

This interview by Frank Kirschstein, editorial director of the NGZ, with Yannick Koch, CEO of Beko Technologies, was published in original German on Saturday 8<sup>th</sup>, June 2024.

# Neuß: Grevenbroicher Zeitung

Beko Technologies - Hidden Champion in Neuss, Taubental, Germany

## In global demand and ‘simply sexy’ - compressed air technology from Neuss



Yannick Koch is Managing Director of Beko Technologies, based in Neuss. The family-owned company specializes in compressed air technologies and is considered a “hidden champion”.

*Photo: Frank Kirschstein*

Interview | Neuss - When it comes to unknown global market leaders, the 'hidden champions' of the SME sector, the name Beko Technologies is quickly mentioned in Neuss. The compressed air specialist from the Taubental in the southern part of the city epitomizes the classic startup's rise from garage to internationally active company. What lies behind the success story and how Beko Technologies is planning for the future.

Mr Koch, your father, Berthold Koch, founded Beko Technologies as a start-up in 1982. From its beginnings, almost classically like Microsoft or Apple as a garage company, to today Beko Technologies has grown steadily as a family business. More than 650 employees work in Neuss and at five other production sites around the world on the development, manufacture and sale of components and systems for the treatment and management of compressed air. Can you tell us the secret of your success?

**Yannick Koch:** You have already mentioned one of the keys to our success: We are a family business. We can make our own decisions, are independent of any outside interests and are completely self-financed. That's one side of the coin, the other: We internationalised very early on and have our own production facilities in our core markets in India, China and the USA. We therefore produce in Neuss and at two other locations in Germany, as well as internationally and locally for the relevant markets. We also rely on local, regional suppliers. This enables us to optimally serve the needs of our customers and deliver even large systems quickly and cost-effectively abroad.

Do you have an example of this?

**Koch:** One example is our production in India. If we tried to transport large systems there from Neuss, any price advantage or profit would be extremely diminished by the transport costs. Instead, we have set up a production facility in India with a local workforce that produces to our quality standards. The independence we achieve in this way also helps in crisis situations. During the coronavirus pandemic, for example, we were able to continue production.

What is the compressed air business all about?

**Koch:** Compressed air is the number two production medium in the entire industry after electricity. Compressed air is needed everywhere - for painting cars, for dentists' drills or for semiconductor production. We ensure that compressed air is available in the required quality and at the lowest possible energy costs, reliably and in a quality that can be documented at any time. For example, our compressed air dryers are used at the Tesla plant in Brandenburg. Our products are also used when food is transported or packaged in production, for example when spices are placed in a bag or when ham is nicely folded over in its packaging. The highest quality and safety are essential here. This is especially true when we are talking about applications in the production of medicines or in medical technology, for example ventilators.

What distinguishes BekoTechnologies from its competitors?

**Koch:** The company is based on the fact that we save energy when using compressed air and protect the environment from oil. Condensate that is produced and discharged during compressed air generation and treatment is often contaminated with oil from the compressor and other substances. We ensure that the condensate is treated and freed from oil and can then be drained cleanly into the sewage system. If you consider that one drop of oil contaminates 1000 litres of water, we have made a huge contribution to environmental protection over the past 40 years. We are constantly bringing innovations to the market in this area, most recently, for example, the first active oil-water separator, which has never been seen before. This is a real world first. The technology is constantly being developed further, but in principle still comes in part from the first Bekomat condensate drain, which my father developed at the beginning of the 1980s.

How do you promote this innovative strength within the company?

**Koch:** The fact that we want to be a technology leader is deeply rooted in our DNA as a family business. We cover the entire value chain, from the customer's problem that we want to solve to the corresponding product. We have development, sales and production in-house. We specifically promote innovation processes in co-operation with our customers, but also with universities and, of course, our employees. This spirit of innovation can be felt throughout the company: we have many employees who have been with us for decades and are always trying to make our products even better. This makes Beko Technologies fit for the future and also independent.

Speaking of employees: how do you deal with the problem of the shortage of skilled workforce?

**Koch:** This is also a huge issue for us. With 300 employees at the Neuss site, we want to have 15 trainees by the end of the year, and we also constantly employ up to ten working students, some of whom we take on directly after graduation. There is a great need for personnel, because the company is constantly growing. We always need good people, from warehouse staff to IT system administrators. We also seek contact with schools and take part in information events and projects. The fact that compressed air is a sexy topic has to be communicated first. But if we can show where compressed air plays a role everywhere, from beer foam to chip production, we'll quickly succeed.

What arguments do you use to attract skilled workforce?

**Koch:** We offer our employees a lot - apart from a good salary - and attach great importance to a great working atmosphere. In addition, working with compressed air technology is simply extremely exciting and varied because the possible applications are so diverse and always new. Our company restaurant serves free freshly prepared meals and drinks every day, we offer a job bike and are flexible when employees need support in exceptional personal situations. We will soon be taking 400 people, including 150 children, to Cologne Zoo, and in September we will be travelling with the whole team from Neuss to Netphen in Siegerland, where we have invested 12 million euros in another site. Traditionally, we have a great sense of togetherness and solidarity. We all pull together. We encourage that and it's really well received.

How satisfied are you with the location in Neuss?

**Koch:** The comparatively high assessment rates for trade tax are a real issue for every company, even if the location is ideal for us in view of the location between Cologne and Düsseldorf with two airports and very good motorway connections. However, the companies in the Taubental suffer from the fact that the motorway connection is not sufficient for the traffic generated there. Depending on the situation, it can take 40 minutes to get out of the industrial estate. Many logistics companies have settled here, but the motorway connection has not been extended accordingly. The public transport connection for the Taubental could also be better.

Let's take a look at the economic situation in Germany. What worries you?

**Koch:** More and more bureaucracy, of course, that paralyses. Centralised approval procedures, for example for heavy goods transport. It can sometimes take six weeks to get authorisation from Berlin. We build entire plants in that time. The uncertainty that politicians exude when it comes to energy also has a paralysing effect on the economy, but also on investors. Unfortunately, Germany is not making a good impression on the global political stage at the moment.

How is Beko Technologies planning for the future?

**Koch:** We are planning for average growth of nine to ten per cent in the coming years. In 2032, we would then have a turnover of 300 million euros and 1,200 employees.

So the Neuss site is fixed?

**Koch:** Yes, Neuss is set. The heart of Beko Technologies beats in Neuss.