



# Lácteos la Fortuna S.A.

## PRODUCCION Y ELABORACION DE PRODUCTOS LACTEOS

Dr. Juan Eulogio Estigarribia, Paraguay. Abril del 2021

**LÁCTEOS LA FORTUNA**, founded since 2008, is a company dedicated to the manufacture and sale of dairy products, with a nationwide presence in more than 150 supermarkets and covering the main areas of the country through its more than 70 distributors. It has more than 600 producers and in continuous growth, for the elaboration of different products such as Cheese, Milk, Skim Milk, Yogurt, Dulce de Leche, Cream.

At the end of August 2020 and until April 2021, we developed a project of process improvement called "**PDC**" (Continuous Development Project), that project was led by the **LONDON CONSULTING GROUP** firm and was focused on the areas of Production, Milk Collection, Logistics, Commercial and Marketing, in addition to strengthening the development of management skills of key personnel in these areas through a Management Skills Development Module. Throughout this project, we were able to align the processes to our objectives as a company, implementing a work system focused on results and continuous improvement, allowing to increase the productivity of **LÁCTEOS LA FORTUNA**, after implementing the different processes, tools and policies, it was possible to demonstrate the following results:

### **Production, Milk Collection, Logistics**

- 53% decrease in the difference in liters of milk collected vs received at the plant.
- Operational efficiency in the area of production, storage and logistics
- Improves cheese yield by 5%
- Control and compliance with recipes through the control of supplies, times and execution of processes to improve performance
- Inventory reliability, implementing a real inventory control and record
- Cost of sales improvement by 4 percentage points

### **Commercial, Marketing, Collection & Credits**

- Improved coverage of supermarket customers, ensuring 100% coverage
- Implementation of customer view records
- Implementation of direct sales model in Asunción
- Implementation of an active supervision model, helping to increase the efficiency of promoters.
- Generation of a Variable Remuneration System for the sales force
- The bases were defined to implement an own logistics model which could generate savings of up to 33% against the outsourced logistics model.
- Implementation of ordering system to improve dispatch and logistics efficiency.
- Improvement in the commercial management ok cross-selling of 5 percentage points in supermarkets and 10 in distributors
- Decrease in overdue portfolio by 63%

### **Management Skills Development**

- 10 Management Skills Development sessions were given with the participation of 19 people among managers and supervisors.
- A Project Fair was promoted, promoting continuous improvement, using part of the LONDON CONSULTING GROUP methodology and integrating the staff as a single team.

We are pleased to say that as of the project completion date we have achieved projecting a **Return on Investment of 3: 1** one year after project. We want to recognize the commitment and professionalism showed by **LONDON CONSULTING GROUP**, as well as the effectiveness of the work carried out in conjunction with **LÁCTEOS LA FORTUNA** to achieve our objectives.

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CEO  
Jimmy Hildebrand

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Co-CEO  
Johnny Hildebrand