Larger

In other words, large cities currently play an economic role in their country two times bigger than the proportion of their number of inhabitants. And the gap between the top startup cities and the others is going to become even larger in the future if we consider the increasing share that big cities have in the innovation economy when measured by the concentration of startups.

If startups and scaleups are the drivers of future growth and tend to be localized in a few large hotspots, the latter is likely to assume an even more dominant role, while **"tier-two cities" and municipalities face the risk to be increasingly marginalized**.

A Plan for Supporting "Tier 2" Startup Cities is Key

That said, **a sizeable portion (33%) of European scaleups is still scattered across several cities**.

The emergence of these tier-two scaleup hubs is an interesting phenomenon that is common to most of the European countries.

Their potential and role both in innovation and local development cannot be neglected.

Therefore strategies to support and connect these second-tier hubs at an international level and to increase their participation in the startup economy are key at both national and European level. Initiatives such as StartupCity Europe Partnership serve this purpose.

StartupCity Europe Partnership

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SCEP aims at building alternative hubs by leveraging the skills and economic potential that are scattered across Europe.

Assessing the Innovation Potential for "Tier 2" StartupCity Hubs

In the attempt to assess the potential of tier-two cities to turn into larger scaleup hubs we have calculated a score (**StartupCity Innovation Potential**) that factors different **parameters**:

- ***The current economic role***, *measured by the GDP and* ***size***, *measured by the population;*
- ***Its current ability to produce innovation***, *measured by the number of scaleups, startups and volume of startup exits;*
- ***The strength of their innovation ecosystem***, *measured by the presence (number) in the city of Forbes Global 2000 companies and QS World 1000 Universities;*
- ***The talent pool***, *measured by the university/higher education students' population.*

All these factors are **normalized** and **weighted** and turned into a score ranging from 5 (maximum potential) to 1 (see Methodology for further details).

The weight of the parameters will be adjusted over time, as more parameters are added and data is collected, increasing the accuracy and training of the AI models.

The algorithm will also be adjusted to factor in other indicators that will be produced in collaboration with the cities.

The outcomes of this analysis have been represented in the table in the following pages.

As mentioned, it shows a ranking based on a preliminary assessment to be also refined to increase the qualitative component (i.e. concrete actions and strategies implemented by cities to support startups and scaleups and to improve the ecosystem).

This ranking currently factors only on the top 150 tier-two startup cities that have at least a scaleup company. The 48 top StartupCity hubs (i.e capitals plus cities with the highest concentration of scaleups in their respective country, as listed in Figure 2) have not been included in the ranking.

In the future, we are planning to factor also cities that, although they have not yet produced scaleups, are concretely implementing startup strategies.

Sustainable StartupCity Growth Approaches

"Tier-two" startup cities need to deal with their relatively limited size and resources and develop strategies to achieve critical mass. Sustainable StartupCity growth plans have to be built upon two pillars:

1. **Specialization**: *the specialization of cities on specific verticals;*
2. **Partnerships**: *the strategic connection with other cities.*

Re: the first aspect, the smaller the city the lesser the resources to support multiple specializations. Tier-two startup cities should develop a strategy of specialization on specific verticals (industries or services)

Re: the second pillar, critical mass can be achieved by leveraging the benefits of agglomeration either through:

International connections

with other cities that share similar focus/specialization.

Local alliances with nearby cities

Interesting examples here are the Northern Powerhouse (Manchester, Liverpool, Leeds, Sheffield, Hull and Newcastle) as well as the collaboration between Seville and Malaga.

In any case, a lean approach based on pilot projects is also recommended to optimize the use of public resources and mobilize investments based on clear milestones.

Figure 6

FACTORING THE StartupCity INNOVATION POTENTIAL

150
StartupCity
Hubs in Europe

Top StartupCity Hubs are not included

STARTUPCITY HUBS	STARTUPCITY INNOVATION POTENTIAL	GDP	POPULATION	SCALEUPS	STARTUPS	EXITS	COMPANIES	UNIVERSITIES	STUDENTS
MUNICH	5	4.5	5	5	5	5	5	3	5
HAMBURG	5	5	5	4	5	5	2.5	1	3.5
MANCHESTER	4.5	3	2.5	5	5	4.5		3	3
COLOGNE	4.5	5	4	2.5	4	3.5	2.5	1	3.5
GOTHENBURG	4	2.5	2.5	5	3.5	3.5	3	3	2.5
LYON	4	3	2.5	3.5	3.5	3		5	4
FRANKFURT	4	5	3	2.5	2.5	2.5	3	1	3
EDINBURGH	3.5	2	2.5	4.5	4	4	1	4	2.5
DUSSELDORF	3.5	5	2.5	1.5	2	2	4	1	2
BIRMINGHAM	3.5	2.5	4	3.5	3	2.5		3	3
NEWCASTLE	3.5	1.5	2	5	3.5	2	1	3	2.5
CAMBRIDGE	3.5	1.5	1.5	5	4	4	1	1	2
VALENCIA	3.5	2.5	3	2	3.5	1.5	2.5	3	3.5
STUTTGART	3	5	2.5	1.5	2	2	3	1	2
TOULOUSE	3	2.5	2	2.5	2	2	1	4	5
BRISTOL	3	2	2.5	2.5	4	3.5	1	1	2.5
TURIN	3	3	3.5	1	2.5	1	2.5	1	4
GLASGOW	3	2	2.5	3	3	2.5	1	1	2.5
LAUSANNE	3	2	1.5	4	2.5	2.5	1	3	1.5
BOULOGNE	3	5	1	2	2	2.5	3		
UTRECHT	3	2.5	2	2	2.5	3	1	1	3
MARSEILLES	3	3	3.5	1.5	1.5	1.5		1	4.5
LILLE	3	3	1.5	2.5	2.5	1.5		4	2
GENEVA	3	2	1.5	3.5	2.5	2.5	2.5	1	1.5
OXFORD	3	1.5	1.5	4	2.5	2		3	2
ROTTERDAM	3	2.5	2.5	2	3	2	1	1	2.5
NAPLES	3	2.5	4	1.5	1.5	1		1	5
BASEL	3	2	1.5	1.5	1.5	1.5	5	1	1.5
ESPOO	3	1	1.5	4	3	3	3		
EINDHOVEN	3	2.5	1.5	2	2.5	2	2.5	1	2.5
AARHUS	3	1.5	2	2.5	3	2	1	1	3
LEEDS	3	2	2.5	2	3	4		1	2.5
WROCLAW	3	1	3	1.5	2	1.5		3	5
HANNOVER	3	3	2.5	1	2	2	3	1	2
DEN HAAG	2.5	2	2.5	1.5	2	2	4		2
NOTTINGHAM	2.5	1	2	1.5	2.5	3.5		3	2.5
MONTPELLIER	2.5	2	2	2	1.5	1.5		3	4
KARLSRUHE	2.5	4	2	1.5	1.5	1.5	1	1	2
NUREMBERG	2.5	4	2.5	1	1.5	1.5	1	1	2
MALMO	2.5	1.5	2	4	3	2.5			1.5

STARTUPCITY HUBS	STARTUPCITY INNOVATION POTENTIAL	GDP	POPULATION	SCALEUPS	STARTUPS	EXITS	COMPANIES	UNIVERSITIES	STUDENTS
NANTES	★★★½	★½	★★	★★	★½	★★	★	★	★★★
ANTWERP	★★★½	★★	★★½	★★	★★	★★		★	★★
SEVILLE	★★★½	★★	★★★	★	★½	★½	★	★	★★★
BOLOGNA	★★★½	★★	★★	★½	★★	★½	★	★	★★★½
CORK	★★★½	★★	★½	★★	★★½	★★	★	★	★★
LIVERPOOL	★★★½	★★	★★½	★★	★★½	★½		★	★★½
SHEFFIELD	★★★½	★½	★★½	★★	★★	★★		★	★★½
BRIGHTON	★★	★	★½	★★	★★½	★★½		★★★	★★
CARDIFF	★★	★½	★★	★★	★★½	★★½		★	★★
BELFAST	★★	★½	★★	★★½	★★½	★★		★	★½
RENNES	★★	★½	★½	★★	★★	★½		★	★★★½
LEUVEN	★★	★½	★	★	★½	★★	★	★★★	★★½
GRENOBLE	★★	★½	★½	★★½	★½	★★		★	★★★
BRNO	★★	★½	★★	★½	★½	★½		★★★	★★★
PISA	★★	★½	★★	★	★½	★		★★★★	★★½
DRESDEN	★★	★★	★★½	★	★★	★½		★	★★
BORDEAUX	★★	★★	★½	★½	★½	★★		★	★★½
MILTON KEYNES	★★	★½	★½	★	★½	★★½			★★★★½
TRI-CITY AREA Danzig, Gdynia, Sopot	★★	★	★★★	★	★★	★½			★★★★
BILBAO	★★	★½	★★	★½	★½	★	★★½	★	★★
BONN	★★	★½	★★	★	★½	★½	★★½	★	★★½
TAMPERE	★★	★½	★½	★½	★★	★½		★★★	★★
GRAZ	★★	★½	★½	★½	★½	★½		★★★	★★½
LUND	★★	★½	★	★★½	★★	★★		★	★★
LEIPZIG	★★	★	★★½	★½	★★	★½		★	★★
OULU	★★	★½	★½	★★★	★★	★½		★	★½
READING	★★	★½	★½	★★	★★	★★½		★	★½
FLORENCE	★★	★½	★★	★½	★½	★		★	★★½
BERGEN	★★	★★	★½	★½	★½	★	★	★	★★
UPPSALA	★★	★½	★½	★★	★½	★★		★	★★
BATH	★★	★½	★	★★	★★	★★		★	★½
STRASBOURG	★★	★½	★½	★	★½	★		★	★★★
MALAGA	★★	★½	★★½	★	★½	★½	★		★★
LINKOPING	★★	★½	★½	★★½	★½	★★		★	★½
THESSALONIKI	★★	★½	★★	★	★	★		★	★★★
NICE	★★	★½	★★	★½	★½	★½		★	★★
LEIDEN	★★	★½	★½	★	★½	★½	★	★	★★
DORTMUND	★★	★½	★★½	★	★	★½		★	★★½
GUILDFORD	★★	★½	★½	★★	★½	★½		★	★½
PALERMO	★★	★½	★★★	★	★	★		★	★★

STARTUPCITY HUBS	STARTUPCITY INNOVATION POTENTIAL	GDP	POPULATION	SCALEUPS	STARTUPS	EXITS	COMPANIES	UNIVERSITIES	STUDENTS
DELFT	★★	★	★½	★	★★	★½		★	★★½
SAINT GALLEN	★★	★½	★	★	★	★	★★½	★	★½
PADUA	★★	★★	★½	★	★	★		★	★★½
LINZ	★½	★½	★½	★	★½	★	★	★	★½
MODENA	★½	★½	★½	★	★½	★	★	★	★½
MANNHEIM	★½	★½	★★	★	★½	★½		★	★★½
GALWAY	★½	★½	★	★★	★½	★½		★	★½
TRONDHEIM	★½	★½	★½	★½	★½	★½		★	★★
TURKU	★½	★½	★½	★½	★½	★½		★	★½
CATANIA	★½	★½	★★	★	★	★		★	★★½
HEIDELBERG	★½	★	★½	★	★	★	★	★	★★
SOUTHAMPTON	★½	★	★½	★★	★	★		★	★★
TIMISOARA	★½	★	★★	★	★	★		★	★★½
AIX-EN-PROVENCE	★½	★½	★½	★	★½	★½		★	★★
LIMERICK	★½	★½	★½	★½	★½	★½		★	★½
REGGIO EMILIA	★½	★½	★½	★	★	★	★	★	★½
UMEA	★½	★	★	★½	★½	★½		★	★½
AALBORG	★½	★½	★½	★	★½	★		★	★★
KATOWICE	★½	★½	★★	★	★	★			★★★
COIMBRA	★½	★	★½	★½	★½	★		★	★★
LIEGE	★½	★½	★½	★	★½	★½		★	★½
GLOUCESTER	★½	★½	★★★½	★	★½	★½			
MAINZ	★½	★	★½	★	★	★½		★	★★
STAVANGER	★½	★½	★½	★	★½	★½	★		★½
BAAR	★½	★	★	★	★	★	★★★		
REGENSBURG	★½	★½	★½	★	★	★½		★	★★
POTSDAM	★½	★	★½	★	★½	★½		★	★½
SAN SEBASTIAN	★½	★½	★½	★	★½	★½		★	★½
ENSCHEDE	★½	★½	★½	★½	★½	★			★★★
PATRAS	★½	★	★½	★	★	★		★	★★★
INNSBRUCK	★½	★½	★½	★	★	★		★	★★★
TRENTO	★½	★½	★½	★	★½	★		★	★½
NORWICH	★½	★	★½	★	★★	★½			★½
CAGLIARI	★½	★½	★½	★½	★½	★½			★½
MAASTRICHT	★½	★½	★½	★	★	★		★	★½
TILBURG	★½	★½	★½	★	★	★		★	★½
PALMA DE MAIORCA	★½	★½	★★	★	★	★½			★½
NORTHAMPTON	★½	★½	★½	★½	★½	★½			★½
FRIBOURG	★½	★½	★½	★	★	★		★	★½
ODENSE	★½	★½	★½	★½	★½	★½			★½

STARTUPCITY HUBS	STARTUPCITY INNOVATION POTENTIAL	GDP	POPULATION	SCALEUPS	STARTUPS	EXITS	COMPANIES	UNIVERSITIES	STUDENTS
PAVIA	★½	★	★	★	★	★		★	★½
NEWBURY	★½	★	★½	★	★½	★½	★		
PRESTON	★½	★½	★½	★	★½	★½			★½
VANTAA	★½	★	★½	★	★½	★½			★
WARRINGTON	★½	★	★½	★	★½	★★			
BASINGSTOKE	★½	★	★	★½	★½	★★			
LUZERN	★½	★½	★	★	★	★	★		★½
EXETER	★½	★½	★½	★½	★½	★			★½
MIDDLESBOROUGH	★½	★½	★½	★½	★½	★			★½
WORCESTER	★½	★½	★½	★	★½	★½			★½
HELSINGBORG	★½	★½	★½	★½	★½	★½			
HASSELT	★	★½	★	★½	★½	★½			★½
ALMERE	★	★½	★½	★	★½	★			
WALLDORF	★	★½	★	★	★	★	★		
CHELTENHAM	★	★	★½	★½	★½	★½			★
MECHELEN	★	★½	★	★½	★	★½			★
HERLEV	★	★½	★	★½	★	★★			
PETERBOROUGH	★	★	★½	★	★½	★½			
WAVRE	★	★½	★	★½	★	★			
COMO	★	★½	★	★	★	★			★
KARLSTAD	★	★	★	★	★	★			★½
ROUEN	★	★½	★½	★	★	★			
HALMSTAD	★	★	★	★	★	★			★
LUGANO	★	★½	★	★	★	★			★
AMSTELVEEN	★	★	★	★	★	★½			★
LIVINGSTON	★	★	★	★	★½	★½			★
CHARLEROI	★	★	★½	★	★	★			★
LOUTH	★	★	★½	★	★	★			★
NEUCHATEL	★	★½	★	★	★	★			
PUURS	★	★	★	★	★	★			

GDP

- DUSSELDORF
- STUTTGART
- COLOGNE
- HAMBURG
- FRANKFURT
- BOULOGNE
- MUNICH
- NUREMBERG
- KARLSRUHE
- MANCHESTER
- LYON
- MARSEILLES
- LILLE
- HANNOVER
- TURIN

SCALEUPS

- MUNICH
- CAMBRIDGE
- GOTHENBURG
- NEWCASTLE
- MANCHESTER
- EDINBURGH
- HAMBURG
- OXFORD
- LAUSANNE
- MALMO
- ESPOO
- GENEVA
- BIRMINGHAM
- LYON
- GLASGOW

POPULATION

- HAMBURG
- MUNICH
- BIRMINGHAM
- COLOGNE
- NAPLES
- TURIN
- GLOUCESTER
- MARSEILLES
- VALENCIA
- TRI-CITY AREA
- FRANKFURT
- SEVILLE
- PALERMO
- WROCLAW
- ROTTERDAM

STARTUPS

- MUNICH
- HAMBURG
- MANCHESTER
- EDINBURGH
- BRISTOL
- COLOGNE
- CAMBRIDGE
- VALENCIA
- GOTHENBURG
- NEWCASTLE
- LYON
- GLASGOW
- AARHUS
- BIRMINGHAM
- ESPOO

STUDENTS

- NAPLES
- MUNICH
- TOULOUSE
- WROCLAW
- MILTON KEYNES
- MARSEILLES
- LYON
- MONTPELLIER
- TURIN
- TRY-CITY AREA
- COLOGNE
- VALENCIA
- RENNES
- HAMBURG
- BOLOGNA

EXITS

- MUNICH
- HAMBURG
- MANCHESTER
- CAMBRIDGE
- LEEDS
- EDINBURGH
- NOTTINGHAM
- GOTHENBURG
- COLOGNE
- BRISTOL
- LYON
- UTRECHT
- ESPOO
- FRANKFURT
- MALMO

UNIVERSITIES

- MUNICH
- LYON
- EDINBURGH
- PISA
- TOULOUSE
- LILLE
- OXFORD
- LAUSANNE
- MANCHESTER
- LEUVEN
- BIRMINGHAM
- NOTTINGHAM
- GOTHENBURG
- NEWCASTLE
- GRAZ

COMPANIES

- BASEL
- MUNICH
- DUSSELDORF
- DEN HAAG
- FRANKFURT
- STUTTGART
- GOTHENBURG
- HANNOVER
- ESPOO
- BOULOGNE
- BAAR
- HAMBURG
- COLOGNE
- TURIN
- VALENCIA

Methodology

For the current analysis Mind the Bridge (MTB) shortlisted 476 Cities in Europe that have at least one scaleup company (as defined below).
MTB categorizes **StartupCity Hubs** as follows:

Top StartupCity Hubs

include Cities with the highest concentration of scaleups in their respective country plus - when different - Capitals with at least one scaleup company.
MTB tracked currently 48 Top StartupCity Hubs.

Tier-two StartupCity Hubs

All cities different than capitals with a concentration of scaleups lower than 20% of the country total. MTB tracked currently 428 Tier-two StartupCity Hubs.

Mind the Bridge produces and monitors the following **indicators**:

StartupCity Future Growth

It compares the share that a Startupcity Hub has in the country's startup and scaleup economy (measured by the average country's concentration rate of scaleups and funded startups) and the contribution of the Startupcity Hub to the domestic economy today (measured by the current share on the country's GDP).

StartupCity Innovation Potential

For each Startupcity Hub it factors different parameters:

a. GDP
b. Population
c. Number of Forbes Global 2000 companies
d. Number of QS World 1000 Universities
e. Number of university/higher education students
f. Number of funded startups
g. Number of scaleups
h. Number of startup exits

All the parameters above are weighted and normalized and turned into a score ranging from 5 (maximum potential) to 1. Data are normalized among the main 150 Tier-two StartupCity Hubs (excluding distortive entries). The current weight of the parameters above is as follows: 1.25 (a), 1 (b), 1.25 (c), 1.25 (d), 1.125 (e), 1.25 (f), 1.25 (g), 0.75 (h). The weight of the parameters will be adjusted over time, as more parameters are added and data is collected, increasing the accuracy and training of the AI models. For each parameter sources and methodological details are indicated below.

Methodology

GDP

Based on PPP. Most recent data available from authoritative sources including Eurostat, OECD, Official Reports from Local Administrations. Includes, wherever applicable, the "hinterland" area of the StartupCity Hub. Conversions made using OECD reference rates.

Population

Most recent data available from authoritative sources including UN, World Bank, Eurostat and local census.
Includes, wherever applicable, the "hinterland" area of the StartupCity Hub.

Corporates

Includes Forbes Global 2000 companies (2018 ranking) that are headquartered in the StartupCity Hub.

Universities

Includes QS 1000 Universities (2018 ranking) that are headquartered in the StartupCity Hub.

University/Higher Education Students

Most recent ETER data. ETER is a European Commission initiative, jointly managed by the Joint Research Centre and by Directorate General for Education and Culture of the European Commission, in cooperation with EUROSTAT and the National Statistical Authorities of the participating countries. Includes ISCED 5-7 students.

Scaleups

SEP Tech Scaleup Europe 2018 Report data
Includes tech companies founded in the New Millenium that have raised over $1M in funding (since inception) and completed at least one funding event since 2010.

Startups

Most recent Crunchbase data.
Includes only tech companies founded in the New Millenium that have raised funding (any amount, since inception).

Startup Exits

Mind the Bridge and Crunchbase "Tech Startup M&As" 2018 Report.
Includes acquisitions of startups headquartered in the StartupCity Hub completed since 2010 and until June 30th, 2018.

Disclaimer

Research is ongoing and results included in this report are preliminary and cannot be considered as final.
Cities that feel they are misrepresented are invited to contact Mind the Bridge at info@mindthebridge.com to discuss or provide more updated information.

"StartupCity Hubs in Europe" is published by Mind the Bridge as part of Startup Europe Partnership and StartupCity Europe Partnership initiatives.

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About Mind the Bridge

Mind the Bridge is a global organization that provides innovation advisory services for corporates and startups. With HQs in San Francisco (CA) and offices in London, Italy and Spain, Mind the Bridge has been working as an international bridge at the intersection between Startups and Corporates since 2007.

Mind the Bridge scouts, filters and works with 2,000+ startups a year supporting global corporations in their innovation quest by driving open innovation initiatives that translate into curated deals with startups (namely POCs, licensing, investments, and/or acquisitions).

Mind the Bridge publishes curated reports on the status of the scaleup ecosystems in different geographies, as well as M&A and innovation market trends in various verticals.

Mind the Bridge has strong partnerships with entities such as the London Stock Exchange and the European Commission, for whom it runs the Startup Europe Partnership (SEP) open innovation platform.

Mind the Bridge is the organizer of the Startup Europe Comes to Silicon Valley (SEC2SV) and Startup Europe Comes to Israel (SEC2IL) missions and the European Innovation Day conference.

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