



Sociedad Cooperativa Ganadera de Sonsonate de R. L. de C. V.

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To whom it may concern:

Sociedad Cooperativa Ganadera de Sonsonate is the largest producer of milk in El Salvador and is recognized throughout the country for their SALUD products which is the Salvadoran market's leading brand. From January to August of 2013 we developed along with London Consulting Group the project called Path to Excellence (Caminando a la Excelencia) which included the Production, Quality, Maintenance, Supply Chain and Purchasing areas. During the project the work systems were aligned with our strategic objectives. We were also able to design and implement a work system that allowed us to manage the results in those areas.

The most important results that we have achieved to this date due to the implementation of the work systems were:

Production:

- A 29% increase in the global efficiency of the plant.
- A 17% increase in the efficiency of the workforce.
- A 20% improvement in the use of fuel oil and gas.
- An 11% improvement in the use of electricity.
- A 31% reduction in the percentage of overtime.
- A 10% improvement in the productivity of the yogurt plant.
- Development and implementation of the production programming model.

Quality:

- A 28% reduction in the percentage of reprocesses.
- An 86% reduction in rejections.
- A 23% improvement in first time standardizations.

Maintenance:

- A 206% increase in compliance with the preventative maintenance program.
- A 3% increase in global availability.

Supply Chain:

- A 450% improvement in compliance with the time of shipping from vans to Distribution Center.
- A 44% improvement in compliance with the time of shipping from vans to supermarkets.
- A 13% improvement in Sonsonate's dispatch productivity.
- A 13% reduction in transportation costs.
- Development and implementation of stock replacement and control models.

We are pleased to say that today, at the end of the project, we have achieved a return on investment of 0.67 to 1 and we expect to obtain a 2.83 to 1 return on investment after one year. This information will be reviewed quarterly. We would like to acknowledge the commitment and professionalism showed by London Consulting Group's personnel, as well as the effectiveness of the work performed along with the team from Cooperativa Ganadera de Sonsonate, without which the project's objectives wouldn't have been possible to achieve.

Sincerely,

José Roberto Trigueros
President

