

## Grupo Agrícola El Cerezo

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**Grupo Agrícola El Cerezo** is a proudly Mexican, family-owned company with more than 30 years in the market. It is one of the main agricultural groups in the country and the main producer of berries in Mexico.

Its operations are focused on the production and distribution of Strawberry, Blueberry, Raspberry, Blackberry, Avocado, Asparagus, and Potatoes for sale and seeds.

It currently has more than 4,500 productive hectares and a presence in 5 states: Michoacán, Jalisco, Sonora, Baja California Sur, and Puebla.

We hereby wish to express our full satisfaction and recommend the firm **London Consulting Group** for the results achieved in the **"LONCER"** project which was developed over the last 9 months and in which, through the use of agile methodologies, collaborative tools, SaaS as Monday, and a focus on digitization, we were able to carry out the following activities:

- Designing, formalizing, and implementing an Organizational Structure, defining control spans, hierarchies, functions, responsibilities, and indicators for the leadership positions.
- Designing and implementing several models in the production, supply, sales, and packaging departments.
- Implementing a management model based on the generation and management of indicators in the company, supported by Power BI (Business Intelligence) dashboards.
- Designing and implementing a Monthly Financial Business Intelligence System, which included price analysis and profitability forecast. This empowered the finance team and helped them manage the flow of data in order to improve efficiency, accuracy, and capacity when making strategic decisions.
- Successfully implementing the Agite Leadership program; the program provides employees with a new way of thinking
  which enables them to generate the improvements required by the company.

## Production:

- Increased compliance to the Nutritional Plan by 66%.
- 56% increase in the Harvesting Work Plan and 68% increase in productivity.
- 53% increase in the reliability of the pest & disease samples.
- 87% average compliance with the phytosanitary plan.
- Digital Transformation of the Business Unit through tools that enable work planning (App/Moday), digital forms for capturing information from the field (Apps) and which are linked to the Executive Reports and KPIS installed on Power BI.

## Supply Chain:

- Implementing an annual negotiation plan which achieved an average price reduction of 10% from the top 10 suppliers.
- · Reduction of unit price variability by 9%.
- 12% improvement in external OTIF service level and 19% improvement in internal OTIF service level.
- 60% reduction in high-cost inventory with low turnover.

## Sales (Potato):

- 23% improvement in the closing price variation indicator.
- 133% reduction in the waste indicator when closing sales with customers.
- 10x increase in the effectiveness of the prospecting client's conversion process.

The project was successfully concluded, generating a return on investment of **3.2 to 1**, with an annualized forecasted return of **6.0 to 1**, surpassing our initial expectations. We were able to achieve these results due to the professional work carried out in conjunction by the Grupo Agricola El Cerezo personnel and the London Consulting Group team.

Sincerely

José Luis Mariscal Fernández Chief Executive Officer El Cerezo Agricultural Group