



La industria de las ideas

Manta, 7th of February 2020

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.

Through this letter we would like to acknowledge and thank **London Consulting Group** for their valuable contribution during the second development phase of the "**Armonía**" (Harmony) project, which lasted 16 weeks. The project focused on improving the production processes for the Hygiene and Personal Care products, revising and updating, in conjunction with the managers, the processes related to these products, strengthening the management systems through supervision routines with short range control spans, managing the indicators, and strengthening the feedback forums. Furthermore, we implemented a production indicator which controlled and improved the availability of the equipment, the yield and the quality (OEE), as well as, tools which followed up on the results and enabled opportune decision making.

It is important to mention that the personnel in these departments were involved, and actively participated, in the implementation of the tools and the development of the project, which promoted a change in the work culture. **La Fabril** has focused on improving the work culture by making every manager participate in every one of the processes to ensure that the objectives and commitments are met.

By the end of the "**Armonia**" project, we had achieved a range of results, of which these are some:

QUALITY CONTROL

- Implementing the capacity plan in order to measure the operative workloads in equivalent units.
- Restructuring the department in order to maximize the utilization of the available resources.
- 28.6% increase in the productivity of the quality physiochemical laboratory.

OPERATIONS

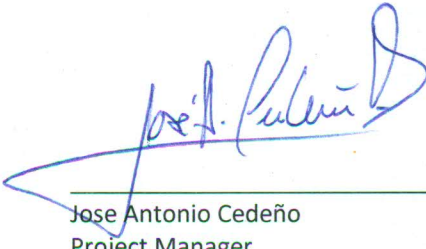
- 21.4% increase in the Octopak Liquid Soap Line's productivity.
- 14.5% increase in line 4's toilet soap productivity.
- 28.3% increase in line 4's powder detergent productivity.
- Automating the data collection for the OEE productivity indicator for the IBF line which produces Clorox.
- Defining the data collection timeline for the productivity indicator, in an effort to build the Industry 4.0.

The project was successfully concluded with a **ROI of 0.3 to 1** and with a **forecasted annualized return of 3.1 to 1**, surpassing our initial expectations. We will continue to monitor the benefits as we believe the results will improve as the work systems mature and we implement the final recommendations made by the consulting team.

We consider London Consulting Group to be a very professional firm which delivers. Their methodology can be adapted to meet the needs of every client and their shoulder to shoulder implementation methods guarantees that the whole team, at different levels of the organization, gets involved in order to generate a positive and long lasting change in our path.

Sincerely,


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General Manager


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Project Manager

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