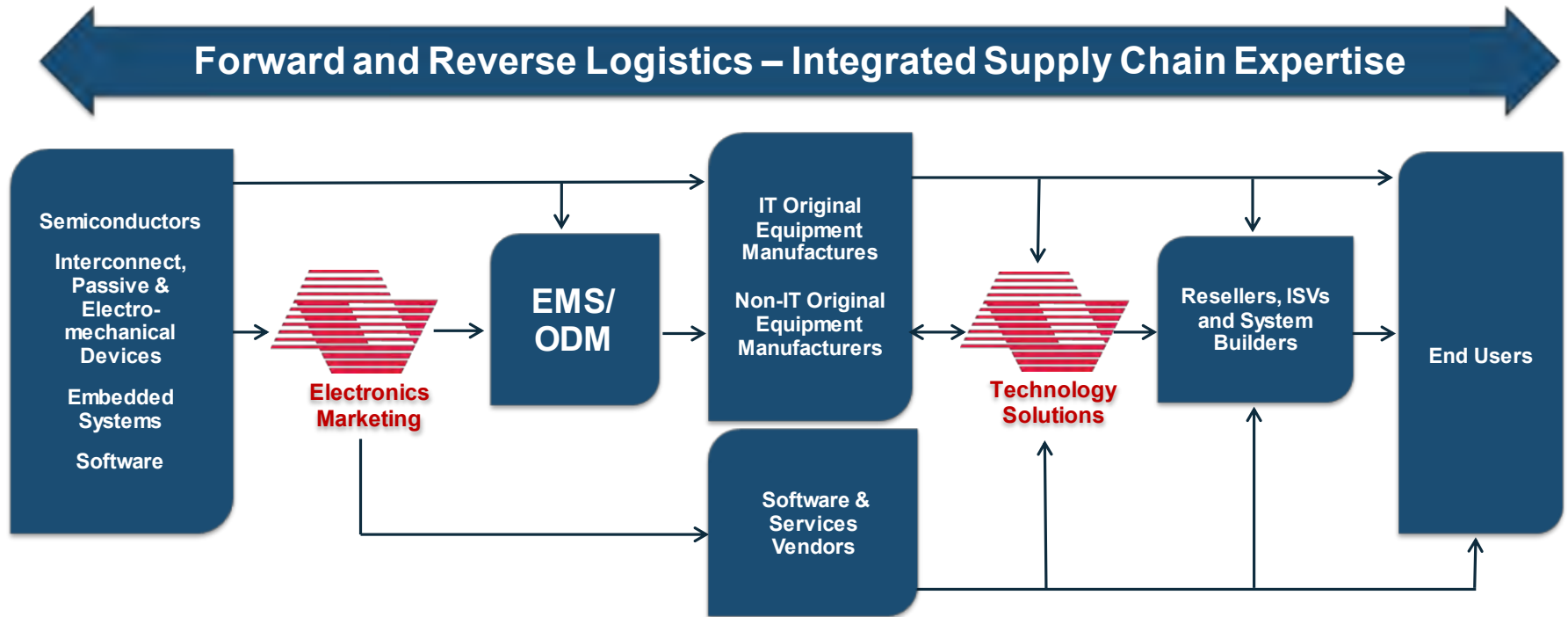


# Where is the Channel in the Cloud?

Tim FitzGerald

VP, Cloud Solutions

@FitzAZ



- HQ: Phoenix, Arizona, USA
- FY13 revenue US \$25.5B
- Founded in 1921
- Listed on the NYSE in 1960  
NYSE:AVT
- ~18,400 employees
- Serving customers and suppliers in more than 80 countries around the world

**Fortune's 'Most Admired Company'**  
in its industry 2009, 2010, 2011, 2012, 2013

**Fortune Global 500 #414**

**Fortune 500 #117**  
Celebrating 45 years on the Fortune 500

A Computerworld  
**Top 12 Green-IT  
Organization**

**Avnet will deliver**  
the highest value  
to our customers, suppliers,  
employees and shareholders  
as the premier technology  
marketing, distribution  
and services company,  
globally.

**Who needs more partners?**

**Which type of partners?**

**And with what skills and competencies?**



## What are the Business Drivers?

*By the end of 2013, the top 20% of partners will be fully immersed in delivering cloud solutions.<sup>1</sup>*

<sup>1</sup> IDC, Worldwide Channel and Alliances 2013 Top Ten Predictions , Doc # 239011, January 2013

*By 2016, 75% or more of NEW enterprise IT spend will be Cloud-based or Hybrid.<sup>2</sup>*

<sup>2</sup>Saugatuck Technology, Jan 2012, n=12 large enterprises; 2012 Cloud Business Solution Survey, Global N=228 (Feb 2012)

Channel partners are planning to **increase** the number of vendor relationships they invest in by **27%** over the next two years.

**How much** investment in training, certification, marketing & sales can they afford?

# Gut Check

- Do suppliers have a customer segmentation approach? (i.e. Direct led and partner led)
- How many *'hyper'* growth partners business plans do suppliers have? Need More?
- How many partners have their own IP as a differentiator?
- Do you partners have a single homogenous sales force? Compensation model to support as a service?
- Are partners prepared for the *'long tail'* ROI? Are you?
- Will your channel scale?
- Without transformation, what is a partners longevity?

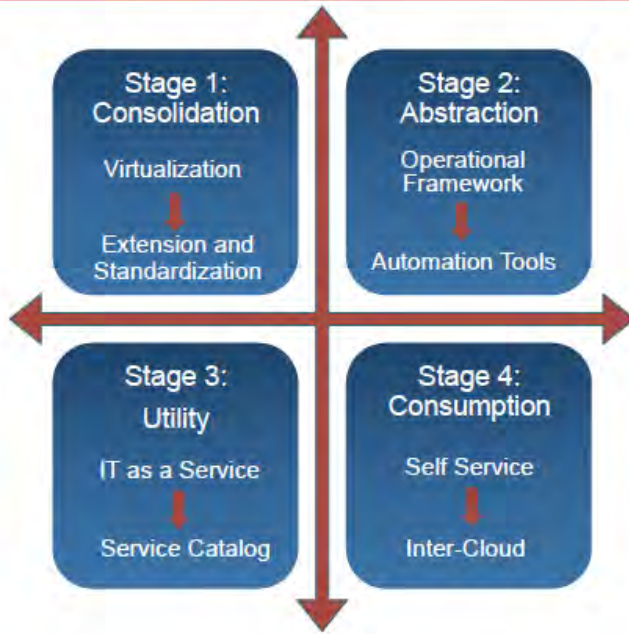
# The 'channel' is transforming...

With unique needs.



# Customer demand solutions... ...It's complicated

## Cloud Maturity Model



**Management  
Governance**

**Security  
Orchestration**

**Application Integration**

**API Integration**

**Cloud Brokerage**

**Service Catalog**

**Consumption**

**Off balance sheet**

**On Premise   Off Premise  
Hybrid  
Data Center**



# Partners facing challenges

## ☑ Decision Makers:

- ☑ DataCenter and Line of Business

## ☑ Deployment Models:

- ☑ On premise + Off Premise + Hybrid

## ☑ Contracts:

- ☑ Limitation of Liability vs. customers 'ownership'

## ☑ Sales Behavior and Compensation

- ☑ 'Car' Sales vs. 'Insurance' Sales

## ☑ ROI line of sight

- ☑ Supplier CAPEX financial benefit model

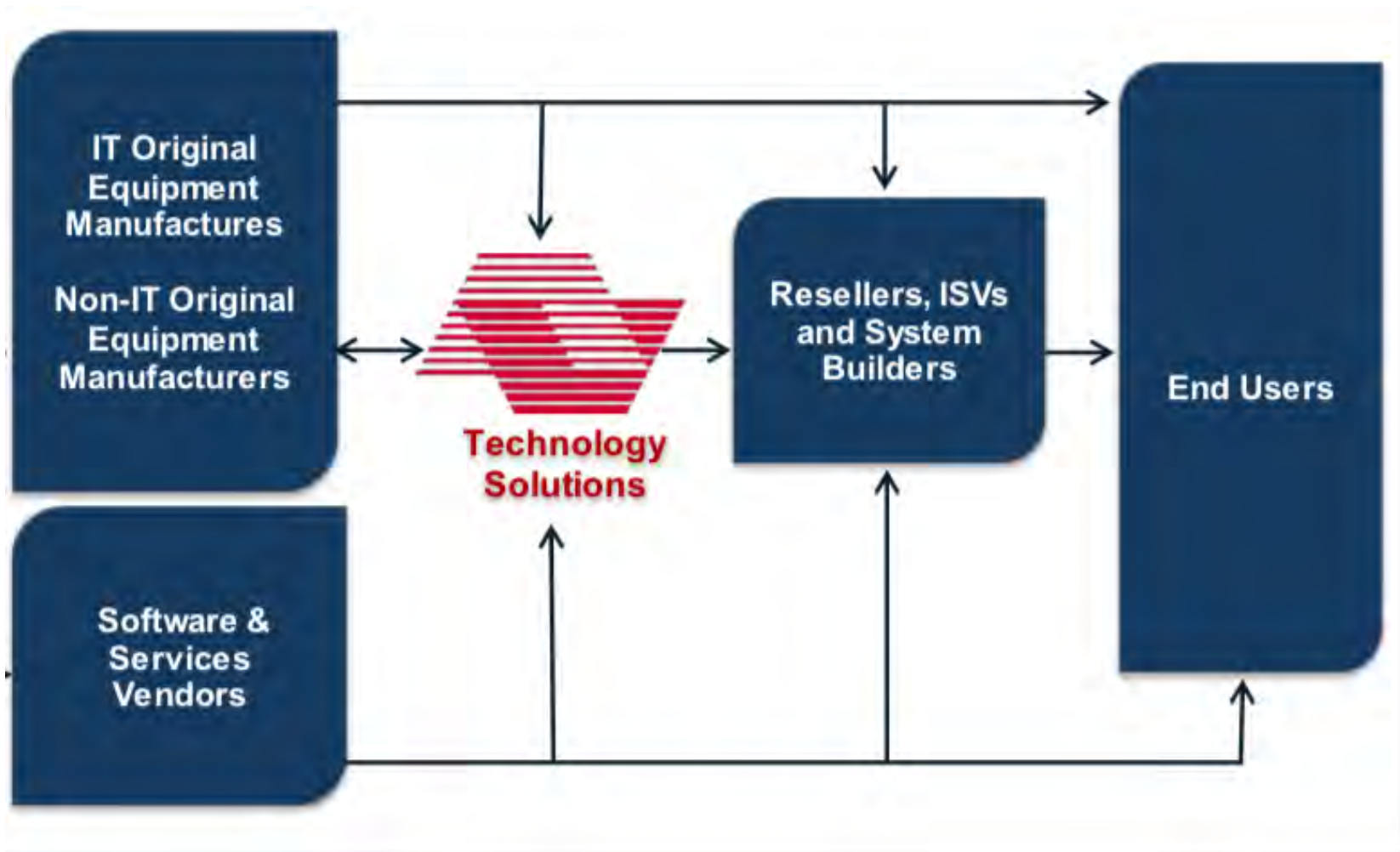


The **transformation** required is **massive**



Partners  
can't do  
it alone!

# Avnet Value Chain



# Snapshot Avnet Services

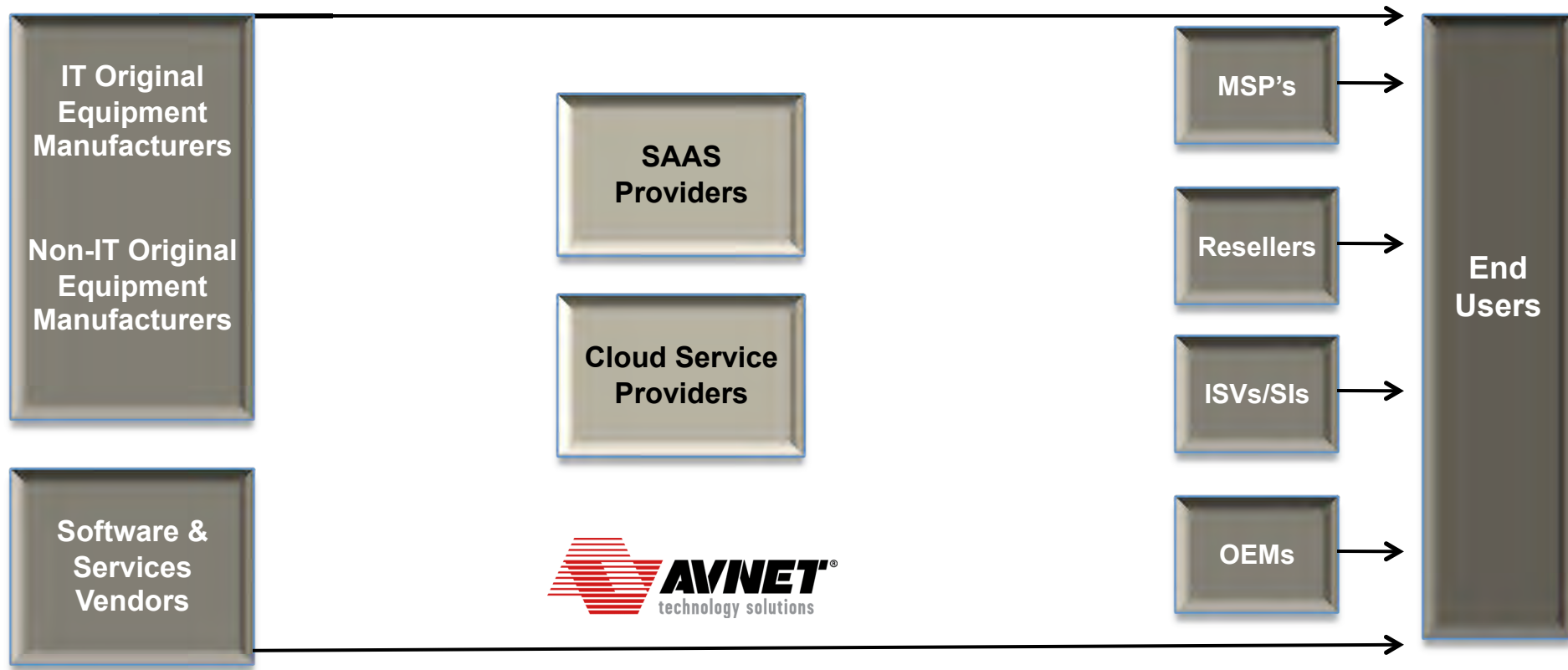
Avnet Services enables our customers' success by leveraging our ecosystem and portfolio of IT services in partnership with world-class technology providers.

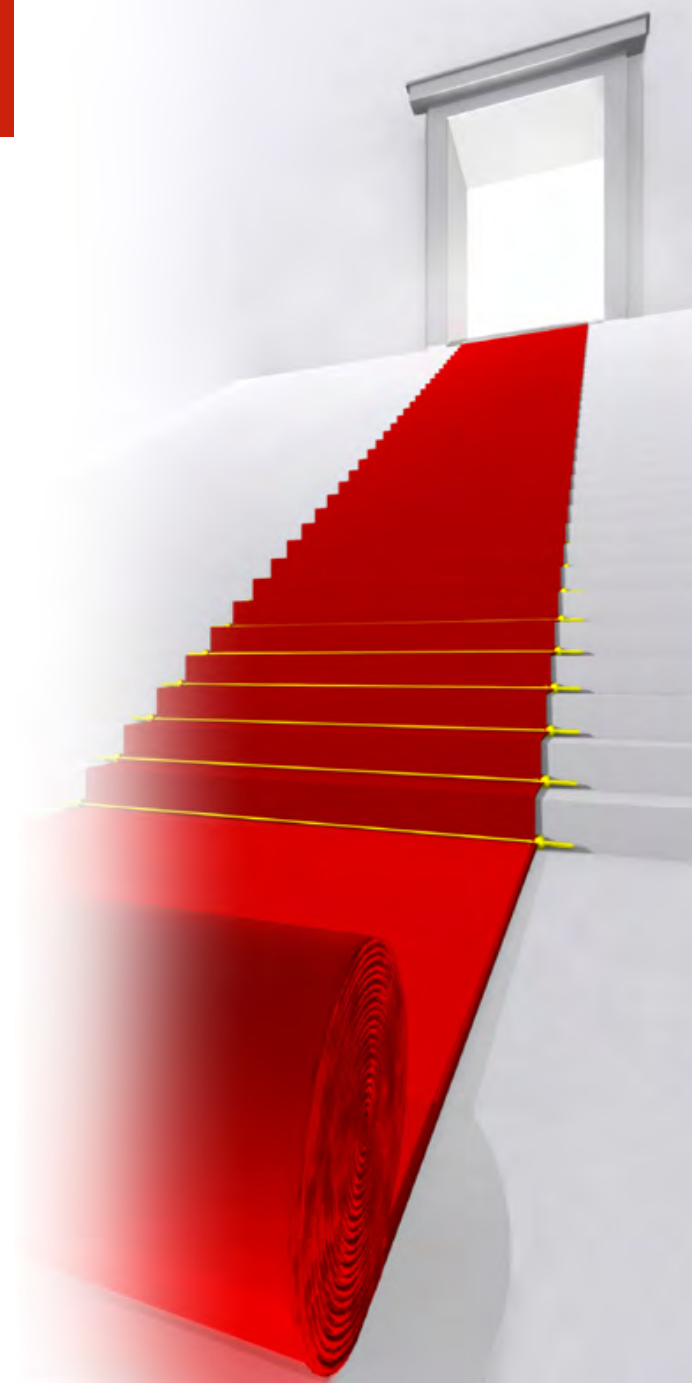
Avnet Services will:

- **Expand** the solution delivery capabilities of our channel partners
- **Extend** our suppliers' reach and resources with reliable service delivery offerings for their non-core service needs
- **Enhance** project success and ROI for customer deployments throughout the IT solution lifecycle



# New skills are needed, and fast!





- Deliver superior **solutions** across the data center; **both on premise and off premise**
- Benefit from collaborative business-building opportunities – **Recruit, train and enable the channel**
- **Streamline development and delivery of solutions** that span providers and solution areas

# Thank You

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