

To whom it may concern:

Guatemala City, August 2024

We recommend **London Consulting Group** as a professional and committed consulting firm. Thanks to the excellent results generated in our first project and the effectiveness of their collaborative methodology, we authorized a second phase of the project. Between March 2024 and August 2024, our company, Super Auto Repuestos SA, a leader in the sale and distribution of automotive parts in Guatemala, collaborated with London Consulting Group again to implement the "**A-Volution PHASE II Project**" which focused on transforming critical areas of our business.

Project Impact by Area:

1. RollOut Honduras:

- **Optimizing discounts:** Improving the discounts' organization according to the market segment, achieving a 5.5% impact on the discounts granted.
- **Increasing the prospecting process:** We increased the visiting frequency to more than 165 clients and recovered 98 clients that had a downward trend.
- **Effective cross-selling:** 3.62% and 0.66% of total sales were generated through cross-selling initiatives in the retail and wholesale channels, respectively.

2. Supply Chain:

- **Improving the supply:** 100% compliance was achieved in the collection of parts suggested by the system to supply the branches.
- **Increasing the accuracy of branch replenishment:** Improving the system when making suggestions to stores for over 95,000 lines, optimizing internal logistics and the replenishment processes.
- **Inventory optimization:** Complete implementation of OneBeat, Inventory Planning system in the Acquaroni Honduras division.
- **Improving delivery logistics:** 18% and 35% improvement in the timely delivery of supply products to local and departmental branches, respectively.
- **Strategic inventory management:** Establishing a buffer in the system for 5,271 Sku-Locations, ensuring more efficient inventory management and improving responsiveness to market demands.
- **Increase in Productivity:** 57% improvement in the average time spent during the picking and packing processes in the central warehouse in Guatemala.

3. Good Warehouse Practices:

- **Increasing productivity:** Optimizing 109 monthly working hours by improving the imported product documentation process.
- **Store Inventory Management:** Optimal inventory control in stores, eliminating over 700 emergency shipments per month, on average, among the branches in Honduras.
- **Advanced modeling:** We modeled our distribution centers and warehouses using a 3D Computer Aided Design, which helped us identify opportunities to increase our storage capacity.

4. Expenditure Control:

- **Improving expenditure control:** The culture regarding expenditure control was improved, with initiatives that forecast a 2% improvement in efficiency with respect to the year's budget.
- **Strategic negotiations:** We carried out negotiations with over 85% of our suppliers, which yielded significant benefits.
- **Process optimization:** More than 7,400 error-free invoices were downloaded monthly due to robotization.
- **Identifying key accounts:** 16 key expense accounts and 4 key asset accounts were identified and targeted with high-impact initiatives, enabling us to focus strategically on cost optimization.
- **Creating an Agile Committee:** Designing an Agile Committee with 12 Account Guardians who are in charge of analyzing and mapping the identified initiatives to maximize savings.
- **Reclassification and systematization:** 57 expense accounts were reclassified, 108 auxiliary and 266 sub-auxiliary accounts were integrated into the chart of accounts, and the expense catalog was completely systematized.
- **Effective follow-up:** Implementing a dashboard that follows up on control spending initiatives, ensuring continuous and efficient supervision.

5. Digital Transformation:

- **Automation and efficiency:** Savings of 421 hours per month, equivalent to 2.4 FTEs (Full Time Equivalent), thanks to robotic and in-system automation.
- **Power BI dashboards:** We implemented 18 dashboards that provide access to reliable information in real-time, transversally supporting the different stakeholders.
- **Innovating the applications:** Creating an application in Power Apps that allows more than 13 users to manage expense negotiations.
- **Modifications and automation:** More than 10 modifications were made to the system, aimed at automation, in response to the requirements presented by the project's functional areas, significantly improving operating efficiency.

6. Leadership and Change Management:

- **Leadership strengthening:** 15 leaders participated in the change management and leadership programs in Honduras, fostering a sense of commitment to transforming the processes.
- **Training and development:** More than 82 hours of theoretical and practical training were provided which focused on strengthening agile leadership skills and teaching results-oriented methodologies.

Financial Results: The project exceeded our expectations, achieving a return on investment of 0.50:1 at the end of the project with a forecasted annualized return of **2.6:1**.

In summary, the collaboration with London Consulting Group has been fundamental to achieving our transformation objectives, generating tangible and significant results for our company. Therefore, I highly recommend their consulting services for any company seeking an effective and sustainable transformation.

Sincerely,



Marco Vinicio Rivera
General Manager

