

MADRE TIERRA

Guatemala City, January 2017

To whom it may concern,

Central Agro Industrial Guatemalteca, S.A. operating under the commercial name "Ingenio Madre Tierra", a part of Campollo Group, is a company that was established in 1963 which grows and processes sugar cane and its derivatives. During the last years, the Sugar Factory Madre Tierra has always been at the top regarding productivity based on the production of tons of sugar cane per acre and tons of sugar per acre. The aforementioned makes the sugar factory a leader in the sugar industry thanks to its optimal resource management and operation.

As a company that strives to always be at the vanguard, we developed the project called "TRANSFORM YOURSELF" in conjunction with **London Consulting Group** which we started on July 4, 2016 with the purpose of optimizing the operations, increasing profitability and the quality of the services rendered focusing on the areas related to the supply chain. Likewise, we worked on implementing a culture based on formal work systems and analysis of indicators for preventive and corrective decision-making.

After completing the project "TRANSFORM YOURSELF" we can attest that the qualitative and quantitative objectives that were set have been met within the establish timeframe. This was achieved thanks to the effort of all **IMT's** collaborators along with the support of **London Consulting Group** with whom we implemented shoulder-to-shoulder during a 28 week period the different processes.

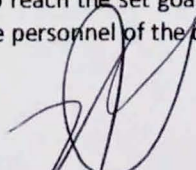
Some of the most important project's results were as follows:

- We achieved a 25% reduction in Lead Time from the purchase total process.
- We were able to reduce by 72% the pending orders.
- Implementation of the reorder point including 7% of the products related to the 26% of the orders with an impact to the 15% reduction in time of operation.
- Controls were established in order to decrease the past due pending purchase orders achieving a 60% decrease which improves the cash flow projection.
- A Purchase Committees diagram was implemented for the negotiation of investments or strategic products with high volume which resulted in an average benefit of 9%.
- Policies and tools were defined for inventory management which is expected to optimize the use of items that have been considered obsolete.

Likewise, the work systems for the entire supply chain with its respective management system were designed and implemented.

These optimization improvements equal in financial terms to a return on investment (ROI) at the end of the project of **1.9:1** with a projection of **3.4:1** one year after the project has been completed, surpassing the initial expectations.

Due to the above, it is our pleasure to recommend **London Consulting Group** as a professional and reliable company that is committed to reach the set goals within the establish timeframe and to create an excellent work relationship with the personnel of the company they consult on.



Víctor Ramon Giordani Campollo
Director Madre Tierra Sugar Factory

