

JULY 2020

# EMERGING TECH ON ENERGY STORAGE

North America, Europe & Israel (2010-2020)

**CLAPULT**

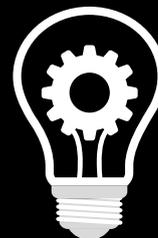
# EMERGING TECH ON ENERGY STORAGE MARKET

NORTH AMERICA, EUROPE & ISRAEL (2010-2020)



**2,7X**

MORE DEALS THAN  
THE PAST 10 YEARS



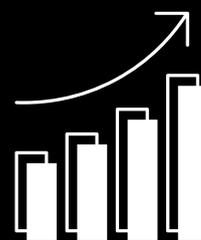
**511**

TECH COMPANIES  
FOUNDED



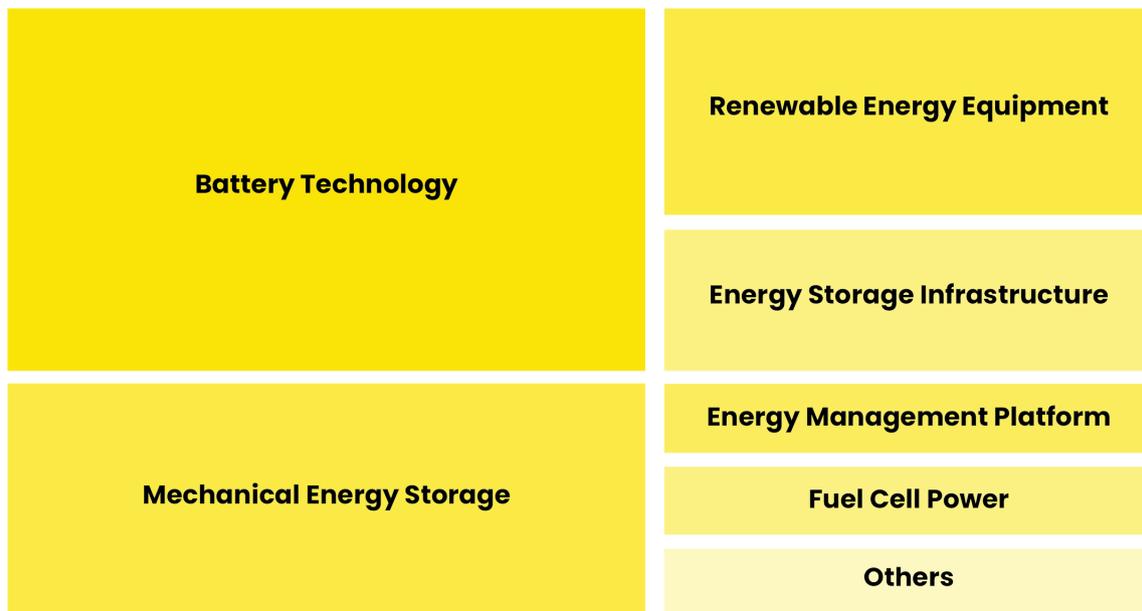
**24.2B €**

CAPITAL INVESTED IN  
TECH COMPANIES



## DOMINATING VERTICALS

- MANUFACTURING
- LOHAS & WELLNESS
- INDUSTRIALS
- MOBILITY TECH
- INTERNET OF THINGS
- NANO TECH



The map above demonstrates the leading venture trends landscape on the energy storage market at the moment based on the amount of recorded capital investment.

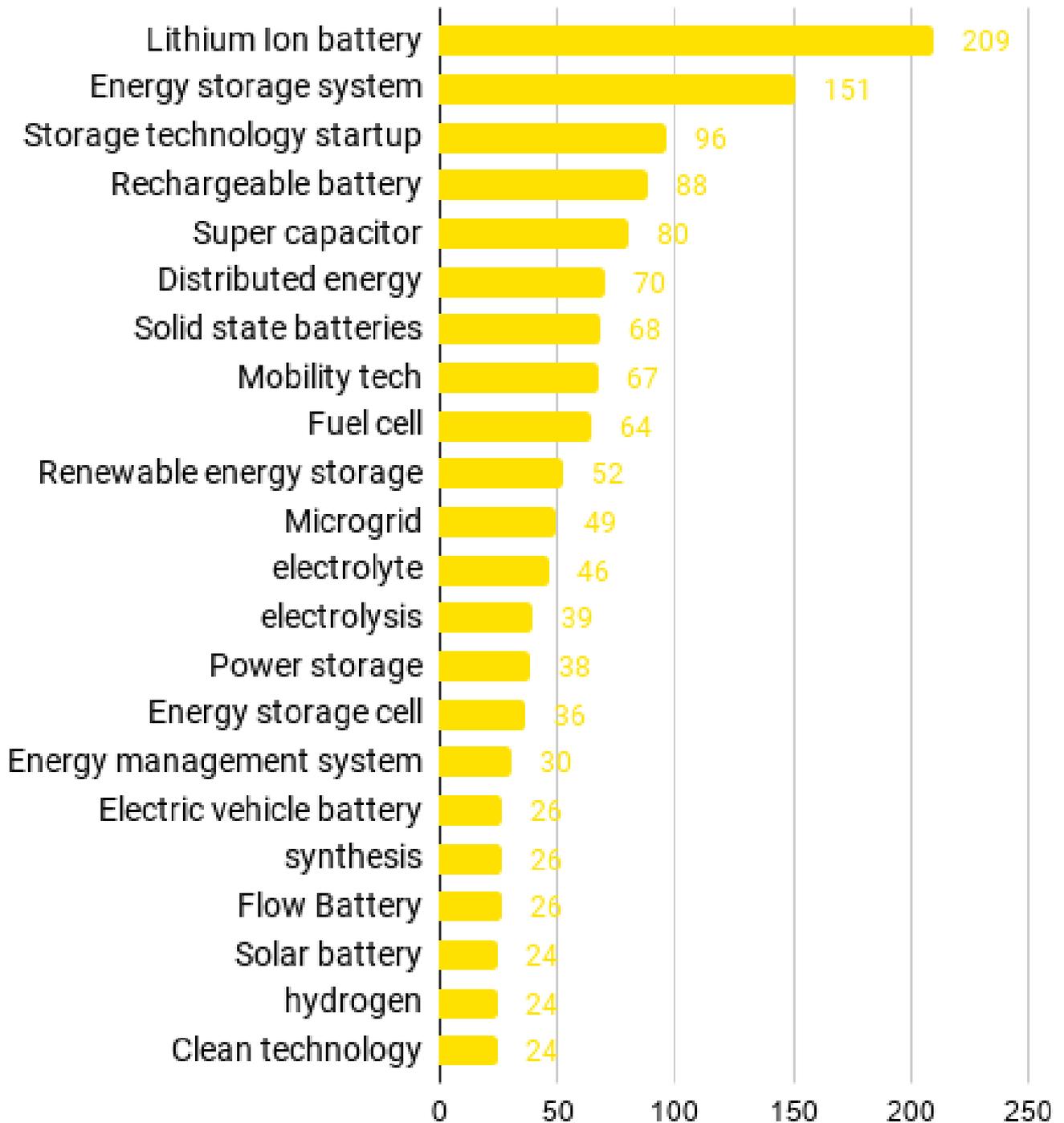
Battery Technology is leading with 40.95%, followed by Mechanical Energy Storage 27.81%. Solutions around lithium-ion batteries are the main driver for the booming of the innovative battery market to fuel the electronics industry and electric mobility. Mechanical Energy Storage solutions for large scale storage using kinetic energy like Pumped Storage, Compressed Air Storage, and Flywheel Storage also play a big role in the market with improved capacities and discharging efficiencies.

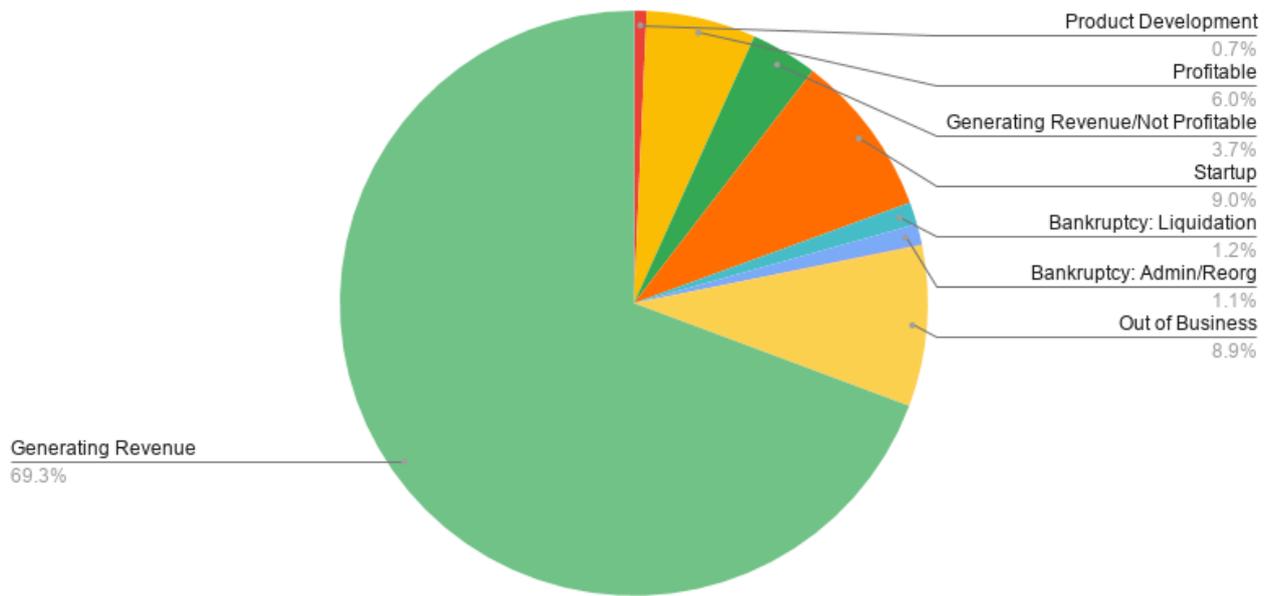
Energy storage solutions or infrastructures and innovation in them have become increasingly important following the trends of decentralized energy supply, electric vehicles, and unification towards a zero-carbon society.

Thanks to the development of electrical energy conversion technologies, different storage solutions have also been developed for chemical energy, for example, fuel cells, to support the conversion of chemical fuel such as hydrogen and other gaseous chemical energy to electricity.

The above map was based on capital investment. Instead, we can look at the same map from the number of investment deals. It will provide a totally new perspective on how active different groups are regardless of their sizes.

The chart below shows the most popular keywords in emerging tech on Energy Storage industry.





### Business Status

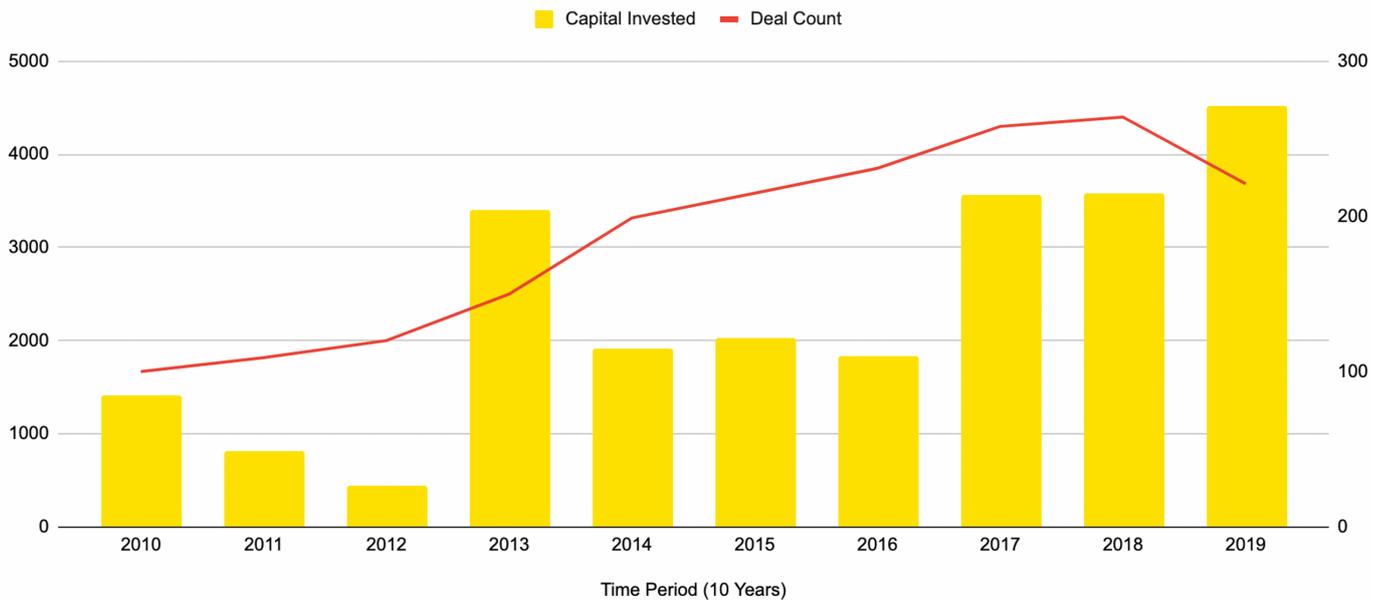
### Deal Count

Product In Beta Test	1
Product Development	16
Profitable	148
Generating Revenue/Not Profitable	90
Startup	221
Bankruptcy: Liquidation	30
Bankruptcy: Admin/Reorg	28
Stealth	1
Out of Business	218
Generating Revenue	1,699

The pie chart above shows deal count by business status in energy storage market.

This is supported by the fact that 70% of companies that have had investment activities are generating revenue.

## Capital invested (M€) and number of deals



For better visualization, the chart excluded the massive acquisition deal of Clarios Global LP by Brookfield Business Partners (NYSE: BBU) and other undisclosed investors through a \$13.2 billion leveraged buyout on April 30, 2019

## Investment Overview

The chart above illustrates the investment and deals made in the energy storage sector in North America, Europe & Israel from 2010 to 2019. The total capital investment is highest in 2019 (€4.52B) while the number of deals already got its peak in one year prior (264 deal count in 2018).

Trends in invested capital and accumulated amounts of investments indicate, indicate, that the energy storage market is beginning to mature; the smaller amount of deals and greater value of total capital is an indicator of increasing later stage VC funding rounds or increasing M&A activity, which usually, in turn, indicate that companies are either expanding their portfolios/markets or joining forces with larger corporations.

Maturing of the market is also supported by the fact that the amount of new founded companies has declined a lot from the year 2017. Prior to 2017, the number of new companies founded per year was quite steady for nearly a decade.



“

In conclusion, energy storage market is beginning to be harder to penetrate as a new company; investing to existing solutions, M&A or join operations could be better paths.

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**СЛАПУЛТ**



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# APPENDIX

**Venture Capital VC:** Venture Capital is financing given to startup companies and small businesses that are seen as having the potential to break out.

**Corporate Venture and Venture Capital** funds act in a very similar way when dealing with investment decisions and organisation. But their investment strategy can differ. While Venture Capital funds have mainly financial goals, Corporate Venture will seek for synergies for value creation.

**Early Stage VC - Series A:** First bigger funding round for the company which usually has already developed track record and is looking to expand their operations. Entities providing funding at this stage are not looking for just great ideas but companies that can execute their precise business plan too. Sometimes companies extend the Early Stage VC funding rounds into A1, A2, A3.

**Later Stage VC - Series B:** At this stage the company seeking funding has reached past development stage and are looking for investments to help them scale the business, as they have proven already their readiness for success and have built substantial user / client base. Also the series B can be extended to B1, B2, B3.

**Later Stage VC - Series C:** Not many companies at all seek / are able to seek for the last VC series funding. These companies have proven to be very successful and seek for further investments to enable faster market scaling (eg. Across continents) or new product development. Also Series C can be extended to C1, C2, C3 and sometimes to even Series D.

**Mergers and acquisitions (M&A)** are transactions in which the ownership of companies, other business organizations, or their operating units are transferred or consolidated with other entities