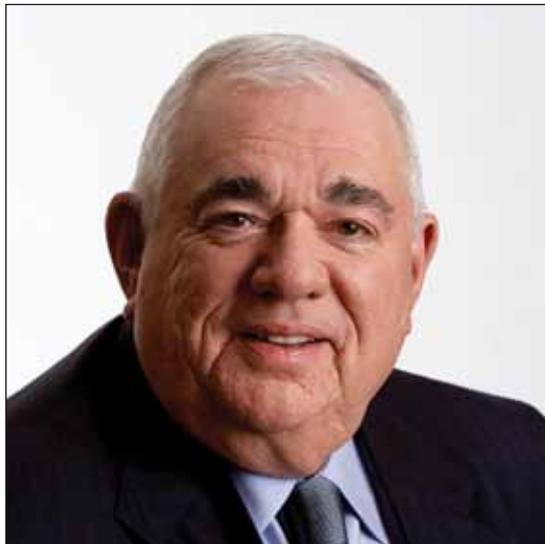


A Partnership Approach

An Interview with Alan S. Elkin,
Chairman and Chief Executive Officer, Active International

EDITORS' NOTE Since founding Active International with Arthur Wagner 26 years ago, Alan Elkin has been awarded the Entrepreneur of the Year award by Ernst & Young and has received the Averill Harriman International Trade Award and the British American Business Inc. (BABI) Award, in recognition of Active's entrepreneurial global accomplishments. He has served as President of the Corporate Barter Council for the International Reciprocal Trade Association and has been on its board of directors for the past 10 years. Active Cares, which he created with Arthur Wagner in 1997, has provided contributions to more than 600 charities. In 2005, Elkin received the Medal of Honor from Good Samaritan Hospital for his work with Active Cares. In 2006, the company acquired the naming rights for the Active International Cardiovascular Institute at Good Samaritan Hospital. Elkin received his B.A. from Brooklyn College and is a native of New York. He began his career at Kaiser Broadcasting, the predecessor to Katz Media Group.



Alan S. Elkin

COMPANY BRIEF Pearl River, New York-based Active International (www.activeinternational.com) is recognized as the global leader in corporate trade, providing financial benefits to Fortune 500 companies in virtually every industry. The company provides its clients the opportunity to leverage assets for multi-platform media, marketing, retail, travel, shipping and freight solutions. Using its widely accepted trade credit, many of the biggest and best-known brands in the world purchase mission-critical services and products from within Active's expansive, proprietary marketplace. For over 26 years, Active has created a model of excellence for leveraging corporate assets to create measurable value. With offices in 11 countries, Active has created more than \$1.5 billion in cash savings for its extensive client base since 1984.

Have the past 24 months of the downturn opened up opportunities for Active or have you found it challenging?

Both. Ever since the financial crisis hit in the U.S., there has been a reset with regard to the economic picture around the world. Not only do you see it in the United States but also in Asia and Europe.

It is a changed economy and a different marketplace, and companies have had to adapt to this changed environment.

For example, technology continues to drive productivity. There are a good number of jobs that have been consolidated, simply because technology-driven productivity is filling that void. While it's challenging to operate in this marketplace, there are also opportunities for those people who can identify them. We at Active are focusing on new opportunities around the world and adapting to the new marketplace.

Is it possible to have a real recovery without job creation and where are the jobs going to come from?

For those currently unemployed, one of two things is going to happen: some will go back to the industries where they came from, but in smaller numbers; or they will have to be reeducated for employment in other industries. And for a length of time around the world, there will be higher unemployment than we would desire.

England is putting together an austerity program for its government, which is a coalition between the conservatives and liberals. They have so much debt that the only way that can get their economy going again is to reduce their debt and run the government with fewer people.

In Australia, the labor party lost their majority and the conservatives have come in. It is the beginning of a trend that is going on around the world.

Governments are afraid. At the G20 meeting in Canada, the Europeans told President Obama that he needs to cut spending and to reduce the deficit. That is what has to happen. All countries have to reduce their debt, and it's going to be painful because it's going to cause longer unemployment.

In all these countries, while consolidation will continue, there must also be a focus on job creation. This is where ingenuity and innovation play a key role. Governments must find a way to reward entrepreneurs whose programs and ideas create new jobs.

How are you positioning Active today?

As I mentioned earlier, there are opportunities for companies that create opportunities. We are the only corporate trading company that's global. We offer our clients the unique opportunity to leverage their assets for the things they need to run their business. Our offerings are diverse and relevant. As a result, we are positioned to do business with categories and brands that previously may not have utilized us as a resource. In order to strengthen that positioning, we are focusing on growing our brand by consistently communicating the key messages of partnership and results.

We wish to be a partner to those that we do business with, and that is our mantra around the world.

How much has digital changed the way you're using media, and are you still using print?

When television came out, it was said it would destroy radio and the movie business. What it did was bring audio and visual together. When the Internet came out, it was said it would destroy television. Traditional TV is having its best year since 2007.

However, the Internet has burgeoned and will continue to change the way we do business. Content is king and it always will be, but how people view content will also evolve and now anyone can provide it.

As for mobile, we still don't know what impact it's going to have or how advertising will evolve within this medium.

Generally though, we are smarter, more connected and better informed than previous societies. We're communicating through many different channels, and the options seem endless.

You have remained innovative even as you have grown as a company. Is that a challenge and how have you been so successful?

It's people. Like most organizations, we have politics and bureaucracy, but underneath it all, there is an entrepreneurial culture that is always challenging our politics and bureaucracy and forcing us to innovate. Without it a business like ours evaporates.

We expect creativity; we want people to challenge the norm and disagree; we want people to speak up and to have opinions. That's how you nurture innovation. That's how you grow. ●