

# Sweden: a competitive economy that is among the most efficient and innovative in the world



**Anne-Cécile HANSSON LECOANET**, Attorney at the Paris and Swedish Bars and Partner at the Bird & Bird Law Firm

Anne-Cécile Hansson Lecoanet, a Partner at Bird & Bird, a multidisciplinary law firm that is specialized in transactions in the Nordic countries, discusses the attractiveness of Sweden for French investors in this interview.

**You are a partner at the Bird & Bird international Law Firm, which especially operates in Stockholm, Helsinki, Copenhagen and Skanderborg. What makes the Nordic Countries attractive in your opinion?**

The Nordic countries have a long tradition of international trade and exports. They are among the most efficient and innovative countries in the world. Even if they are small countries by their number of inhabitants, they are extremely efficient. According to the 2014 ranking, published jointly by the French business school INSEAD, WIPO and Cornell University, the Nordic countries are among the twenty most innovative countries, with Sweden in the number three position, with Finland number four, Denmark number eight, Norway number fourteen and Iceland number nineteen. As a result, these countries attract foreign investors in search of new skills and know-how.

Bird & Bird is at the service of Franco-Nordic relations and is the only international law firm which has offices in Sweden, Finland and Denmark. We are therefore ideally placed to support Nordic and international companies that operate in the Nordic countries or seek to invest there.

**Sweden is recognized for its stability, but like many other European Union countries it was affected by the financial crisis in the autumn of 2008. What is the situation of Sweden today and**

**what are the business opportunities for French companies?**

Sweden, like the other Nordic countries, was not untouched by the world economic crisis in the autumn of 2008, but it was able to rebound rapidly and with rigor thanks to its sound public finances. Sweden reacted well to this crisis because it learnt from its previous experience with its serious banking crisis in the early 1990s. This crisis led to major reforms that were aimed at regaining budget sustainability and improving social and labor market policies. As Sweden is very present in the life sciences sector, (biotechnologies, pharmaceutical products, medical devices and medical research), as well as in technology and environmental issues, French companies have excellent business opportunities in these sectors.

**In your opinion, what are the trade factors that explain the attractiveness of Sweden for French companies that wish to set up business in Sweden,?**

The attractiveness of Sweden mainly stems from its competitive economy, which is among the most efficient and innovative in the world. Sweden's 2014 growth rate was 2.1%. Sweden is a politically stable country. As the level of education is high, it has a highly skilled workforce. There are many research activities and the development of high technology plays an essential role. Companies and universities work in close partnership, which is a key factor for creativity and

innovation. The country has major multinational companies that are known around the world, such as Electrolux, Ericsson, Volvo, Tetra Pak, Scania, Ikea, H&M, Astra Zeneca, SKF, Vattenfall and also more recently Skype and Spotify, as well as iZettle, the smartphone payment service. These examples of success of both large and small companies are a factor of attractiveness for foreign companies and especially French companies in search of new markets.

**Through acquisitions, creations and mergers, more than 400 French companies have already set up business in Sweden. How is access to the Swedish market seen by foreign investors?**

For foreign investors, access to the Swedish market and to the Nordic market in general, is seen as quite easy due to the culture of openness and transparency that characterizes the business world in this country. Access to the management of companies is easy, as is obtaining financial information, which is important during acquisition processes. But it is always preferable and recommended to get advice from attorneys and bankers in order to carry out the legal and financial audits of the target company or the activity to be taken over and to draft the contracts of acquisition. Furthermore, setting up a company in Sweden is rather simple and quick. The food sector is a sector that is rather popular with French companies at the moment, as is seen with the recent arrival in Sweden of

Picard, the French frozen food company. Picard intends to open more than 50 stores there in the next 5 years.

**The environment sector, the cleantech sector and the sale of organic products are expanding rapidly in Sweden. What opportunities does the growing interest of Swedish consumers in their health offer to French companies?**

Sweden is a pioneer in renewable energy, sustainability and green technology. The Swedish government, like its neighboring countries, has adopted new environmental and energy policies and drawn up ambitious climate change action programs in order to limit greenhouse gas emissions. The results obtained are impressive, ranking it among the most advanced countries in this area. French companies working in this

sector can certainly find partnership opportunities with Swedish companies. Inversely, Swedish companies can also find excellent opportunities in the French market, especially concerning waste recycling (unlike France, Sweden is very advanced in this field), water treatment, wind energy, etc.

**How does Bird & Bird, which is specialized in assisting foreign companies to enter the Swedish market and foreign investments in the Swedish market and also Swedish investments in France, see the developments in business between French and Swedish entrepreneurs? What are the points on which the French must work in order to optimize their presence in Sweden?**

Business between Swedish and French entrepreneurs is doing rather well in many different sectors, such as new

technologies, digital technology, the food industry, cosmetics, energy and sustainability. In order to succeed in Sweden, it is important to clearly understand how Swedish society works and what its cultural and managerial specificities are. The culture of negotiation and consensual compromise is very strong in Sweden. The Franco-Swedish business forum that was organized by the Swedish Chamber of Commerce in France (Bird & Bird was one of the sponsors), which was held in Stockholm on 14 September, especially aimed at promoting French Tech internationally and showing that France has strong skills in innovation, new technologies, entrepreneurship and environmental issues, which are fields in which Sweden is very present. The idea is clearly to develop partnerships between Swedish and French companies. ■

