

## CROSSCALL

OUTDOOR MOBILE TECHNOLOGY





### **EDITORIAL**

rosscall saw the light of day 10 years ago. Within this decade, we moved offices three times to benefit from more space and more convenience. But these last few years probably flew by faster than the rest. The firm's turnover soared close to a 2,000% increase. Processes and staffing had to rapidly follow accordingly, while the infrastructures could not always keep up with the pace. During the journey, to make it to where we are now, we had to lay the tracks for a train already launched at full speed. That's how our society works today. Everything goes fast. But more than the world we live in, the mobile market is in a race. We stand firm in an ecosystem that has been expanding for 20 years and suffering vampirism from two giants ferociously fighting each other. In their wake, a couple of competitors share the hope to soon be boxing in the same category. To fight for their slice of the cake, all players use the same strategy with their specific weapons: accelerating the launch of new products to market, shortening their life cycles and always integrating more technology in smartphones to justify increasing prices.

At Crosscall, we chose to do the opposite. We are convinced that good things deserve to be given the time to reach their maturity. Even if the market is constantly and rapidly evolving, we take the time to develop ourselves, step by step, as a team. Our vision was conceived and established for the long term. Our user centric model places the use at the heart of our development to design long life products, reflecting the values of Crosscall and of our users. We believe a product should not be thought as "going to market" but rather that "use goes to product".

Cyril Vidal & David Eberlé

Founder & President and Vice President of CROSSCALL





#### **CROSSCALL** THE ROOTS

Cyril Vidal is the founder of Crosscall. It all started in 2007, at the beginning of the smartphone era. As a construction executive and being a watersports addict, whether for work or leisure, he spent most of his time in risky environments for his material and especially the mobiles of that time. Upset after having broken a couple of phones, he contacted the current distributors and operators. There was no existing product adapted to his lifestyle. He quickly got the idea of creating his own products to bridge the technological gap and answer his needs and those of other professionals and outdoor fans. And that is how Crosscall was born in 2009. At that time, very few believed in his idea. Potential investors would turn their backs on him. How could a small French business grow in a market monopolised by foreign global mobile phone giants?! Brushing off the scepticism, Cyril Vidal was convinced that his project could work as his starting point was to focus on the user. He therefore risked everything to develop his first mobile phone. His power of persuasion and passion gathered a handful of enthusiasts in the adventure. A friend lent him a basic facility and some money to kick-off his project. It would take another three years for the small Crosscall team to find investors and distribute the first floating mobile phone in the world: the "Shark", the flagship product and the brand's DNA. We all know the success story that followed.

- **8-9 HALF** THE **PLANET BEHIND** A SCREEN
- **10-11** ENHANCED **OUTDOOR EXPERIENCE**
- 12-15 BRAND INCARNATION
- **16-17 REACHING OUT** TO OUR USERS
- **18-19 MOBILES** FOR THE **REAL WORLD**
- **20-21** FROM EXTREME **ATHLETES** TO DAILY **ADVENTURERS**
- **22-23** A UNIQUE DESIGN CONCEPT
- **24-25** *PASSING* **TESTS...**
- **26-27** ...AND PASSING THE **TEST OF TIME**
- **30-31** THE SMARTPHONE WITH **ACTION-CAM INSIDE**
- **32-33** A **DESIGN** IMPROVING WITH **TIME**
- **34-35** A PHONE TO SERENELY SET OUT TO SEA
- **36-39 ACCESSORIES** FOR ALL **USES**
- **40-41** FROM **START-UP** TO **SCALE-UP** IN 10 YEARS
- 42-43 CROSSCALL DEVELOPS THE B2B MARKET
- 44-45 AN INTERNATIONAL AMBITION
- **46-47 CROSSCALL** MILESTONES
- 48-49 FOUNDER INTERVIEW : CYRIL VIDAL





# HALF THF PLANET BEIND ASCREEN

Today, we're at a crossroads: torn between the desire to travel the world or to simply access all of it from behind a screen. The mobile market crystallises that trend. Over the years, smartphones were constantly built to facilitate the user's life and today everything is literally at our fingertips. We are very close to offering users an infinite and endless source of data. With social media, half the planet is connected and can communicate with anybody in the world. The rise in power of these platforms led to a visibility race, primarily on smartphones. The faithful technological ally is close to becoming the extension of the hand. This specific use of the phone pushes the user to spend around three hours per day in front of a screen. This new type of addiction creates the danger of confinement in a virtual world. To counteract the smartphone being an end to itself instead of a tool that expands interactions with the real world, Crosscall has established "outdoor technology".

\*Source: https://fr.statista.com/statistiques/574542/utilisateurs-de-smartphone-dans-le-monde--2019/



Our purpose and desire are to offer a phone inciting people to go out and instill in them the will to live enhanced outdoor experiences.



### ENHANCED OUTDOOR EXPERIENCE

With an expanding outdoor market, this need reaches a larger population base. In France, more than three out of four declare participating in an outdoor sport <sup>(1)</sup> and amongst those, 25% take a smartphone with them <sup>(2)</sup>. Within the most common sports, we can find hiking, biking and swimming. The use of phones during trips in hostile environments

increases the risk of damage. It is not surprising to know that more than half the planet already broke a screen <sup>(3)</sup>. Crosscall has been born within that universe, at the border of two worlds: technology and outdoor. The French brand, founded in 2009. has developed outdoor mobile technology, a market segment where

1. https://www.statista.com/statistics/937878/connected-devices-use-while-sports-france - 2. http://doc.sportsdenature.gouv.fr/index.php?lvl=notice\_display&id=2615 3. https://www.digitaltrends.com/mobile/motorola-shattershield-cracked-smartphone-screen-survey/#/2

the brand is one of the main leaders. At Crosscall, all we desire is to put technology at the service of outdoor experiences. Each phone has been built and designed to get the users out of doors and confront the world around them while relying on the technology of an adapted smartphone.





Right from the start, new Crosscall product design processes have always been a collaboration with users. Team effort is an essential value of sports and a prime value at Crosscall. That credo has infused all steps of product development to avoid bringing to market a phone with innovative functionalities that did not fit with the users' needs. We aim to design mobiles with built-in functionalities that users require. As of today, we have done more than 40 surveys with panels of 1,400 users to really understand the needs and aspirations for improvements and functionalities. Over the years, in addition to a strong user community, Crosscall has attracted many different ambassadors. Top level athletes and outdoor legends, evolving in extreme conditions have given a constant flow of input on the range of products. While practising their sport, they have supported our development throughout the years, consolidating a relationship based on common values.

**MIKE HORN** Explorer - Adventurer



XAVIER DE LE RUE Freeride snowboarder

EDOUARD DELPERO Surfer

> ANNE-FLORE MARXER Freeride snowboarder - Surfer

#### CÉDRIC GRACIA Enduro mountain biker



### **REACHING OUT** TO OUR USERS

At Crosscall, the outdoors represents a way of life and of pushing our own limits. It's that DNA that drives us to surpass ourselves, just like the athletes and adventurers we have chosen to represent the brand. To achieve this, Crosscall developed a credibility in that universe by sponsoring national and international outdoor sports events. This regular presence over the years has helped us to increase our knowledge of the outdoor world. At those events, we had a privileged space to communicate with our users and understand more fully their expectations. This essential and invaluable feedback has helped us to constantly innovate for our users, keeping our primary objective top of mind.

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TIER

CONSIGN



## **MOBILES** FOR THE REALLIFE

The outdoor world is challenging. Weather conditions can change, but it's also the environment that represents a threat to phones.

At Crosscall, the mobiles and smartphones we design resist even in the most hostile environments so that users can focus on their activity instead of worrying about their phone. Our devices not only follow users around but also perform well in those harsh environments. We've moved on; the image of the fragile object that needs protection from drops and pouring rain is no longer relevant. The phone has adapted itself to its user, tagging along everywhere.







# FROM EXTREME ATHLETES TODAILY ADVENTURERS

Historically, Crosscall mobile users were mainly outdoor sports fans or professionals working outside requiring a mobile that would match their needs in terms of impermeability, resistance and long battery life.

Today, our customer base is wider, desiring a different type of phone with a longer shelf life, and one that suits their lifestyle without requiring any special attention.



#### **OUTDOOR ATHLETES**

Outdoor athletes, whether trail runners, mountain-bikers, skiers or sailors, face adverse weather conditions in extreme and diversified environments.



#### FIEDL PROFESSIONALS

Professionals, whether they are construction workers, industry employees or farmers, need a resistant, liquid-proof phone they can forget while getting on with the job.



#### **LEISURE ADDICTS**

From the mum juggling between her personal and professional life to ultra-connected teenagers wishing to share exploits with their friends on social media, more and more users want a phone that can follow them in their daily lives without showing signs of wear.



**BUSINESSES** 

Supplying all employees with a phone is a significant expense. With Crosscall, firms can limit replacement costs thanks to the longer life cycle, without compromising performance. The brand offers customised solutions adapted to all activities and domains.

### A UNIQUE DESIGN CONCEPT

To conceive a waterproof and resistant phone, the choice of material is crucial. Throughout the years, Crosscall engineers have studied the best options to find the perfect compromise between weight, resistance and durability.

The shell of the phone is made of plastic composite materials reinforced with fiberglass. Thanks to that mix, **the hardness of the material** is increased and therefore becomes more shock- and scratch-resistant.

Two covers, one of metal and the other of composite materials, both reinforce the protection of the electrical circuits.

Thanks to a moulding technique named coinjection, thermoplastic polyurethane (TPU) is used for the angles, top and bottom parts of the phone. When an impact distorts the device, **that special layer absorbs the shock and limits the resulting wave inside the phone.** 

An internal magnesium sheet ensures the

rigidity of the phone. A TPU over-injection

layer maintains the sheet, increasing the whole rigidity of the phone and its resistance

Under the screen, a thin layer of polymer foam absorbs the shock and **protects the screen, should the phone drop from a height.** 

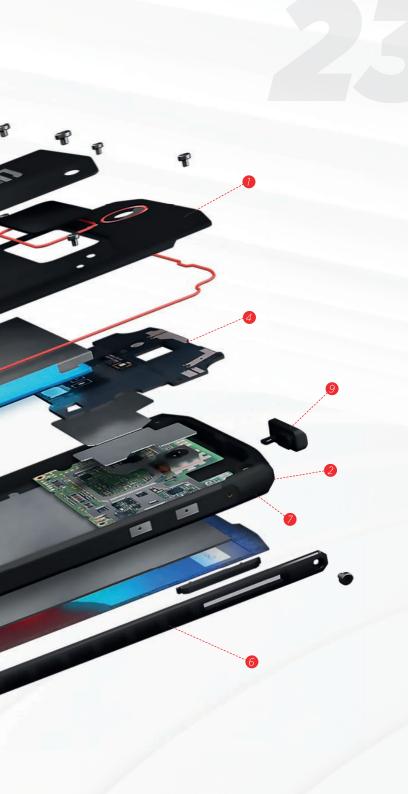
The aluminium bars on each side of the phone provide **additional protection against impacts.** 

Polymer membranes protect the audio elements (microphone, earphones and loud-speakers). They are **impermeable to fluids and dust** but still let air and therefore sound pass through.

A polymer joint **guarantees the impermeability** between the front and the back of the phone.

to flexing, torsions and drops.

Elastomer protective caps also protect all the connection technology and provide **complete impermeability to the phone's connectors.** 



### PASSING TESTS....

Crosscall wishes to stay true to its word and close to its users by conceiving a smartphone that fits as closely as possible to their needs. To ensure that, we put our smartphones through increasingly challenging tests.

We also work in a tight relationship with an independent certified lab that tests smartphones for scratches, shocks, extreme temperatures and changing weather conditions, to prove that our whole product range can work not only in an outdoor environment but also in everyday life.

Autom



### ...AND PASSING THE **TEST OF TIME**

The mobile market is strongly criticised from an ecological standpoint. Preserving the planet, its resources and inhabitants has become a universal concern. At the same time, the electronics and digital industries continue to practice planned obsolescence. They limit shelf life of products by using fragile parts and pushing upgrades that rapidly diminish the performance of their devices. For example, in France, users replace their smartphones every 22 months\*. Within those replacements, 59% of smartphones still work and would have at least another 2 years' life\*. On the other hand, Crosscall made the durability choice; it's part of the essence of our brand. Our products avoid superfluous functionalities. They are designed to last. The updates we push stick to basic necessities, respecting the promises made to our clients on initial product use.

Crosscall made the choice to engage in a virtuous circle where suppliers and sub-contractors are strongly involved and required to follow more and more environmental and social expectations. Screen breakage represents only 5% of after-sales service compared to more than 60% for the other brands<sup>\*</sup>.

\*https://fr.statista.com/infographie/8334/quelle-est-la-duree-de-vie-dun-smartphone/



\*Survey by UFC Que Choisir on a panel of 1,704 newsletter subscribers.



### THE SMARTPHONE WITH **ACTION-CAM** INSIDE

"Today, 45% of our users also take an ACTION-CAMERA with their smartphone when they practice an outdoor activity." The Product Design and Development Team discovered that fact by surveying the Crosscall Community, during the summer 2017. Responding to that trend was an easy decision: we just had to include an ACTION-CAM in a smartphone.

45% of our users also bring an ACTION-CAMERA with their smartphone when they practice an outdoor activity.

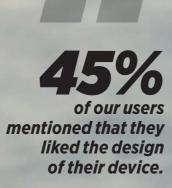
The TREKKER-X4 achieves this technical and technological feat by adding a built-in ACTION-CAM in its design. At the same time, Crosscall developed its own dedicated application, exclusively created for the use of that camera: the X-CAM. Natively installed on the phone, it can film from different angles: 88°, 110°, 140° and 170°.

#### A **DESIGN** IMPROVING WITH **TIME**

"45% of our users mentioned that they liked the design of their device."

Knowing that, Crosscall enhanced further the phone designs, rhyming durability with elegance. Our last generation smartphones were developed with that requirement in mind and in addition, they are even more resistant than the previous models. Their style embodies an outdoor attractiveness without

giving in to the market trend of today where mobiles developed are more fragile.





### A PHONE TO SERENELY SET OUT TO SEA

"100% of sailors affirm that security is their priority while at sea." Bearing this in mind, Crosscall developed the SHARK, a feature phone with a special benefit, it can float! It becomes the faithful companion of navigators venturing out to sea and seeking security.

Pursuing constant innovation to satisfy the community and make sea outings as safe as possible, the brand launched the SHARK 3 in 2017. In addition to floating like its predecessor, it embodies the Keep Alive technology. If the phone falls in the water, it flashes, rings and can even send an urgent message to predefined contacts.

#### **100%** of sailors affirm that security is their priority while at sea





### ACCESSORIES FOR ALL USES

To upgrade the outdoor experience, Crosscall designed an ecosystem of accessories harmoniously adapted to their Smartphones. The accessories boost user experience and fit perfectly with the outdoor positioning of the brand. They encourage users to go out to capture their adventures and immortalise souvenirs. The user can switch from one accessory to another in a split second as

the accessories and phones share a common technology: the X-LINK\*.

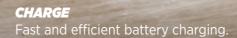
It's an intelligent magnetic connector with multiple functionalities, which alongside the X-BLOCKER, enables the phone to be mounted, charged and synced.

X-LINK Technology\* makes it possible to mount the phone onto different accessories developed by the brand.



**MOUNT** Magnetic connector to securely fix and connect to accessories either in vertical or horizontal positions.





\*Magconn Technology.







### FROM START-UP TO SCALE-UP IN 10 YEARS

This year our company will celebrate its 10th anniversary. Between 2015 and 2017, the growth rate soared close to 2,000%. This decade changed our status from start-up to scale-up. This flourishing evolution can be seen at all levels. The estimated turnover for 2018/2019 should reach 75 million euros\* when it was only...1,000 euros in 2009. Today, we are present in more than 20,000 points of sale against 12,000 in 2017.

Structural development and staffing grew in parallel. In 2018, Crosscall created 26 new jobs, representing a 25% increase in manpower in just one year. Every recruitment phase creates a different energy, a new way of thinking. Every new team member plays a role in the development of the business, in harmony with Crosscall. Based

in Aix-en-Provence, South of France, our firm invested in brand new headquarters, and settled into them in July 2018.

Crosscall invested heavily in R&D to continually respond more effectively and qualitatively to its user community. With perfection and development in mind, our company opened an office in Hong-Kong to control and certify the production quality of its devices manufactured in China, while at the same time keeping a permanent link with Aix-en-Provence, where all the products are conceived and designed.





### **CROSSCALL** DEVELOPS THE **B2B MARKET**

Thanks to the phone features of impermeability, resistance and long battery life, the brand earned its place in the B2B world. To set itself apart from mobile phone giants, Crosscall capitalises on its DNA; its capacity for innovation, designing different products to match the long term requirements of all types of workplaces and uses. In addition, our devices are sold with scalable solutions such as Mobile Device Management. We therefore provide a longer-term solution for companies. By choosing Crosscall products, businesses avoid a fast product obsolescence and costly phone budgets with devices that easily break. Furthermore, we have included the X-LINK Technology\*, an intelligent magnetic connector, placing the phone at the heart of an ecosystem of accessories designed for professionals.

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ArcelorMittal	AIRBUS		
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HUG Höpitaux Universitaires Genève			
Iderai e fgaliti e Fraterila République Français	Liberis - Egalit - Frateriti République Française Liberis - Egalit - Frateriti	Office National des Forêts	
			OLOXAMCOCATIONSwissport (*)Image: Image:



\*Magconn Technology.



On the B2B market segment, Crosscall has a product return rate of 3.4% or below, much lower than the general market return rate.

#### AN INTERNATIONAL AMBITION

Crosscall wants to develop its international markets. With products already available in 13 European countries, our next move will be the African market, starting with South Africa and some Northern African countries. We also aim for the other side of the world, Australia. With this objective in mind, Crosscall successfully raised 12 million euros. Today, we are the biggest mobile market business with only French shareholders.

#### LEGENDE Crosscall Headquarters Crosscall Offices Subsidiary

Countries where the brand is established Countries where the brand is being developed

### CROSSCALL MILESTONES



Former President of Samsung France. Became a shareholder and the Vice-President of Crosscall.



BERTRAND CZAICKI Offer and Communication Director. Former Product Manager for Connected Devices at Quechua. Electronics and IT Systems Engineer.

RAISING **4.5 MILLION EUROS** FROM ACG MANAGEMENT LAUNCH

2017

2009

CREATION

OF CROSSCALL

.....

#### 2010

SIGNING OF

DECATHLON,

INTERNATIONAL

SPORTS RETAILER

11002-11

THE GIANT

THE FIRST CONTRACT WITH

#### 2014 2015



LAURENT GEMIGNIANI Became a shareholder in the business and helped Cyril Vidal develop the very first Crosscall phones.



LAUNCH

OF THE

SHARK

2012

LUTZ MEYER Technical Operations Director. Previously Technical and After-Sales Director in the electronics business. IT Systems Engineer.

RANKED 1ST IN

THE DELOITTE

TECHNOLOGY

FAST 50



2016

ANTHONY DO COUTO France and International Trade Director. Former Sales and Marketing Director for Samsung. Business School Graduate.

LAUNCH OF THE TREKKER-X4 AND THE CORE-X3

OF THE SHARK-X3, THE TREKKER-X3 AND THE ACTION-X3

**RAISING 12 MILLION EUROS FROM AMUNDI** AND A PLUS FINANCE



FABRICE GUIBOURT Finance, Audit & Cost Control Director. Manager at EY and Financial Controller at Coca-Cola. Accounting & Finance.



## FOUNDER INTERVIEW : CYRIL VIDAL

#### HOW DO CROSSCALL AND ITS PRODUCTS DIFFER FROM OTHER MOBILE PHONE PRODUCERS?

Our products meet the requirements of the functional efficiency model. In that respect, we tend to favour use and durability rather that fashion trends and technological escalation. That does not keep us from giving our devices an uncompromising aesthetic identity. At Crosscall, performance goes hand in hand with elegance. It's this DNA that enabled us to position ourselves on a segment of the market that very few mobile phone players have joined.

#### WHAT IS THE ADDED VALUE OF YOUR EMPLOYER **BRAND THAT YOU DEVELOP?**

Crosscall was founded on one mission: meeting users' needs and respecting their expectations. We believe that this should be done thanks to the durability of our products and our refusal of planned obsolescence. At this stage, it's also the best way to answer environmental issues created by an industry such as the mobile phone market.

Even if economic performance is crucial, it only makes sense if it becomes a lever for social performance. In our team, we have women and men from all types of backgrounds. Even if many younger employees got their first job here, we keep a good balance between generations, which helps to preserve open-mindedness, professional satisfaction and solidarity.

All employees have the possibility to invest in Crosscall and benefit from profit-sharing.

We also set-up processes to evaluate how strongly our suppliers adhere to and respect social and environmental guestions. We do not just want the minimal obligations to be met. We would like to go much further and ensure that over the long-term, our whole production and distribution chain integrates more and more the major issues in this domain. Aiming for the pursuit of profitability cannot exempt us from our responsibilities as a company and an employer.





durability rather than fashion trends and technological escalation.

#### WHAT IS YOUR TARGET MARKET?

When we started the adventure, we targeted professionals working outdoors and extreme sports fans. As we grow, we are continually expanding our target from that core. Today, Crosscall products are not only for sports fans or construction workers; they are for all users, women or men of all ages who wish to have a mobile phone for all their daily activities, whether those activities are professional or leisure, whatever the conditions, even the most extreme ones. Thus, we now target individuals and professionals.

## WHAT ARE CROSSCALL'S DEVELOPMENT

We take the time to develop ourselves step by step. It's important not to rush and skip a beat. On the international side, we plan to strengthen our hold in the European countries where we are already established. For our long-term expansion, we have started to develop the Australian market and certain African countries. We should plan to continue in this direction. One of our priorities for our products' DNA is to develop the B2B market and the ecosystem of connected accessories we are currently working on. Furthermore, we intend to strengthen our collaborations and partnerships with other influential high-tech players. It's essential if we wish to position ourselves as one of the actors of the French business intelligence. In any event, Crosscall's economic model is based on sustainable development, in addition to meeting profitability

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