Encube emerges from stealth with $23M funding to reshape hardware development

Backed by investors like Kinnevik, Promus Ventures & Inventure, Encube enables teams to avoid design complexity, speed up development and lower production cost.

Encube founders: Johnny Bigert (left) and Hugo Nordell (right)

STOCKHOLM, SWEDEN, October 16, 2025 /EINPresswire.com/ -- Encube today announced their official launch with $23 million in funding to scale the company's commercial footprint and deepen its investments in AI as it seeks to secure European and US industrial competitiveness. Validated by companies such as Volvo Group, Beyond Gravity and Scania, Encube develops an AI-powered platform that makes it faster and easier for hardware teams to understand which product design choices drive manufacturing complexity and how to avoid them. This results in shorter time to market, lower cost of production and allows teams to explore exponentially more design directions than otherwise possible.

"Hardware development is a balancing act between how a product looks, functions and what it costs to produce. In Europe, we excel at the first two, but our manufacturing know-how is disappearing. At Sandvik and Aker, I saw firsthand how quickly production costs ballooned, and competitive edge eroded, when early design decisions weren't made with manufacturing in mind. We built Encube to change that," says Hugo Nordell, CEO and cofounder of Encube.

"Encube is one of the most promising innovations I've seen in hardware engineering in the last 30 years. The software's ease of use and the speed of its simulations represent a major leap forward," says Ralf Usinger, Global Head of Engineering Applications at Beyond Gravity.

A paradigm shift for how hardware products are developed

Manufacturing is being reshaped by geopolitical realignment, a deepening talent crisis and the accelerating transition toward sustainable production. These structural shifts are reshaping how industrial economies build, produce and compete, as well as influence the digital infrastructure they depend on.

Across Europe, geopolitical tensions have upended long-standing assumptions about security and trade. A new era of economic nationalism is taking shape. As global supply chains fracture, countries are racing to rebuild manufacturing capabilities they once outsourced in an effort to secure industrial autonomy.

At the same time, the manufacturing workforce is aging faster than it can be replenished. Years of offshoring and underinvestment in industrial education have hollowed out Europe's talent base, while countries outside of Europe have built deep institutional know-how.

"Securing competence in our engineering and industrialization functions is very challenging. Many of our key people are approaching retirement. Encube really helps us navigate the risk this creates for us," says Jonas Hellman Peterson, Head of Sales Engineering at Birn Group.

Adding to industry pressures, tightening European sustainability regulations are requiring manufacturers to rethink how products are designed and built. Smarter product development and digital workflows at the design stage are becoming essential to improve both economic performance and environmental impact.

The hidden cost of early design decisions in hardware development

In hardware development, up to 80% of a product's cost is determined once the design is locked. However, many design decisions have an impact on manufacturing costs and the carbon footprint in ways that are not immediately obvious until they enter the production phase. As a result, businesses are left with a difficult choice: either accept decreased profitability or redo the designs and delay market launch.

"We rely entirely on third parties to manufacture our robots. Encube makes it much easier for us to uncover and mitigate product risk early in development together with our suppliers and customers," says Mattias Vanberg, Director of Development at Cognibotics.

Encube, founded in late 2021 by former Sandvik and Aker executive Hugo Nordell, together with Skype and Klarna veteran Johnny Bigert, solves this challenge in two ways. First, with a collaborative software platform that helps entire organizations align and make faster, better product decisions, all directly in the browser on any device. Second, with AI-powered capabilities embedded inside the platform. These capabilities enable teams to eliminate common bottlenecks in hardware development projects. One example of such a bottleneck is the need to

manually identify design changes over time so that the team can determine if a change causes problems later. Another is to analyze how complex a design will be to manufacture, including what design choices drive this complexity. While these workflows are manual and time-consuming today, they are essential. Encube ensures they're done faster, more accurately and at scale.

The platform has been tested in R&D programs by a range of partners, from industrial giants such as Volvo Group and Scania to specialized space companies such as Beyond Gravity. Many programs observe that time to market can be cut by up to 50%, production costs reduced by 20–30% and engineering productivity doubled.

"AI is fundamentally transforming how products are designed, enabling engineering teams to simulate, iterate and collaborate at unprecedented speed. Encube is pioneering this shift by embedding manufacturing intelligence directly into the engineering workflow, shaping the future of product development. We're excited to partner with Hugo and the team on this journey," says Tatiana Shalalvand, Investment Director at Kinnevik.

With a long-term ambition to help rebuild, secure and strengthen European industrial competitiveness, Encube will use its new financing to expand its commercial footprint across Europe, deepen existing partnerships and accelerate investments in hardware-focused AI, positioning the company to ride the current AI wave more aggressively.

"We're incredibly proud to have been the first investors in Encube and our growing conviction in this stellar team has only been outpaced by the speed of their progress. We're convinced that Encube is going to accomplish for industrial manufacturing what Figma did for web design and redefine how physical products are made," says Adrian Arnsvik Bjurefalk, Principal at Inventure.

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About Encube

Encube is a European deep-tech startup developing AI-powered tools and workflows for hardware development. The company also conducts research in AI for hardware design, aiming to address complex challenges in the development process. Founded in 2021 by Hugo Nordell and Johnny Bigert, the company is headquartered in Stockholm, Sweden and backed by investors including Kinnevik, Inventure and Promus Ventures.

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