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By Helen O'Reilly
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THE SOVEREIGNTY BATTLE IS LOST': WHY EUROPEAN HEALTHTECH STILL NEEDS AMERICA

Lauxera Capital Partners has closed a €520 million oversubscribed second fund built on a controversial thesis: Europe may invent world-class healthtech, but America still controls the scale-up game.

According to Pierre Moustial, if this year's hot topic is European sovereignty, in reality, the US remains "the world's biggest growth market for health." That's why Lauxera's model is built around helping portfolio companies capture that opportunity.

Founded in 2020 by French and American partners, Pierre Moustial, Samuel Levy, and Alex Slack, Lauxera Capital Partners has just closed its second fund at €520 million after being oversubscribed by investors. The Paris and San Francisco-based firm now manages more than €850 million, focused exclusively on healthtech scaleups.

But unlike many European funds still speaking the language of "local champions", Lauxera's strategy is explicitly transatlantic. Its thesis is simple: Europe produces world-class health innovation, but companies seeking serious scale still need America.

Europe invents. America scales.

Lauxera focuses on late-stage European healthtech companies across France, the UK, Germany, the Netherlands, the Nordics, Italy, and Spain that are already certified and generating commercial traction. It then helps them expand into the US healthcare market.

"Success in the US creates operational leverage unlike anything else," said Moustial.

Lauxera's strategy appears to be working. One of the fund's flagship portfolio companies, British organ transplant medtech firm OrganOx, was acquired last year by Japanese giant Terumo for roughly $1.5 billion after multiplying its revenue more than fivefold during Lauxera's investment period, growth driven largely by US expansion.

The fund now plans to write larger tickets, between €20 million and €50 million, while increasingly positioning itself as a lead investor during critical scale-up phases.
The firm focuses on sectors where operational scaling matters most: innovative surgery, neurovascular technologies, transplantation, AI-powered diagnostics, biomarkers, and digital therapeutics.

It avoids early-stage biotech risk almost entirely. “We invest once there is already commercial proof,” Moustial explained. “We are not taking clinical risk.”

The uncomfortable reality of European scaling

At a time when Europe is pushing harder for technological sovereignty and reduced dependence on American infrastructure, such an openly transatlantic strategy cuts somewhat against the grain. “Europe may like talking about technological sovereignty, but in reality, the battle is already lost,” said the cofounder of Lauxera Capital Partners. “We opened our markets to American groups for years and became dependent on their tools...The real question now is whether AI could allow Europe to rebuild some form of sovereignty.”

It is a surprisingly direct statement from the head of one of France's fastest-growing specialist healthtech funds, yet it mirrors a broader frustration shared by many European investors and founders alike: Europe still struggles to translate scientific excellence into industrial power.
For Lauxera, one major weakness remains public procurement.

“Take French public procurement in healthtech, for example, it does not play its role,” argued Moustial, pointing to the absence of large-scale national purchasing power capable of helping startups scale locally before turning to the US.

He contrasted the situation with countries like Israel, where state-backed adoption strategies have historically helped local technologies reach maturity faster. The result, he argues, is a structural dependency cycle.

“If 70% of your revenue eventually comes from the US, then the risk is ultimately being acquired there too,” he acknowledged.

That dynamic increasingly worries European policymakers hoping to preserve strategic autonomy in healthcare and AI infrastructure. Lauxera's response, however, is deeply pragmatic rather than ideological.

The firm actively immerses portfolio founders inside the American ecosystem through networks spanning San Francisco, Harvard Medical School, Nasdaq circles, and US healthcare operators.

Portfolio companies are even sent to the US for month-long operational immersion programs designed to help founders understand the radically different dynamics of the American healthcare system.

“It's important to have people who truly know the US,” said Moustial.

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Betting on pragmatism over politics

Despite ongoing geopolitical uncertainty and growing anti-American rhetoric in parts of Europe, Lauxera clearly believes the commercial logic still outweighs sovereignty ambitions, at least for now. That may partly explain why international investors now represent a growing share of the fund's backers, including Swiss, British, and American LPs, such as the US investment bank Morgan Stanley, alongside Bpifrance, the European Investment Fund, and major family offices.

The irony, of course, is that some of Europe's most successful healthtech scaleups may ultimately depend on the very American dependency many politicians now say they want to reduce.

For Lauxera, the conclusion is straightforward: until Europe builds healthcare markets capable of scaling companies at American speed, many of its most ambitious healthtech founders will continue crossing the Atlantic.