

Welcome to join

The Swedish textile ecosystem

A guide to strengths, innovation environments and textile investments in one of Northern Europe's most technology-driven industrial regions.

Prepared by Business Region Borås



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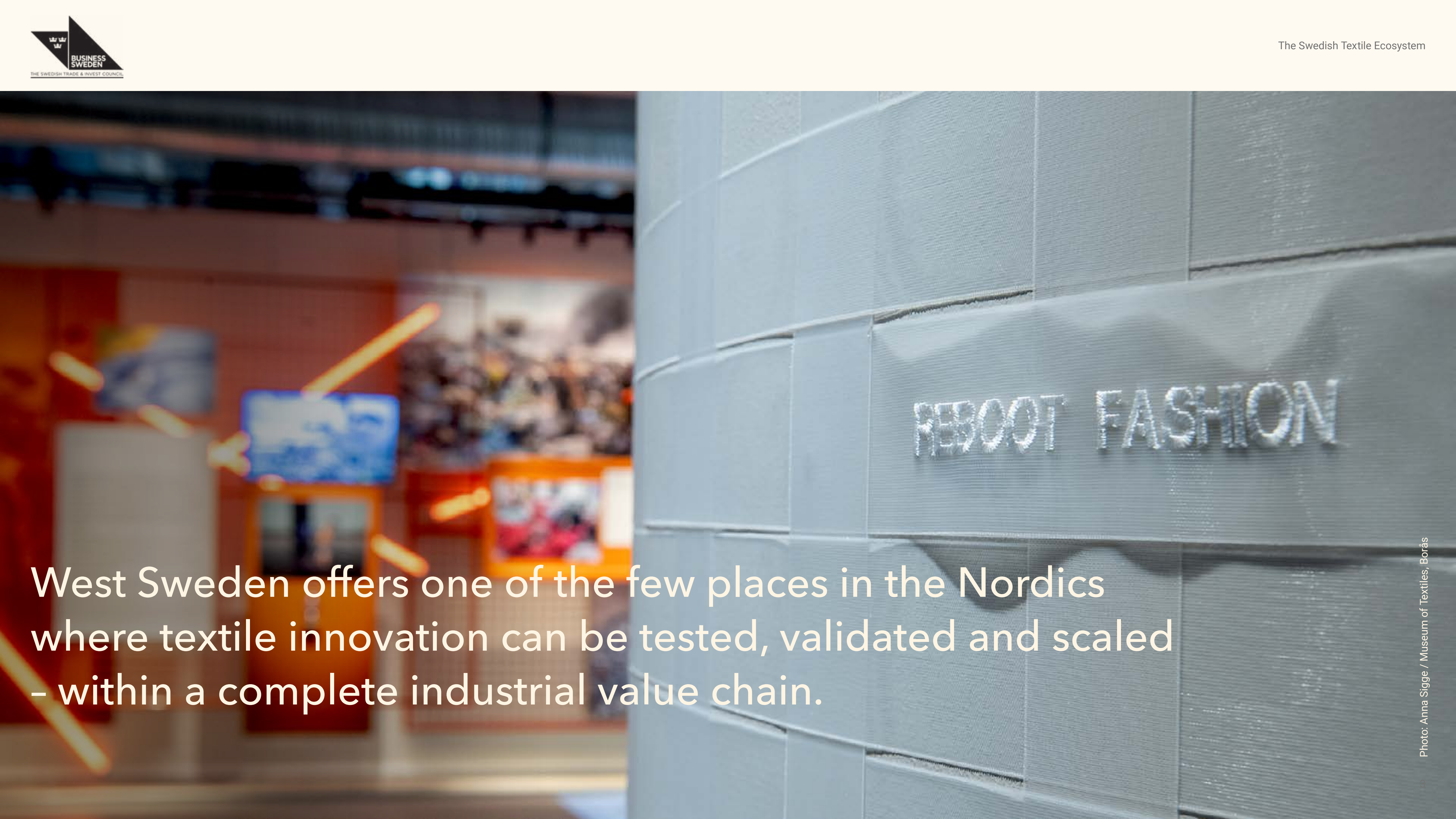
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West Sweden offers one of the few places in the Nordics
where textile innovation can be tested, validated and scaled
– within a complete industrial value chain.

SWEDEN

A stable platform for long-term investment

Open, internationally engaged, and structurally stable, Sweden combines economic resilience with a forward-oriented policy environment.

Sweden is consistently ranked among the most innovation-driven economies globally, placing second in the Global Innovation Index among 139 economies in 2025. The country is supported by strong institutions, transparent governance, and predictable regulatory frameworks. The business climate is

built on long-term industrial development rather than short-term volatility. Political continuity, advanced infrastructure, digital maturity, and a highly educated workforce provide a stable and predictable environment for long-term, technology-driven investment.



Photo: Anna Sigge / Museum of Textiles, Borås

SWEDEN

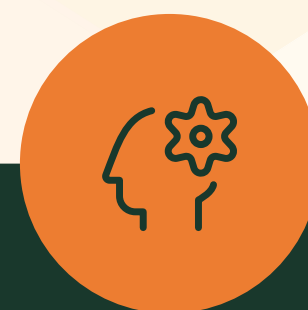
A stable platform for long-term investment

Key structural advantages include:



Institutional stability and predictability

Transparent public institutions, rule-of-law governance, and regulatory alignment with European frameworks provide long-term certainty for investors.



Innovation capacity and technical depth

A strong national R&D ecosystem, close collaboration between academia and industry, and high levels of engineering competence support the development of advanced materials, digital systems, and industrial technologies.



Sustainable industrial transformation

Sweden's national climate and circular economy policies encourage low-carbon production, material efficiency, and system-level innovation across industries.



International connectivity

As a member of the European Union, Sweden provides direct access to the EU single market, integrated supply chains, and established international trade networks.

WEST SWEDEN

The textile region of Scandinavia

West Sweden represents a concentrated textile and fashion cluster with deep industrial roots and a forward-looking innovation ecosystem.

West Sweden has been at the heart of Scandinavia's textile industry for generations. What began as a trading and manufacturing hub evolved into one of Northern Europe's most specialised textile clusters, built on craftsmanship,

entrepreneurship, and industrial resilience.

Combined with the Borås region's strategic position within the wider West Sweden region, with its advanced infrastructure, international connectivity,

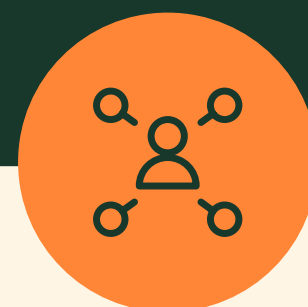
and strong innovation ecosystem, it creates a powerful platform for companies looking to grow, innovate, and scale.



WEST SWEDEN

The textile region of Scandinavia

Its competitive strengths include:



A highly integrated textile ecosystem

From education and research to design, sourcing, and advanced textile development, the region offers a dense industrial cluster with strong collaboration between academia, industry, the public sector and the civil society, including non-profit and mission-driven organisations.



Textile expertise and talent pipeline

The region hosts specialised education and research institutions focused exclusively on textiles, fashion, and material science, ensuring a continuous supply of skilled professionals.



Leadership in circular textile solutions

The region is emerging as a European centre for system innovation in textiles, bringing together expertise in design for circularity, sustainable materials, circular business models, reuse systems, and advanced textile recycling and fibre recovery technologies.



Close to the Port of Gothenburg and global logistics infrastructure

The region benefits from close access to the Port of Gothenburg, Scandinavia's largest port, enabling efficient global trade.

West Sweden

5,000+

Textile and fashion companies

20,000+

People employed across the textile sector

15+

Research environments, testbeds science parks and innovation clusters

≈40%

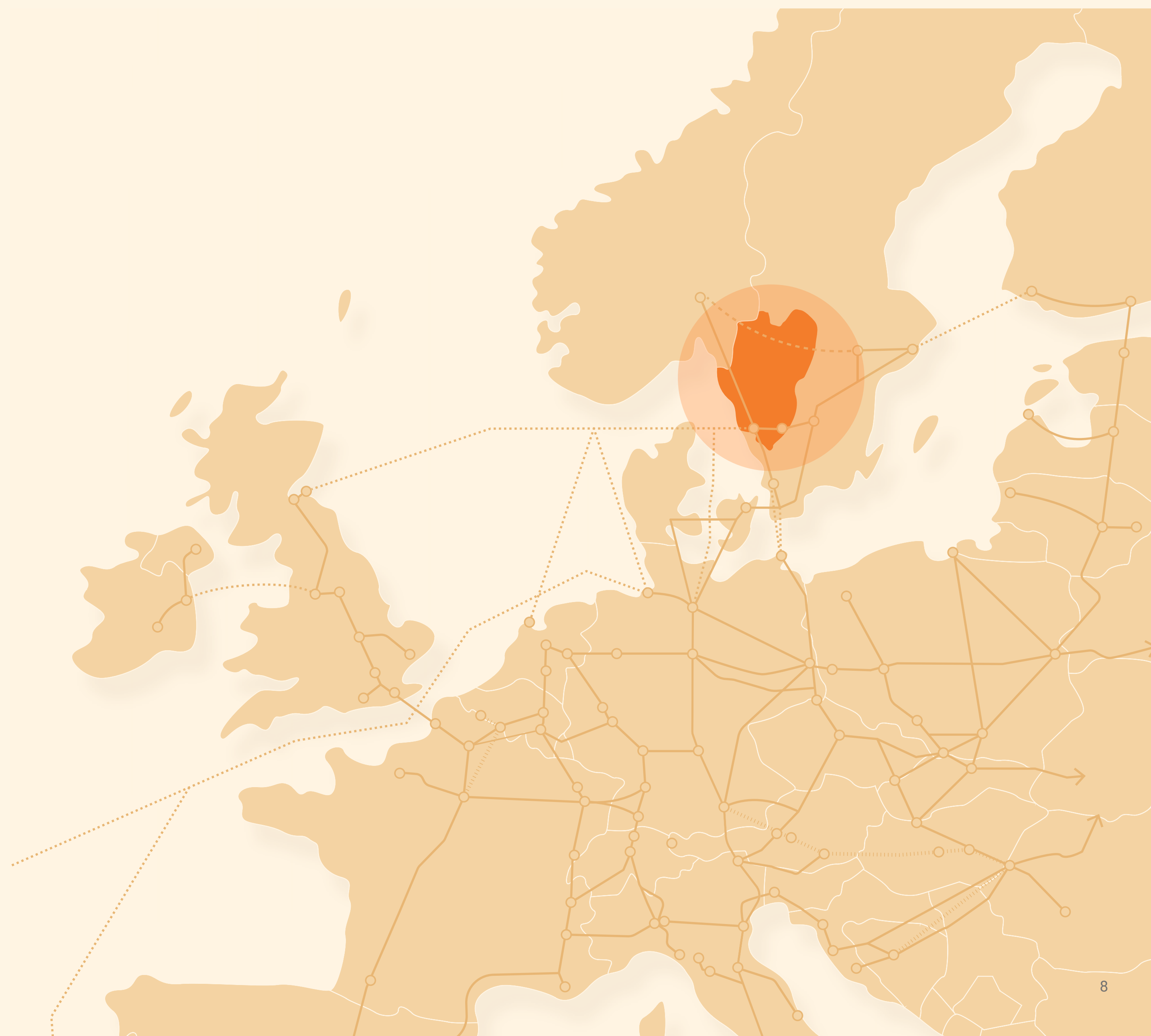
Of Sweden's textile workforce

5+

Universities and specialized institutions within engineering, textiles and materials

≈50%

Of Sweden's textile industry turnover



THE BORÅS REGION

Textile knowledge built on experience and adaptation

The Borås region has played a central role in Sweden's textile industry for more than a century. What began as trade and small-scale production developed into the country's primary textile manufacturing centre, supported by strong entrepreneurship and export-oriented businesses.

When large-scale textile production declined in Northern Europe during the late 20th century, the Borås region did not exit the sector. Instead, the region shifted toward specialisation.

Manufacturing experience was complemented by

sourcing expertise, textile engineering, product development, and applied research. This transition allowed core industry knowledge to remain in the region, even as the structure of production changed.



"As global competition intensified and cost-based manufacturing moved abroad, the regional focus shifted from volume to value creation."

Over time, companies adapted to evolving consumer preferences and industrial requirements. As global competition intensified and cost-based manufacturing moved abroad, the regional focus shifted from volume to value creation.

Investments in automation, advanced knitting and weaving technologies, digital sourcing systems, and more structured supply chain management strengthened competitiveness without relying on low-cost production.

At the same time, companies adjusted to stricter European environmental and product regulations by improving traceability, material transparency, and quality control systems.

THE BORÅS REGION

"This pattern of gradual, pragmatic adaptation has allowed the region to remain relevant in a structurally changing industry."

In recent years, the growing demand for sustainability and circularity has further influenced the region's development. Investments in textile recycling technologies, fibre sorting systems, and circular business models reflect a response to both regulatory pressure

and changing market expectations. This pattern of gradual, pragmatic adaptation has allowed the region to remain relevant in a structurally changing industry. Today, the Borås region remains Sweden's most concentrated textile environment. The region

brings together specialised education, applied research, and textile companies that collaborate on product development, materials, and new production approaches.

For investors, this region represents long-standing sector knowledge, an established industrial base, and a demonstrated ability to adjust to technological, regulatory, and market-driven change.



Photo: Nina Sigge / University of Borås

Key strengths

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KEY STRENGTHS

Textile heritage and market position

West Sweden and particularly the Borås region has been embedded in the textile value chain for more than a century.

It all started in the 17th century with the knallar, itinerant textile traders, and the förläggargårdar, an early form of decentralized textile production where materials, work and quality were coordinated before industrial factories existed. Together, these two systems laid the

groundwork for a regional ecosystem defined by agility, organisation, and market orientation — qualities that continue to characterise the Borås region's role in today's textile innovation landscape.

As large-scale production shifted to lower-cost markets during the late

20th Century, the region repositioned rather than withdrew. The focus moved from volume manufacturing to specialisation and value-added activities, including:

- Textile engineering and product development
- Sourcing and supply chain management

- Technical textiles and advanced materials
- Circular systems and applied research

Today, the Borås region represents Sweden's most concentrated textile environment. Within Europe, it operates as a specialised competence-driven node.

For investors, the history of this region's structural adaptation signals retained expertise, reduced entry risk, and alignment with the ongoing transformation of the textile industry.



17th century

The knallar of the Borås region establish a Nordic mobile trading network. It is widely considered the first of its kind.

19th century

Mechanical looms arrive in Sweden and in the Borås region. Scaling in existing production systems begins, creating flexibility and the ability to respond quickly to market demand.

20th century

Mail-order pioneers develop the analogue precursor to e-commerce. The Borås region builds expertise in distance selling, returns management, and inventory optimisation.

20th -21st century

E-commerce and automated logistics infrastructure, as we know it today, take shape.

Today

The next chapter is emerging. AI and advanced technological solutions aimed at improving systems, businesses, and societal outcomes position the Borås region to build the next generation of commerce.

→ Tomorrow: Sustainable and circular textiles



European Green Deal: Sustainable and circular textiles

The European Commission's Strategy for Sustainable and Circular Textiles set the long-term regulatory direction for the textile sector, promoting material transparency, durability, and circular use of resources.

Its objectives align with ongoing work in the Borås region related to sustainable materials, circular business models, and lifecycle-focused textile development

EU Ecodesign Regulation (ESPR)

The Ecodesign for Sustainable Products Regulation (ESPR) introduces mandatory product information and digital traceability requirements, including the future implementation of Digital Product Passports for textiles.

This framework aligns with ongoing work in the Borås region related to lifecycle analysis, recycling technologies, and material data systems focused on transparency and compliance.

EU Waste Framework Directive

Revised EU waste legislation introduces extended producer responsibility (EPR) for textiles and mandates separate collection of textile waste, increasing requirements for end-of-life management and data reporting.

This framework aligns with ongoing work in the Borås region related to fibre recovery, recycling technologies, and circular textile processing.

→ Tomorrow: Sustainable and circular textiles

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Commerce shifts from reactive to predictive, from linear to circular. Technology, materials, and logistics converge to create smarter, more sustainable systems. By aligning with the EU's regulatory direction, West Sweden positions as the region that:

- **ANTICIPATES FUTURE REQUIREMENTS**
- **SUPPORTS COMPLIANT AND FUTURE-PROOF INVESTMENTS**
- **ENABLES COMPANIES TO DEVELOP WITHIN THE UPCOMING MARKET FRAMEWORK**
- **URNS REGULATION INTO INNOVATION OPPORTUNITIES**

KEY STRENGTHS

Industrial ecosystem and supporting infrastructure

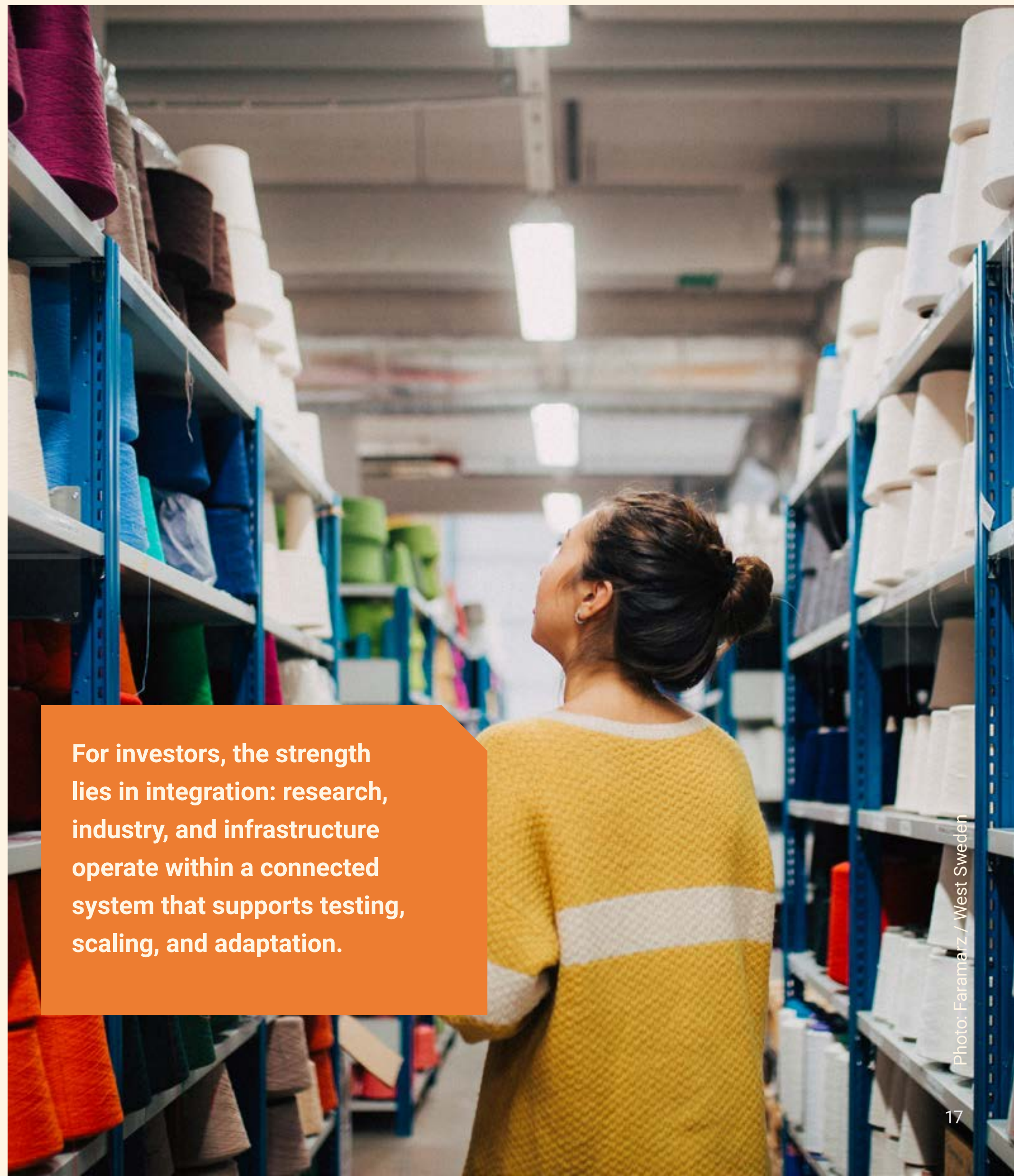
West Sweden forms a concentrated textile ecosystem where specialised education, applied research, and industry are structurally linked.

The University of Borås and the Swedish School of Textiles provide expertise in textile engineering, materials development, digitalisation, AI and circular systems, supporting both innovation and practical implementation.

This knowledge base connects to a diversified industry landscape that includes textile brands, sourcing companies, logistics providers, e-commerce platforms, and supply chain technology firms.

With access to the Port of Gothenburg and established European transport corridors, the region combines sector competence with logistical reliability.

For investors, the strength lies in integration: research, industry, and infrastructure operate within a connected system that supports testing, scaling, and adaptation.



Collaborative testing environments:

SMART TEXTILES

- Collaborative testing and innovation platform
- Research–industry collaboration
- Development and validation of new textile solutions
- Research and education for sustainable, smart and digital textile technologies

Smart Textiles is one of the University of Borås' key collaborative testing environments, supporting the government assignment **Textile & Fashion 2030** and the transition of the textile and fashion industry.

TEXTILE FASHION CENTER

- Co-location of academia, industry and public actors
- Business incubation and entrepreneurial support
- Education and skills development
- Events, networking and creative activities

SCIENCE PARKS, RESEARCH AND DEVELOPMENT INSTITUTES

- Fibre sorting technologies
- Mechanical and chemical recycling research
- Circular textile processing

This is directly aligned with evolving EU requirements on ecodesign (ESPR), extended producer responsibility (EPR) and digital product traceability, supporting both sustainability and long-term competitiveness.

LOGISTICS & E-COMMERCE INFRASTRUCTURE

- Automated warehouse systems
- Digital supply chain optimisation
- Returns management systems

KEY STRENGTHS

Advanced technologies and sustainable innovation

In West Sweden, textile system innovation increasingly crosses disciplines, bringing together advanced materials, chemistry, digital technologies, business models and industrial capabilities to create the conditions for sustainable growth.

Sweden's forest-based resources and established expertise in cellulose-based materials provide a strong foundation for bio-based fibres and regenerated textile inputs. The region combines this material competence with technical

capabilities in nonwoven and felt applications, including industrial and wound care textiles.

Cross-disciplinary strengths in chemistry, raw materials, and process development support fibre innovation,

recycling technologies, and circular material flows. At the same time, **smart textiles and AI-driven solutions are emerging, integrating material science with digital systems and functional design.**

For investors, the strength lies in expertise in advanced materials, combined with a system innovation approach driving advances in recycling, smart textiles and AI-enabled solutions.

KEY STRENGTHS

Advanced technologies and sustainable innovation

Key focus areas include:



CELLULOSE-BASED MATERIALS

Supported by Sweden's forest resources and strong material science expertise.



TECHNICAL TEXTILES

Including nonwoven and felt applications for industrial use and wound care.



CROSS-DISCIPLINARY COMPETENCE

Enabling fibre development, recycling technologies, and circular processing.



SMART TEXTILES AND AI-DRIVEN SOLUTIONS

Integrating textile engineering with data systems and functional design.

Wearable garments that monitor vital signs, hospital textiles capable of detecting fever, and knitted vascular structures intended for bypass procedures. **All made possible through research and development at the Swedish School of Textiles in Borås.**



KEY STRENGTHS

Competence, research and talent

A diverse competence base – where engineering, design, research and grassroots creativity meet. West Sweden offers the skills needed to develop, scale and transform the textile industry.

West Sweden offers an integrated talent base spanning advanced technical expertise, creative practice, and emerging communities. This combination enables ideas to move from concept to industrial scale – while maintaining a strong culture of innovation and experimentation.

Beyond higher education and research, the Borås region benefits from a technically grounded workforce shaped by decades of industrial and commercial specialisation.

"...a talent base capable of moving from prototype to scaled implementation."

Cross-disciplinary competence spans materials science, applied chemistry, logistics systems, and digital commerce, creating a talent base capable of moving from prototype to scaled implementation.

For investors, the value lies in access to a complete talent ecosystem – combining academic excellence, industrial competence and creative capacity, and supporting development and scaling.



Photo: Johlfors Production / University of Borås

Competence, research and talent

The Swedish School of Textiles is an internationally recognised higher education institution specialising in textiles and fashion, offering bachelor's, master's, and doctoral programmes across design, textile technology, textile management, and related fields.

"...internationally recognised higher education institution specialising in textiles and fashion..."

The school attracts students and researchers from around the world, and it hosts advanced lab facilities and collaborates closely with industry partners, contributing to innovation across the entire textile value chain.

Alongside its technical strengths, the region hosts a dynamic creative textile culture. Designers, brands, studios and emerging initiatives work across fashion, technical textiles

and circular design — where aesthetics, function and sustainability meet. Close links between creative and technical disciplines enable ideas to move from concept to product, while experimental environments add energy and new perspectives.



THE SWEDISH SCHOOL
OF TEXTILES
UNIVERSITY OF BORÅS



Photo: Agaton Ström / University of Borås X UN



The Swedish School of Textiles x United Nations

A recent high-profile example of the university's global engagement is its collaboration with the United Nations. A group of students from the Swedish School of Textiles were selected to design new uniforms for United Nations tour guides, unveiled on Earth Day 2025 — marking the first time students were commissioned for this task. The project was tied to sustainability goals and highlighted the school's global reach and commitment to sustainable design education.

THE SWEDISH SCHOOL OF TEXTILES X UNITED NATIONS

In 2024, a group of students from the Swedish School of Textiles were selected to design new uniforms for United Nations tour guides.



Photo: Johfors Production / University of Borås

KEY STRENGTHS

Supporting indicators – competence and talent

The region's legacy in mailorder and early e-commerce has built operational depth in distribution infrastructure, inventory optimisation, and returns management, capabilities directly relevant to today's digitised and circular supply chains.

Positioned within West Sweden's export-oriented industrial economy, this concentration of technical and commercial expertise supports execution capacity, international scaling, and long-term industrial transformation.

- **SPECIALISED DEGREE PROGRAMMES**
- **INTEGRATED RESEARCH AND INDUSTRY ENVIRONMENT**
- **APPLIED INNOVATION PLATFORMS**
- **LONG-STANDING EXPERTISE IN DISTANCE COMMERCE AND LOGISTICS SYSTEMS**
- **ACCESS TO WEST SWEDEN'S BROADER INDUSTRIAL LABOUR MARKET**

KEY STRENGTHS

Investment opportunities

West Sweden presents growth-oriented investment opportunities at the intersection of advanced materials, circular systems, and digital integration.

As regulatory pressure and sustainability demands reshape the textile industry, the region offers scalable platforms positioned within structural market shifts rather than cyclical trends.

At the intersection of municipalities, academia, and businesses, new circular business models are emerging alongside a developing infrastructure.

For investors, this region is particularly interesting because of the intersection of advanced materials, circular systems, and digital integration.

Key opportunity areas include:

CIRCULAR TEXTILE TECHNOLOGIES

The transition toward fibre-to-fibre recycling and regulated textile waste streams is creating demand for scalable material recovery solutions.

Current examples include:

- Early-stage ventures developing automated fibre sorting and recycling technologies.
- Pilot-scale facilities testing circular textile processing models.
- Platforms aligned with EU extended producer responsibility requirements.

TECHNICAL AND MEDICAL TEXTILES

Performance-driven applications in nonwoven materials, filtration, and wound care represent higher-margin segments compared to traditional apparel.

Current examples include:

- Companies advancing wound care textiles and engineered nonwoven solutions.
- Industrial textile applications serving construction, healthcare, and mobility sectors.

SMART TEXTILES AND AI INTEGRATION

The convergence of textile engineering and digital systems opens opportunities in wearable technology, sensor integration, and intelligent material applications.

Current examples include:

- Collaborative R&D ventures combining AI, data systems, and functional textiles.
- Startups developing smart material platforms with cross-industry applications.

SUPPLY CHAIN AND COMMERCE TECHNOLOGIES

With decades of experience in distance retail and logistics systems, the region supports growth in digital supply chain platforms and returns optimisation technologies.

Current examples include:

- Scaling software firms focused on traceability and logistics automation.
- Technology providers serving global e-commerce infrastructure.

FUTURE OF WEST SWEDEN

Five years ahead

Five years from now, textile waste across Europe is no longer unmanaged, it is a regulated and monetised material stream. Automated fibre sorting operates at industrial scale. Recycled cellulose-based inputs flow back into production. Digital product passports are standard, not optional.

In West Sweden, companies are building the technologies that make this system work, from fibre

identification and material processing to traceable logistics platforms. Textile engineering extends beyond apparel into healthcare, industrial applications, and intelligent materials.

The foundation is in place for those prepared to build long-term value. And West Sweden is not waiting for the transformation.

It is already advancing within it.



West Sweden – the place to build, scale, and stay ahead in next- generation sustainable textiles.

With support from



Co-funded by
the European Union

TEXTILE &
FASHION
2030



VÄSTRA
GÖTALANDSREGIONEN

Welcome to join us!

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