



Kilómetro 15 Carretera a Tegucigalpa Búfalo – Villanueva, Cortés, Honduras, C.A.
Teléfono (504) 574 9810 Fax (504) 574 9808 www.jaremar.com

San Pedro Sula, Honduras, January 2015

To whom it may concern:

Grupo Jaremar, a Central American company with a solid reputation in Honduras and Central America, was created in 1994 from the joint venture of two great companies, **Mercaribe and Numar**. Thanks to this merger we have developed an important structure of agro-industry and production of mass consumption goods which we commercialize directly through our company **Unimerc**, under the brand names **Clover Brand, Doral, Pickford's, Gold Star and Max**.

From July 2014 to January 2015 we developed an improvement project called "TRANSFORM YOURSELF" along with the firm **London Consulting Group**, with the objective of optimizing the commercial and supply processes where we achieved the following results:

COMMERCIAL

- A 6.24% increase in pounds placed on the market, compared to same period in the previous year 2013-2014.
- A 20.1% reduction of "shifting" not associated with price strategies.
- Definition of a structure directed towards strengthening the commercial management method based on client/channel profitability.
- Development of tools for the commercial activity profitability analysis per client/channel/sku.
- Design of the policy for the allocation and execution of the commercial support budget.
- Restructure of the retail channel while strengthening the focus on incremental sales and a minimal drop size.
- Restructuring of channels through the creation of an institutional channel (Bakeries and HORECA).
- Definition and implementation of the methods to identify and increase the penetration of the product's portfolio.
- Definition and implementation of the supervision and active sales methods for the commercial channels.
- Development of surveys of all categories for their implementation in modern channels sales rooms.

PURCHASES AND WAREHOUSING

- A 3.88% average improvement in the total cost of the acquisition items negotiated.
- A 22.25% increase in weighted average days to pay establishing the indicator from 60 to 73.34 days in average.
- Strengthening of the inventory integrity control improving it by 12.64% and establishing a foundation of 98%.
- A 46% improvement of internal service level in international purchase orders and 68% in local purchase orders.
- Implementation of the financial management, analysis and evaluation methods used as a foundation for the negotiations of goods, items and services to be acquired by the company.

OPERATIONS

- A 25.33% reduction in costs associated with the distribution of the retail channel through the restructuring of the client delivery services.
- A 27.69% reduction in the maintenance cost per pound placed due to timely follow-up on work orders.
- A 14.3% reduction in costs per pound placed due to follow-up of the use of fuel per vehicle.

Finally, we achieved a return on investment of 1.31:1 at the end of the project with a projected return on investment of 2.55:1 within one year.

Based on the above, it is our pleasure to recommend London Consulting Group as a professional and committed firm that contributes to the cultural change through shoulder-to-shoulder implementation and the achievement of tangible results in a sustainable way.



Rene Becerra
Executive President Grupo Jaremar