

As a Global Leader in Supply Chain Management, ALOM is helping their Fortune 100 Customers in Technology, Automotive and Medical Sectors Execute their Supply Chain with Excellence

**Business Services
Supply Chain**

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**Hannah Kain
CEO**

BIO: Hannah Kain is President and CEO of ALOM, a global supply chain company headquartered in Fremont, California.

Prior to founding ALOM in 1997, Kain held various management and executive positions since 1983, with a wide range of experience in the packaging industry dating back to 1990.

Kain holds three university degrees (B.S. in political science; M.S. in communications, and a B.Sc./M.B.A. in marketing), is a frequent lecturer and speaker, and is a published au-

thor of a popular textbook on market analysis, now in its 4th edition.

She has extensive international management experience, membership and involvement in numerous governmental and educational agencies and business groups. Kain is a board member at National Association of Manufacturers and at Watermark as well as a board chair at the Women's Initiative for Self Employment Silicon Valley. Kain further holds numerous advisory board positions, such as Global Supply Chain Leader's Group and Newallstreet as well as membership in Astra's Global Committee.

Other accomplishments include numerous awards for her community involvement, leadership, management, and business, including: WBENC 2012 Business Star; Inducted into the Wall of Fame, Silicon Valley Capital Club, 2012; Winner, Vistage Leader Award for Collaboration, 2011; Winner, Watermark Award, 2011; Winner, Astra 2011 Global Excellence Award; Co-author of Scrappy Women in Business; Winner, Astra 2009 Excellence in Strategic Alliances Award; Honored as Enterprising Woman of 2009 by Enterprising Women Magazine; Honored as "Woman of Influence" by the Silicon Valley Business Journal, 2009; Honored as "Woman of Distinction in Technology" by the East Bay Business Times, 2006; Finalist in the 2006 Enterprising Women Award; Finalist in the Stevie Awards, 2004 and 2005; Most Inspiring Business Woman Award (SV-NAWBO), 2003; Enterprising Woman of the Year Award (SV-NAWBO), 2002; Commended by the San Jose City Council for contribution

to the community 2001; Woman of Achievement Award (Women's Fund), 2001; SBA Entrepreneurial Success, 2000; and Outstanding Business Women of the Year Award (ABWA), 1999.

Board chair of Women's Initiative, Silicon Valley. Board member, Watermark Active in Silicon Valley Leadership Group and active participant in leading officers' group and members of the Advisory Group for Women, member of C200, Vistage, Watermark (Formerly forum for Women/ Executives & Entrepreneurs), CSCMP, ASQ, NAWBO and others.

Hannah Kain was born in Denmark where she had a business and political career that included a short time as a member of parliament and a member of several commissions, such as the national foundation for scientific research. She also headed her party's equal rights commission, and was a member of the governing board of her party.

Kain is married to Dr. Jakob Nielsen, principal of Nielsen Norman Group and a world recognized leader in Web usability, a celebrated speaker and published author.

About ALOM:

ALOM is a global leader in supply chain management, serving as a partner to its Fortune 100 clients in the technology, automotive and medical sectors, and utilities companies. We apply the strengths of a highly credentialed team of strategists, engineers, and specialists, and in doing so, ALOM is able to deliver

its clients' products and services impeccably, enrich the customer experience, and uphold their brand reputations.

We provide a full range of supply chain services from planning, vendor management, warehousing, procurement, media duplication, electronics and other assembly, distribution, fulfillment, freight optimization, and reverse logistics. Through our network of sixteen locations worldwide, we service brand-conscious companies.

We believe in service. Our customers know first-hand about our outstanding dedication and commitment. We are responsive to their needs or any problems that may arise.

Our track record has put us in a league all our own. ALOM is successful because of our people, our culture, our processes and systems, and our unwavering determination to reach our customers' goals.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine**

CEOCFO: Ms. Kain, according to your website, "ALOM is the Strategic Link in Your Supply Chain". Would you tell us about ALOM?

Ms. Kain: We help very big corporations execute their supply chain with excellence globally. We analyze their supply chain for specific projects and then we improve their supply chain and execute on it out of sixteen locations globally.

CEOCFO: What are some of the common problems or common areas in the supply chain that you work on? What might be an area where people would be surprised you would be able to make a difference?

Ms. Kain: We work with many technology products. We are headquartered in Silicon Valley. Many of our customers are in the technology space, but what has happened over the last five to ten years is a convergence of products where there is now is a significant technology component in many products. For instance, one of our customers is Ford Motor Com-

pany, and they have a huge technology component in their cars. Ford has become a technology leader. ALOM is one of Ford's partners working on new SYNC enhancements that keep Ford on the leading edge of in-vehicle technology. We are managing the supply chain aspects of the dataflow into the SYNC™ system such as media for uploading of new maps and software updates in their vehicles. It is a really interesting time we are living in with so many new and different technologies that are part of new products. Of course, at the same time there are more and more regulations. Globally the regulations are becoming more complex, such as intricate local regulations for determining where you can use products, how you can use them, and which compliance review each product needs to be subjected to. Just getting products across borders is much more complex. So, managing some of those intricacies in the supply chain is crucial and it is one of the things we really excel at.

CEOCFO: What was the thinking when you founded the company years back? What did you anticipate would be the problems then that you can solve, and what has changed most for you?

Ms. Kain: When I started the company, and today, a key value proposition to our customers was, and is, to have a team of highly competent, highly credentialed experts to provide excellent service, and to be able to really analyze and understand what the customer needs, what the problem is, and solve that problem. Sometimes they solve it on a strategic level, sometimes on a technical level, sometimes on a very pedestrian day-to-day level. But in all cases my staff takes ownership of the problems and treats each customer as if it is their own business. That was, and still is my vision. Now, our service offering has changed quite a bit. We started off doing a great deal of software manufacturing, so the first year we were in business, 55% of the revenue came from floppy disk duplication. Obviously, that went away, and we certainly realized that early on, so we were ready for the next iterations and became an ecommerce fulfillment

pioneer—probably the first company in the world doing ecommerce fulfillment. We had some very pioneering customers here in Silicon Valley, and we did the fulfillment for them, so that was the next break iteration. We did a number of other iterations, offering quite a bit of hardware related services, such as burn-in, support of version control, customization, tracking, and other related services. Then of course, one key area was to increase visibility in the supply chain by using technology. When we started, from day one we provided our customers with Extranets, which was our name for the customer portals back then. We were probably the first company in the industry doing customer portals. Now, our portals and use of technology are much more advanced. I believe that the supply team these days simply cannot survive without real-time visibility.

CEOCFO: When you are evaluating new technologies, how do you know what is going to stick and what will go by the wayside?

Ms. Kain: I look at technology in a totally different way. My technology thinking is this: when I am solving a business problem, I use business processes and envision business outcomes. I think about how I can utilize technology to streamline that process and solve that problem. What is the smartest way to use technology? Or, can technology help me get way out in front of the problem? I am not out there trying to look at the latest and the greatest just because it is the latest and the greatest. I think, "If I have to create visibility for product in transit, or if I have to see what is stopped at the border, or if I have to look at where we have a customer whose demand is spiking and now we have to manage the supply chain to meet that demand, how can technology help me do that? And how can I use it for communicating? How can it enhance visibility and make everybody more efficient in the supply chain without overwhelming everybody?" Because that is the other thing that corporations are focused on today: big data. But big data only helps if you can actually boil it down to what really makes a difference, and what it

is that you need to react to. You do not want to get all of the data that really does not matter.

CEO CFO: Are there particular industries of focus for ALOM?

Ms. Kain: Yes, technology is certainly our bread and butter. We also focus on medical industries. We are ISO 13485 certified, so we can manufacture medical devices. We are heavily involved with the automotive industry. Certainly we have customers in the financial industry. We do quite a bit of government work. And we are currently working with new customers in the telecommunications industry, as we are in the process of getting our TL 9000 certification.

CEO CFO: Do many of your customers take advantage of the full range of services or do they tend to pick and chose?

Ms. Kain: Well, it varies. Most customers pick and chose; we have a very broad range of services, but we can pull out a wide variety of tools from our tool kit. A typical scenario is a big corporation wants to launch a new specialized project, but they are just not really sure how to go about getting their supply chain set up. They will call us in and we help them with this strategic process and pull out the necessary resources from our tool kit. We have quite advanced capabilities in-house but in addition, we have a broad global network of suppliers that we will call on and work with.

CEO CFO: When a company comes to you, do they know what they need or do they come as you said and say, "Here, we have this going on—fix it, or run it" or do they come to you with more specifics as to what they would like done and you are more in the implementation side than on the thinking side?

Ms. Kain: We used to have product requests that were very defined at the beginning of the project, and as we became more involved, it became clearer what the customer needed done, and what role they were looking to have filled. Today we see that projects are much less defined. There is

much more room for creativity and dialogue about smarter ways to accomplish the customer's goals. I personally believe that our customers who leave things a little more open get more value out of the relationship. Many times a customer will come and say, "Oh, we think we need this exact area covered" and when we sit down and talk with them, it turns out that it is a much broader area that, in fact, still needs to be covered.

CEO CFO: How do you reach potential customers?

Ms. Kain: I would say many times they are the ones reaching us, just because we tend to have great relationships with our customers. And then sometimes we get a call from the same customer, or the same person has moved to another company who

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- Hannah Kain

calls us in. That is a great satisfaction. Most of our new business actually comes from referrals. We also have a network of people with whom we maintain a dialogue, typically within the supplier diversity office of a corporation. ALOM is a woman-owned company, and many corporations are trying to make their supplier base more diverse. They are a wonderful resource for introducing us into the corporation.

CEO CFO: What is the competitive landscape? Are there many companies that have the depth and level of expertise of ALOM?

Ms. Kain: I, of course, do not think so! There are certainly companies out there trying to compete with us, but I do not perceive them as real competitors. Since we do add a very high level of commitment, quality, and ex-

pertise, we are not the lowest priced company around. We do certainly keep our prices in line with the general market.

CEO CFO: Do you find that potential new clients appreciate the history and experience or is it more "what can you do for me now"?

Ms. Kain: It is a little bit of each. Certainly what we used to do and what we have done over time accounts for quite a bit and lends credibility. However, companies today look at "what can you do for me now?" No matter what we used to do; if either we cannot do that anymore, or we cannot add value for their particular situation, they can and they should find somebody else. I truly believe that a company and a CEO should never become complacent.

CEO CFO: Do you see the government sector as a growing area for you? Would you like it to be?

Ms. Kain: Yes, I definitely would. We have some really wonderful government clients, and we get great satisfaction out of doing business with the government. There are some very important programs that we have been and are supporting, and we would love to support those programs and similar programs in

the future. I definitely see that as a growing area. I enjoy providing commercial efficiencies and perspective to the government sectors.

CEO CFO: You have won many awards, and a lot of them as a woman in various sectors. I know the recognition is great for the business, but does it bother you that it is as a woman as opposed to just as a business person?

Ms. Kain: First of all, we have won first as a company and then, in addition, I have been fortunate to receive awards personally. Most of our awards are for both the men and women in our company; we are coeds, right? Even if you take woman-specific awards out, we have won many more awards than most companies have, so I do not think that we are getting preferential treatment when it comes to recognition. But I am proud of the

award I received as a business woman. I strongly believe in what a network does for women. I do not think that a network should be underestimated in terms of getting mental strength, the perseverance, the perspective, and the support that it provides. A great network helps you succeed both in business and as a person. There is this wonderful supportive network of women across the U.S., and maybe especially in the San Francisco/Silicon Valley Bay Area, and I feel really privileged to be part of that. I am very proud of the support and boost that I get as part of that network, and I feel a great satisfaction giving back to that network. I really like to encourage girls and women to succeed and live their dreams. It is one of the volunteer activities I tend to spend a fair amount of my time on. Part of that is of course also being a role model for them, and I enjoy that. When I can contribute to making a young girl or a young woman, or for that matter, a middle-aged woman, see that she can actually achieve success in business and think about some opportunities that they maybe had not thought about, I get a lot of satisfaction. So, I see nothing wrong with being part of a women's network!

CEO CFO: Your website indicates that ALOM is obsessed with quality. Would you give me an example of how that works day to day in the business?

Ms. Kain: First of all, we have a culture of quality which means everybody is really involved in the quality. It is not just a sign that we put on the wall or a situation where we do all the

talking and not the walking. Quality is shown in how we present ourselves to the customers, how we answer the phones, how we adhere the labels—are they straight or are they not straight? Quality is what everybody is doing all of the time -- everybody taking ownership so that things are done right and on time. We measure that. Each person can see how they are doing all of the time versus what our goals are, and whether anything is not on track or needs to be adjusted. Then, we are looking out for each other, so each person is checking the work of the person that was performing the work before their work position. When the driver goes to the post office with a delivery and he says something does not look right, he does not just leave it there and then goes for a cup of coffee. He takes it back to the company and says, "Hey, we need to do a second check of this and see whether something is wrong." When we duplicate SD cards, we do a 100% quality check. We really make sure everything is done right. That has prepared us to achieve quality levels which we are really proud of and that we enforce as a culture because when the staff members are not being proud of their achievements, then they are going to be looking even more out for the quality.

CEO CFO: Why should investors and people in the business community pay attention to ALOM?

Ms. Kain: I do not know if people should pay attention to ALOM! We are the behind the scenes guys, but the supply chain is of course one of the hardest and hottest industries out

there. Supply chain management has become a strategic imperative. At the same time, what has happened over the last sixteen years in supply chains is an increase in complexity. The first factor was that a lot of manufacturing moved overseas. Now there is a trend among many companies to increase their in-region manufacturing and manufacture where they are going to sell the product. But no matter what, once you start moving manufacturing away from your corporate headquarters, it gets very complicated to manage. And once you sell in multiple regions, it becomes more complicated for the supply to reach the stores or the distributors on time, or to successfully cross borders in a timely manner. The unit cost of everything produced has gone down as we have become smarter and smarter about where we are producing. But in the meantime, the cost of controlling and managing the supply chain has increased because it has become more complex. That is why the supply chain cost has gone up so much. It is not just the freight and the border crossing, but it is also managing the entire supply chain with the compliance and managing the risk, and making sure everything is on time wherever it needs to go. Supply chain has become a very big growth area, and that is the exact industry I am in. In addition to that, you have the use of technology which is a very important part of the supply chain. Those are the two key areas that makes us maybe one of the hot companies, and of course our track record of executing flawlessly.

