

## PRESS RELEASE

### EPIC interview: Antonio Castelo talks to Christian Raith, CEO of IMM Photonics



In this interview, Antonio Castelo, EPIC's Technology Manager for Bio-Medical and Lasers, talks to Christian Raith, CEO of IMM Photonics, a German producer and distributor of optical and optoelectronic components and laser modules for a wide range of technology sectors.

#### **What's the background to your appointment as Managing director of IMM Photonics?**

In 2010, after completing a Dipl Ing (FH) at the Hochschule München University of Applied Sciences, I went to work for the family business, IMM Photonics, which my parents had founded in 1992. I initially worked as a development engineer, but quickly realised that I had neither the aptitude nor inclination for engineering. What I found out was that I liked talking and communicating with people and that with my scientific background, I was able to understand how our technology could help to solve customers' problems. As a result, after 6 months, I moved into sales, and in 2015, I became head of Sales and Marketing.

In 2016, as my parents were nearing retirement, they sat me down and asked me if I was interested in taking over running the company. I wasn't put under any pressure, it was simply the case that if I agreed, they would do everything to help, and if I said no, they would have to start making plans to sell the company. I enjoyed my work, and although I was still in my late 20s, I gratefully accepted the challenge, and from then on, I began to prepare for my future role as CEO. This involved learning about company finance, IT and HR, which were my mother's responsibility, and working alongside my father who was in charge of product development, R & D, and manufacturing. When my mother retired in 2020, I became co-managing director with my father, and when he retired in 2023, I had sole responsibility for the company.

#### **How has the company developed?**

When my parents started in 1992, my father's original plan was to make measuring equipment for the medical market. But this didn't work out, so he moved into the distribution of laser diodes, lenses and other optical components. This was the base for growing our customers base, learning about the customers needs and moving fast into building our own products. We mainly produce laser diode modules, laser collimators, fibre optics, fibre

couplings and we have our own visual fault locator. More recently, we've started making systems, which is just a higher level of integration - not just a laser collimator or module or fibre coupling - but also the surrounding components, so more electronics, some software and so on. And nearly everything is on custom design basis. We now have a workforce of around 60. Just over 20 people are at our headquarters in Unterschleissheim, which is close to Munich, where we do product development, R & D, sales, order processing and strategic purchasing and have our marketing, IT and HR departments. And we have another 35 employees at our production site in Teisnach, close to the Deggendorf Institute of Technology, which gives us access to the latest findings in measuring technology, production engineering and process development. We work closely with the companies on the technology campus to obtain an optimal transfer of knowledge, which allows us to make use of a wide range of synergies. We have distributors in the UK, the US, China, Japan and Korea but most of our business is in Europe and north America. Our main markets are laser and optoelectronic systems for industrial sensing, mold detection, gas detection and material processing; optical technologies to support medical research, analytics and therapy; and fibre optics for fast optical data transfer, fiber optic installation and testing.

### **How did you come to transition from a distributor to making your own products?**

It started with requests from customers. Many customers who want to use lasers in their systems, are not really familiar with building collimators, fibre coupling or whatever; or they can not do it because they don't have a cleanroom for the optics. Originally, my parents sold laser diodes and lenses, then customers began to ask us to assemble them, and that's how the collimator business started. They then asked us to do the electronics, and that's how the modules came about. Sometime later, we learned about their needs for fibre optics and fibre coupling, so we transitioned from selling parts like the collimators to assembling complex systems. To make these modules and systems, we buy in optics, but the electronics and mechanics are designed by us.

### **How do you manage the competition from Asia?**

We don't have much business left with standard products because of competition from Asia particularly China. In recent years, they've improved a lot in reliability and quality, and it's not easy for us to compete on price. For this reason, we focus on custom design products.

### **What were your main challenges when you became sole Managing Director?**

It was actually quite a smooth transition. We'd been working on the whole process for five years before I took over. One of the things we did was to establish a secondary level of management comprising a CTO, CFO, COO, CSO. This has worked very well because we got

the right people. The CFO was recruited just before my mother retired and the COO and CTO positions were filled by longtime, existing employees.

### **What challenges do you see for the future?**

In general, we want to grow in the area where we are currently located. What we see for the future is the need for more and more complex devices and we focus on these types of products. To this end, we are reorganising our workshop in order to implement a new production strategy with a focus on digitalization. The aim is to give customers more accessible data from production. The more complex a system gets, the greater the number of potential problems and the harder it is to find them. It's like in physics - the deeper you look into something, the more complex it gets, but it's easier to understand if you have the data. A second challenge is that there are a lot of companies, even within Germany, who don't know us because we usually work under NDA's and we are not allowed to promote our solutions. We need to reach out to these potential customers and find out what their needs are in depth. For this reason, we regularly attend EPIC events where we can start talking to potential customers - bearing in mind that in the industrial sector, particularly for medical devices, it can take anything up to five years for business to develop.

But perhaps the biggest challenge for us is that as we grow, we will need to be more flexible and able to adjust quickly. It's easy for a start-up to adjust, but the bigger a company gets, the tougher it is to be flexible.

### **What's your advice for the next generation of entrepreneurs thinking about taking over the family business?**

To the children, I'd say that taking over a family business has to be something you clearly want. If you're in any doubt, don't do it; but if you feel comfortable with the decision, go for it. And don't be afraid of making mistakes because you will learn from them.

To the parents, it's very important to trust in your children. What I've seen many times, fortunately not in my case, are parents hovering too long in the background reluctant to relinquish control. At some point, you will have to say, okay, the company is yours now, go for it, and it's better to do this sooner rather than later.

#### ***About IMM Photonics***

*IMM Photonics develops and produces complete systems and assemblies for international customers in the medical technology, biophotonics, metrology and analytics industries. Customized solutions for OEM customers are also manufactured. IMM Photonics is represented at the two locations Munich / Unterschleißheim and at the Technology Campus Teisnach of the University of Applied Sciences Deggendorf. Sales are carried out by the company itself and through distributors worldwide.*

[www.imm-photonics.de](http://www.imm-photonics.de)

<mailto:pr@imm-photonics.de>