



SME helps mass production of iPhone shells

We often hear of start-ups starting in a garage and going international a few years later. They are usually North American and selling software, social-media services or iPhone apps. Imagine instead that one of them was European and involved in the production of essential components for the iPhone itself? This success story exists and is called RocTool.

Participating in the Eurostars Programme is often a good way for small companies to go international. The IM-ITSHT project is a good example of this positive impact. When back in 2000, four associates started to work on this new technology they never thought that it would one day revolutionise manufacturing. The mass production of the outstandingly designed gadgets that have bewitched consumers over the last few years would have never been possible without the outcome of this Eurostars project. The concept is simple: realising complex mouldings without any apparent joints. Hard to grasp the idea until you examine an iPhone, a computer tablet or some of the best designed car interiors on the market. The beauty of the object lies in its appearance: a perfectly flawless surface.

A man on a mission

Of the original gang of four, Alexandre Guichard was the only one that was neither an engineer nor a doctor, yet one of the company's investors calls him the

'driving force behind RocTool'. Now CEO of a company with a turnover of 4 million euro a year, Guichard will never forget that the start-up first went through seven tough profitless years. RocTool is not Guichard's first trial: at a younger age, he had successfully launched a business producing bicycle parts in composite materials. He soon realised that it was not enough: 'I wanted to have something that was really mine, I didn't want to be a

not a common thing, and it does not appear to investors as an easy exit' says Guichard. The technology developed by RocTool and perfected in the Eurostars project IM-ITSHT allows components to be produced in just two minutes, with traditional techniques, 20 minutes was the minimum.

The expertise of the company still lies in composite materials, but taking part in Eurostars, a joint

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Alexandre Guichard - CEO RocTool

subcontractor.'

This first experience however helped the young entrepreneur to build-up a network and, a few months after the launch of RocTool, he managed to bring in the first investors. His first challenge was to carefully select investors that would be ready for a long-term investment. 'A start-up in the heavy industry is

programme between EUREKA and the European Union, helped it to move into plastic injection, a market 20 times bigger. The company first developed a car part production process, but at the worst point of the financial crisis, at the end of the last decade, the car market could not remain the company's sole priority. Now RocTool develops more refined products such as car

The Eurostars Programme is powered by EUREKA and the European Community



interiors for Audi but also every kind of electronic device.

‘Alexandre knew how to go get new market share’, says Olivier Denigot, an early stage investor in the SME. ‘This is how the company was able to develop processes for the manufacture of smartphones, computer tablets and ultra-slim laptops.’ iPhone shells are currently one of the flagship products for which RocTool’s processes allow rapid production at an affordable cost and in an environmentally-friendly way. Guichard’s real breakthrough was for his company to get listed on NYSE Euronext Paris in 2008, just before the crisis really hit. It managed to leverage 3.2 million euro on the markets during its first year.

to help produce,’ says Guichard. ‘As we do not produce anything ourselves: we sell licenses to our customers so that they can use the technology that we own’.

The European star

Another of Guichard’s coups was to create a demonstrator that would prove the quality of its technology. In 2008, in a single day, Guichard’s PR team managed to gather no less than 200 companies, including some industry moguls in the small company premises in Le Bourget du Lac, a town in the South of France. Some of the world’s biggest car producers had made the trip but not a single one was French. The managers and investors of the company concede that the scepticism of their compatriots was also a key motivation in the

programmes such as Eurostars.’ Building up on the success of its first demonstration, RocTool launched a tour in 2010, with events held in France, Germany, Japan and the USA. Approximately 1500 companies world-wide have participated in these events and discovered the SME’s techniques first hand, helping the company to greatly grow in value.

‘We sold our Roctool shares to another European company and not to the Americans or Asians as it usually happens, which is something we are hoping to do more in the future,’ says Denigot. ‘Unfortunately, it is often difficult to find a European player willing to buy this kind of company’, he adds. Compared with the United States, we still have an issue in

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Olivier Denigot - Investment Director at UFG-Siparex



The move has enhanced the company’s credibility amongst its cautious industrial partners and has allowed the work force to be reinforced with highly qualified specialists in the industry, helping the company to remain at the cutting edge. ‘One of RocTool’s divisions is now responsible for the monitoring of new technologies, the next big thing that will come onto the market and that we want

development of RocTool as they knew from the start that they needed an international clientele.

The SME’s primary market is now Asia. ‘France can be a difficult market for innovative companies and we sometimes have an issue with going international,’ admits investor Olivier Denigot. ‘It is a kind of therapy for French companies to participate in European

leveraging low-cost technologies onto the markets.’ Olivier Denigot says this issue arises because of the fragmentation of the European market. He thinks that Eurostars is however showing the way for Europe to become an innovative economy: ‘In Europe, we should capitalise on hard science and innovation not software, that is where our know-how truly lies.’

Project participants:
France, Norway

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