**!!** FREECOM

# PROFILE PRODUCTS PERSPECTIVES



Free your mind



### **Welcome to Freecom**



The storage market and the whole IT sector are in a state of permanent change. New products and technologies are being developed at ever-decreasing intervals.

There is only one single constant: The data – Your data!

For more than 15 years, Freecom has been developing external and mobile storage products that guarantee the reliable and convenient storage of data, and allow data to be backed up at the touch of a button.

Quality at Freecom however extends far beyond the product itself. With a full 2-year warranty and support hotlines that are available throughout the life of the product.

Freecom also attaches special importance to the design of its housings, packaging, and the layout of its Webshop. The newly designed Corporate Identity takes full account of these requirements.

On the following pages, you can find out more about our company philosophy, which places its focus on

Free your mind.

Dick C. Hoogerdijk

President & CEO Freecom Technologies

# STORAGE MEETS DESIGN





Mobile Drive



**DVD RW Drive** 



DataTank



Storage is our business and the demand for storage is rapidly on the increase. While digital data and its storage were only important topics for the IT sector as recently as ten years ago, their applications have since increased manifold in entertainment electronics due to the rapid development of mobile phones, digital cameras and MP3-players, to name but a few examples. Digital data media is now a feature of everyday life and is in use by people everywhere. They all produce permanent data, which has to be stored externally.

The target groups are growing accordingly, and with them the requirements of storage products. As in many other rapidly expanding sectors – form follows function. The clumsy mobile telephones of the 1990's have thus developed today into coveted fashion accessories. Initially, the original uses and benefits must always take pride of place. Only when this has become a matter of course do aspects such as design and style increasingly influence customer's choice.

An external storage product must of course primarily continue to store data reliably and guarantee rapid access. This is an essential customer requirement, and therefore a principal component of Freecom's core philosophy.

If the product can be made to look good at the same time, so much the better. Freecom has in the past always been a forerunner in matters of innovative product design, for example the tiny FHD-XS hard disk or the FS-50 Slimline-Burner.

Design itself always continues to develop further, and Freecom is taking this fact into account with a contemporary corporate image: this is being made clear everywhere in the form of re-designed packaging and product housings, together with the relaunch of the company's complete Internet site.



# The successful DVB-T The smallest TV-receiver in the world, coupled with a hard disk, becomes a digital video recorder



It is now just 2 years since the 2003 Internationale Funkausstellung (IFA – International Radio Exhibition) in Berlin saw the start of a new and ambitious project in the field of entertainment electronics: Television broadcasting by means of DVB-T which was launched as a pilot project in the Berlin/Brandenburg region.

Since then, terrestrial digital TV has established itself at an international level, developing with amazing speed. Today for example, 80% of the population of Germany already live in areas capable of receiving a DVB-T signal. The final, complete coverage of even the most rural areas now has maximum priority, since mobile TV via DVB-T should be available practically nationwide in time for the 2006 soccer world cup.





The original large and bulky set-top boxes have since been replaced by handy and compact TV receivers. Already the winner of many awards, the Freecom DVB-T USB Stick turns any laptop or desktop computer within a matter of a few seconds into a fully functional TV, equipped with remote-control, video text, digital programme schedule and recording function.

The recording function in particular makes DVB-T a prime example of the irresistible fusion of entertainment electronics and IT-storage. Coupled with a hard disk, the tiny stick becomes a digital video recorder. The user has a convenient choice between either a live recording, or simple programming with the aid of the Electronic Program Guide (EPG).

DVB-T will continue to develop at the same rapid pace, continuing its triumphant advance worldwide. In line with these developments, Freecom will be launching onto the market in 2006, in addition to the already very successful DVB-T USB Stick, further innovative products, offering DVB-T for every requirement: e.g. the DVB-T Card (PCMCIA) and a mobile, autonomous DVB-T television with TFT display.



### Variety and specialisation – Unique to themselves: Freecom ToughDrives & DataCard

Freecom considers itself a supplier of tailor-made storage solutions to meet every requirement. Different people and different professional groups have varying expectations of an external storage product. As early as the product development stage, Freecom will match the performance spectrum and design to the needs of the relevant target group. In order to meet future requirements, Freecom is continually and consistently extending its range.

The new DataCard and the ToughDrives are perfectly tailored to the demands of very different user groups, a fact which is also reflected in their appearance. These two mobile storage units nevertheless have this in common: they are unique products of their type, and real eye-catchers.





### Able to take the knocks – Freecom ToughDrives

With the Freecom ToughDrives, now available in both 25" and 1" versions, Freecom offers a new family of efficiently protected portable hard disks. They are not only resistant to impacts and shocks, but can also withstand falls from heights of up to two metres. The internal hard disk is mounted in a shock absorber made of silicon. The ToughDrives are also supplied in an extremely robust housing of hardened plastic, which is also provided with a silicon coating.

DataCard



### Wafer-thin and elegant – Freecom DataCard

With the DataCard, Freecom presents a wafer-thin flash-memory unit in a credit card format. The patented DataCard is not only the thinnest USB-card in the world, but also extremely practical. At only just 2 mm "thick", the memory card holds up to 2 GB of data, which can be transported discreetly and safely in any credit card holder or wallet.

# **INTERVIEW**

### Interview with Axel Lucassen and Dick C. Hoogerdijk

The IT market is changing at a tremendous pace, continually producing new products and technologies. For Freecom, this brings with it the challenge of being able to offer the corresponding target groups the matching storage solutions at the earliest possible time. The following interview with the two proprietors of Freecom, Axel Lucassen and Dick C. Hoogerdijk, describes the positioning of Freecom at the beginning of the 21st Century, and provides an outlook on the development of the storage market.

# A visit to the relaunched Freecom website shows that things are changing at Freecom. Is Freecom re-positioning itself?

**Axel Lucassen:** We have now held a strong position in the storage market in Europe for over 15 years. The Freecom brand has always stood for high-quality, reliable storage solutions that are easy and convenient to use. Our products also come up to a high standard with regard to style and design. This aspect in particular will be given greater emphasis in future.

### That sounds as if Freecom products are to be given a new look?

**Dick C. Hoogerdijk:** Yes, we have commissioned a well-known Berlin design agency with the development of a new design for our products, packaging and website. In our opinion, the initial results are already clear to see. Over the course of this year, most Freecom products will be given a fresh, new look. We anticipate that the new design, amongst other things, will broaden our customer base. We therefore consider investment in style and design is well worthwhile.

### Are you therefore assuming that the storage market will continue to grow?

**AL:** Of course, we are confident that the demand for storage solutions will increase even more in the near future. Back-up and data storage are becoming increasingly important subjects, both in the professional and private field. Ten years ago, memory-intensive products such as MP3-players or digital cameras were still things of the future. So it doesn't require a great deal of vision to foresee that the volume of digital data will also multiply several fold with the forthcoming innovations in the IT field.

### What are in your opinion the major reasons for this increasing demand?

**DH:** There are two main reasons for the growth of our sector. Firstly, data and its storage, both in general and across the sector, play a much greater role at the beginning of the 21st Century than was the case a few years ago. No company today can afford to do without the storage of its data, however small or large the business might be.

Loss of data can mean the loss of the company's commercial lifeblood. Most companies have recognised this, and have installed preventive measures for data back-up and security. A substantial requirement still exists however, particularly amongst small companies.

### That was one reason, certainly the most important...

**DH:** The second central aspect lies in the growth of digital data in the private field: notebooks, digital cameras and MP3 players – they all generate and hold data which is often inadequately secured. For example, if a friend's private notebook hard disk gives up the ghost, and all the data are irretrievably lost, then he and perhaps three or four of his acquaintances start to think about appropriate back-up measures.

**AL:** So it's like a lot of other things in life – only when something adverse happens do we become aware of the long overdue need for action. We are now also seeing slowly growing awareness of the handling and storage of data in the end-user area, in other words a more professional attitude.

# Have the requirements and expectations of customers changed over recent years?

**DH:** The basic requirements have remained the same, reliability is still the main consideration, followed by the speed of the data transfer between the PC and the external back-up solution.

The smooth operation of our storage solutions with the relevant operating system used is also very important. This is naturally also tremendously important if the user is planning a software update or an upgrade of his operating system. However, other factors are also becoming increasingly important.

### What factors are these for example?

**AL:** A mobile storage system today must not "only" operate as quickly, as simply and as reliably as possible. Many users want additional features, such as our SYNC function for example, which enables data updating at the touch of a button. Depending on the user profile, the product should also look good, generate hardly any or no fan noise, and ideally also be unique – the customer wants something special.

# How complex should we then imagine the development process of a storage product?

**DH:** That's very difficult to answer in just a few words. Starting from the idea, which initially requires the combination of technical know-how, creativity and knowledge of the market, this may be followed by a host of other individual steps, depending on product, before this leads to a convincing innovation.

# Can you give us one example of a particularly innovative storage segment?

**AL:** The whole field of online storage is becoming increasingly important, and Freecom aims to assume a leading role here, particularly with regard to business customers.

**DH:** Another innovation is our DataTank, an external storage device which will initially be available with a capacity of 1 terabyte. Besides the attractive, minimalistic design, this product is convincing above all for its technical features: RAID function, 128-Bit encryption and synchronisation at the touch of a button are just a few of the main features.

### Online storage doesn't necessarily sound like classical hardware any more, as in the case of burners or mobile hard disks. Is Freecom extending its portfolio in various directions?

**DH:** Freecom will be placing the emphasis on storage innovations for the future, and will continue to invest heavily in this field. We are currently in the course of realising our ID<sup>2</sup> concept step-by-step, and with the Freecom Storage Gateway (FSG-3), we have successfully positioned the first ID<sup>2</sup>-compatible product on the market.

But we are not necessarily limited just to storage. Our success in the area of DVB-T, where we have established ourselves as the market leader in Europe within a very short time with the DVB-T USB stick and already recorded many test victories, this is a perfect example of the amalgamation of IT storage and entertainment electronics. The DVB-T product range will therefore be consistently expanded. Our aim is to assume a leading role in this amalgamation, either independently, as in the case of DVB-T, or together with suitable partners.

### Storage Gateway FSG-3



DataTan



ToughDrive XXS



BREE USB Doll



## And how would you define the Freecom claim in just a few sentences, Mr. Lucassen?

**AL:** Freecom still considers itself primarily as a manufacturer of reliable and innovative storage solutions. We have always been very successful in the IT sector, and still see this as our main area of business for the future.

However, we have also deliberately positioned ourselves as an innovative and creative company. This is confirmed by such storage products as our DataCard, the ToughDrive or the NAS solution of the Freecom Storage Gateway. One cardinal example of our creativity is the cooperation with the German leather goods manufacturer BREE, which has resulted in some unique Flash products, all of which contain a Freecom USB stick.

The USB Doll designed by BREE generates not only additional profit, but also increased awareness in a new market segment.

### And this will also create new target groups?

**AL:** Yes, exactly. Mobile storage products such as the ultra-flat DataCard, the robust ToughDrive and the charming USB Doll generate sales both within and outside the IT sector. Freecom's portfolio first includes products which are both storage devices and also high-quality lifestyle gadgets. They can be used anywhere – in the end-customer business and above all in the business customer field. And they are unique.

### Freecom – Chronology of the company

Since the founding of the company in the year 1989, Freecom has concentrated on being the first manufacturer to make innovative and reliable storage solutions ready for the market – backed up by outstanding service. Freecom's product range offers the right solutions for the widest possible range of storage requirements: from the USB stick and mobile hard disks, to tiny DVD burners, and on to NAS systems or professional TapeWare products. In future Freecom intends to further extend its portfolio of external hard disks, increasingly linking this with multimedia and entertainment electronics.

The first supplier in Europe to offer a tape drive with parallel interface

The first external optical drive with USB 2.0 connection

### **Milestones and innovations**

### 1990-1999

1991	First tape drive with both parallel and serial interface
1993	The world's first portable DAT drive with parallel interface
1994	Inclusion of low-price external CD-ROM drives into the product portfolio
1996	Patented SWAP system for multi-connection hard drives
1997	Patented interface technology for the Traveller and Portable range
1998	The first supplier of USB-IDE Asic - USB CD-RW 4x
1999	The first supplier of CD-RW and DVD burners with FireWire connection
1999	Entry into the OEM business as a supplier to Philips, Seagate, Toshiba, Fujitsu Siemens, Panasonic, Memorex

### 2000-2005

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2001	The first supplier of 8 cm CD/MP3 players
2002	$Development \ of \ the \ SYNC \ button: automatic \ synchronisation \ for \ external \ hard \ disks \ and \ the \ touch \ of \ a \ button$
2002	FM-10 PRO: the first waterproof and impact-resistant USB 2.0 stick with a lifetime guarantee
2003	Beatman Flash Recorder: the first MP3 player with line-in function
2003	USB Card PRO: the first USB storage device in the patented credit card format
2003	Freecom sells its 500,000th CD burner of the Traveller range
2004	Introduction of the Dynamic Name Service for storage products
2005	Freecom Storage Gateway: the first Linux- and Intel-based NAS system including router
2005	Entry into the DVB market with the Freecom DVB-T USB stick
2005	ToughDrive PRO: the first impact- and shock-resistant 2.5" hard disk

### 2006-Q1

2006	DataCard: development of the USB Card PRO in an even slimmer version
2006	ToughDrive XXS: the first impact- and shock-resistant 1" mini hard disk
2006	Launch of the new market image: product housings, packaging and website in the new design



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### **II** FREECOM



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