



Market Roadmap New Space

European
Innovation
Council



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Partners:



Table of Contents

1. Introduction
2. Overview of group companies and stakeholder participants
3. Key results and insights
4. Methodology, acknowledgments and references
5. Contact information to connect with EIC Scaling Club

Introduction and group overview



Objectives and targets

This report was made through **multiple interactions** with EIC Scaling Club stakeholder members, including scaleup companies, investors, corporates and public institution representatives.

It provides a **snapshot of the stakeholder members' visions and insights** on the state of the New Space market in Europe. It is designed to help professionals, especially entrepreneurs, grasp meaningful insights to help build their scaling strategies.

The following topics were explored by participants:

1. Technology trends
2. Scale-ups priorities
3. Market barriers
4. Regulations
5. Funding
6. End user acceptance
7. Partnerships
8. Geography focus

The report is designed to...



... **Help companies and entrepreneurs assess current market positioning** to define future roadmaps, by comparing with their peers' positions and considering expert insights

And was achieved thanks to...

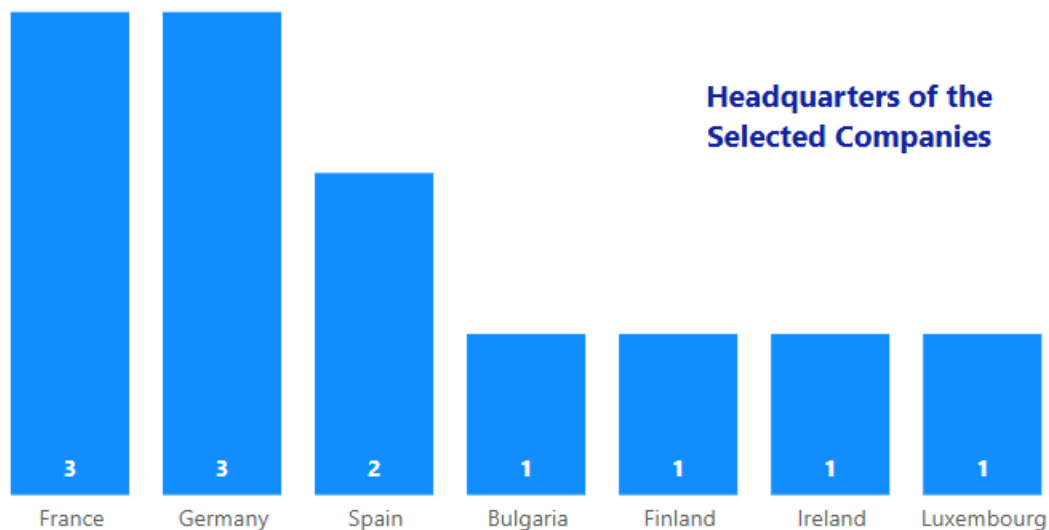


... **A mix of data-driven inputs in conjunction with qualitative insights** obtained from live surveys, online and onsite workshops as well as dedicated interviews with club members

Highlights report – Summary



Number of Selected Companies



Headquarters of the Selected Companies



Active Investors Backing Companies



Total Amount Raised

424.68M



Average Raised per Company

35.39M



Companies with Women in Executive Positions

9



Number of Employees

1,255

Full Highlights Report: Click [HERE](#)

*Disclaimer: Data presented is sourced from Dealroom and reflects the available data on the platform as of 28 November 2024

Members of the New Space group

Referred to as **Stakeholders** in this report

Investors



Corporates & Institutions



Companies



***Disclaimer.** Stakeholders seen on this slide have given consent for the use of their logos. For the full list of Stakeholders kindly contact the Group Manager.

*Please refer to **page 18** for the detailed methodology of the report.

Program mentors



Candace Johnson
Founder/Co-founder **SES**



Carla Cico
Chairman of the Board **EPTA**



Carla Filotico
Partner & Director **Novaspace**



Daniela Dobрева-Nielsen
Owner **Bogdan Orbit**



Frédéric Montagard
CEO **ALVEVM**



Giuseppina Leticia Latino
CEO **Neptuno USA, Corp**



Luca del Monte
Head of Commercialization **ESA**



Iulian Emil Juhasz
Technical Advisor **TRL Space**



Rainer Horn
Partner & Managing Director
Novaspace



Tero Vauraste
New Space Group President
EIC Scaling Club



Uli Fricke
CEO **Funder Nation**



Philippe Moretto
Director Telco & Space
A&M Capital Europe

Companies selected in the New Space Group

ALDORIA Aldoria collects, processes and leverages space situational awareness data to protect critical assets in space.

AURORA PROPULSION TECHNOLOGIES Aurora Propulsion Technologies are dedicated to create scalable solutions and services for small spacecraft movement and lifecycle control.

cailabs SHAPING THE LIGHT Cailabs designs, manufactures, and develops innovative photonic solutions for the space, industry (laser machining), telecommunications, and defense sectors.

FOSSA Fossa Systems are a global cost-effective satellite IoT for industrial applications and the first to deploy disruptive interoperable constellation.

constellr Constellr supports food security by enabling high-precision smart farming services across the globe using proprietary space infrastructure.

ENDUROSAT Endurosat engineers, builds and operates exceptional satellites on a mission to transform the complex satellite industry into a streamlined data service.

HyImpulse HyImpulse is developing a small launcher using disruptive technologies to provide low-cost small-sat launch opportunities.

MBRYONICS MBRYONICS are Photonics and Optics System Integrators: Specialists in Optical Communications & Laser Ranging End-to-End Systems

OQ TECH OQ Technology is the world's first satellite telecom operator for global IoT connectivity using 5G protocol.

PLDSPACE PLD Space is an engineering, manufacturing and service-driven launcher company and the first to launch a private rocket in Europe.

RFA Rocket Factory Augsburg RFA - Rocket Factory Augsburg is a space technologies company offering fast & flexible launch solutions for satellite constellations.

U/SPACE U-Space designs and builds next-generation nanosatellites for constellation operators.

Key Results and Insights

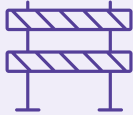


The space market is poised almost triple in the next decade, with most applications still in Defense sector

\$1.8 Trillion

Is the estimation of the global space economy by 2035, up from \$630 Billion in 2023.

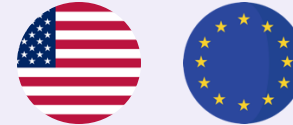
*Source: WEF



The lack of funding for New Space companies and their customers, combined with low market user acceptance, creates a vicious cycle in the European space tech ecosystem, requiring the inclusion of innovative solutions to break through.



Defense sector is poised for growth with rising geopolitical tensions driving further demand from the public sector, which represents majority of customers and funding. Defense agencies will increasingly outsource to private companies for cost efficiency and innovation.



North America is viewed by far the most competitive region and at the same time – internationalization target. Europe needs to find a bold vision for its place in New Space, derive bold programs and goals that let our startups and scaleups rise to the challenge.

Introduction from the Group President

“ The significance of New Space has grown very apparent within the past few years. It provides a global, or even universal, potential for the European Community to work together. Let’s give our innovating entrepreneurs a space to scale and grow their businesses for safe and secure societies as the pillars of Earth Observation, Communication and Navigation have a rapidly growing importance, also in the European context. The New Space is a European geoeconomical pillar. ”



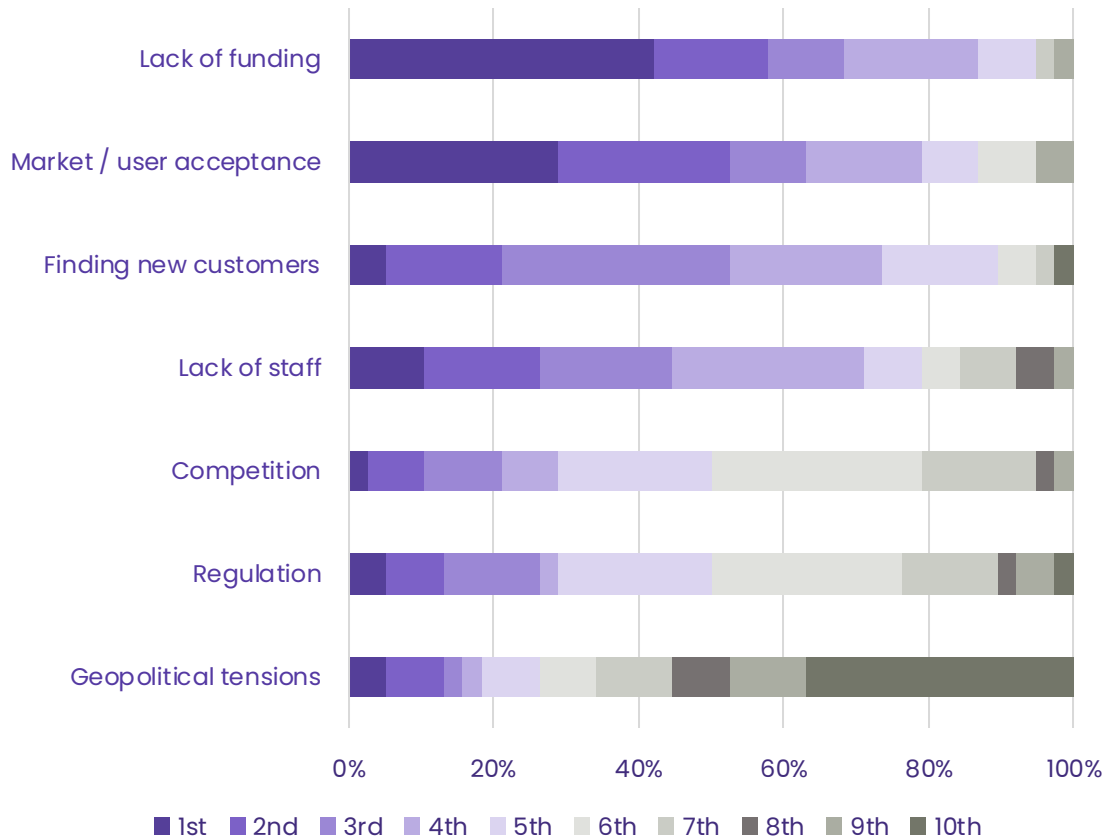
Tero Vauraste
New Space
Group President
EIC Scaling Club

Lack of funding constitutes the biggest growth challenge for European scale ups

With lead investors' risk aversion and customers lacking funding, buying power is reduced, causing delays in purchases and hindering growth in New Space.

What are the biggest growth challenges in New Space?

*Ranking of 38 answers collected from survey questions



"VCs hesitate to lead funding rounds due to workload and liabilities; exploring other approaches such as **umbrella models with co-leads** could help."

Tero Vauraste, New Space Group President, EIC Scaling Club



"**Lead investors are missing**, and customers lack funding, reducing their buying power and delaying purchases with even 2-3 years. To address this, we propose **exporting grandstand support** to help customers secure funding."

Roope Takala, Chairman & President, Aurora Propulsion Technologies



"In the US, the **Ministry of Defense serves as an anchor customer**, enabling strong business models and investments. European agencies should prioritize purchasing from start-ups to support innovation."

Egbert van der Veen, Technology & Innovation Manager, OHB SE



"Scaling downstream businesses is tough due to intense competition and market fragmentation, requiring incentives for M&A and public sector support for critical infrastructure and to address Europe's lack of big tech investors, it is vital to **engage European tech giants to fund space ventures**."

Jorge Sanchez, Partner, Corallia Ventures



"**Regulatory shifts**, driven by new U.S. administration in 2025, will impact pathways. Companies must adapt to secure subsystem ROI volumes and attract venture industry interest."

Bill Barber, Head of Startup Growth, Intesa Sanpaolo Innovation Center

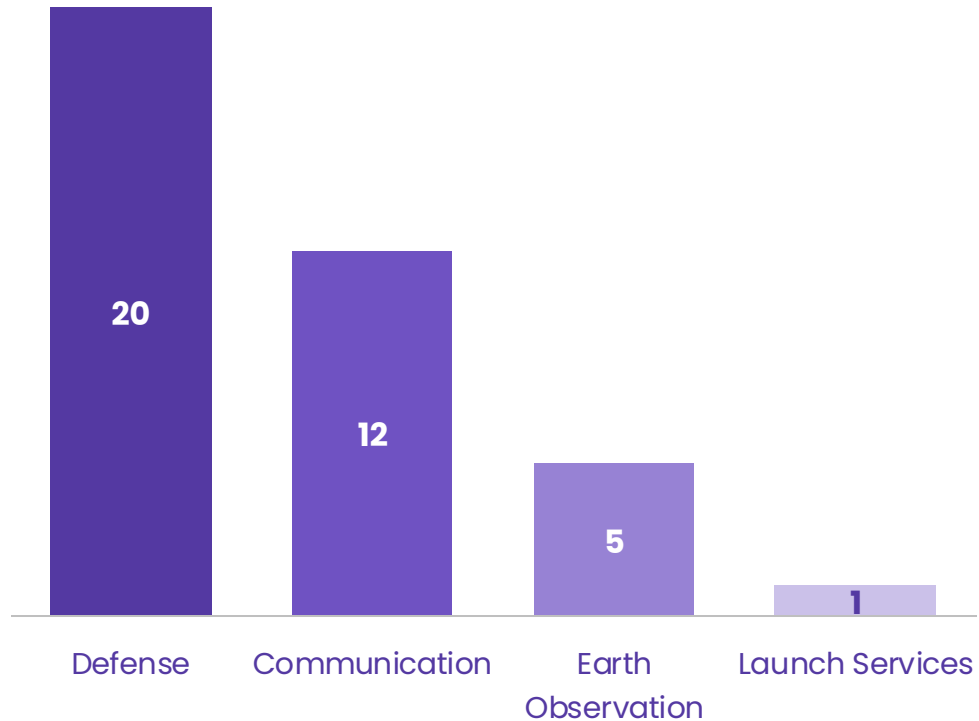


Defense sector demonstrates strongest momentum for the next years

Rising geopolitical tensions are driving interest in space-based defense, while the market shows a shift towards sustainable services and downstream applications

Within the next 3 years, what is the New Space segment showing the most traction?

*Single choice results of 38 answers collected from survey questions



"Public demand for space capabilities will rise, driven primarily by **defense and dual-use** applications. Meanwhile, institutional demand across other sectors is expected to remain stable."

Jules Varma, Commercialization Officer, ESA



"Government funding in Europe is mainly civil spending (83%). Rising **geopolitical tensions** are driving interest in space-based defense. Defense agencies are increasing the outsourcing to the private sector, **especially for satellite imagery**, to leverage on both innovation and costs."

Francois Baudu, Senior Expert CIB Strategy, BNP Paribas



"We launched **Europe's first private rocket** and opened a Series C round to compete in a growing market. While our tech matches US competitors, in EU we lack their financial scale and the billion-dollar funds willingness to invest if we want to compete on equal terms."

Mariano Garcia Orgiles, Investor Relations & BD, PLD Space



"We're developing **hybrid propulsion launch vehicles** with clear customer acceptance in terms of cost and value. However, Europe needs to prioritize and increase financial support to foster innovation in this area."

Altynay Demeubayeva Graham, BD Manager, HyImpulse



"The space market is maturing with a growing emphasis on **sustainable services and downstream applications**. Companies unable to demonstrate strong sales and profitability will face increasing challenges, as rising entry barriers make it harder for new start-ups to succeed."

Raycho Raychev, CEO, Endurosat

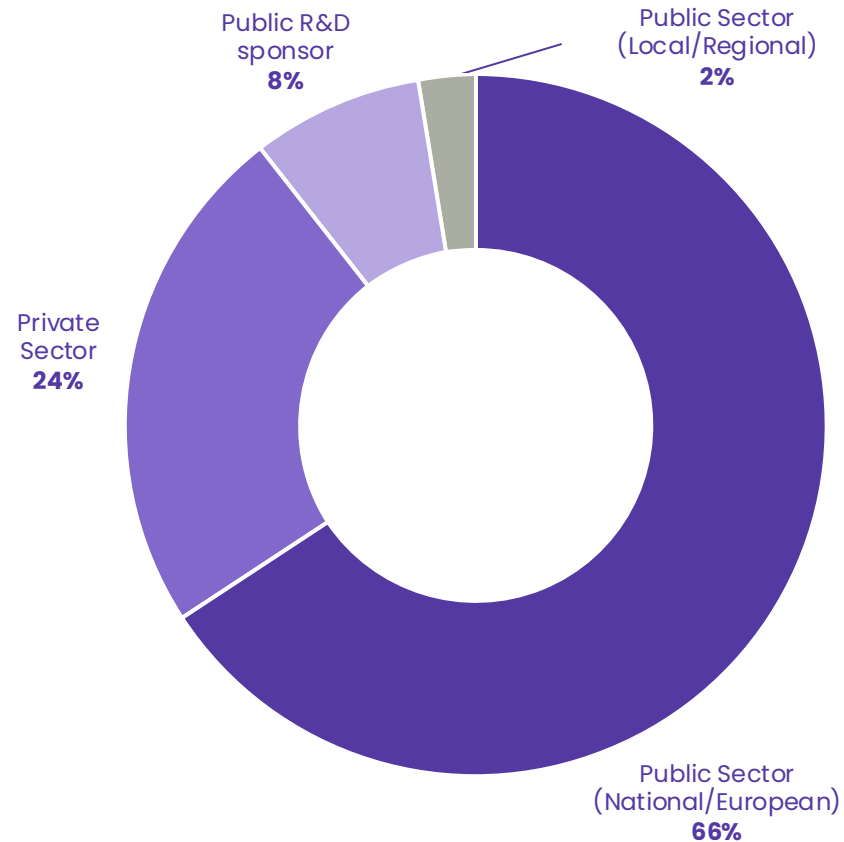


Public sector is by far the main customer of European New Space companies

86% of responders identify the public sector as the primary customer in the space industry

What are the main customer types in the New Space sector?

*Ranking of 38 answers collected from survey questions



"To drive growth in New Space in Europe, **we must generate demand from the public sector who is the main customer in Europe**, especially in security and defense, while ensuring equal opportunities for New Space and Legacy Space companies."

Daniela Dobрева, Owner, Bogdan Orbit



"The European space sector is **overly reliant on public funding**, neglecting financial sustainability and competitiveness. To thrive, European New Space **must address private market needs**, offering robust, efficient, and customer-centric services and Europe must **promote the development of a market-oriented industry** instead of fostering a survival-of-the-fittest scenario with winners and losers."

Mariano Garcia Orgiles, Investor Relations & BD, PLD Space



The European space market has grown a lot in an institutional context often dominated by tax-backed service systems and government related market actors. **True commercialisation is urgently needed** and a Pan European sovereignty needs to be built whereas European institutions are expected to build a secure market access globally. New thinking, New Space, new Universe.

Tero Vauraste, President New Space, EIC Scaling Club

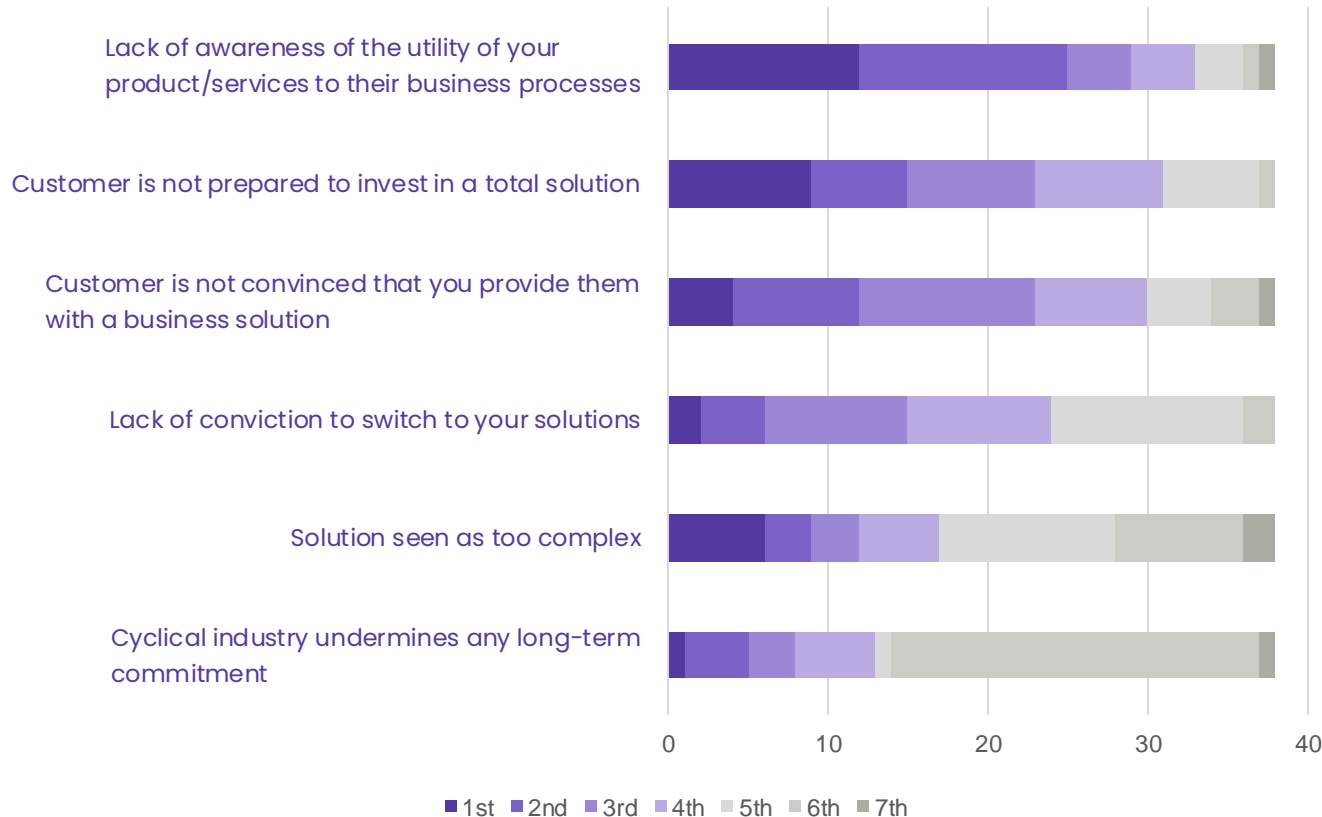


Customers are not yet aware of the utility New Space could bring to their businesses.

With the complexity and wide-range applications of New Space solutions, prospects are hesitant to invest leaving the industry struggling with traction.

What are the most significant barriers related to customer uptake?

*Ranking of 38 answers collected from survey questions



“Many companies engage in R&D and product development **without first identifying their customers**. For downstream companies, the primary challenge is the **lack of customer awareness and education**. Most non-space customers, who would ultimately use the data, are often unaware that such solutions even exist.”

Julian Juhasz, Mentor at EIC Scaling Club, Initium Space

Commercially, New Space products lack large-scale proof of application, often requiring significant customer CapEx and investor buy-in. **Insurance is a prime example** of a high-value but **underutilized sector**.

Zornitsa Yanakieva, CCO Endurosat

Use cases are essential. While the product may not be on the market yet, it’s critical to clearly articulate and visualize the potential scale of benefits and cost savings for both investors and customers.

Leticia Latino, CEO Neptuno USA, Corp

Many space companies fail to align their products with customer’ needs. **Early customer interaction is essential** to understand their challenges and how companies can address them effectively.

Uli Fricke, CEO Funder Nation

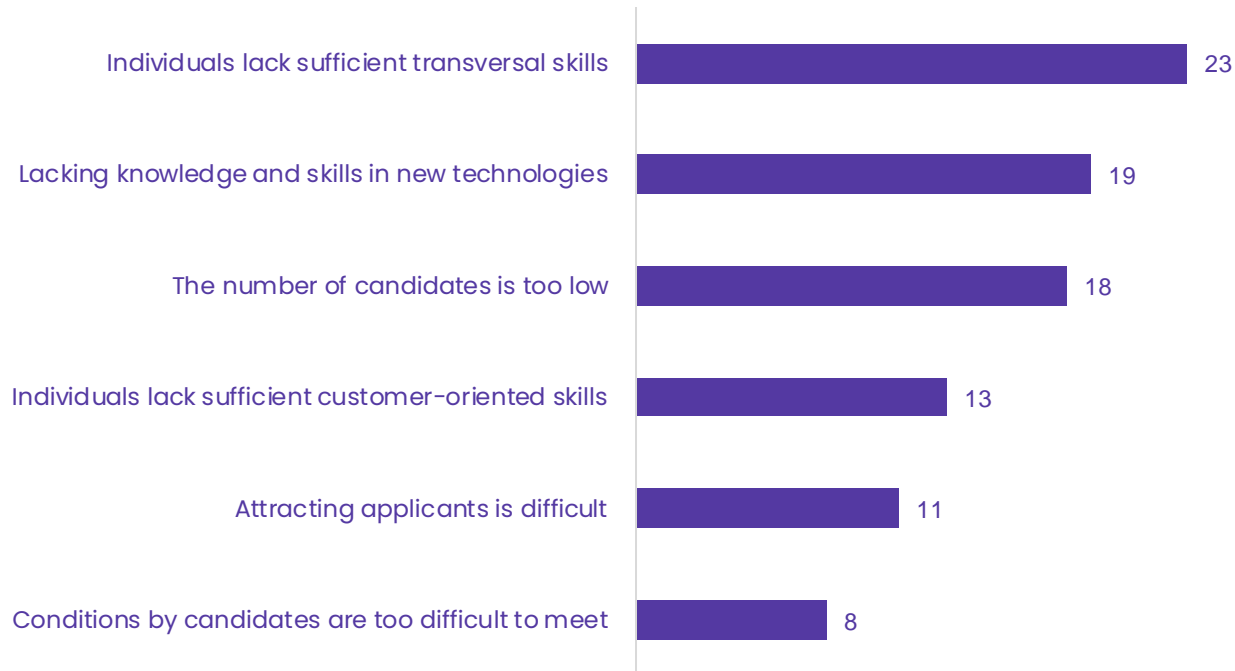


Hiring skilled workforce equipped for the evolving space industry is a struggle

Talent development through education and innovation programs is crucial for the European market, addressing the growing need for more qualified candidates.

What are the biggest challenges New Space companies are facing in filling open positions?

*Multiple choice results of 38 answers collected from survey questions



58% of respondents are recruiting talents in priority for "project execution" where transversal skills are necessary

"Despite Europe's resources, we compete with mature VC ecosystems like the U.S. and China. While we have strong corporate-level expertise, we lack **entrepreneurial experience** and essential support services like **legal, marketing, HR and finance**. Building expertise in these areas is essential for market success."

Bill Barber, Head of Startup Growth, Intesa Sanpaolo Innovation Center



"**Stronger cross-country collaboration** and a focus on talent development through **education and innovation programs** are essential to build the knowledge and skills needed for new technologies."

Maxime Lemière, Head of Corporate Development, Cailabs



"We need a big push for **electronics/photronics engineering programmes** in school and universities - the earlier in the syllabus, the better."

Duncan Casey, BD Manager, Mbryonics

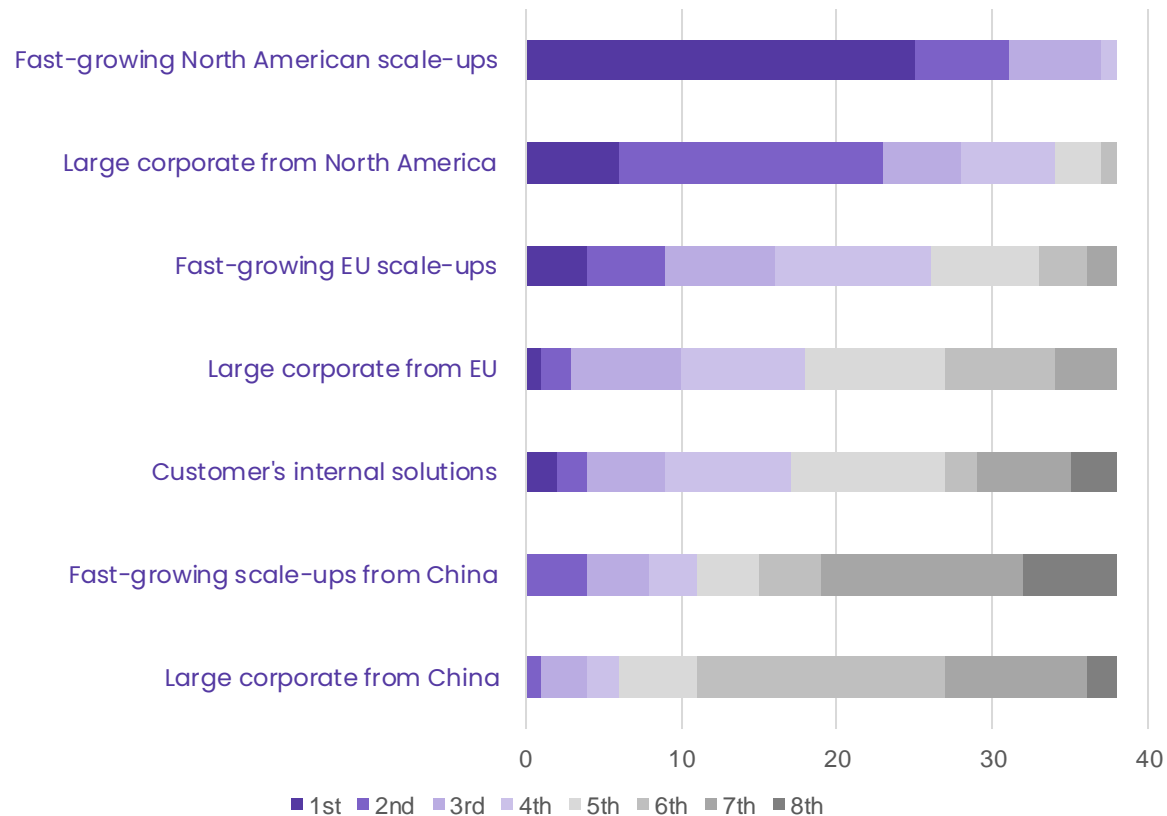


North American scale-ups and large corporates are the biggest competitive threat

82% of respondents see North American companies as the biggest competition

Who are the potential competitors in the near future?

*Ranking results of 38 answers collected from survey questions



"**Competition** with the U.S. industrial space sector **will intensify**. Over the coming years, **collaboration with like-minded nations** such as South Korea, Japan, India, and Singapore will be crucial.
Jules Varma, Commercialisation Officer, ESA



"**The LEO market will start to saturate in the next 5-10 years**, and US incumbents currently hold some significant advantages. In addition, there are real risks around **hostile actor penetration**: if you can get a chip on-board the satellites you can read everyone's mail."
Duncan Casey, BD Manager, Mbryonics



"Given geopolitical limitations, narrow expansion opportunities, and large US competition, European public and **private players should support** scale-ups in their **internationalization** for the success of European space ecosystem."
Daniela Dobрева, Owner, Bogdan Orbit



"We need to do serious work on competitiveness to **reduce prices of European solutions** compared to worldwide competition."
Eric Gouardes, Innovation Director, Aerospace Valley



"**Europe must define its geopolitical and economic interests on Earth and in space** to achieve leadership and independence, act fast and set programs enabling start-ups at the forefront. Space companies already proved they can take on any challenge: launch vehicles, satellites, or human spaceflight. And grow from it."
Christian Ziach, Principal & Authorized Signatory, HTGF

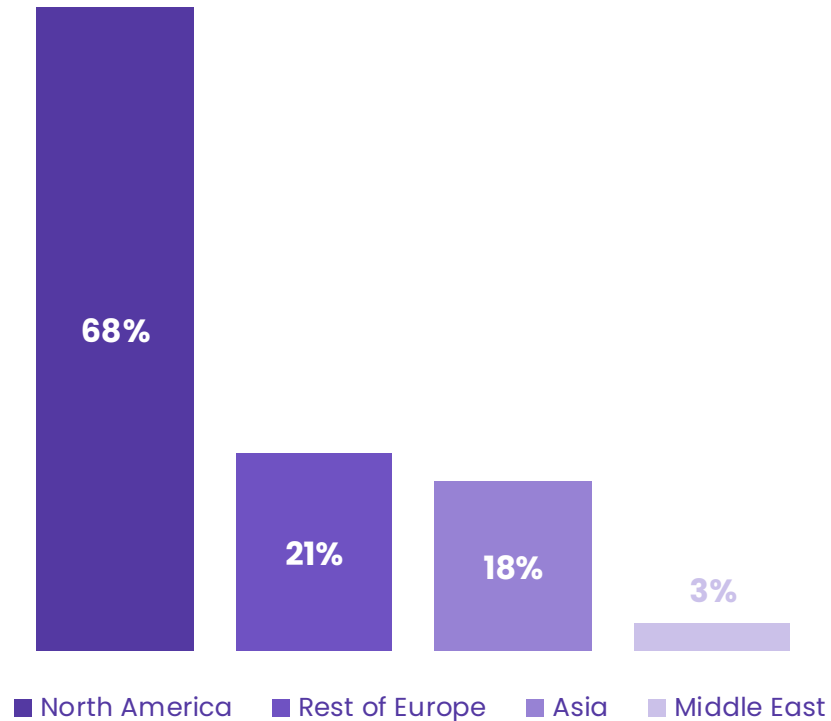


North America is the most prioritized target market for international expansion.

Rest of Europe comes second with 21% along with Asia – 18%, while Middle East is emerging as an opportunity.

Which markets are to be prioritized for an internationalization strategy?

*Top 4 ranking results of 38 answers collected from survey questions



"Europe faces a challenge of abundant capital but an underdeveloped market. The solution, in part, lies in **international expansion, targeting Asia, Australia, and the Middle East**. This will require ecosystem support and lobbying efforts at both national and European levels, including through export credit agencies. Notably, the growing interest from the Middle East and Asia in subsystems—rather than fully developed systems—offers a significant opportunity for European start-ups and SMEs to **establish joint ventures** over the next five years."

Jules Varma, Commercialisation Officer, ESA



"Majority of our sales are in **North America**, and it will remain the **primary market for us in the upcoming years**, naturally followed by Europe. Asia and Middle East are quite attractive. Australia remains a bit of a closed community. Africa and South America are quite weak markets still, but the potential remains strong."

Yordan Kanchev, CFO Endurosat



"Let's not forget internationalization costs money. You need to **focus**. USA would likely be top of the list, hence why most of us are watching in that direction. **Localization comes with a cost**, and you need to make choices."

Maxime Lemière, Head of Corporate Development Cailabs

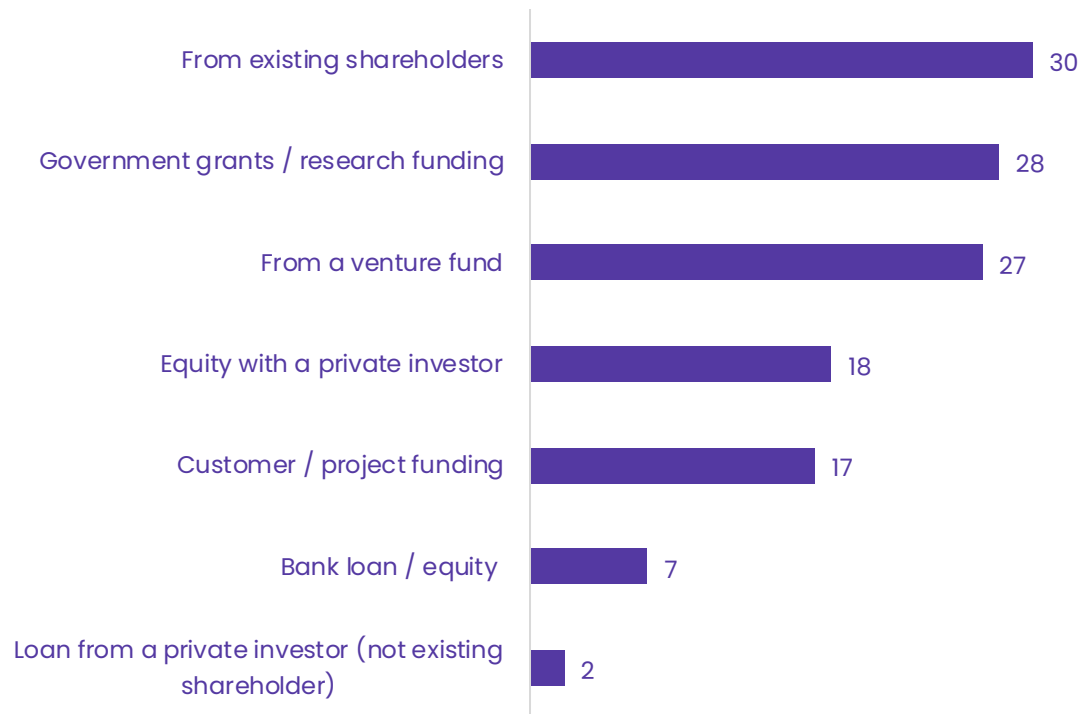


Existing shareholders are the primary expected funding source for New Space scale-ups

Private investors and public grants are the most expected sources of funding while bank debt is not a priority

Where do companies in the sector prioritize future funding?

*Multiple choice results of 38 answers collected from survey questions



In the early stages, it is hard to predict revenue stream and profitability. That is why it is crucial to have in your pitch decks **3 visions: best, average and worst**, with a clear understanding of ROI and value creation. That would help investors evaluate the true potential of your product.

Tero Vauraste, New Space Group President, EIC Scaling Club



Seed to A-round funding is reasonably well available, B-round plus - very difficult. Our customers also need funding. We are stuck in an **ecosystem loop** where everyone is waiting somebody else to make a move. When somebody gets the first deal then the wheel starts slowly spinning.

Roope Takala, Chairman & President Aurora Propulsion Technologies



Venture capital is becoming less suited to the space sector due to its short-term financing structure. Alternative funding mechanisms—such as **loans, larger grants, and partnerships with European institutions**—must be explored to accelerate the growth of top-tier European companies. Given current financial constraints, significant **consolidation within the industry** is expected in the coming years.

Jules Varma, Commercialisation Officer, ESA



Europe's VC ecosystem is emerging, with some regions having only one generation of funds, compared to the US's seven. We still have underdeveloped architecture of life cycle financing. **Loans and customer financing** can play a big role in a larger strategic financing pathway, **spreading the debt burden across multiple customers**. The other missing piece in the ecosystem development is **attracting international investment capital**.

Bill Barber, Head of Startup Growth, Intesa Sanpaolo Innovation Center



Methodology, authors and EIC Scaling Club contacts



Methodology: Data Collection and Analysis Approach

The research used a **quantitative methodology** based on the approach advocated by the consortium members.

This study was conducted by a combination of **live surveys and open discussions**. The questions and answers were designed in advance through interviews with industry experts to ensure to the right information was grasped. Open-ended responses for additional comments were also available.

The survey was **voluntary and not anonymous**.



Additional references and reports from the EIC Scaling Club

1. [AviationWeek – Nelson on NASA, 2024](#)
2. [AviationWeek – Europe Launches Push, 2024](#)
3. [Dealroom – Space Tech in Europe, 2024](#)
4. [Draghi Report – Space, 2024](#)
5. [EARSC Industry Survey 2023](#)
6. [EUSPA EO and GNSS Market Report, 2024](#)
7. [ESPI – More than a Space Programme, 2023](#)
8. [HBR – Your Company Needs a Space Strategy, Now, 2022](#)
9. [Light Reading: 6G Disconnect](#)
10. [PWC – Expanding frontiers, 2023](#)
11. [Seraphim Fact Data](#)
12. [Seraphim Space Investment Trust Factsheet Q3 FY23/24](#)
13. [Seraphim Space Investment Trust, 2024](#)
14. [The Economist – Space Missions to watch in 2025](#)
15. [World Economic Forum – Space Insight Report, 2024](#)

Market Roadmaps from the EIC Scaling Club

Explore key market roadmaps designed to address emerging challenges and opportunities:

Agri & Food Tech

Cardiovascular Therapies

Batteries & Energy Storage

Clean Fuels & Hydrogen

Digital Security & trust

New Biotech Platforms

Next-Generation Computing

Renewable Energies

Smart Mobility

Scaling Challenges Roadmap from the EIC Scaling Club

The EIC Scaling Club has produced targeted roadmaps to support companies in overcoming specific growth challenges. These include:

Go-to-Market Strategy

Strong Board

Investment Thesis

Lead Investor

Authors, acknowledgments and expert contributions

Author



Iva Tchetinova
Leader Digital **EIC Scaling Club**



Expert interviews and Honorary Contributors



Andrew Zolli
CIO
Planet.



Francois Baudu
Senior Expert
CIB Strategy
BNP Paribas



Frédéric Montagard
CEO
ALVEVM



George Coelho
Partner
Astanor Ventures



Tero Vauraste
Group President
EIC Scaling Club



Uli Fricke
CEO
Funder Nation



Philippe Moretto
Director Telco & Space
A&M Capital Europe

EIC Scaling Club is on a mission to boost and showcase Europe's deep tech excellence

Ambition

*Empowering growth
in 10 strategic sectors*

- **120 scale-ups in 10 strategic sectors** from 26 countries
- **€3B+ Raised**, avg €30M/company from 680+ active investors
- 7,721 Employees **worldwide** with 65% of companies with Women Executives

Ongoing

*Building the next
technology champions*

- 120 Independent board-level **Mentors** guiding the companies to next level investment, partnership & leadership
- Holistic Programme with stakeholder **relationship building**, ongoing roadshows, regulatory influence and recognition in communications
- **Coordinated by Tech Tour**

Network

*Fostering collaboration with sustainable
value*

- **300+ Club Members** from 30+ Countries: 64% Funds, 24% Corporations, 12% Governments & Non-Profits
- 50%+ of companies are **EIC-backed** 50% nominated by cluster **experts** **3-year Programme** till end 2026
- **Funded by the European Innovation Council (EIC)**

120

select tech companies

€1B

growing valuations beyond

EIC Scaling Club

EICScalingClub.eu

For more information reach out to:
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Thank you!

