

# An Innovative, Healthy Ingredients Portfolio

An Interview with  
**Ilene S. Gordon, Executive Chairman, Ingredion**

**EDITORS' NOTE** *Ilene Gordon was President, Chairman and CEO of Ingredion from 2009 through 2017. She joined Ingredion from Rio Tinto Alcan where she served as President and CEO of Alcan Packaging. Over her 10-year tenure with Alcan and Pechiney, which was acquired by Alcan in 2003, she held various leadership positions, starting as Senior Vice President of Pechiney Plastic Packaging. Previously, Gordon spent 17 years in executive roles of increasing responsibility at the Packaging Corporation of America, a division of Tenneco Inc. Before joining Tenneco Inc., Gordon spent two years at Signode. From 1976 to 1980, Gordon worked at the Boston Consulting Group as a strategy consultant. Gordon holds a B.S. in mathematics, Phi Beta Kappa, from the Massachusetts Institute of Technology (MIT) in Cambridge, Massachusetts, and a M.S. in management from MIT's Sloan School of Management.*



*Ilene S. Gordon*

**COMPANY BRIEF** *Ingredion Incorporated (ingredion.com), is a leading global producer of nature-based ingredient solutions for food, beverage, brewing, and industrial customers around the world. A FORTUNE 500 company, Ingredion has more than 11,000 employees and 2016 net sales of \$5.7 billion.*

## **Will you highlight the history and heritage of Ingredion and its leadership position in the industry?**

When I joined Ingredion eight years ago, it had been operating for more than 100 years. Its culture was based on excellence, it was very international and it always had core values based on safety. It had a great heritage, but when I came in, it was all about repositioning the company for future growth. It worked out well for me to come in at that time.

## **How critical was it internally to speak with the employees and get them behind the repositioning?**

It was challenging, but I had come from a global packaging company so I had a strong background serving similar customers. I used that strength to talk to people and go on a listening tour to hear from people who have been with the company for many years. I asked my team and others to tell me three things that they felt we should change, three things

they didn't feel we should change and things about themselves or their positions that I should know about.

I traveled around the world the first 90 days, and I was adamant to build a team based on people who had been in the company for many years while bringing in a smattering of new talent.

It was that openness and effort to be inclusive that really helped me win over many of our employees and to help formulate a strategy with my team for what our next chapter should be. People were excited to be part of that.

## **Has the growth come organically or through acquisition, and where are the greatest growth opportunities moving forward?**

It has come from both. I'm a big believer in focusing on creating shareholder value, so we were able to transform the company early on by making a rather large acquisition, which was transformative, when we bought National Starch in 2010. Corn Products was about \$4 billion, and National Starch was about \$1.2 billion. We put the two portfolios together with a focus on healthy ingredients and we really created opportunities for growth for the new portfolio.

Then we used our balance sheet to make some other acquisitions over time, including some that diversified our offerings.

While M&A has been important, having a robust product development and R&D group in both New Jersey and around the world has also been very important. They have formulation capabilities to formulate these recipes according to local tastes, as food is a very local business. They can take a recipe from one area and apply it to another area, but they can also customize it for local tastes and preferences. That's where the organic growth has come in.

## **How important has it been to maintain Ingredion's edge in innovation as it has grown to the size and scale it is today?**

It's very important to have an innovative, healthy ingredients portfolio. Both customers and competitors admire us for having this portfolio and the ability to create the solutions for healthy ingredients, because without them, we would not have the leadership that we do in the industry.

We are the texturizer leader in the food ingredient space, so people look to us for this. We have teams focused on different portfolio trends that work on new solutions that build

upon the different products we have. This makes us a leader and unique and helps us continue to focus on what we need to do to be successful in serving the market.

## **How critical is brand awareness for Ingredion?**

We rebranded the company partly because when National Starch and Corn Products got together, we wanted to create a new culture, so we needed a new name.

However, it was mainly necessary to ensure our customers would view us as a leading ingredient supplier. They know who we are, but the average person does not, which is okay. I also want our employees to wake up every day remembering that they work for Ingredion and their job is to create value for shareholders and customers. By rebranding, it gives our employees a sense of pride and ownership and identity that didn't exist when we were a different company with too many different identities.

## **Is it difficult to find a balance between managing short-term pressures with long-term strategy for the company?**

My job is to have a long-term shareholder view. We communicate frequently with our investors about our long-term strategy and our algorithm for creating value, and we constantly remind them of that.

I don't worry that there is pressure on the short-term or long-term – we have to face both. We have to be able to create value over the long term and we don't want to make decisions based on short-term trends because this is a long-term business. Many of our capital investments can take a few years to get the right pay-off, so we have to be able to look at the trends and find a balance. We also have to deliver on our commitment.

## **How critical has the focus on diversity and inclusion been for Ingredion?**

I've always practiced being part of a diverse and inclusive company and, over the course of my career, I have had the chance to work for global companies. I believe in treating others how I would like to be treated, so I look at diversity and inclusion as important to delivering on our commitments.

The first way we do that is by having a diverse board. We have four females, two Latino males and one African-American male, because a diverse board of different cultures, genders and backgrounds can make the best decisions since everyone will have a different point of view.

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We also insist upon having a diverse leadership team, so it's up to my team and me to always look for opportunities to encourage diversity and inclusion. We are now measuring to ensure that every job that is going to get filled starts with a slate of diverse candidates. It's fundamental to encouraging the kind of growth we are experiencing and we make sure people are accountable for this.

By doing this, we send a message that everyone is valued for their backgrounds and experiences. It also makes for the best decision-making, and is how we win in the marketplace.

**Is the right dialogue taking place to improve upon the role of women in the industry?**

There are two pieces that we need to drive success in this area. I've always believed in the importance for women to have STEM backgrounds. I spend a lot of energy encouraging young women at Ingredion to do this. Women with an analytical background can get an equal seat at the table.

I also believe that senior leadership must be accountable for creating openness and a diverse and inclusive environment. That is my job and the job of my board and leadership team.

If we attract and develop women with STEM backgrounds and we create an environment that encourages their success, we can be very successful as well.

**Will you discuss what makes corporate responsibility so important for Ingredion and how deeply it is rooted within the company culture?**

We believe in our employees and in the health and well-being of our communities because that's where we operate. We need to approach this in a sustainable manner, which is why safety is so important. We have a culture of safety and a world-class safety record, and that takes a lot of focus, processes, decision-making, and training.

We are also on track to meet our goals to reduce water and carbon emissions; in 2010, we committed to reduce each of those by 10 percent by 2020.

Operating responsibly in our communities is an important part of who we are. One of our programs, in particular, Girls4Science, encourages young women from ages 10 to 18 to study STEM.

I also encourage our executives to become involved in their local communities and I lead by example.

It's not that we're just participating to be a good citizen; it also contributes to our success. If we can be a successful company in our communities, then we're acting as real contributors.

**How critical is it that the U.S. retains its focus on manufacturing and will the U.S. remain a global leader in this area?**

We're a global company, so we participate in many local markets. This means that we must have a competitive position in every market in which we participate. Specifically, in the U.S., we have a number of factories that produce products to deliver to our local customers. We run North America as one entity and we run South America as another. Europe, the Middle East, and Africa are treated as one region and then we have the Asia-Pacific region.

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It's not that we are making everything in the U.S. and shipping it around the world – we have 40 factories around the world. However, we do share best practices as we want excellence and a good cost position to win in every market in which we participate. We also want the ability to share the winning formula from one region to another.

We share best practices in manufacturing excellence, whether that might be yield and waste, water usage, production efficiencies, or other areas.

At the same time, we also take our U.S. product development know-how and share that around the world.

It's not that I think about one market versus another – I need to think about 40 markets and how to win in each of those marketplaces.

**What advice do you give to young people beginning their careers?**

We work hard to bring our message to young people within our communities and on campuses through a very robust internship program. We emphasize that all of our young people should pursue both formal education and on-the-job training. I encourage young people to get international assignments and to step out of their comfort zones. I push them to take the hard roads, surround themselves with smart people, and to be very inquisitive. Today's technology is such an enabler that one can know what is going on in different parts of the world at any given time very easily, but it takes energy and an openness to pursue this. Young people have so many opportunities but they have to be willing to put themselves out there.

We look to attract people who are mobile, who want to move, who are technology adept, and who are open to change. I also look for young people who have dealt with adversity, because life isn't easy and it's all about how one deals with challenges.

We also live in a 24/7 world, so it's about having an energy and love for what one does – that is important. Today, people coming back from a holiday weekend are not always happy to come back to work, but I want our employees to be enthusiastic about their jobs every day of the week.

**How would the people who work closely with you describe your management style?**

They would say that I have very high standards and am very focused on fact-based decisions. I expect them to have done their homework and to get the facts together, but also to make recommendations. I am also very supportive of making investments and decisions that move us ahead in the right direction by creating healthy solutions.

People respect that I have a high bar for being the best we can be. They would say I'm very competitive and that I want to win and winning requires that we create a wonderful team and create value and success for all of us. We also know that we can never really slow down but, instead, continue to look ahead to determine how we can deliver value. ●