

# Q&A: Dan Middleton

## TD SYNnex vice president provides overview & insight

Compiled by: Brent Hoskins, Office Technology Magazine

On Jan. 20, Office Technology magazine interviewed Dan Middleton, vice president of sales, print solutions, at TD SYNnex Corp., a global distributor and solutions aggregator. Headquartered in Clearwater, Florida, and Fremont, California, TD SYNnex has 23,500 employees and offers products, services and solutions from 1,500-plus technology vendors.

In his role, Middleton oversees the TD SYNnex Print Solutions Sales Team in the United States, which primarily sells print and imaging hardware, supplies, accessories and other IT solutions into the BTA, office products, large-format, 3D and PRINTSolv (managed print) dealer channels. He has been in the print distribution industry for 21 years. Middleton joined TD SYNnex in 2010. He has served in various roles including inside sales, business development, manager of business development, sales manager and director of sales. Prior to Middleton's current role, he served as senior director of sales, print solutions.

Below are six of the questions Middleton was asked and his responses.

### **OT: Please provide a brief overview of TD SYNnex in terms of its history, scope, etc.**

**Middleton:** TD SYNnex has collectively been in business for more than 40 years. Tech Data Corp. was founded in 1974 and SYNnex was founded in 1980. Over the years, we have had a strong track record of success by investing in some of the highest growth technology segments including cloud, cybersecurity, big data/analytics, IoT, mobility and everything as a service. We have grown to become a Fortune 100 company and the leading distributor of IT solutions globally. We have always served the print industry, but our print focus really began 20 years ago. At that time, we formed our office products and BTA sales teams, and launched our managed print platform, PRINTSolv. Then in 2013 we started a



large-format sales team and have since expanded into 3D print. We have been a member of BTA for nearly 10 years and transact with about 80% of the membership.

### **OT: What is the latest initiative that TD SYNnex has undertaken to support the office technology dealer channel?**

**Middleton:** It is difficult to talk to dealers today and not talk about our merger [SYNnex and Tech Data merged in September 2021]. That is really front of mind because dealers want to know: "What does this mean?" Our message to the BTA Channel is that it not only strengthens our existing capabilities, but also expands our product portfolio. We now have more than 1,500 vendors on our line card and 14 warehouse locations across the country. We are leveraging the strengths of both legacy companies to be stronger together — that is the power of *us*. I really appreciate the approach that the company has taken in making sure that we do it the right way and think about the customer experience. Specific to print, legacy SYNnex had a very strong print practice while legacy Tech Data's strength was in document imaging. We are happy to now have Fujitsu on our line card to bring a more robust document imaging offering to our customer base. We also recently expanded our Xerox portfolio to include light production. TD SYNnex continues to invest and has worked hard to become the premier destination for print and document imaging.

### **OT: What most sets TD SYNnex apart as a source of hardware and software for the office technology dealer channel?**

**Middleton:** I would say that what most sets TD SYNnex apart is our people, and the dedicated sales teams that we have focused on the print and document imaging space. No other distributor has made the investments that we have

to support this market. We carry hardware, supplies and software from all the leading manufacturers — HP, Xerox, Lexmark, Fujitsu, Epson, Canon, Brother, etc. — and have worked hard to earn our dominant share position.

While the line card is one piece of the equation, dealers are looking for more. In today's market, dealers are trying to find ways to be more relevant to their customers and be able to take advantage of new opportunities. This could be in the traditional print/document imaging space or in more broadline IT solutions. We think we are best equipped to help our dealers capitalize on these opportunities by leveraging our extensive line card, financial capabilities, operational excellence, services offerings and subject-matter expertise. We are one of the few distributors that still has a dedicated inside sales rep for each of our accounts. This means that dealers are working with the same sales rep, which fosters a stronger relationship and trust. Another key differentiator is our print-focused field sales organization. These are subject-matter experts who partner with our dealers/vendors, are out talking about new products and technologies, and are helping with end-user opportunities.

#### **OT: How is TD SYNEX's PRINTSolv assisting the BTA Channel?**

**Middleton:** PRINTSolv is our managed print platform that has been around for about 20 years. It enables our dealers to proactively assess, monitor, manage and maintain their customers' entire printing environments. We have partnered with the leading data collection agents on the market so that we can be agnostic and work with what is best for our dealers in either a CPP [cost-per-page] or toner-out model. We have seen double-digit growth in our managed print business post-pandemic and see the contractual sales motion as a growth area moving forward. We are going to continue to invest in platform development and enhancements so our customers have the tools to serve and support their customers' needs. You continue to see vendor programs that are driving dealers into this managed print practice. They are offering deeper discounts on hardware and supplies when sold contractually. For our BTA customers, this means increased margin and stickiness with their end customers.

#### **OT: What is TD SYNEX's prediction/expectation for the future of the print industry, in terms of the decline in page volumes, demand for A4 over A3, etc.?**

In today's market, dealers are trying to find ways to be more relevant to their customers and be able to take advantage of new opportunities.

**Middleton:** Yes, we have been facing some headwinds in our industry. The hybrid workforce and work from home have been key contributors to page counts being down. But the good news is return to office (RTO) is on the rise, so expect this to help page counts. This has also resulted in a shift toward A4 versus A3, which means a lower ASP (average selling price) for our dealers. Inflation will be a factor in end-user

buying behavior and product refresh decisions moving forward. Despite these challenges, we believe that there is still a lot of opportunity both inside and outside of print and imaging.

On our Q4 earnings call, print was called out as a growth area for TD SYNEX. This speaks to our success and commitment to this space. We continue to see year-over-year growth within the BTA Channel and now 20% of our BTA revenue is coming from non-print solutions. This adoption was accelerated by the COVID-19 pandemic in areas such as devices/laptops, home-office solutions, collaboration, security and services, and we expect this trend to continue. I think this speaks to our strength as a distribution partner because we can support our dealers with the ever-changing demands of their customer bases and help them move into new markets.

Another trend we are observing is the blurring of the lines within print verticals. Where we once had distinctive silos for large format, BTA and office product dealers, we are now seeing a great deal of crossover. The A3/A4 dealers are expanding upstream into large format and large-format dealers are moving into the A3/A4 space. Regardless of where dealers find themselves, TD SYNEX has the expertise in these print verticals to support and guide them as they expand and grow.

#### **OT: Are you anticipating a reduction in the number of imaging device OEMs?**

**Middleton:** I think it is only natural as we have seen this in other industries. Print is a mature market. We have started to see some reduction [such as the exit by OKI Data] so I expect that trend will continue over time. The decision will be different for each vendor, but will be driven by market trends and the technology demands of the market. Each OEM will need to decide whether it will continue to invest in R&D, seek acquisition to grow, sell or move/diversify to other global markets. ■

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