



# HELAPAN INC.

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San Juan Puerto Rico, April 17, 2015

To whom it may concern:

Helapan Inc. is a bakery and pastry product distribution company that was founded over 25 years ago with one distribution center that serves the entire island. Helapan currently serves over 600 clients that include Bakeries, Manufacturers, Industrial companies and Supermarkets.

In May 2014 we started along with the firm **London Consulting Group (LCG)** a wide ranging project to improve the productivity and efficiency of our organization. The work performed included the Purchasing, Distribution and Sales areas.

The project consisted of the analysis, design and implementation of more efficient work systems with practical and functional tools allowing for better integration and understanding of our needs. The project's most relevant results include the following:

- **Purchasing.** A 72% reduction in out of stock products. We currently have better inventory management which has allowed us to reduce lost sales by 35%. Additionally, the price structure was simplified which allows us to have better definition and control of the total gross profit and per product.
- **Dispatch and Distribution.** Decrease in cost per package by 10%. An increase in the level of service (complete and on time deliveries) by 30%.
- **Sales.** Increase in the number of sales at Bakeries by 9.8% thanks to the penetration plan in this segment which is the most significant as it represents 56% of our sales.

LCG's methodology included the Management Skills Seminar which created higher commitment and motivation in Helapan's key personnel while improving the performance based on the Indicators System.

The economic benefits achieved by the project generated a projected return on investment of **2.1 to 1**.

To this date we continue utilizing LCG's services as a result of new challenges in the market and are focused on obtaining higher efficiencies that will allow us to have a solid and sustainable operational platform.

Based on the aforementioned, I hereby would like to highly recommend London Consulting Group for the professionalism demonstrated by their personnel and for the work methodology used for this project.

Sincerely,

Luis Alfredo Cáceres

**Vicepresident**