



YAMAMOTOYAMA

SINCE 1690

Pomona, CA, January 3rd, 2024

To whom it may concern,

Yamamotoyama USA is a company based in the USA, headquarters in Japan and with a rich history dated back to 1690. Specializing in tea products, the company is also known for its high-quality nori (seaweed), soy wrappers and Japanese green tea superior quality. With its origins in Tokyo, Yamamotoyama has become a trusted brand associated with traditional Japanese tea culture. Their offerings include a variety of teas, available in loose-leaf and tea bag forms. The company blends a commitment to heritage with a dedication to meeting the evolving preferences of tea enthusiasts globally, establishing itself as a respected name in the tea industry under the brands of Yamamotoyama and Stash tea.

Starting 2022, with a rapidly changing environment after the pandemic, our company faced a series of challenges in our supply chain process hampering our ability to leverage the growing market. With the constraint of having our **warehouse capacity reaching >100%** during the tea peak season (~6 months of the year), while other months our rented storage space was under-utilized. Also, we were storing and shipping all our products from a single location causing a higher business continuity risk (vs multiple locations) and scheduling multiple **long-distance shipments** of relatively small orders across North America.

Between February 2022 and December 2023, Yamamotoyama USA engaged with LONDON CONSULTING GROUP to evaluate, develop and implement a 3PL strategy and strengthen our supply chain operations to help us increase our **business continuity**, support our **preparations for growth**, and **optimize our supply chain** costs by completing the following:

- **Optimized 3PL network:** 67% shipping distance reduction which represents 10% reduction on shipping costs within a year of implementation by having 3PL warehouses strategically selected based on the geographical locations of customers.

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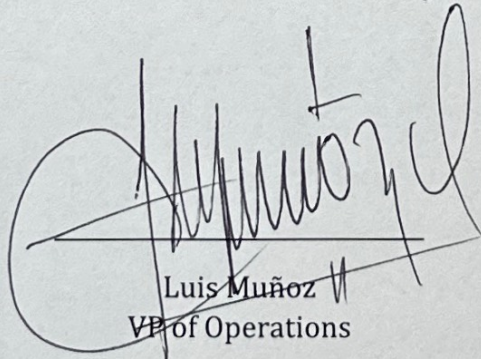


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- **3PL RFP and Partner selection:** 2 strategic partnerships developed with 3PL providers in North America. Requirements on RFP and selection were defined based on business needs.
- **3PL implementation:** In phases to avoid shipping interruptions on customer orders.
- **Redefinition of internal SC structure, roles and responsibilities:** Adaptation of the Supply Chain departments to operate under a 3PL model.
- **Logistics and procurement departments scalability:** Transition support of new roles and standardization of departments by developing and documenting new processes.

Working with LONDON CONSULTING GROUP during this period has been a satisfying experience for us, full of learning and improvements on our path to achieve our strategic objectives. Their team of consultants were very professional and always provided exceptional support. We are certain that their team can support any company seeking to optimize their Supply Chain. We would happily consider LCG as a business partner for future projects and initiatives that Yamamotoyama pursues.



Luis Muñoz
VP of Operations

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