



la industria de las ideas

Manta, 1st of October 2019

To whom it may concern,

La Fabril is a leading Ecuadorian manufacturer of fats, oils, biofuels, oleo chemical products and sanitary and hygiene products, with 51 years of experience in both national and international markets.

The purpose of this letter is to acknowledge London Consulting Group for their valuable contribution during the duration of the **"Armonía"** (Harmony) project, which lasted 28 weeks. With their experience, and their analysis and solution implementation methodology, we built, in conjunction with the personnel which participate in the processes, the SIPOCs related to the production of oils, fats, and the RCC (Requests, Complaints, and Claims) management. Throughout this design exercise we considered the elements required to implement the SAP system with which we will be operating with in the following months.

As a result of the project, **La Fabril's** production processes have become more productive and efficient, and a higher level of focus on Active Supervision and controlling the time, velocity and quality variables by using tools which improve the ability to take opportune decisions. The CES (Customer Experience Strategy) was also implemented in order to improve the response time and the results required by the clients. London Consulting Group's support has been key in regards to our migration towards a Management Model per Process.

These are some of the results we have achieved during the **"Armonía"** project:

QUALITY CONTROL

- Designing and implementing the processes and tools needed to plan and control over time.
- Implementing a capacity plan in order to measure the operative work loads by using equivalent units.
- 22.6% increase in the department's productivity.
- Increase in the amount of on-time analysis deliveries from 98.9% to 99.7%.
- 46% reduction in specific and analytical tasks that do not add value.

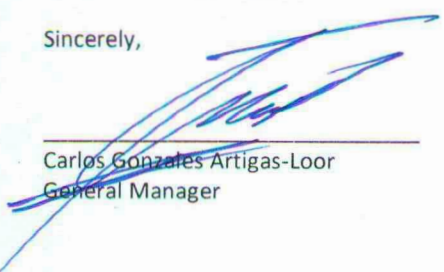
OPERATIONS

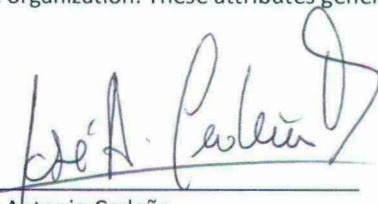
- 20.6% increase in productivity for the deodorization refinery #6.
- 12.2% increase in the main team's (SIPA) container manufacturing productivity.
- Unifying the causes for stoppages and their codes for all of the manufacturing plants (3 plants at a national level).
- Automating the data input for the TVQ productivity indicator.
- Shift Reception/Delivery process and elements that need reviewing.
- Weekly Supervisory Tasks – elements that need to be revised by day and by time slot.
- Implementing the Visual Fabric tools in order to improve the plant's efficiency.

The project was concluded successfully with a **ROI of 1 to 1**, with a **forecasted annualized return of 7.5 to 1**, which surpassed our initial estimates. Additionally to the quantitative results, our personnel have embraced the change in work culture, adopted new practices, consolidated their skills, and adopted a sustainable methodology which will enable us to reach our goals in the future.

Therefore, I would like to acknowledge London Consulting Group for their professionalism and commitment, their methodology, which can be adapted to suit each client's needs, and their shoulder to shoulder implementation methods which guarantees involvement from all of the personnel at different levels of the organization. These attributes generated a positive and long-lasting change in our organization.

Sincerely,


Carlos Gonzales Artigas-Loor
General Manager


Jose Antonio Cedeño
Project Manager

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