

# The future of food in Stockholm

Opportunities to co-create  
the next generation food system



# Ready to explore the Stockholm FoodTech scene?

When Stockholm was first mentioned as a FoodTech hub back in 2018, the city was already riding a wave of rising FoodTech activities, all aimed at remodeling the world of food into something healthy and sustainable.

The drive towards a rapid shift of the food system has been further increased because of the pandemic, with a rapidly increasing focus on food waste, food supply chains and food security. The future of food will happen in places where health and sustainability are core, where tech and data are mature industries, and where conscious consumers and policymakers actively look for new solutions.

For this important but specialist interest in creating a next generation food system to succeed, there has to be a unified common interest behind it. As such the focus of this guide is not only on the investors and entrepreneurs, but also the other ecosystem players contributing with their own cogs in the larger machine that is cranking out ever better food solutions, be they research or tangible services. All are badly needed in order to meet the UN's SDGs.

Together we can solve these challenges and develop new and exciting solutions. That is why with great pride we can state that everybody in this magic city under the northern skies is ready to welcome you to co-create the truly sustainable food system, with all the products and services it entails. If you're an investor, the opportunities are massive. If you're an entrepreneur you won't only find talent and investors, but also ready and willing consumers. If you're a big food company, it's time to start engaging with the dynamic innovation system coming out of Stockholm. If you're a talent, simply come and be sucked into the most magic FoodTech hub on planet Earth!

Welcome to Stockholm!

Stockholm, September 2023

Staffan Ingvarsson  
CEO, Invest Stockholm

Johan Jörgensen  
Partner, Sweden Foodtech





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As a Mayor of Stockholm I put climate, life quality and sustainable food consumption at the heart of the political agenda. In schools, elderly care homes and kindergartens of Stockholm hundreds of thousands of public meals are served every day. It gives the city a great opportunity to influence and develop the entire urban food value chain. Stockholm is taking new strong actions to make the vision of Future Good Food City happen. Our vision is that Stockholm becomes one of the most sustainable, creative and innovation-driven gastronomic capitals of the world as well as the best playground for business and science to explore and co-create the next generation food system.

Karin Wanngård, Mayor of Stockholm



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## Executive Summary

FoodTech is the intersection of food and technology: the application and use of technology to improve agriculture and food production, supply chains, the distribution channels and ultimately consumption. From companies using science to improve the yields or composition of produce, to businesses working on reducing time to market and simplifying the supply chain, through to the online marketplaces, delivery services and in-house gadgets in the hands of the consumers – Stockholm has it all.

This guide begins with a presentation of the Stockholm food scene from different perspectives: from Stockholm being the gastronomical epicentre of the Nordics to tech innovations and progressive sustainable values. In combination these form a solid bedrock for Stockholm to strive to be the international playground for the next generation food system.

The guide also encapsulates the latest investment statistics, trends, and changes in the FoodTech scene in Stockholm. Swedish startups have raised a total of €421M in 2020 and €366 in 2021<sup>1</sup>. Most of this funding has landed in Stockholm.

Reflecting the sector's growing importance, this edition of the Stockholm FoodTech Guide includes a mapping of over 208 startups and key players in the industry and analysis of investment flows. In addition, a number of FoodTech stories are told in order to represent the diverse nature of the Stockholm FoodTech ecosystem and the individuals that are the key contributors to our thriving FoodTech scene.

Stockholm is defined by its spirit of constant collaboration, openness and innovation, so we finish by outlining the vision to position Stockholm as a Good Food City, the international playground for exploring and co-creating the next generation food system.

1. Crunchbase & DigitalFoodLab

# Why FoodTech in Stockholm

Stockholm is the capital of Sweden, a country that has proven successful in fostering innovation and entrepreneurship. A strong social security system and abundant governmental funding help de-risk the starting of a business, while generous parental leave for both women and men and affordable childcare ensure women have an opportunity to stay in the workforce.

The World Economic Forum ranks Sweden as one of the top ten most competitive countries in the world, with top grades for innovation capacity. World-class universities such as the Karolinska Institute, Royal Institute of Technology and Stockholm School of Economics deliver high caliber talents to ambitious enterprises, while at the same time doing important R&D and commercializing research. The Swedish Government offers a number of tax incentives to stimulate research in the country in collaboration with universities.

Highly respected in tech circles as a hub of entrepreneurial activity, Stockholm is second only to Silicon Valley in producing unicorns – billion-dollar, venture-capital-backed companies – per capita. The city is the perfect sandbox to build your product, test product-market fit and expand across Europe or the US.

Who would have thought that a country covered in snow for several months of the year, where frost limits the number of harvests, and famed for the (according to some) outrageous habit of eating fermented herring, could ever play a leading role in changing the global food sector?

## A Gastronomical Stockholm

Sweden with capital city Stockholm at the forefront has undergone many ground-breaking changes during the past few decades when it comes to its culinary scene. A number of local chefs have transformed Stockholm into a world-renowned

destination for food tourism, world-class cuisine, modern concept restaurants, innovative kitchens and Michelin-starred restaurants.

Stockholm has some of the world's best food scenes, with creative chefs who all share an innovative approach to Scandinavian culinary tradition, and with a focus on carefully selected produce plus locally produced organic goods.

The range of modern gourmet restaurants in Stockholm is astounding, and the taste adventures rank very well in competition with any other city in the world. Proof of that came in 2021 when **Frantzén** was named the world's sixth best restaurant<sup>2</sup>.

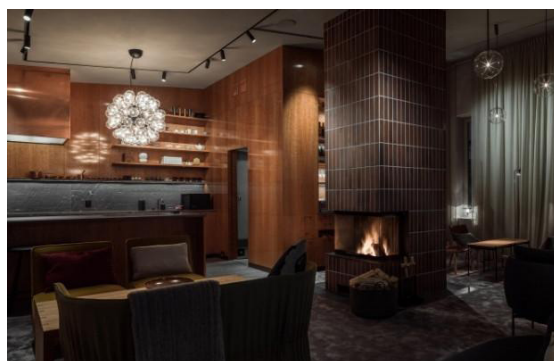


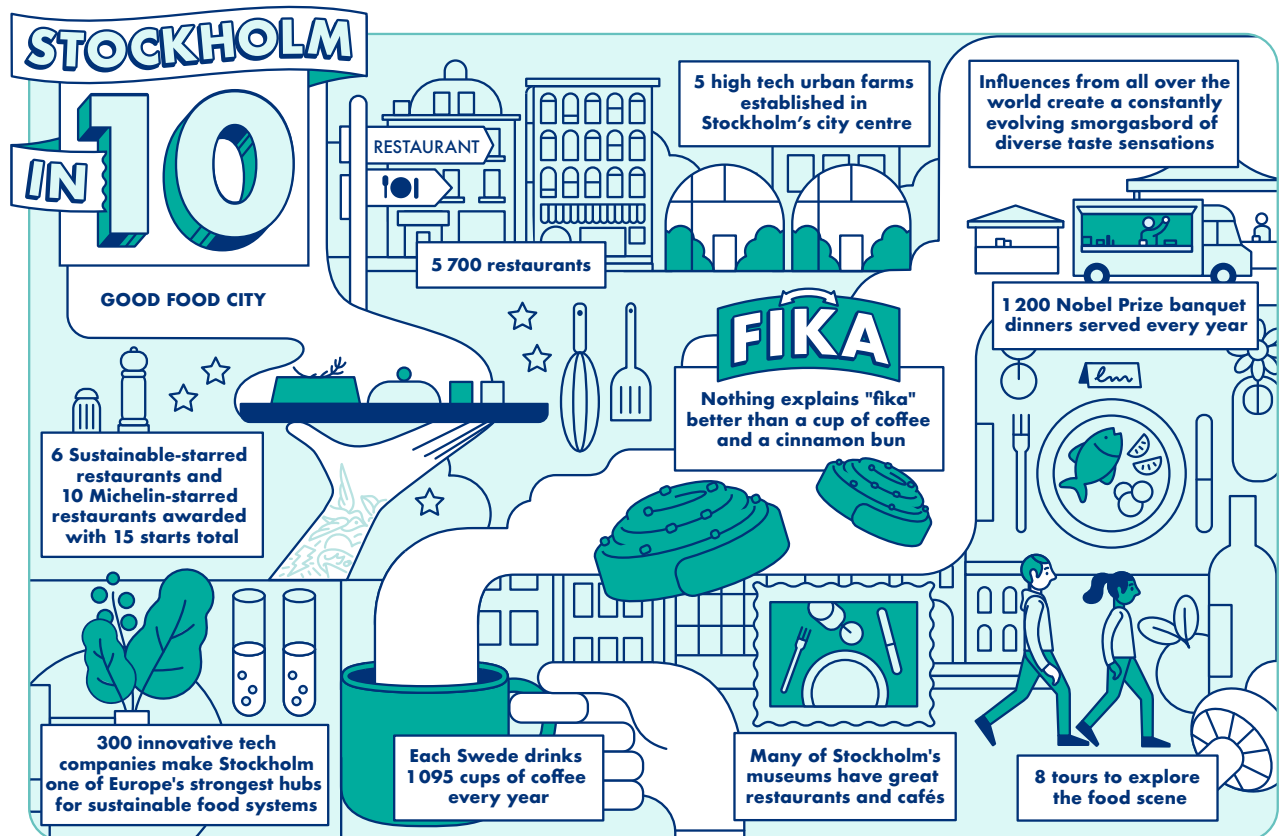
PHOTO: FRANTZÉN

Another guide weighing in on both gastronomy and sustainability is 360 EAT GUIDE Nordic and many other Stockholm restaurants are included: **Fotografiska, Oxenstiernan, Aira, Petri, Etoile, Portal, Adam/Albin, Animo, Hantverket, Agnes.**

But the food scene is not only at the domain of top chefs – the entire food sector has been boosted by a number of new entrepreneurs setting up restaurants, shops, food trucks and services around food, proving that a new and more diverse approach to food appeals to the modern city dweller.

2. The award is presented by William Reed Business Media and is based on a voice process from over 1,000 restaurant owners, chefs and food writers worldwide. [www.theworlds50best.com/list/1-50](http://www.theworlds50best.com/list/1-50)

## A smorgasbord of stats and info regarding the delicious food scene in Stockholm



Source: Visit Stockholm

**Stockholm**  
The Capital of Scandinavia

## Michelin-starred restaurants in Stockholm



Frantzén



Aira  
Aloë



Ekstedt  
Operakällaren  
Sushi Sho  
Etoile  
Nour  
Adam/Albin

## Green star

Oxenstiernan  
Etoile  
Fotografiska



## A progressive, innovative and sustainable food sector

Being a bottom-up movement, The New Nordic Cuisine started with a group of food aficionados and chefs who had a love of Nordic food. They set up a manifesto underlining not only the importance of wholesome green ingredients and sustainable farming methods, but also stressing the overall social responsibility of the food industry. New Nordic Cuisine takes Scandinavian culinary tradition to a new level in an innovative version, using carefully selected ingredients and focusing on locally produced, organic foods. Stockholm is at the forefront when it comes to sustainability and climate friendly solutions, and the New Nordic movement follows that spirit, aiming to weave good food into all aspects of society.

Food is much more than what is on your plate; it encompasses the entire system bringing it to that very plate, and also involves taking care of the waste left after the food has been consumed. Food is also the last major sector set to be fundamentally transformed by the internet, technology, and the digital transformation they bring along. The next revolution in the food sector is about to happen through new value chains, business models and food products, putting the emphasis on health and sustainability while giving the current status a total makeover.

The Swedish capital's leading position is partly due to the fact that we have already grown used to a next generation food system, one driven by tech and data, and geared towards the healthy and sustainable solutions that will be needed to feed the soon-to-be nine billion people on the planet. Food is a huge system that concerns every single person on earth and, as a system, contributes some 30 percent of total global greenhouse gas emissions. Making sure that this huge system is sustainable is therefore a sizeable challenge.

As the fastest-growing city in Europe, with a population expected to grow around 10 percent by 2030, Stockholm is potentially a unique testbed for new systems aimed at growing food in cities and integrating these new food distribution systems into urban development. The drive towards a quick shift of the food system has furthermore been increased because of the pandemic, with a rapidly increasing focus on food waste, food supply chains and food security. This has also been reflected in the stark increase in the amount of funding for the startups currently focused at the latter stages of the supply chain: e-Grocery and last mile delivery.





Food is much more than what is on your plate; it encompasses the entire system bringing it to that very plate, and also involves taking care of the waste left after the food has been consumed.





## Stockholm – The Unreal Real Deal

### 01

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#### **Culinary Hub**

With its focus on ethical, quality, healthy and sustainable food, The Nordic Kitchen is a global food revolution ([www.newnordicfood.org](http://www.newnordicfood.org)) and Stockholm is at its forefront. With a philosophy that moves beyond simply producing good food and instead also focuses on culinary experiences as a whole, a number of Stockholm chefs are leading the charge in the area by transforming the city's food scene to make it a world-renowned destination for food tourism. Both the city and Sweden as a whole have seen their food scenes gain a significant boost as a result, and in line with Stockholm's spirit of innovation, this is not the exclusive domain of a few top chefs. A number of new entrepreneurs have had a major impact, setting up new restaurants, shops, food trucks, and food services. They continue to demonstrate that innovative ways of producing food appeal to modern city goers, who are not only enjoying eating the city's innovations, but talking about it too!

### 02

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#### **Environmentally Aware**

When it comes to environmental awareness, few places beat Stockholm. With Sweden repeatedly competing for top spot in Yale University's Environmental Performance Index, Stockholm leads the way for the country at large. The days when caring for the environment was nothing more than a must-have line in CSR reports are long over – the environment is now a real priority. The fact that Stockholm Resilience Center has established itself as one of the planet's foremost research centres on environmental issues is proof of that commitment.

### 03

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#### **Health Conscious**

It is impossible to think about food without also thinking about health, either positive or negative. Healthcare is the planet's second largest economic system, representing nine percent of global GDP, and in order to provide healthcare to all we must become healthier overall. Stockholm's very health-minded population is a strength here: the strong Swedish healthcare system, spearheaded by the Karolinska Institutet University Hospital in Stockholm, and a strong research community combined with dynamic pharmaceutical and MedTech sectors have created a unique opportunity to bring about new food-based health solutions, using the combined expertise of the food and healthcare industries.

### 04

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#### **Pursuing Progress**

Stockholm is a city that constantly strives for change. Its citizens love nothing more than trying new things, and progress is considered the key to a fulfilling life. It's no coincidence that many large multinational corporations have chosen Stockholm as a testbed for new products and services. If it catches on in Stockholm, the chances are good that others will eventually follow. For those interested in new trends for products and services in the food sector, Stockholm is the place to watch. And if you want to try out new things, Stockholm is the place to be.

### 05

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#### **The World-Renowned Stockholm Tech Sector**

Stockholm has long been established as one of the world's strongest, most vibrant tech hubs, and its lengthy list of international tech success stories continues to grow. The deep tradition of innovation and dynamism in the tech sphere means Stockholm is home to many unicorns (startup companies



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**If you are interested in new trends for products and services in the food sector, Stockholm is a place to watch. If you want to try out new things, Stockholm is the place to be.**

**Carolina Sachs** Partner, Martas Explorers

## 05 continued

valued at USD 1 billion), including Spotify, Klarna, Skype, Mojang, King, iZettle, and Bambora. The Swedish capital also serves as the key gateway to other countries in the Nordic region, and an excellent hub for operating throughout Europe. The most common job title in Stockholm? Programmer. Students meanwhile are most likely to cite becoming an entrepreneur as their career plan when graduating university. Neither is a coincidence.

## 06

### **One of Europe's Leading Investor Communities**

Not only boasting some of Europe's leading venture capital firms, a wide range of active angel investors and family offices also call Stockholm home. This position as a leading financial hub as well as the host for the global headquarters of many large multinational corporations also means entrepreneurs have easy access to a wide-ranging expertise on capital and international business in Stockholm.

## 07

### **Fantastic Meeting Spots**

Both the regional and global tech sector host a number of major conferences and arenas in the city, with annual FoodTech events in Stockholm including Sweden Foodtech Big Meet and EAT Forum, the global food policy event founded by Gunhild Stordalen. Both are linked with one of the world's largest annual restaurant and food festivals, Smaka på Stockholm (Smaka Good Food Festival), which gathers 350,000 people at Kungsträdgården in Stockholm's city centre for a week of talks, tastings and networking. These are but some of the incredible FoodTech events occurring throughout the year, with organizations like Open Labs and Matlust playing a prominent role.

## 08

### **Innovation Grants**

Both Swedish innovation agencies, Tillväxtverket, the Swedish Agency for Economic and Regional Growth, and Vinnova, the Swedish Innovation Agency, have programs aimed at entrepreneurs in the FoodTech sector, effectively providing funding for the future of the fast-growing sector.

## 09

### **A Strong Public Interest**

The booming Swedish interest in food is much broader than one for chefs, restaurants and retailers exclusively. The entirety of Stockholm's ecosystem is involved in some way, including the public sector, where the Department of Agriculture and its equivalent for the Stockholm region have developed food strategies. Food served in public sector organizations like schools and hospitals represents 40 percent of all meals served outside of the home in Sweden, and its focus on locally produced, sustainable and healthy food has earned plaudits. The city of Stockholm is not only a major buyer of food, it also puts significant resources behind becoming a leading player in urban farming, with several cultivation centres established around the city, and an urban food system being at the core of its city planning.

## 10

### **Attitude in Spades**

Stockholm's size is one of the city's strengths, being both big enough to provide scale and small enough to stay agile. The attitude of the ecosystem is another positive, as a defined spirit of openness, positivity and paying it forward endures regardless of whether you're talking to a director of a large industrial behemoth or to a fresh programmer. Contacts are quickly made and knowledge shared; ask for help and you'll get it. Trust your neighbour, and they will trust you.



Sweden has the highest concentration of LOHAS (Lifestyles of Health and Sustainability) consumers globally. LOHAS goes beyond organic or local; consumers care about where and how the ingredients are grown, sourced, their impact on biodiversity and the environment, worker conditions, packaging materials used and of course whether the product is a healthy one.





## FOUNDER INSIGHT STORY



**Sweden is a great place to start a business – it's easy to network, English is widely spoken and it offers a great life for an expat.**

**Shameek Ghosh** CEO and Co-founder, Trustrace



**Trustrace is a market-leading platform for supply chain transparency and traceability within Fashion and Retail,** that brings transparency to producers who really want to know what they sell and for consumers who really care what they buy.

Founded by four IT professionals of Indian origin, Trustrace is helping brands and retailers solve some of the biggest challenges in achieving sustainable supply chains – the lack of transparency. Sustainability cannot be achieved without transparency, as brands and producers are struggling to understand how to best change their impact, and consumers are finding it difficult to navigate between greenwashing and true sustainability.

The idea came about in 2016 when one of the founders moved back to India from Sweden to help his family run an organic farm. It has been passed down from father to son for the past 150 years but lately, crops have been negatively affected by the untreated wastewater from the textile factories in the area.

**"We started the project as a hobby initiative. We wanted to collaborate with international companies and put the spotlight on the supply chain, ensuring that these bad practices are discontinued."**

Fast forward five years and Trustrace is working with brands like Filippa K, Fjällräven, Decathlon, Zalando and COOP. They have traced over 250,000 products and materials, worked with over 6,000 suppliers and are not stopping.

In the past year, Trustrace has doubled its staff. Shameek says that the pandemic has sharpened consumer awareness and increased the demand for sustainable products. After all, Sweden has the highest concentration of LOHAS (Lifestyles of Health and Sustainability) consumers globally – **40% of Swedes make shopping decisions based on these values.** LOHAS goes beyond organic or local; consumers care about where and how the ingredients are grown, sourced, their impact on biodiversity and the environment, worker conditions, packaging materials used and of course whether the product is a healthy one. LOHAS consumers are way

more likely to read the list of ingredients and the fine print. And that's where Trustrace is helping brands to know more about their suppliers and communicate it to the consumers.

This is a win-win-win. For the company (59% of Swedes are ready to pay more for sustainable products), for consumers, and for the planet.

Shameek says it's a global trend: **"The EU's green sustainability program has sent ripple effects around the world, reaching the boardrooms and making more companies aware of the importance of reducing waste in the food supply chain. It is a really big leap forward for FoodTech and also for sustainable production."**

Shameek moved to Sweden from India for a corporate job. When it came to starting a business, he was choosing between the UK, Sweden and France. Stockholm won because of ease of doing business, the largely English-speaking ecosystem and the quality of life for expats.

Another big factor that works to Stockholm's advantage is a collaborative culture within the entrepreneurial ecosystem. **"Trust plays an important role here and you can build a lot of value-based relationships. People respect other people's valuable time and do not waste it. There is a common understanding around this fact,"** says Shameek.

With a population of about a million inhabitants, everyone is only two handshakes away: **"It's easy to network, you easily can get access to technology, capital and people. Serial entrepreneurs and investors find the time to mentor and advise early-stage companies."**

**"The best part of living here is that healthcare and schooling are free for my children. It is a great benefit that Sweden provides. People are open and there is an inherent trust in this city. I had the chance to live in the UK, France or Sweden and I decided to move to Stockholm. Not only is the culture very accommodating but also the English language is not a problem in my personal life as an English speaking person moving to Sweden. My basic fundamental needs were met in 30 days after moving to Stockholm."**



# Tap into the Swedish market

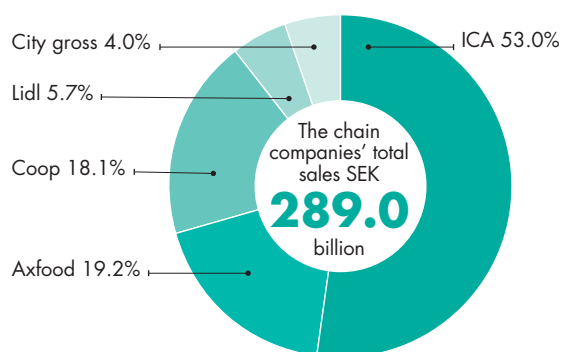
## The Swedish Food Industry in a Nutshell

Some key numbers make the importance of Sweden's food industry clear. The third largest industry in the country, there are 4,600 food companies in the food sector, employing close to 55,000 people.

In 2021, sales of food and drinks reached roughly EUR 33 billion (SEK 334 billion), a 2,9% increase compared to 2020. While sales in most categories of food and drinks except 'fruits' rose in 2021, the one with the greatest growth is 'alcoholic beverages', 'alcoholic free beverages', 'coffee, tea and cocoa' and 'mineral water, sodas and juices'. While sales in most categories of food and drinks except 'milk, cheese and eggs', and 'fruits' rose in 2019, the one with the greatest growth is 'coffee, tea and cocoa', expanding by 13.6% compared to 2018 (SCB).

### Market shares and sales

Percentage of sales in 2021



There are five major supermarket chains in Sweden with ICA firmly dominating the market (53.0% market share). AxFood (Hemköp & Willy's) comes second place with 19.2% and COOP third with 18.1% market shares<sup>3</sup>. So how do you get

### Top 10 SDGs – the share of Swedish consumers that think companies should prioritise these SDGs



your product to the supermarket shelves? We spoke with Sara Maxence, former Innovation Manager at ICA about exactly that (read more at page 17).

Swedish consumers express strong preference for a lifestyle of health and sustainability (LOHAS) with even price being a secondary criteria. To many of the next generation, the determining factors are plant-based, seasonal, and less or naturally processed food (Try Swedish initiative). Moreover, Swedes hold great curiosity and openness in embracing new flavors. Many of the classic Swedish dishes were influenced or came from abroad. The Swedish meatball, of Turkish roots, is the perfect example of the fusion in tastes<sup>4</sup>.

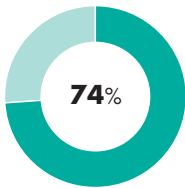
3. [www.livsmedelsforetagen.se/branschfakta/](http://www.livsmedelsforetagen.se/branschfakta/)  
[www.dlf.se/rapporter/dagligvarukartan-2022/?allow-cookie=1](http://www.dlf.se/rapporter/dagligvarukartan-2022/?allow-cookie=1)  
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[www.delfi.se/2020/11/13/dagligvarukartan-2020/](http://www.delfi.se/2020/11/13/dagligvarukartan-2020/)  
[www.scb.se/publikation/45254](http://www.scb.se/publikation/45254)

4. [www.tryswedish.com/eat-like-a-swede/swedens-FoodTech-sector-is-booming-this-is-what-to-expect-from-the-tech-hub-in-the-north/](http://www.tryswedish.com/eat-like-a-swede/swedens-FoodTech-sector-is-booming-this-is-what-to-expect-from-the-tech-hub-in-the-north/)  
<https://visitsweden.com/what-to-do/food-drink/swedish-food-culture/>

5. [www.sb-index.com/blog/2021/5/18/this-is-the-sustainable-swedish-consumer-of-2021](http://www.sb-index.com/blog/2021/5/18/this-is-the-sustainable-swedish-consumer-of-2021)



**The share of Swedish consumers that are affected by sustainability when making a purchasing decision**



For Swedish consumers, the most important SDG that they would like companies to prioritize is SDG 12, Sustainable Production and Consumption (35%). Swedish consumers consider their purchasing decisions of food and beverages as the area where they can have the most impact (42%), followed by selecting energy providers (39%), and buying electronic products (34%)<sup>5</sup>.

**Top 3 most affected areas when Swedish consumers are making a purchasing decision**



When buying food & beverage



When choosing an energy company



When buying white goods or consumer electronics

Sustainability as a mindset or value impacts all spheres of life, from thorough recycling, avoiding single-use plastics, and buying local to choosing more environmentally friendly modes of transportation and preferences for second-hand clothes. When it comes to purchasing food, where the food comes from (65%), nutrient profile (48%), animal welfare and environmental concerns (47%) are the major factors for Swedish consumers.

## An Introduction to Market Entry to Sweden

PHOTO: CAMILLA SJÖDIN LINDQVIST / JOHNER



Once you have made the decision to expand to the Swedish market, there are many ways to go about it. We won't make an exhaustive list of strategies but will rather highlight the differences and what we saw working for the companies adopting that approach.

B2B tech companies will enjoy the ease of doing business in English, however, hiring a business developer with local industry experience and who speaks Swedish is likely to speed things up. If you represent a product company and you'd like to get to the shelves of the Swedish supermarkets, you have 2-3 windows of opportunity a year to achieve this. The retailers adhere to the product range revision schedule announced by the ECR. July and December are the two months when business takes a pause for summer and winter vacations respectively.

Alternatively, one can first build awareness of a product through collaboration with chefs and restaurants and later expand to retail. We'll look into this in the next chapter.





PHOTO: EAT JUST

PHOTO: BEYOND MEAT

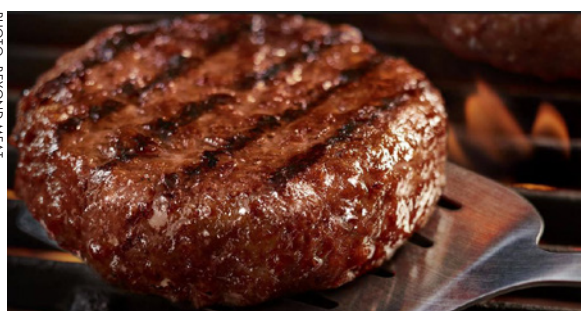


PHOTO: HOOKED FOODS



Eat Just, Beyond Meat and Hooked Foods are some of the latest examples of NextGen (next generation) Food & Drinks.

## Market entry via the hospitality sector

If the product is very new, it might take some convincing for consumers to pick it up from the shelf. And as a brand, you'd better either have a massive marketing budget or strong allies among chefs. Beyond Meat and Eat Just are some of the latest examples of ground-breaking products launching their next-generation plant-based burger patties and cultured chicken nuggets first in high-end restaurants and then making their way to restaurant chains and retail.

Restaurants were hit hard during the pandemic with total sales shrinking by nearly 25%. The chefs that stayed in business are only getting more creative and open to new ideas. Startups like Stockeld Dreamery who aim to create 'the most ambitious plant-based cheese' have extensively collaborated with chefs to refine the taste and texture of their first product 'Stockeld Chunk' which mimicks feta cheese.

Exceptionell Råvara ('exceptional produce' in Swedish) is bringing together the best chefs and producers in Sweden with the aim of creating a long-term platform for the development of raw materials and new business opportunities. Chefs

are always on the lookout for new ingredients, suppliers that share their values and quality standards. Exceptionell Råvara creates a forum where chefs can evaluate the produce, give feedback to the farmers and share their knowledge.

One of the startups that has successfully launched their product through collaboration with restaurants is Hooked Foods. Hooked has developed 'Toonish', a plant-based tuna that is packed with nutrients. They have partnered with Hawaii Poke, Mahalo and Misch Masch and since March 2021, Toonish was available on restaurants' menus. The product got positive feedback from consumers and six months later has launched in retail stores.

Public procurement plays an important role in the food system, as three million meals are provided at health care, school and care every day. Schools receive almost half of these (1.3 million meals per day), followed by the numbers of meals served at 'preschool' and 'leisure'. The good news is that over half of the meals served in the public sector in Stockholm is procured from sustainable sources<sup>6</sup>.

6. <https://www.livsmedelsverket.se/matvanor-halsa-miljo/maltider-i-varld-skola-och-omsorg/fakta-om-offentliga-maltider>



## FOOD RETAILER INSIGHT STORY



**Our objective is to accelerate good solutions getting to market faster. We need to reform our food system and we want to be a part of it.**

**Sara Maxence** former Innovation Manager, ICA



ICA group holds by far the biggest market share in grocery retail in Sweden. We spoke with Sara Maxence, Innovation Manager at ICA Sweden about the role sustainability plays in what gets on shelves, collaboration with startups and the company's ambition to drive change.

In 2020 ICA launched the Food Revolution report that analyzed the current state of the food industry. It has identified three areas that can create a major shift to a more sustainable food system if implemented: preserving biodiversity in agriculture, a diet that is diverse and plant-based and, equally important, that it is locally produced.

The initiative ICA Växa works with consumers, suppliers, HQ & stores to increase awareness about this shift and helps put it into practice. The company has also launched a new product range – ICA växbaserad Sverige – that offers pea soup, humus, canola, red lentils and yinyan beans, all from Swedish plant-based ingredients. These are implemented in collaboration with various players, from startups to farmers' associations.

Startups play an important role too. Together with Mycorena, ICA has developed and released to the market mycoprotein nuggets under the same product range. **"If we can get Swedish production of plant protein going, we can shift to more local consumption,"** says Sara.

### How does a founder approach ICA?

**"My job is to be the first point of contact for the founders. I attend startup events and demo days to make sure we don't miss a collaboration opportunity. Our objective is to accelerate good solutions getting to market faster. We need to reform our food system and we want to be a part of it."** While the innovation department is focusing on health and sustainability within their product range (less sugar, improving nutritional value; packaging, plant-based products), ICAx (ICA's Innovation Hub) scouts for innovative solutions on the group level – banking, insurance, real estate and exploring new business areas. The two work in close collaboration.

### When should you approach ICA?

If a startup has a prototype of a product and an idea how to make it at scale, ICA can help understand the demand and how best to launch. The first step is getting a product on shelves but the next and equally important step, is drawing customers' attention to it. And you'd better come prepared with a strategy.

**"In the US you test your product at a farmers' market or small retailers, in Sweden it's very hard. One way to go is to approach an individual ICA store. ICA has 1200 stores and each store manager makes their own purchasing decisions. You only need to convince one of these ICA Handlare ('owners') about your product to be able to sell to that store. This is a highly recommended start for anyone who wants to enter the Swedish retail market, build awareness and customer demand store by store until you have the final product. The next step is to set up production and a sales organisation and come talk to us centrally,"** recommends Sara.

The company is open to co-branding which means if you already have a product ready, you can start with a large volume from day one. This allows the founders to quickly figure out the right combo of price, quality & volume.

With 10 million inhabitants spread across a large area, Sweden is a small market with complex logistics. But communities are tightly knit and the word about good stuff travels fast. **"It's easy to understand who the influencers are and how to approach them. People are open to trying new flavors and products, it's a great test market,"** Sara concludes.

Good luck or 'Lycka till', as we say in Sweden!

# Stockholm FoodTech Playground

The startup ecosystem is just like the one in nature: when there's balance, new ideas grow into products, secure the right input, and flourish. Stockholm's FoodTech infrastructure has expanded significantly in the last two years and produced many more companies.

The building blocks of the Swedish food ecosystem have changed tremendously over the last few years and with the realization that food sits at the core of the dual global climate and health crises, we now see new goals and new activities emerging that will lead to new opportunities. Many of these new players do not come from the traditional food value chain but have emerged through the realization that food is not just what is on the plate, but rather the effects food has, alongside the rather fundamental questions on how it ended up on the plate, who took the decision and based on what data, desires or actions. This realization opens up the world of food to a broad range of players, not least the tech and health sectors, strong core industries in Stockholm and Sweden.

## Ecosystem builders

Ecosystem builders are the organizations that are looking at the big picture, identifying gaps and finding ways to create an enabling environment for others to thrive. Often it is about bringing together various stakeholder groups. Since 2016 for example **Sweden Foodtech** hosts its annual Big Meet conference that gathers entrepreneurs, investors, corporate innovation leads, scientists and activists around the future of food.

In 2019 **Sweden Food Arena** was established as a national arena where companies and industry organisations from across the entire food supply chain collaborate on research and innovation for an innovative, competitive, sustainable, and growing food sector. They currently have 30 members from across the food supply chain, from production to retail.

**Axfoundation** is an independent non-profit that works with three program areas: Sustainable Production and Consumption, Food of the Future and Circular Economy. They position themselves as a 'do-tank', rather than a think-tank, getting their hands dirty and figuring out how to use the sweet water by-catch from the lakes near Stockholm, and establishing a test farm and development center for future sustainable food production – Torsåker farm. Primary producers, researchers, food processors, chefs and entrepreneurs meet there to jointly find solutions to complex problems. The farm is located 30 kilometers north of Stockholm and allows the future of food to be prototyped.

Sometimes all you need is an introduction, a sounding board for your new business model or a partner for a complex international project. And that's where the ecosystem players excel – they know all key people and can help you get a foot in the door in the new country.

**MatLust** is an EU project aiming to strengthen growth and sustainability in the food industry in the Stockholm region, and to establish Södertälje as a regional food node. Several well-known companies are based in the municipality, such as Saltå Kvarn and Lantmännen Cerealia. Many small companies make up the famous eco-cluster in Järna. MatLust offers free development programs, activities, networks and other forms of support to small and medium-sized companies in the Stockholm region.

**Omtag Nu** is a follow-up project by Södertälje that aims to strengthen the business community's capacity for restarting and transitioning after the pandemic. The project will support new business opportunities and models linked to the changing relationships that have arisen between work, housing, food and leisure, with a focus on digital and green transition.

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## Stockholm & Nordic FoodTech Ecosystem Map



## Incubators & Accelerators

While there is no single meeting spot for FoodTech entrepreneurs in Stockholm, multiple coworking spaces host events and programs. The oldest player is **Sting**. Since 2002 it has offered equity-free industry-agnostic incubation and acceleration programs and many FoodTech startups have used it as a springboard (Karma, Foodla, Klimato, A2O etc). Sting has been named the best accelerator in the Nordics and with the portfolio of over 230 companies, you are likely to have already come across their alumni without knowing it.

There are a few corporate accelerators that offer various degrees of connection to the parent company – Sparx by Sodexo, Lantmännen Växthuset, Bloomer by COOP are some. Other retailers such as ICA and Axfood chose to

strengthen their innovation departments and are highly selective in their work with startups, only those technologies that are aligned with corporate strategy will get a chance to move forward.

**Plus Impact Accelerator** sponsored by Danske Bank has for the first time run a FoodTech-specific batch in spring 2021. Rumor has it that it won't be the last. WeWork, an implementation partner in the Plus Impact Accelerator, also houses **Antler**, a program for idea-stage startups and future founders. Another first in 2021 was the Impact Accelerator by Norrskén Foundation. Over 1200 startups from all over the world competed for one of the 20 spots in the program. As you can see, there are a lot of programs on offer, so take your pick!

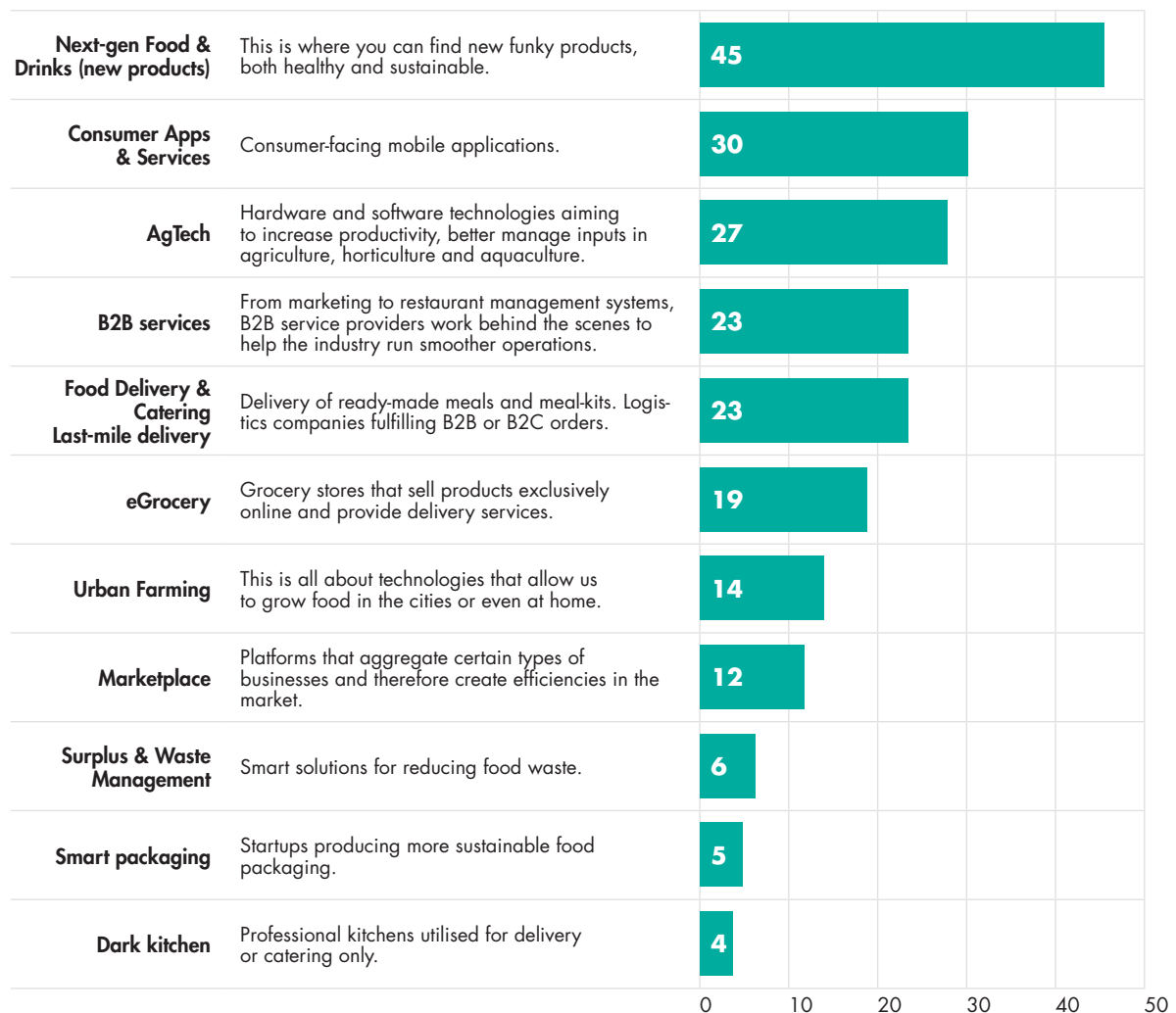
## Meet FoodTech Startups

In order to better understand the FoodTech landscape, research has been carried out to identify and map FoodTech startups in the Greater Stockholm area<sup>7</sup>. Approximately 208 startup companies have been identified, analyzed and grouped into 11 categories by the type of product they offer or a problem they solve. The two biggest categories are 'Consumer apps and services' with big players like Karma, TooGoodToGo and Crubba (14%) and 'Next-gen food and drinks' that include innovative FMCG products like Nick's, Hooked and Stockeld Dreamery (22%).

Some of the companies could certainly be placed in multiple categories at once, for example Stockfiller is a platform for buyers and sellers to meet, including distributed order handling, invoicing and CRM system. It is now labeled as 'Marketplace', however, Stockfiller would also fit into a 'B2B Solutions' category.

The list of companies is not exhaustive and is rather an ongoing effort in following the development of the local ecosystem in the Greater Stockholm region.

### Number of startups by sub-category





## Stockholm FoodTech Startup Map

### NextGen Food & Drinks



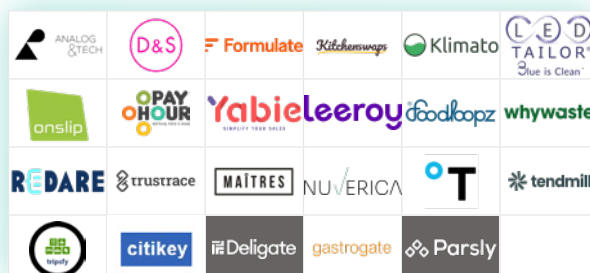
### Consumer Apps & Services



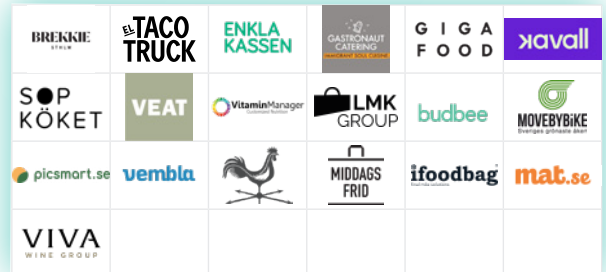
### AgTech



### B2B services



### Food Delivery & Catering and Last-mile delivery



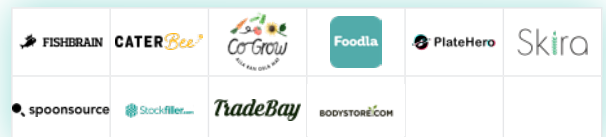
### eGrocery



### Urban Farming



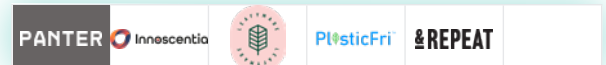
### Marketplaces



### Surplus & Waste Management



### Smart Packaging



### Dark Kitchen



## FOUNDER INSIGHT STORY



**There is so much talent in Stockholm and there are many head offices here which creates a good talent base. We needed food scientists and we were able to find them here.**

**Stefan Lagerqvist** CEO, NICK's



**NICK's** was founded by Niclas 'Nick' Luthman in 2014. That year Nick received bad news – he was pre-diabetic. And that's when his search for healthy snacks that taste great started. Not finding many alternatives, he set out to develop sweet treats without added sugar and unnecessary calories. In 2017 venture capital investors and an experienced product development team came on board and NICK's took off.

Fast-forward to the present, NICK's bars and ice cream are sold in 15 countries in Europe and the US. NICK's ice cream can be found at 6000+ stores across the US and is second after Ben & Jerry's in direct-to-consumer sales.

We spoke with Stefan Lagerqvist, who joined NICK's as a CPT and has since become a CEO, leaving behind a successful corporate career: **"I had envisioned joining a brand where I could make a big impact. When I met with Gustav Brandberg, one of NICK's early backers, and he shared his vision for the future, I felt like this was something that I wanted to be a part of."** This type of transition is quite common in Sweden – experienced professionals joining startups or starting their own businesses. It is no surprise that the average age of founders in Sweden is 38.

**"The social security system in Stockholm and Sweden is very strong which allows for many people to take the risk. The administration of the business is not that complicated with most procedures being digital,"** says Stefan.

Another important factor for the company's growth is the availability of talent. While tech companies might be struggling to hire developers, the situation is different in the food industry. **"There is so much talent in Stockholm and there are many head offices here which creates a good talent base. We needed food scientists and we were able to find them here."** Both SLU (Swedish University of Agriculture) and Lund University offer educational programs in sustainable food systems and food technology.

Swedish consumers are eager to try new foods that are good for them and for the planet, so do consider Stockholm to test your products.



New funding will help the Stockholm Resilience Centre to establish a new research programme to identify key actions, leverage points and actors in the transformation of food systems.



PHOTO: T. MOSSHOLDER/UNSPLASH

## Food-related Research and Development

Advanced research and development in topics such as sustainability, circular flows, digitalisation in general and specifically in food is available in the Greater Stockholm region. The region is host to a number of excellent universities that both provide a highly trained workforce and conduct cutting-edge research.

**Uppsala University** and **SLU**, the Swedish University of Agricultural Sciences in Uppsala offer interdisciplinary programs on sustainable development and SLU prepares experts in agronomy, horticulture, animal husbandry, sustainable food production and others.

**KTH**, the Royal Institute of Technology, is Sweden's largest university for technical research and education. Its five campuses in the region host over 13,000 full-time students, about 1,700 doctoral students and approximately 3,600 full-time employees.

Collaboration and co-creation are very important when it comes to research. **Food Science Sweden (FSS)** is a national platform aimed at strengthening and visualizing Swedish food science research. FSS is a joint organization, gathering the largest players in Swedish food science research – Chalmers, Lund University, SLU, Örebro University and RISE. FSS is also supported by the Swedish Food Federation (Livsmedelsföretagen).

If you are in Germany, you take your toughest R&D quests to Fraunhofer Institutes. In Sweden, we have **RISE** – Research Institute of Sweden. RISE offers the unique expertise of its 2,800 employees and over 100 testbeds and demonstration environments for future-proof technologies, products and services.

Stockholm University meanwhile hosts **Stockholm Resilience Center (SRC)**. Since its launch in 2007, SRC has developed into a world-leading science centre for addressing the complex challenges facing humanity. It aims to advance research for governance and management of social-ecological systems to secure ecosystem services for human well-being and resilience for long-term sustainability. In October 2021 the Center has received € 3.5M from IKEA Foundation and Gullspång Invest to develop scientific insights that can help transform global food systems to strengthen the resilience of our planet.



**We are excited about this opportunity to develop research that can improve both the health of people and the planet, by working on linking science, innovation and imagination to find future pathways to more sustainable and resilient food systems.**

**Line Gordon** SRC director

## Examples of research and development projects within food

### Marine resources as part of the future food chain system

Project name	Name in Swedish	Description	Organizations involved
<b>Centre for Future Seafood, Blue Food</b>	Centrum för framtidens sjömat, Blå mat	Blue Food aims to establish a national seafood centre with the goal of developing Swedish sustainable production of seafood and increasing people's availability nationwide. A primary task is utilizing the catching of wild fish more efficiently as well as developing modern aquaculture for fish, shellfish and algae in cooperation with some 70 partners.	KTH Royal Institute of Technology, Uppsala universitet, SLU, Chalmers tekniska högskola, Göteborgs universitet, RISE, IVL and Innovatum Science Park
<b>Seafarm</b>	Seafarm – Makroalger för ett biobaserat samhälle	Seafarm is a research project where macroalgae will be cultivated for a multitude of uses, including food, in a circular manner where nothing is wasted.	KTH in cooperation with Chalmers, Göteborgs universitet, Linnéuniversitetet, Lunds universitet and Formas

### Sustainable consumption

Project name	Name in Swedish	Description	Organizations involved
<b>Mistra Sustainable Consumption – from niche to mainstream</b>	Mistra Hållbar Konsumtion – från nisch till mainstream	A research program that aims to stimulate a transition to sustainable consumption by generating in-depth knowledge on how niche sustainable consumption practices can become mainstream in the areas of food, vacation and furnishing.	KTH Royal Institute of Technology, Lund University, and Chalmers, in collaboration with academics from the Swedish University of Agricultural Sciences (SLU), Luleå Technical University, Karolinska Institute, Uppsala University and Statistics Sweden
<b>Procurement for Sustainable Food Consumption</b>	Hållbar upphandling av livsmedel	Population growth and urbanization has led to an increase in resource intensive and energy rich foods, where the public sector accounts for a large share of food consumption. This research project analyses the criteria that can be used in public procurement to influence sustainability of food consumption and production.	KTH Royal Institute of Technology, IVL Swedish Environmental Research Institute
<b>Food Review – A systematic review of the scientific literature on digital interventions for more sustainable food consumption behaviour.</b>		This synthesis aims at investigating the current state of research regarding digital behavioral interventions to increase sustainability in the food sector, focusing on end consumers and large-scale food management. The area is very relevant and urgent today, since digital behavioral interventions is an area that has grown rapidly in recent years, but no systematic research overview of this kind has yet been made in the area of sustainability.	KTH Royal Institute of Technology, Deedster, Consupedia
<b>FRIDGE – Smart storage solutions in the fridge of the future to reduce food waste.</b>		This project intends to focus on one of the most important areas of food waste, namely food that is thrown from refrigerators when not used in time. It aims to develop and evaluate cheap, smart storage containers for food to be used in existing refrigerators, combining non-technical solutions such as color coding, with cheap technical solutions such as RFID tags and QR codes, aimed at increasing "food supply awareness." The solutions will be developed in close collaboration with users, and evaluated longitudinally in Swedish households.	KTH Royal Institute of Technology





PHOTO: MASKOT BILDBYRÅ / PLATTFORM / CAIAIMAGE / JOHNER

## SustainTech with focus on Food

Project name	Name in Swedish	Description	Organizations involved
<b>Cultivating city bazaars: sustainable urban cultivation</b>	Odlande stadsbasarer: hållbar arbetsskapande urban odling	Cultivating city bazaars run innovation for sustainable urban development in Helsingborg, Landskrona and Stockholm. The unique cooperation has been developed by a consortium of cities, associations, academics as well as companies with the ambition of providing new, green workplaces and growing companies. The vision is about sustainable and integral neighborhoods through urban cultivation, which is a strong trend in large cities around the world.	20 partners in total participate in the projects consortium.
<b>Funguschain</b>		Each year, the European Union produces around 90 million tonnes of food waste, 38% of which is directly produced by the food-manufacturing sector. If we focus on the mushroom farming industry alone, each week more than 60,000 tons of mushroom disregarded outputs are generated in Europe. These are basically treated as unwanted by-product and used for low-value applications. There are, however, major opportunities to turn these outcomes into high-value products and this is exactly what the FUNGUSCHAIN project aims to do, by setting up innovative processes in a new biorefinery. FUNGUSCHAIN will make use of new cascading processes to extract high value molecules from the fungal residue following the requirements of a range of end-users. A first extraction will yield antimicrobials & antioxidants, proteins, polyols and polysaccharides. Further processing will complete the value chain for delivering cleaning, food and plastic products. The remaining residues will be used for composting or biogas synthesis, thus closing the agricultural cycle.	A unique consortium coordinated by BioDetection Systems B.V., The Netherlands (BDS), which consists of 16 partners from 10 different European countries, including research institutes (one of which is KTH Royal Institute of Technology) and 12 different companies that are leaders in biobased economies.
<b>Novel food delivery materials based on hemicelluloses</b>		Hemicelluloses are the second most abundant family of polymers in nature and represent an enormous and almost unused renewable resource. The project aims to demonstrate the advantages of this renewable raw material to make barrier films for food packaging. The project is closely linking raw material processing with upgrading to high-value polymeric materials moving the economy one step closer to sustainability.	KTH Royal Institute of Technology
<b>System analysis of biochar production and use in Swedish urban and rural areas</b>	Systemanalys av produktion och användning av biokol	The research aims at modeling the impacts of biochar production and its use in the Swedish context, through the development of a systematic methodological framework and its application to three case studies.	Stockholm Stad, Trafikkontoret, Fortum Värme, Stockholm Vatten och Avfall, Uppsala Kommun, Lantbrukarnas Riskförbund (LRF), Lindeborgs Gård

Source: KTH Food Sustainability Network  
[www.kth.se/en/seed/forskning/ovriga-forskningsprojekt/kth-food-sustainabil](http://www.kth.se/en/seed/forskning/ovriga-forskningsprojekt/kth-food-sustainabil)

# The Vibrant FoodTech Investment Landscape

Investment into Nordic impact startups has grown 25-fold in the last 10 years, reaching €1.6B in 2020<sup>8</sup>. Venture capital in the Nordics is significantly more impact-focused than other regions, with 34% of all VC investment going to impact companies, vs 17% for Europe as a whole.

- Impact startups receive 25% more job applications than non-impact startups.
- 39% of seed-stage Nordic impact startups raise a Series A within 36 months. Compared to 19% for a benchmark of European tech startups.

Stockholm is home to major venture capital firms such as Creandum and Northzone. FoodTech entrepreneurs have a variety of investors to choose from – there are plenty of FoodTech specific investors and in the last couple of years we've seen generalist VCs showing interest in the industry. "There has been a lot of hesitancy among the investors about the food industry. But the Beyond Food IPO in 2019 and the Oatly IPO this year show the attitudes have shifted. We can see valuations of FoodTech startups are going towards those of the tech companies and there's definitely more deal flow," comments Carolin Moberg, COO of Nicoya, a venture capital firm in Stockholm.

Funding is widely available for seed-stage startups and Series A growth stage rounds are usually raised in Europe or the US.

## A snapshot on some funding opportunities in Sweden

### Investment Stages



8. <https://hello.plus-impact.io/impactreport2021/>



## Funding Opportunities

### FoodTech-specific funds

**Gullspång Re:Food** is the new fund launched as a subsidiary of investment group Gullspång Invest in early 2021 with a motto 'Food is solvable'. Consequently, they invest in healthy diets, regenerative farming, circular supply chains, and alternative proteins and fats.



**Our investment strategy is based on the fact that currently humanity is using the resources of three planets, yet we only have one. The food system is a big part of the solution, we believe that there's so much innovation and opportunity both for impact and financial returns.**

**Gustaf Brandberg**  
Founding Partner, Gullspång Re:Food

**Kale United** invests in plant-based companies that are actively engaged in making the world a better place by reducing the carbon footprint and improving the health of humans and animals. They have invested in 40+ companies, Stockeld Dreamery, JUST, Mycorena and Hooked among others.

**Martas Explorers** is a privately owned investment group with focus on food, FoodTech and ag tech investing in early stages in environmentally, financially and socially sustainable companies in the Nordic region. Stockeld Dreamery, Grönska and Färsking are among their portfolio companies.

**Nicoya** is a business-accelerating investment company focusing on FoodTech. They are hands-on supporting very early-stage companies from idea to market. Investments include Nick's, Oatlaws, Inika Foods among the others.

**PINC** is a venture arm of Paulig, a family-owned, international group in the food industry. They invest in four major consumer trends: Conscious Consumption, Holistic Health, Personalized Convenience and Authentic Experiences.

**Trellis Road** was launched in 2020 with the purpose to invest in and support early-stage high-impact FoodTech startups, typically by investing small tickets alongside strong lead investors in seed rounds. They are based in Europe, but invest globally. Bluu and Betterfish are some of their portfolio companies.

**PlusCap** is an impact investment company focusing on early-stage impact startups within sustainability, health and sportstech. Invested in Skira, Hooked and Vultus among others.

### Generalist funds with interest in food

**Norrskan VC** is a € 123 M fund investing in startups solving the world's biggest problems while building massive business. Invested in MatSMART, Karma, Vultus, Whywaste among others.

**Inventure** has backed over 70 portfolio companies since 2005 and has €230M of assets under management. Invested in Wolt, Insurello and Stockeld Dreamery.

**J12** is an industry-agnostic early-stage investor that is not afraid to get their hands dirty and help founders find the product-market fit. They were an early investor in Karma and Northfork.

**Northzone** has been around since 1996 and has invested in over 130 companies, including Spotify, iZettle and lately in Stockeld Dreamery, a plant-based cheese startup.

**DHS Venture Partners** which stands for Diplomerad från Handelsöghskolan i Stockholm, is an exclusive network founded by a group of Stockholm School of Economics alumni dedicated to supporting the next generation of great entrepreneurs. Invested in Karma.

**Atomico Sweden** partners with ambitious tech founders at Series A and beyond with a particular focus on Europe. They're based in London, but have an office in Stockholm.

**Creandum** is the leading Nordic venture capital firm investing in startups focusing on consumer internet, software, and hardware sectors. With a total of € 435 M raised, 75 investments in their portfolio, in seed, Series A and later stage rounds, Creandum is the first stop for any entrepreneur. Notable investments include Spotify, Wrapp, Cint, Edgewise, iZettle, Vivino.

**EQT Ventures** is a multi-stage €566M VC fund. It typically invests in tech companies for amounts between €3M and €75M, with a geographical focus on Europe and the US. Notable investments in the FoodTech space include Wolt and OriginBio.

**Monterro** is a hands-on growth investor targeting software companies in the Nordic region. Unlike other firms, who only invest other people's money, the Monterro partners have a personal stake in each and every investment.

**Zenith Capital:** The Zenith Group currently has three streamlined investment strategies under the same roof: Venture Capital (start-up company), Growth (growth company) and Real Estate (real estate funds).

**Kinnevik** is a growth-stage investor in digital companies in healthtech, consumer services, FoodTech and fintech. The firm was established in 1936 and has over EUR 7 billion in net asset value. Invested in Mathem, Karma, Vivino.

While there are multiple FoodTech VCs in Europe, the recently launched **FoodSparks** deserves a special mention. It is a 30-million euro fund established by the EIT Food, the world's largest Agrifood Innovation Ecosystem supported by the European Institute of Innovation and Technology (EIT) and managed by PeakBridge. The fund will invest in seed-stage startups all over Europe, working closely with its investors – Ordway Selections, CPT Capital, Givaudan, Puratos, and Gullspång Re:food among others.

### Governmental funds

**Industrifonden:** Founded by the Swedish government in 1979 to support industrial development but switched to venture capital investments in 1996, Industrifonden is one of the larger venture capital firms in the Nordics, with €680M in assets and has completed more than 1000 investments in its 40-year history.

**Almi Invest:** A public sector independent venture capital company is to be a bridge to private capital and contribute to a functioning venture capital market throughout the country. Over the years, Almi Invest has co-invested with over 1,000 business angels and institutional investors. Almi Invest is owned by Almi Corporate Partners and ultimately by the Swedish state. Almi Invest is part-financed by the EU, Almi Corporate Partners and regional organizations. The fund makes about 50 new investments per year and manages about €295M.



**Klarna and Spotify are clear success cases and a lot of experience and money is reinvested in the same ecosystem through the experience of their employees and founders. It used to be that if you have digital product, you got everyone's attention and it's great to see that now FoodTech is getting comparable valuations and interest.**

**Marika King** Pinc/Paulig



## INVESTOR INSIGHT STORY



**Stockholmers are open to trying new products and services, it's a great place to test ideas and scale from here.**

**Carolyn Janmark** COO, Nicoya



Companies developing plant-based products globally have raised 3 times as much capital in 2020 than in 2019. This signals a clear breakthrough in the market. It's not only vegetarians that care about plant-based, 60% of consumers choose to go flexitarian and eat more plant-based products, globally. Even a small behavioral shift will lead to massive changes in the supply chains.

We spoke to Carolyn Janmark, COO at Nicoya, a business-accelerating investment company backing entrepreneurs solving the biggest challenges in the food system.

### **How would you describe the FoodTech ecosystem in Stockholm to someone thinking of starting a company here?**

"Stockholm is one of the best places to start a food company in the world. A large percentage of the population are progressive consumers, they are open to trying new products and services, it's a great place to test ideas and scale from here. Sweden has a great heritage of scaling tech companies globally (Spotify, Klarna, King) and this experience is not only inspiring the FoodTech entrepreneurs but also motivating them to dream bigger. Swedish brands also have strong underlying associations with sustainability and health, attributes that attract consumers on a global level."

### **What do you see as the most significant advantage of Stockholm vs others locations within the field of FoodTech or Tech in general?**

"Amazing initiatives and events, such as Big Meet and Smaka Good Food Festival, are sources of inspiration, and meeting spots for great people who are engaged and want to make a difference. Multiple acceleration programs (Norrskens impact accelerator, +impact accelerator, Bloomer) provide a network and access to the potential pilot customers and investors.

Fun fact is that we met one of our portfolio companies, Foodiq, at the boat trip that wrapped up the 2019 Big Meet."

### **What is your investment strategy?**

"Nicoya was founded in 2017 as an accelerator/venture builder. We joined very early-stage teams and helped build the foundation in terms of brand platform, value proposition, future-proof business model and route-to-market capabilities to support acceleration.

In 2020 we re-modelled Nicoya as an investment company focused exclusively on FoodTech, having raised €30M to date, and now raising additional €30M to continue to follow-on in our portfolio, as well as broadening the portfolio with new bets. Our sweet spot is Early Growth when the product/ market fit has been proven and the company is gearing up for scale. We believe great things happen when great people come together, and with Nicoya the entrepreneurs can really count on us being an active investor – our saying is let's not make the same mistake twice, but instead make new mistakes together and learn as we go.

We aim to have a portfolio of 15-20 companies within the next few years primarily in the Nordics but also looking at some exciting teams in Europe and the US," says Carolyn.

## Investment Trends

FoodTech is booming across Europe. In 2021, European startups raised \$9.5 billion, three times more than the previous year. That same year, Europe's share of global FoodTech investments also saw unprecedented growth, climbing from 12% to 20%. Deals are increasing, and the average investment amount per deal has doubled to approximately \$1.8 million. This impressive growth is connected to investments in grocery delivery startups whose solutions have rapidly disrupted the food retail landscape. In 2021, more than 50% of all investments went to startups in regions including Germany, the UK, the Netherlands and the Nordics.<sup>9</sup>

Similar investment trends are seen in Stockholm-based FoodTech companies within the grocery and food delivery services category. Swedish startups raised \$366 million in 2021, the second-highest amount in the Nordics after Finland. These investments predominantly flow into mature companies in the Stockholm region, which is strong in both innovative and functional food. One example is Nick's, which raised €90 million in a Series C funding round co-led by Kinnevik. Another is the e-commerce food delivery company Mathem, which raised money three times in 2021, and MatSMART and Kavall, which successfully fundraised twice that year. Stockholm-based Volta Greentech, which aims to reduce methane emissions from the world's cows, raised angel and seeding rounds during 2021.

## Notable Deals 2021

- **Nick's**, a sugar-free Swedish ice-cream maker, has **raised €90M** in a Series C funding round co-led by Kinnevik, Ambrosia and Temasek. This is a big step up from a \$30M round the company closed in January.
- It's a big year for the grocery and food delivery companies – **Mathem**, the largest Swedish online grocery store raised **€70M**, **Budbee**, the last-mile delivery marketplace **raised €52M** in January, **Curb Food** has bagged slightly over **€21M** in June and **Vembla**, 10-minute last-mile delivery startup got **€1.3M** in May to fuel their growth.
- **Stockeld Dreamery**, developing the world's most ambitious cheese', **has raised €16.5M** Series A, in one of the biggest rounds for plant-based products in Europe.
- **Sproud**, the Swedish pea-milk startup, **raised €5.7M** to conquer North America.
- **Oatly** went public at a **\$10Bn** valuation. Plus made waves with one of the **best/worst superbowl ads** we've seen.
- **Mycorena**, a Scandinavian mycoprotein pioneer, **raises €7.7M** to build a new production site in the south of Sweden. In early 2020, Mycorena had made headlines by launching their unique fungi-based protein ingredient, Promyc.
- **Volta Greentech**, aiming to reduce methane emissions from cows with a feed supplement made from a seaweed called *Asparagopsis Taxiformis*, **raised €2M** preparing to open its factory on the West Coast of Sweden.
- Regenergy **Frövi** plans to build a total of 35 hectares of circular production area for large-scale tomato growing as well as land-based cultivation of giant prawns. The establishment is made possible by WA3RM and **BillerudKorsnäs** having reached a crucial agreement on use of the paper mill's waste heat to power the huge greenhouses and shrimp cultivation and then return the water to BillerudKorsnäs production.



# Future Outlook and Opportunities



PHOTO: FOTOGRAFISKA STOCKHOLM

Over the past decade, Stockholm's food scene has garnered plenty of positive attention. It's largely thanks to our chefs, restaurants, and home cooks who persist in their quest for quality, planet-friendly food. And while poor food habits are increasingly recognised as a looming environmental threat, Stockholm's commitment to implementing new, smarter food practices – together with its growing FoodTech scene – is becoming more evident. This commitment manifests in the emergence of more conscious cooking philosophies, a surge of impactful food innovations, and the city's progressive efforts to shape a truly sustainable society. Sustainable food habits have always been a cornerstone of Stockholm's culture due to our climate and long winters.

This devotion to sustainability still exists today, but for a wholly different reason: the sake of the planet. The world still relies on an obsolete food system that devours more raw materials and resources than our planet can afford. And, as the majority of the global population now lives in cities, food has become one of the largest sources of consumption-based emissions. It is the responsibility of the cities which value sustainability and health, and where tech and creativity are mature industries, to drive change. The cities where conscious consumers, chefs, entrepreneurs and policymakers inspire one another and co-create solutions for the future. We believe Stockholm is that place.



## Four reasons why Stockholm is the perfect city for developing and enjoying the future of food:

### 1. A Long Sustainability Legacy

Sweden has a long tradition of sustainability, dating back to at least 1972 when Stockholm hosted the first-ever international climate conference. To this day, this legacy is evident in the country's eco-friendly food practices. Ecological farming is a mainstay of the Swedish agricultural sector, and the government has long promoted food production with strict regulations for rearing livestock and farming crops. Recycling and food waste management are widespread in companies and at home. As Sweden's capital, Stockholm's close and respectful relationship with nature and water has further cemented the nation's devotion to sustainability.

In 2010, the EU appointed Stockholm as the world's first "European Green Capital". The honor further strengthened Stockholm's focus on sustainability. The City launched several new initiatives to accelerate the journey towards becoming an entirely sustainable society and committed its organization to be fossil-free and climate positive by 2040. In 2019, the City joined the C40 Good Food Declaration and launched an ambitious new food strategy. Sweden is still one of only three countries offering free school meals to all children up to the age of 16. The new food strategy also required increasing the proportion of organic and vegetarian food in all preschools and schools, thereby reducing the city's environmental impact.

### 2. A Hub for Innovation

The home of an already-flourishing tech scene, Stockholm is determined to recognize, problematize and improve food system standards from farm to fork, and to become a hub for more impactful innovations, startups and investments that address at least one of the UN Sustainable Development Goals (SDGs). And this commitment

is bearing fruit. Dubbed "the New Impact Hub in Europe" by Bloomberg in late 2021, Sweden and especially the Stockholm region have seen a surge in impact startups and food-related innovations. Collectively these developments advance Stockholm as a Good Food City.

### 3. Science of Sustainability

Investment in education and research gives Stockholm a leg-up in the environment research field. The city now boasts a cluster of institutions world-renowned for their expertise. For example, SLU at Uppsala University, The Royal Institute of Technology (KTH), and the Stockholm Resilience Centre at Stockholm University, whose publications are amongst the most cited in the field. Furthermore, the Stockholm Resilience Centre acted as the scientific coordinator of The EAT-Lancet report, in which the Planetary Health Diet was first established.

### 4. Conscious Gastronomy

Sustainability doesn't mean sacrificing taste. Stockholm has a broad gastronomic scene, propelled by an ever-increasing number of vegetarian, organic and circular restaurants. Over the years, a more locally and sustainability-focused "back-to-basics" cooking philosophy, influenced by the New Nordic Cuisine Manifesto, has emerged in the city. Today, chefs and home cooks alike constantly challenge themselves to create new and exciting taste experiences while reducing their climate impact. This shift was apparent in the latest edition of the Michelin Guide, where no fewer than six Stockholm restaurants were awarded Green Michelin Stars. Stockholm is undeniably a place where food not only tastes good but also does good. The city has been named the European Capital of Gastronomy 2023, and everyone keen to discover our vibrant gastronomic scene and the future of food will be warmly welcomed.



## The future of food starts in Stockholm

Stockholm is primed to become one of the world's most relevant hubs for building the next-generation food system. The city has all the necessary preconditions, from a strong traditional food cluster and research institutes to an abundance of venture capital, successful tech entrepreneurs and active demand for better food. Sustainability is central to decision-making for consumers in Stockholm.

Stockholm is one of 14 destinations to adopt the Global C40 Declaration, which aims to promote global health for humankind, the climate and the planet. Join the movement and contribute to our Good Food City. Take part in one of the ongoing and upcoming collaborative opportunities in Stockholm.

### **Stockholm – European Capital of Gastronomic Culture 2023**

The European Academy of Gastronomy (EAG), part of the International Academy of Gastronomy (Académie Internationale de la Gastronomie – AIG), appointed Stockholm as the Gastronomic Capital of Europe in 2023.

The Gastronomic Academy leads the work with strong support from the City of Stockholm, which extends an open invitation to everyone who wants to be involved in arranging activities related to the year.

### **Good Food:By40 initiative**

The Good Food:By40 initiative was recently launched by Sweden FoodTech to target a number of food dimensions: health, school results, new products, new production methods, waste reduction, integration, property development, side stream valorization, hospitality, and more. Much more will be investigated and developed in fast-moving sprints. Industry will work together with science, entrepreneurs, chefs, activists and civil society to create bold but attainable goals for each dimension. The necessary activities to reach the goals will then be identified and executed. In 2030 we expect to see the outlines of a new good food system in Stockholm; by 2040, it should be the prevailing one. You don't need to live in Stockholm to take part in these efforts – join us, wherever you are!

### **Stockholm Good Food Guide**

Stockholm has one of Europe's most interesting food scenes thanks to our city's chefs, restaurants and foodies who refuse to compromise on quality, taste and sustainability. The Stockholm Good Food Guide is the definitive guide to sustainable indulgence and culinary enjoyment in this lively foodie capital. What constitutes Good Food? It needs to be good for us, the planet and, of course, delicious – whether we're talking about eating it, drinking it, buying it, or experiencing it. The Stockholm Good Food Guide let knowledgeable people sharing their top tips on where to eat, drink, shop and experience our city in a more conscious way.

**Enjoy**   
our Good Food Guide to Stockholm!





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# Thinking of Starting Up in Stockholm

## Agencies and resources you should know about when you begin your adventure in Stockholm:

### Almi

[www.almi.se](http://www.almi.se)

Owned by the Swedish government, Almi offers loan and advisory services.

### Bolagsverket

[www.bolagsverket.se](http://www.bolagsverket.se)

The Swedish Companies Registration Office can help register your company name, in case you seek to protect it.

### Business Sweden

[www.business-sweden.se](http://www.business-sweden.se)

Business Sweden is jointly owned by the Swedish Government and Swedish industry. It helps Swedish companies grow global sales and international companies to invest and expand in Sweden.

### Invest Stockholm

[www.investstockholm.com](http://www.investstockholm.com)

Invest Stockholm is the official investment promotion agency of Stockholm, owned by the city of Stockholm. We provide information and advice for companies wanting to establish a new business in the region, as well as for companies wanting to expand an existing business. We assist investors to identify relevant investment opportunities within the region.

### Move to Stockholm

[www.movetostockholm.com](http://www.movetostockholm.com)

This guide offers you tons of useful information and listings of things to consider before, during and after you move to Stockholm.

### The Entrepreneur's Guide to Stockholm

[www.visitstockholm.com/live-work/start-business](http://www.visitstockholm.com/live-work/start-business)

A step-by-step help for starting a business, getting funding, finding a home or an office, attracting and recruiting talent, and networking opportunities.

### Skatteverket

[www.skatteverket.se](http://www.skatteverket.se)

One of the most important agencies is the Swedish Tax Agency. Skatteverket would also be the first point of contact in registering your entity.

### Verksamhet

[www.verksamhet.se](http://www.verksamhet.se)

A collaboration among several Swedish government agencies, this one-stop-shop aims to provide information across most of the practicalities in setting up a business here.

### **Sweden Foodtech**

Sweden Foodtech was formally founded in 2016 when several long-timers within food and FoodTech decided to join forces and build Sweden into one of the world's leading hubs for FoodTech.

Sweden Foodtech accelerates next generation food system players – be they nations, cities, big corporations or entrepreneurs – through strategic advice, business-building, innovation programs and international contacts. The foundation is the “three goods of food”: good for you, good for the planet and tasting good. Entrepreneurship is at the core, not the least through the FoodTech entrepreneur community, FoodTech Village and acceleration programs.

### **Invest Stockholm**

Invest Stockholm is the official investment promotion agency of Stockholm, owned by the city of Stockholm. The Stockholm region covers 55 municipalities and attracts more than 50 percent of the total foreign direct investments into Sweden. Our team will provide tailor-made information and advice for companies wanting to establish a new business in the region, as well as for companies wanting to expand an existing business. For investors we assist you to identify relevant investment opportunities within the region.

### **Contact us**



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