Vale International

Chief Operations Officer

Candidate Summary

Interview Conducted at Chicago O’Hare Airport, September 13, 2013

Mr. Peter Simpson  
4624 Apple Grove Drive  
Chicago, IL 60176  
(312) 444-4444

Peter is currently the Vice President of Operations for BBDM Global Distribution, a $1BB automotive parts distribution company based in Chicago and has been with the company for 10 years. The company has 30 locations with inventory, including three in Canada, four in Japan, and two in Germany. The company supplies numerous automotive parts to courier, mail, and trucking services, major auto makers, and mechanics. BBDM Global Distribution represents approximately 500 manufacturers and has over $80MM in inventory. They have 17 locations worldwide and also locate hard-to-find parts on short notice for its customers. As Vice President of Operations, Peter has a total of 400 individuals on his staff (of 900 in the company) with the Director of Operations, Operations Manager, Warehouse Manager, Supervisor of Shipping, and Supervisor of Receiving reporting directly to him.

Peter was promoted to the role of Vice President of Operations in 2007 when his previous employer, Greene Distribution, was acquired by BBDM Global Distribution and Peter was put in charge of merging the processes and cultures of the entities, while maintaining the quality of service to customers. Peter states that one of his biggest challenges was trying to streamline operations and bring in new technology, and during this time, he and his team worked 32 weekends straight. He also coordinated the $4MM renovation and redesign of the new office facilities to house the merged companies. This entailed moving equipment as well as office, IT, and warehouse personnel from Greene Distribution in Milwaukie while reducing duplicate head count in the new company in Chicago. At the time of the merger, Peter cut the number of combined distribution locations from 55 to 42 and negotiated agreements with realtors to consolidate duplicate space in certain locations without losing revenue on previous long-term agreements. He also opened up a new 25,000 square foot location outside of Toronto, which included lease negotiations, review with the legal department, and setting up all processes and operations.

This past year, Peter’s team met over 99% of their stated delivery goals, including same-day goals to courier service customers like UPS, DHL, and FedEx. Peter comments that he understands the loss potential for idle trucks and does everything he can to ensure the fastest delivery by trying to predict problems and implement solutions ahead of time.

Prior to joining Greene Distribution/BBDM Global Distribution, Peter worked for Fedex for 11 years in various positions increasing in responsibility from Operations Specialist to Industrial Engineer to Training Manager to Director of Operations. As an Industrial Engineer, Peter wrote time motion studies to analyze and track every segment from the time a package is dropped off to the time it lands at the customer site, in an effort to increase efficiency. He was also asked to go to Fedex corporate headquarters to be part of the initial team to construct a brand new facility which was to be the largest Fedex catch hub in the country. As he advanced in the company, Peter traveled around the United States to benchmark efficiencies and costs, and he had weekly conference calls with the Vice President of Automation and IT professionals. In addition, he reported to the Board of Directors of Fedex every 90 days to present flow and cost justifications associated with opening the new facility. In his last position with Fedex in 2002 as Director of Operations, he oversaw 212 employees for a 300,000 inbound/outbound package operation with 75% of the volume occurring after 5PM. Peter joined Fedex directly out of college, after he received his Bachelor of Science degree in Industrial Engineering from Ohio State University in 1992 as well as his MBA from Northwestern in 2002.

In describing his management style, Peter explained that he is a hands-off manager and that making great decisions in the hiring process leads to great results. His style is to have meetings weekly with his people as well as to interact with them on a daily basis to keep a pulse on projects. In addition, he has staff meetings at least once a month with his entire group and his individual managers have weekly management meetings. He explained that he is very up-front and candid about what his expectations are for each individual and also asks each person what they need to be successful. Thanks to his ongoing monitoring of his team and asking for feedback on why something is not working, he feels that there should never be a surprise to someone in a performance review.

When asked how the executive management team at BBDM Global Distribution views him, Peter commented that he is known as someone who is trustworthy, who far exceeds expectations, is extremely motivated, and who never needs someone to watch over him. He went on to explain that his boss, the President of BBDM, travels extensively and they only are able to speak about once a month since his boss knows that he stays on top of things, although Peter still provides reports and is very accountable to keep the President abreast of what he and his team are doing. Peter also mentioned that the President allowed him the flexibility to restructure groups at his own discretion, and that he was also given the extra responsibility for customer service within the company, which is a large team. Peter feels confident that the entire executive management team, including the President, trusts his judgment.

Regarding his time at Fedex, Peter stated that he felt that he earned his respect with them consistently over his years with the organization. He elaborated by saying that he was one of the youngest managers in the history of the company within a much more seasoned management group. He also stated that they would say that he interfaced extremely well with IT and engineering teams, that he was there from 6AM to 7PM every day, that he is motivated by recognition, and that he is honest, ethical, and has high moral standards. When asked whether he was on a fast track within Fedex, Peter stated that early on, they had him meet with an organizational psychologist, who recommended that he be fast-tracked based on the results of the testing. In addition, he mentioned that both executive teams at Fedex and BBDM would say that he sets high expectations of himself and others on his teams.

Peter is personable, articulate, and has a high energy level. He is married with two young children in preschool and kindergarten, so relocation is not an issue.

In closing, Peter stated that based on all of our conversations, he was certain that he has the strong operations leadership background/success that is required to drive growth and promote efficiency and excellence within Vale International. He stated that is it important to him to be in a position in which he can utilize his strengths to have strategic impact on the long-term viability and growth of the organization and be part of a strong team, and he said it sounds like this opportunity has all of those ingredients. Peter is very interested in meeting with your management team and discussing how he can quickly have impact if chosen for this key position on Vale’s management team.