

Robert Gifford**EVP Global Logistics****Ingram Micro Logistics****www.im-logistics.com**

Robert Gifford serves as executive vice president, global logistics of Ingram Micro Inc. Based at the company's headquarters in Santa Ana, Calif., Gifford has comprehensive responsibility and oversight for all elements of the company's distribution centers and supply-chain operations throughout the world, including the Ingram Micro Logistics fee-for-service business unit. He joined the company in June 2010.

Gifford has more than 30 years of experience in operations and supply-chain leadership. Most recently, he served as senior vice president, global supply chain for Ecolab Inc., a Fortune 500 manufacturer and distributor serving the hospitality, institutional and industrial markets. He led all aspects of the company's supply chain globally, optimizing 37 manufacturing plants and 84 distribution sites, while integrating dozens of acquisitions during his six-year tenure. Prior to Ecolab, Gifford was the vice president of worldwide logistics for the Hewlett-Packard Company, where he was responsible for more than \$2 billion in logistics operations encompassing everything from contracts to compliance to vendor selection and transportation. He joined HP following the 2002 acquisition of Compaq, where he spent seven years in manufacturing and supply-chain management. Gifford holds an MBA from Texas A&M University and earned a bachelor's of science degree in manufacturing management with a minor in industrial technology from San Jose State University.

What is your growth strategy in the next year, and how will you distinguish yourself from competitors?

Our Ingram Micro Logistics business, which is the 3PL subsidiary of Ingram Micro Inc., is planning for a year of solid growth. This growth will be generated by dual paths: greater penetration into our existing technology and e-commerce markets; and expanding beyond our roots into new verticals in which our unique capabilities provide a competitive advantage. A key differentiator from competitors is the strength of the parent company, which is the world's largest technology distributor. Ingram Micro Inc. has 30 years of experience, serves nearly 200,000 customers and has generated more than \$30 billion in revenues during the last 12 months.

Describe the one most important strategy decision that you have made in the last 18 months?

For the Ingram Micro Logistics business, a key strategy decision was expanding internationally earlier this year. The subsidiary has been operating in North America for more than 10 years and we believe that this experience, along with the broad capabilities of our global infrastructure, provide unique value to existing and potential customers.

As a CEO, what do you see as your three biggest challenges over the next couple of years?

The most significant challenges are often related to the world's economies and business demand. Beyond the macro-economy, my focus is on creating a high-quality, yet efficient, supply chain. As a result, the three significant challenges often fall into the broad categories of demand, investment and efficiency.

Where do you see the biggest opportunities for 3PLs?

A key opportunity is in becoming a strategic partner for our customers, helping them become more successful and profitable. Our market research indicates that customers want more than an outsourcing relationship with 3PLs; they want a business partner that fully understands their business and market, providing solutions that contribute to their success. To meet these needs, we are enhancing customer engagement through specialized account professionals, while continually investing in systems and infrastructure to make our supply chain more efficient and productive.

Do you feel the industry needs more or smarter investment in transportation infrastructure? Is enough being done to demonstrate the importance of these improvements to an industry like logistics, which underpins the economy?

Ingram Micro Logistics is unique, as it has the infrastructure and financial support of the world's largest technology distributor as its parent company. Our five advanced logistics centers (ALCs) in the US can serve all markets of the country typically within a 2-day ground transportation window, so transportation challenges are relatively minor. The transportation infrastructure in the US is superior to most parts of the world but it will need to be maintained and improved if the US is to maintain and advantage in this area.

Some recent ad campaigns have drawn attention to the ways logistics providers promote themselves. What more do you believe should be done to promote the LSP industry?

Promotional efforts by some of the industry's largest companies create a halo effect by educating the market about the benefits of logistics. This benefits the smaller players and others that are unable to invest in advertising and promotion. I welcome the attempts to build awareness.

Our recent market survey found that both 3PLs and their customers feel that relationships have taken a step back from strategic partnership towards commodity services in the aftermath of the recession. How do you ensure that strategic relationships are maintained in a very competitive and price-driven market?

Our goal is to be fully aligned with our customers' business models and needs, ensuring that we contribute to their success. Our services have evolved over the years, expanding from classic pick, pack and ship in the early days to specialized customization, such as industry-specific capabilities, made-to-order packaging and gift wrap. We also expanded beyond our core technology niche to serve a greater variety of accounts in retail, toys and specialty businesses, offering them access to the world-class logistics developed for the demanding technology market. The alignment with our customers' needs and markets, combined with greater flexibility and customization, help us mitigate the risk of commoditization.

Do you feel that environmental sustainability capabilities have the potential to be a key differentiator, and will customers really put this ahead of price?

We believe that sustainability capabilities can indeed be a differentiator. For us it is a deeply held belief that to conduct our operations in the most sustainable way possible is the right way to do business. We also know that many of our large customers and suppliers require a measurable focus on sustainability, governance and social responsibility, with a disciplined process for reporting and monitoring progress. Those unable to comply may lose valuable partnerships, which may have a negative impact on the ability to compete. In addition, a commitment to sustainability could also be a valuable marketing tool when targeting environmentally-conscience partners. There will be some customers who place sustainability ahead of price, but it is premature to measure the financial impact of this attitude at this time.

How is your ownership structure an advantage for your future growth?

The strength of Ingram Micro is an advantage, as it provides a solid financial foundation and a compelling value proposition in terms of experience, capabilities and breadth. Ingram Micro Logistics has the support of a Fortune-100 company that serves hundreds of thousands of customers in nearly 100 countries, with more than 30 years of experience – that sends a powerful message.

What question would you ask other CEOs of 3PLs?

What keeps you up at night?