

# Why Deep Tech Venture Capitalists May Have Resilience in the Face of Trump's Global Tariffs

*Deep tech ventures are built on breakthrough scientific discoveries which may be a critical advantage in today's turbulent Trump tariff's environment.*

WILMINGTON, DE, UNITED STATES, July 29, 2025 /EINPresswire.com/ -- The package of tariffs announced by US President Donald Trump on April 2nd 2025 was intended to reset global trade in favour of the USA, but it understandably sent shockwaves through the markets.

It also raised concerns among venture capitalists because investing in startups, many of which fail, already carries high risk rates.

A "pause" in the imposition of tariffs until July 9th has now been extended to August 1st. However, the President says it will not be extended again, and has posted on his social media platform Truth Social warning a number of countries of the introduction of double-digit tariffs.



Alexandra Vidyuk says Deep Tech VCs have more resilience to global tariffs than other sectors

Trump has also escalated his trade war further by threatening a 50% tariff on imported copper from Aug 1st on the grounds it is crucial for national defence. He is also said to be considering further tariffs on a range of critical industries.

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*Alexandra Vidyuk*

Despite this, Alexandra Vidyuk, CEO of [Beyond Earth Ventures](#), a deep tech VC firm, believes that deep tech can remain resilient in this environment. What makes her so

certain that this sector can buck the trend?

Investors dislike uncertainty and, although the USA has made deals with a number of countries and, crucially, with China on rare earth minerals, the imposition of tariffs will affect the deep tech sector which is a global enterprise. The hardest hit companies were those which rely on imports.

Higher borrowing costs and contracting world trade discourages investors as capital flows tend to dry up. For venture capitalists there is also a negative effect on exits, the point at which investors realise returns on their investments usually through an IPO or acquisition. Less capital in the financial markets means investors' preferences may switch to slower-growth, less risk-laden holdings and venture valuations may face downward pressure.

Vidyuk is one of four General Partners at Beyond Earth Ventures, based in Wilmington, Delaware. She says: "Deep tech – from advanced robotics to quantum computing to clean energy – are not fads but fundamental innovations grounded in physics, biology, and chemistry. Like semiconductors in the 1960s, today's deep-tech breakthroughs – AI chips, synthetic biology, energy, space, advanced materials and more – are reshaping industries and commanding strategic importance worldwide."

According to [BCG](#), deep tech now claims approximately 20% of all venture capital funding, doubling its share from just a decade ago. The sector is projected to grow at a staggering CAGR of 48.2% between 2025-2031, reaching \$714.6 billion.

"This represents a significant long-term shift in innovation and investment focus," adds Vidyuk.

Unlike consumer-facing startups, which are often vulnerable to market sentiment and short-term economic cycles, deep tech ventures are built on breakthrough scientific discoveries and engineering innovations that target foundational, long-term challenges. This resilience may be a critical advantage in today's turbulent environment.

A report from the Royal Society featured in the [London Times](#) concludes that the space economy could become as influential as the Industrial Revolution over the next 50 years. New pharmaceuticals, bioprinted organs, molecules made at zero gravity and semiconductors made in orbit are all within range.

Investors put their funds into deep tech as a long-term commitment. Typically, deep tech startups will have an investment horizon of 5-10 years, meaning they are less susceptible to day-to-day market fluctuations.

Vidyuk adds: "For venture capitalists and limited partners, investing in deep tech requires a different mindset and strategy than traditional tech or consumer startups. Understanding the underlying science and engineering is critical. This often means assembling a network of technical experts who can assess the feasibility of a startup's technology."

""As the geopolitical landscape continues to evolve, deep tech's role as a strategic asset will only grow."Deep tech is expected to play a pivotal role in future industrial transformations, offering strategic value to sectors ranging from energy to defence."

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