

Tula de Allende, Hidalgo, Mexico, July 2019

Corporativo UNNE is a business group which offer comprehensive logistic and transport solutions and is a leader in the Mexican market. **UNNE Transporte** has a fleet of over 700 units throughout the country; **Dicomex** has 5 plants and 20 self-provisioning stations for storage, distribution and commercialization of fuel; additionally the Group offers tire renewal services (**PAME**), exploration, exploitation, and commercialization of metallic and non-metallic minerals (**Expromat**) and operational logistic services (**UNNE Logistics**).

As part of their growth and continuous improvement plan, **Corporativo UNNE** decided to carryout the "**UNNEte al Cambio**" project in conjunction with **London Consulting Group**. The project focused on reengineering the processes in the following departments: Operations, Sales, Maintenance, Human Resources, Administration and Finance. The following results were achieved:

22% increase in Transportation's Operating Profit during implementation (10% through all the project)

124% increase in DICOMEX Operating Profit during implementation (97% through all the project)

OPERATIONS

- Designing and implementing a **Collaborative Teams** management model: horizontal integration of the processes in order to promote the Operation's unit's productivity.
- Designing and implementing a **Monthly Demand Planning** model and assigning the corresponding units.
- Designing and implementing the tools and model in order to **continuously follow up on the Unit's status**.
- The previously mentioned initiatives generated an increase of **+8%** in the average revenue generated by unit.

MAINTENANCE

- **34%** reduction in the unit's down time due to preventive maintenance.
- **54%** reduction in unnecessary tire replacement
- **11%** increase in the fulfillment of standard maintenance times.

SALES

- Design and implementation of a model which encompassed the weekly work plan, following up on visits, and a sales pipeline using **CRM** logics.
- Designing and implementing a Unit Profitability Model throughout **100%** of the units in the business.
- The previously mentioned initiatives generated an increase of **+8%** in the average revenue generated by unit.

HUMAN RESOURCES

- **7%** reduction in the Operator's turnover.
- **7%** increase in the fulfillment of drivers needed to operate units.
- **12%** reduction in the recruitment time for Operators.
- Designing and implementing a model which defined the salary ranges for **100%** of the positions in the organization.

ADMINISTRATION AND FINANCE

- **40%** increase in service level regarding the liquidation of Operators.
- **31%** improvement in the amount of liquidations carried out within the same month.
- **89%** reduction in the unit's average renovation time.

DICOMEX

- **8%** increase in the monthly revenue.
- Developing and implementing an Intelligent Fuel Purchasing model.

Additionally, we realigned the whole Organizational Structure towards the new work systems and implemented an **Individual Development Plan** as a mechanism which enabled us to defined specific and personalized strategies which promoted the development of the personnel in managerial roles within the company.

The financial savings generated a return on investment by the end of the project of **1.2 to 1** and an annualized forecasted ROI of **3 to 1**.

We are very satisfied with the work carried out by **London Consulting Group** and therefore we recommend them as a professional and highly committed firm which strives towards understanding the client's needs and attaining results.

Sincerely,

Noé Paredes Méndez
General Director



CARRETERA TULA-REFINERÍA KM. 3 EL LLANO 1RA SECCIÓN, TULA DE ALLENDE, HGO. TEL: 01 (773) 732 9204

