

CAREERS IN THE ELECTRONICS DISTRIBUTION INDUSTRY



PREPARED FOR UNIVERSITY CAREER CENTERS
& ACADEMIC ADVISORS

By the National Electronic Distributors Association



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Careers in the Electronics Distribution Industry

Many electronics distribution firms recruit at various universities throughout the U.S. Often students' understanding of career opportunities in this industry are limited. There are a number of job functions well suited to college graduates with degrees in Industrial Distribution, Engineering Technology, Electrical Engineering, Industrial Engineering, and Business. This career guide is intended to provide an overview of the electronics distribution industry and job descriptions for entry level positions typically filled by college recruit candidates.

Electronics Industry Overview

According to industry analyst firm iSuppli, global semiconductor sales are expected to amount to \$302 billion in 2010 – up from \$228 billion in 2009. This is a reduced revenue forecast than originally predicted but still represents an increase over 2009 of 32 percent. 2010 will be a year of impressive growth for the industry.

Over 207,000 individuals work in the US electronics industry, ranging from hourly unskilled workers to highly educated professionals at manufacturers, distributors, contract manufacturers, and OEM customers. Think about the explosion of electronics that we use in our day to day lives—the industry is thriving. Because of the global nature of the electronics business, a variety of careers also exist abroad. For the person willing to expand their horizons beyond the US borders, career opportunities exist worldwide.

Electronics Distributors

The industry is characterized by a heavy revenue concentration in the top twenty firms in the industry. Electronics distributors can be classified as either authorized or independent distribution firms. The distinction between authorized and independent firms is whether the firm is contractually authorized by the manufacturer to resell its product. Independent distributors are not authorized to sell a manufacturer's products and do not enjoy standard industry privileges and do not have pass-through warranties on the products manufactured and supplied by the companies on their linecard. In essence customers are accepting more risk when engaging with an independent distributor since there is no formal linkage with or support from the supplier.

Table 1: Top 25 Ranked North American Headquartered Electronics Distributors

As ranked by Reed Business Information April 2010

Revenue figures were gathered from financial filings, company provided information and Reed Business Information estimates.

Company (Headquarters)	NEDA Member	2009 North American Revenue (millions of \$)	2009 Total Revenue (millions of \$)	Revenue Change 2008- 2009	Total Employees 2009
Avnet Inc. (Phoenix, AZ)	✓	\$7,497.0	\$16,660.0	-7%	13400
Arrow Electronics Inc. (Melville, NY)	✓	\$7,048.4	\$14,684.1	-12%	11,300
Future Electronics (Montreal, Can.)	✓	\$2,971.8	\$4,572.0	-16%	5,000
Bell Microproducts (San Jose, CA)	✓	\$1,268.9	\$3,021.2	-16%	2,000
Digi-Key Corporation	✓	\$695.0	\$926.9	-6%	2,023
TTI Inc. (Fort Worth, TX)	✓	\$598.90	\$1,015.0	-19%	1,965
Smith & Associates Newark	✓	\$437.0 \$422.2	\$437.0 \$429.9	41% -28%	265 1,317
DAC		\$383.6	\$387.5	-21%	630
Nu Horizons (Melville, NY)	✓	\$371.8	\$641.0	-19%	778
Sager Electronics	✓	\$306.9	\$310.0	-10%	NA
Converge		\$280.0	\$280.0	-10%	350
Allied Electronics	✓	\$278.2	\$281.0	-17%	680
Carlton-Bates	✓	\$277.4	\$277.4	-28%	NA
Mouser Electronics	✓	\$228.3	\$285.4	-4%	648
Fusion		\$198.1	\$233.0	11%	90
America II		\$195.6	\$254.0	-8%	NA
Richardson Electronics		\$173.7	\$496.4	12%	760
Dependable Component Supply		\$149.3	\$237.0	12%	NA
WPG Americas		\$140	\$140	600%	NA
PEI-Genesis	✓	123.6	158.4	-8%	490
Advanced MP Technology		\$101.5	\$290.0	-10%	NA
Electro Sonic	✓	\$95.3	100.3	-5%	NA
Master Distributors	✓	\$92.6	\$107.7	-7%	153
Bisco Industries		\$78.6	\$81.0	-13%	320

NA = Not Available

The world's leading electronic distributors tend to either fall into the broadline distributor or specialized distributor. Specialization may be reflected through their line card and product focus. Table 2 identifies the sales mix by electronic product category.

Table 2: Sales Mix for Top Ranked North American Distributors

As ranked by Reed Business Information April 2010

Revenue figures were gathered from financial filings, company provided information and Reed Business Information estimates.

NA = Not Available

Company	Active Comp	Passive Comp., Electromechanical, Interconnect	Computer Products/systems	Contract Manufacturing	Services	Other
Avnet Inc.	51.3%	9.3%	39.4%	0.0%	0.0%	0.0%
Arrow Electronics	66% Active & Passive		34.0%	0.0%	0.0%	0.0%
Future Electronics	N/A	N/A	N/A	N/A	N/A	N/A
Bell Microproducts	N/A	N/A	N/A	N/A	N/A	N/A
Digi-Key Corporation	44.0%	50.0%	0.0%	0.0%	0.0%	6.0%
TTI Inc.	1.3%	98.7%	0.0%	0.0%	0.0%	0.0%
Smith & Associates	74.0%	22.0%	4.0%	0.0%	0.0%	0.0%
Newark	12.4%	48.0%	0.2%	0.0%	0.0%	39.4%
DAC	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Nu Horizons	85.0%	7.0%	8.0%	0.0%	0.0%	0.0%
Sager Electronics	N/A	N/A	N/A	N/A	N/A	N/A
Converge	70.0%	8.0%	22.0%	0.0%	0.0%	0.0%
Allied Electronics	4.0%	57.6%	0.0%	0.0%	0.0%	38.4%
Carlton-Bates	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Mouser Electronics	35.0%	57.0%	0.0%	0.0%	0.0%	8%
Fusion	60.0%	20.0%	20.0%	0.0%	0.0%	0.0%
America II	75.0%	23.0%	2.0%	0.0%	0.0%	0.0%
Richardson Electronics	57.0%	15.0%	0.0%	0.0%	0.0%	28.0%
Dependable Component Supply	N/A	N/A	N/A	N/A	N/A	N/A
WPG Americas	N/A	N/A	N/A	N/A	N/A	N/A
PEI-Genesis	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Advanced MP Technology	60.0%	30.0%	5.0%	0.0%	5.0%	0.0%
Electro Sonic	N/A	N/A	N/A	N/A	N/A	N/A
Master Distributors	10.0%	84.0%	2.0%	0.0%	2.0%	2.0%
Bisco Industries	2.0%	98.0%	0.0%	0.0%	0.0%	0.0%

JOB DESCRIPTION
Position Title: ACCOUNT/SALES REPRESENTATIVE

Job Title: Account/Sales Representative

Department: Sales

Report To: Sales Manager

Work Closely with: Technical Sales Specialists, Inside Sales Representatives, & Customer Service Representatives

Job Purpose:

To sell products and services, communicate the firm's value proposition to customers, create market awareness and market demand for products on authorized line card and services, to meet or exceed company objectives and customer expectations.

Job Responsibilities:

- ◆ Serve as primary contact with customers' technical, procurement, and quality personnel
 - Develops, implements and executes a strategic plan with assigned customers that includes goals and objectives focused on:
 - Engineering and design
 - Sales and revenue
 - Logistics and operations
 - Value Added Services
- ◆ Effectively manages the entire sales experience
 - Manages customer experience from inception to invoicing and payment
 - Identifies and qualifies opportunities in assigned territory
 - Analyzes customer Bill of Materials (BOM)
 - Sources products from authorized supplier line card
 - Forecasts customer procurement needs for asset management purposes
 - Provides feedback to distribution firm and suppliers regarding customer requirements
 - Existing products/services
 - Future product/service needs
 - Competitive information
 - Coordinate effort to ensure that customers receive:
 - Production support
 - Response to requests for quotes (RFQs) and requests for proposals (RFPs)
 - Technical support
 - Samples and product documentation
 - Develop and maintain technical knowledge on:
 - Products on line card
 - Value added services
 - Customers' industries and end products
- Demonstrate solid business skills
 - Account and/or opportunity prioritization
 - Maximum return on investment
 - Multiple activity prioritization
 - Effective communication with internal and external customers and stakeholders

Skills Required:

- Exemplary written and verbal communication skills
- Strong listening skills
- Ability to participate as a team member
- Ability to develop and negotiate a customer proposal
- Ability to understand technical issues and apply technical concepts to business opportunities.
- Strong computer skills
- Proficiency with desktop computer skills: MS Outlook, MS Excel, MS Word, ability to navigate the web effectively
- Ability to produce quality work under short deadlines
- Ability to take constructive feedback and make necessary changes
- Ability to give presentations to large or small groups
- Ability to adjust to a rapidly changing environment
- Ability to succeed in a highly unstructured environment
- Ability to clearly communicate business and technical concepts
- Ability to comprehend the concepts of business finance

Responsibilities: (Candidate will be expected to)

- Develop solid knowledge of authorized supplier products
- Develop solid knowledge to propose customer solutions including products and services
- Attend and participate in technical, professional and sales classes
- Attend and participate in team activities and events
- Provide accurate, consultative business expertise to customers

Educational Requirements:

Bachelor's degree in Industrial Distribution, Engineering Technology, Business; with 3.0 grade point record (GPR) on a 4.0 scale or demonstrated professional technical sales experience.

Candidate must possess excellent written and oral communication skills, strong relationship building skills, and strong organizational and multi-tasking skills. In addition, the candidate must have a proactive and results oriented demeanor and must have the ability to work in a team oriented, highly collaborative environment.

Salary Range:

The following salary information is taken from the 2010 NEDA Compensation Study, prepared by Industry Insights. The study was conducted based on data from 2009. Ten companies participated in this year's survey and these companies submitted data for 445 incumbents.

		Mean	25th Percentile	Median	75th Percentile	90th Percentile
All Companies	Salary – Incumbent Weighted	\$63,847	\$50,757	\$59,290	\$68,951	\$81,186
Company Sales < \$100 Million	Salary – Incumbent Weighted	\$82,783	\$45,833	\$50,701	\$79,920	\$213,784
Company Sales > \$100 Million	Salary – Incumbent Weighted	\$61,450	\$51,851	\$59,493	\$68,800	\$79,529

JOB DESCRIPTION

Position Title: TECHNICAL ACCOUNT/SALES REPRESENTATIVE

Job Title: Technical Sales Representative

Department: Sales

Report To: Sales Manager or Technical Sales Director

Work Closely with: Account/Sales Representatives, Inside Sales Representatives, & Customer Service Representatives

Job Purpose:

To provide technical support to customers in order to sell products and services. To participate in supplier training and conduct customer workshops and seminars in conjunction with supplier personnel. To assist in training distributor's sales force on technically sophisticated product solutions.

Job Responsibilities:

- ◆ Support the Account/Sales Representative with customers' technical and product sourcing requirements
- ◆ Develop, implement, and execute a strategic plan with assigned customers that include design win objectives.
- ◆ Effectively coordinate supplier technical support with the firm's sales force.
- ◆ Identify and qualify design opportunities and assist with the design registration and design win documentation and update process.
- ◆ Assist sales force in identifying synergistic sales opportunities.
- ◆ Assist with sales force training:
 - For differentiated products on the authorized line card.
 - For end equipments
 - For the technical sales process.
- Develop and maintain technical knowledge on:
 - Products on line card
 - Value added services
 - Customers' industries and end products
- Demonstrate solid business skills
 - Account and/or opportunity prioritization
 - Maximum return on investment
 - Multiple activity prioritization
 - Effective communication with internal and external customers and stakeholders

Skills Required:

- Strong technical knowledge base and experience
- Ability to understand technical issues and apply technical concepts to business opportunities
- Exemplary written and verbal communication skills
- Strong listening skills
- Ability to participate as a team member
- Ability to develop and negotiate a technical customer proposal
- Strong computer skills
- Proficiency with desktop computer skills: MS Outlook, MS Excel, MS Word, ability to navigate the web effectively
- Ability to produce quality work under short deadlines
- Ability to take constructive feedback and make necessary changes
- Ability to give presentations to large or small groups
- Ability to adjust to a rapidly changing environment
- Ability to succeed in a highly unstructured environment

- Ability to clearly communicate business and technical concepts

Responsibilities: (Candidate will be expected to)

- Develop solid knowledge of authorized supplier products
- Develop solid knowledge to propose customer solutions including products and services
- Attend and participate in technical, professional and sales classes
- Attend and participate in team activities and events
- Provide accurate, consultative business expertise to customers

Educational Requirements:

Bachelor's degree in Engineering Technology, Electrical Engineering, Mechanical Engineering or Computer Science with 3.0 grade point record (GPR) on a 4.0 scale or demonstrated professional technical sales experience.

Candidate must possess excellent written and oral communication skills, strong relationship building skills, and strong organizational and multi-tasking skills. In addition, the candidate must have a proactive and results oriented demeanor and must have the ability to work in a team oriented, highly collaborative environment.

Salary Range:

The following salary information is taken from the 2010 NEDA Compensation Study, prepared by Industry Insights. The study was conducted based on data from 2009. Eleven companies participated in this year's survey and these companies submitted data for 515 incumbents.

		Mean	25th Percentile	Median	75th Percentile	90th Percentile
All Companies	Salary – Incumbent Weighted	\$87,677	\$66,841	\$80,908	\$101,143	\$122,159
Company Sales < \$100 Million	Salary – Incumbent Weighted	\$92,420	\$59,845	\$67,890	\$115,600	\$172,227
Company Sales > \$100 Million	Salary – Incumbent Weighted	\$87,245	\$67,506	\$81,918	\$100,862	\$120,000

JOB DESCRIPTION

Position Title: INSIDE SALES REPRESENTATIVE

Job Title: Telesales Representative

Department: Sales

Report To: Inside Sales Manager

Work Closely with: Account/Outside Sales Representatives, & Customer Service Representatives

Job Purpose:

To provide proactive support to customers and represent the firm's value proposition effectively within assigned account list through in-bound and out-bound support activities. The inside sales representative (ISR) supports the customer and outside sales force. The ISR is expected to meet or exceed company objectives and customer expectations.

Job Responsibilities:

- ◆ Answer and process customer phone inquiries including but not limited to the following activities:
 - Lead Qualification
 - Product discussion
 - Quote preparation, delivery and follow-up
 - Handle order inquiries including but not limited to lead time, delivery, value added services, or other types of post-order customer needs.
 - Assist in locating proper outside salesperson, manufacturer representative, or supplier sales representative
- ◆ Responsible for inside sales coordination and prospects, customers, manufacturer representatives, and suppliers (domestic and international activities)
- ◆ Administers domestic and international customer orders as appropriate
- ◆ Translation of technical information in relation to Sales, Engineering, & Production
- ◆ Sales prospecting and lead follow up
- ◆ Coordination with other departments (i.e. marketing, warehouse, customer service, accounts receivable, quality, services)
- ◆ Communication with customers
- ◆ Provide sales tools to customers and sales force
 - Samples
 - Literature
 - Sales Order History
- ◆ Sales order entry and change order processing
- ◆ Develop, maintain, and consistently improve working knowledge of product nomenclature.
- ◆ Develop and maintain favorable relationships with customers, manufacturer representatives, and suppliers in performance of duties.
- ◆ Maintains files in an organized and accurate manner for assigned territory or accounts.
- ◆ Document competitive activity and reports to management
- ◆ Assist with resolving selected accounts receivable issues.
- ◆ Assist sales management in sales service activities as requested.
- ◆ Perform minor (local) travel as needed to maximize customer relationship building.
- ◆ Sales order tracking for customers and sales force
 - Production schedules
 - Shipping notification
- ◆ Process sales reports
 - Product service performance reports
 - Returned goods reports
 - Others as requested by Sales Management
- ◆ Process and track engineered projects internally

- ◆ Handle confidential information and contacts discretely.
- ◆ Perform other similar and related sales duties as assigned by sales management.
- ◆ Comply with all company policies.
- ◆ Computer skills: MS Word, Excel (required), Access (desirable)

Skills Required:

- Exemplary written and verbal communication skills
- Strong listening skills
- Ability to participate as a team member
- Ability to understand products and end equipment applications in order to apply synergistic sales process
- Strong computer skills
- Proficiency with desktop computer skills: MS Outlook, MS Excel, MS Word, ability to navigate the web effectively
- Ability to produce quality work under short deadlines
- Ability to take constructive feedback and make necessary changes
- Ability to succeed in a highly unstructured environment
- Ability to clearly communicate business and technical concepts
- Ability to integrate profitability and financial concepts into the quoting and proposal process.

Educational Requirements:

Bachelor's degree in Industrial Distribution or Business; with 3.0 grade point record (GPR) on a 4.0 scale or demonstrated professional technical sales experience; or a history of successful inside sales performance.

Candidate must possess strong problem solving and analytical skills, excellent written and oral communication skills and strong organizational and multi-tasking skills. Process mapping knowledge and skills are a plus. In addition, the candidate must have a proactive and results oriented demeanor and must have the ability to work in a team oriented, highly collaborative environment.

Salary Range:

The following salary information is taken from the 2010 NEDA Compensation Study, prepared by Industry Insights. The study was conducted based on data from 2009. Six companies participated in this year's survey and these companies submitted data for 287 incumbents.

		Mean	25th Percentile	Median	75th Percentile	90th Percentile
All Companies	Salary – Incumbent Weighted	\$39,213	\$32,000	\$34, 354	\$41,835	\$49,675
Company Sales < \$100 Million	Salary – Incumbent Weighted	NA	NA	NA	NA	NA
Company Sales > \$100 Million	Salary – Incumbent Weighted	\$38,491	\$32,000	\$34,060	\$40,692	\$49,214

JOB DESCRIPTION

Position Title: OPERATIONS SPECIALIST/MANAGER

Job Title: Operations Specialist/Manager

Department: Operations

Report To: Operations Manager or Director

Work Closely with: Warehouse, Asset Management, Sales

Job Purpose:

Responsible for performing and/or directing the activities of distribution center associates in processing customer orders to meet objectives including warehouse safety, quality, and productivity.

Job Responsibilities:

- ◆ Understand, Implement, Execute and Direct Key Logistic Responsibilities
 - Receiving
 - Stocking
 - Order Processing
 - Shipping
- ◆ Develop, Implement and Execute Customer Specific Programs Aimed at Building Competitive Advantage
- ◆ Understand how each Specific Department Functions and its Integration within the Overall Operation
- ◆ Develop Operations Knowledge and Leadership Skills
 - Communication
 - Collaboration and Team management skills
- ◆ Maintain Accountability for Analytical/Problem Solving Projects focusing on Continuous Improvement of overall Quality, Cost, and Timing.
- ◆ Coordinate Special Projects: Quality, Safety, Efficiency, ,Compliance

Requirements include:

Bachelors Degree in a related field required (e.g. Supply Chain Management, Logistics, Industrial Distribution, Industrial Engineering or Operations Management). Related internship or general work experience is an added plus. Demonstrated leadership roles (e.g. student organizations, group projects) while in college is an added plus.

Candidate must possess strong problem solving and analytical skills, excellent written and oral communication skills and strong organizational and multi-tasking skills. In addition, the candidate must have a proactive and results oriented demeanor and must have the ability to work in a team oriented, highly collaborative environment. *Flexibility to work various schedules and shifts may be required.*

Salary Range:

The following salary information is taken from the 2010 NEDA Compensation Study, prepared by Industry Insights. The study was conducted based on data from 2009. Four companies participated in this year's survey and these companies submitted data for 13 incumbents.

		Mean	25th Percentile	Median	75th Percentile	90th Percentile
All Companies	Salary – Incumbent Weighted	\$65,734	\$50,297	\$61,177	\$85,227	\$99,696
Company Sales < \$100 Million	Salary – Incumbent Weighted	\$99,696	\$99,515	\$99,817	\$99,959	\$100,043
Company Sales > \$100 Million	Salary – Incumbent Weighted	NA	NA	NA	NA	NA

JOB DESCRIPTION

Position Title: PRODUCT MANAGER (PM)

Job Title: Product Manager

Department: Marketing

Report To: Marketing Manager or Director

Work Closely with: Sales, Asset Management, Supplier

Job Purpose:

The Product Manager (PM) is responsible for promoting and supporting either the supplier(s) product line or specific product family(ies). The PM works with the supplier(s), sales force, and management to develop, implement, and execute the joint supplier/product business plan.

Job Responsibilities:

- ◆ Manage tactical products activities for specific supplier(s)' lines or specific commodity(s).
 - Develop and maintain product forecasts and budgets
 - Develop, implement, and monitor sales and inventory mix goals, budgets, and actuals
 - Make purchasing decisions
 - Direct and monitor order placement and backlog maintenance
 - Direct and monitor product returns, stock rotations, and scrap allowance activities
- ◆ Maintain price and profit margin strategies
- ◆ Develop inventory, sales, and pricing strategies that support product life cycle management requirements.
- ◆ Support new product introductions planning and execution activities.
- ◆ Lead and participate in process improvement activities.
- ◆ Understand how each Specific Department Functions and its Integration within the Overall Operation
- ◆ Develop Operations Knowledge and Leadership Skills
 - Communication
 - Collaboration and Team management skills
- ◆ Develop and maintain professional working relationships with:
 - Suppliers
 - Sales personnel
 - Warehouse and logistics personnel
 - Corporate support staff - Accounting, business services, etc.

Requirements include:

Bachelors Degree in a related field required (e.g. Marketing, Supply Chain Management, Logistics, Industrial Distribution, or Operations Management). Related internship or general work experience is desired. Demonstrated leadership roles (e.g. student organizations, group projects) while in college is a bonus.

Candidate must possess strong problem solving and analytical skills; excellent written and oral communication skills; strong interpersonal/teamwork skills; and strong organizational and multi-tasking skills. The ability to learn and grasp technical product information is required. In addition, the candidate must have a proactive and results oriented demeanor and must have the ability to work in a team oriented, highly collaborative environment.

Salary Range:

The following salary information is taken from the 2010 NEDA Compensation Study, prepared by Industry Insights. The study was conducted based on data from 2009. Eight companies participated in this year's survey and these companies submitted data for 158 incumbents.

		Mean	25th Percentile	Median	75th Percentile	90th Percentile
All Companies	Salary – Incumbent Weighted	\$68,800	\$58,736	\$65,813	\$73,662	\$85,098
Company Sales < \$100 Million	Salary – Incumbent Weighted	\$83,732	\$64,317	\$65,789	\$78,458	\$104,211
Company Sales > \$100 Million	Salary – Incumbent Weighted	\$67,791	\$58,657	\$65,813	\$73,163	\$83,917

Additional Career Opportunities in the Industry

The opportunities in electronic distribution highlighted in this career guide are not all-inclusive. Among the additional career opportunities in electronics distribution you may also find jobs in the following functional areas:

- Accounting – Accounts payable, Accounts receivable, etc.
- Finance – Financial analyst, Investor relations
- Trade Compliance – Import/Export Specialist
- Strategic Accounts – National Accounts Manager, Strategic Accounts Manager
- Supply Chain Management – SCM Specialist, SCM Program Manager

NEDA is a not-for-profit trade association representing supplier authorized distributors of electronic components and their manufacturer-suppliers. Dedicated to enhancing the authorized distributor-manufacturer relationship, NEDA represents companies involved in the distribution of electronic components, computers and computer peripheral components and test, measurement and control equipment parts.