

Fairown, a Multi-Category Subscription Provider, Raises €5.7 M in Seed Extension Round to Expand in Germany

/City/, Germany, 11 September 2024: The leading multi-category B2C subscription service provider from Estonia, Fairown, secured a €5.7 million investment to set the stage for a large-scale expansion in Germany.

Fairown has already expanded across Europe at a rapid speed, offering its unique subscription service in nine countries. Following the success in the Baltics, Nordics, and Poland, securing the funding will enable them to develop and scale the product and grow the customer base in Germany.

The funding round was led by BONVENTURE, the first impact fund in the German-speaking countries, and supported by existing investors. These include neosfer, the early-stage investor and innovation unit of the Commerzbank Group, STIHL Ventures, the corporate venture capital arm of STIHL, and Gateway Ventures.

Paul Garte, Investment Manager at BONVENTURE, stated, *“We believe the share of product subscription models to increase significantly. This will change the way precious resources, embodied in hardware products, are treated. The concept, also known as Product-as-a-Service, incentivises the design of long-lasting, as well as better repairable and recyclable products. Customers benefit by paying for the actual usage and avoiding hidden costs associated with product degradation and disposal.”*

Setting the Stage for Expansion in Germany

Fairown has just launched [product subscription in the German household appliances market](#) with BSH BlueMovement, representing the world-renowned brand Bosch. The subscription service also has enormous strategic importance for tech giants like Apple. Hence, one of Fairown’s early customers in Germany is Apple Premium Reseller (APR) FundK.

The implementation of the subscription service has been made as easy as possible from both the technical and financial side. It combines product buyback and credit, but is still an asset-light solution for merchants. The credit risk is carried by Fairown's partner banks.

Hendrik Roosna, CEO and Founder at Fairown, said, *“I’m happy to welcome FundK to our family of Apple Premium Resellers that value the circular economy. We already partner with APRs in the Baltics, Norway, and Poland. High interest towards an easily scalable and sustainable solution, and support from our financing partners in Germany, Commerzbank and Targobank, has proved that there’s a market gap for this solution.”*

Wolfgang Papé, General Manager at FundK, added, *“The decisive advantage of the cooperation with Fairown is additional customer loyalty for our business. It's increasingly important to identify customer groups whose behaviour is not yet reflected in the purchasing process. These are people who like to use the latest Apple products for 1-2 years, and upgrade to new ones. The Clever Rate subscription program allows them to do exactly that, affordably.”*

Brands Get a Competitive Edge With Fairown's Subscription Service

Premium brands and retailers seek to offer Fairown's B2C subscription service to make their products more affordable, provide consumers with a flexible way of ownership, and steer consumption to a sustainable, circular model. Main advantages of subscription compared to rental are that merchants own their customer relationship and consumers get a much lower monthly cost.

Fairown's subscription service has high traction across Europe – 100,000+ consumers prefer it to any other payment option. For merchants, it brings recurring sales, increased customer loyalty, and lower environmental impact across the board, from consumer electronics to household appliances, garden tools, and micromobility.

The service also endorses circularity and product reuse, solving a burning problem, especially in the German market. The [circular material use rate](#) in Germany succumbs to many EU countries, levelling at just 13%, while climbing to 27% in the Netherlands.

Roosna commented, *“Our product subscription service allows merchants to scale and rapidly serve large markets. With the strong backing from our investors, our mission is to make its benefits available to more and more merchants and consumers in Germany.”*

Matthias Lais, Managing Director at neosfer GmbH, added, *“When we invested in Fairown in 2021, we did so on the assumption that the business model would soon be relevant for customers and merchants in Germany. We are happy to see that our initial investment hypothesis stands and Fairown is now conquering the German market.”*

Multi-Category Subscription That Expands Across Europe

There's huge future potential for product subscription models across categories and markets. According to Komplet, the largest e-commerce player in the Nordics, a growing number of their customers prefer to buy smartphones with Fairown's subscription plan.

Komplet has the longest track record of partnering with Fairown to [offer product subscription](#). They launched the solution called FLEX in 2021. It took just 2.5 years for it to make it from zero to hero: to gain 50% of market share in the smartphone category, marking a massive shift in consumer behaviour.

Among others, Fairown's subscription is offered by the power and garden tools manufacturer STIHL, and a Norwegian e-bike rental company, Sirqel. Sirqel [launched the subscription](#) in just two weeks and converted a large share of customers to it in a few months.

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About BONVENTURE

BONVENTURE was founded in 2003 to provide social venture capital to impact-oriented companies that have a social or environmental business purpose and thus deliver measurable impact. As a partner of impact entrepreneurs, BONVENTURE supports them with capital, know-how and a broad network, provides guidance in the establishment and growth of the organisation and thus promotes the development of innovative approaches in the social and ecological field. BONVENTURE was the first to take up this approach in German-speaking countries and the first European social fund registered with BAFIN in Europe (EuSEF). It currently manages capital of around 100 million euros and has so far supported 55+ impact companies. More at: www.bonventure.de

About Fairown

[Fairown](#) is a fintech company, offering a product buyback solution for sustainable consumption. Buyback is a combined system of credit and product buyback. They remove the hassle of resale: buy back the product, fix it up, and find a new use for it.

Consumers get flexible ownership and hassle-free disposal of the products they no longer need. Fairown helps merchants unlock the benefits of recommerce by getting up to 60% repeat retail business, higher customer loyalty, and lower environmental impact.

Fairown operates in nine markets across Europe, with the buyback service being used by 100,000+ consumers. Buyback is offered by renowned brands, shifting from a linear to a circular economy: German power tools manufacturer STIHL; the largest e-commerce player in the Nordics, Komplet; Apple Premium Resellers, and more.

About neosfer

[neosfer](#) is the early-stage investor and innovation unit of Commerzbank Group. It investigates future technologies that are relevant to business and society, promotes and develops sustainable, digital solutions, and brings them profitably to the bank and its customers. All of this is done through the three areas of invest, build, connect. It creates access to innovation through strategic venture capital (invest), in-house development of technologies and business models (build), and building ecosystems around the sustainable and digital future of society (connect).

With a portfolio of more than 30 digital and sustainable startups, neosfer has always kept its eyes on the future and is continuously developing. This has already resulted in a number of successful prototypes that are being used in the Commerzbank Group. These include Lissi, which developed EUDI wallet connectors as part of the eIDAS 2.0 regulation and was the first independent start-up to be founded by neosfer.

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