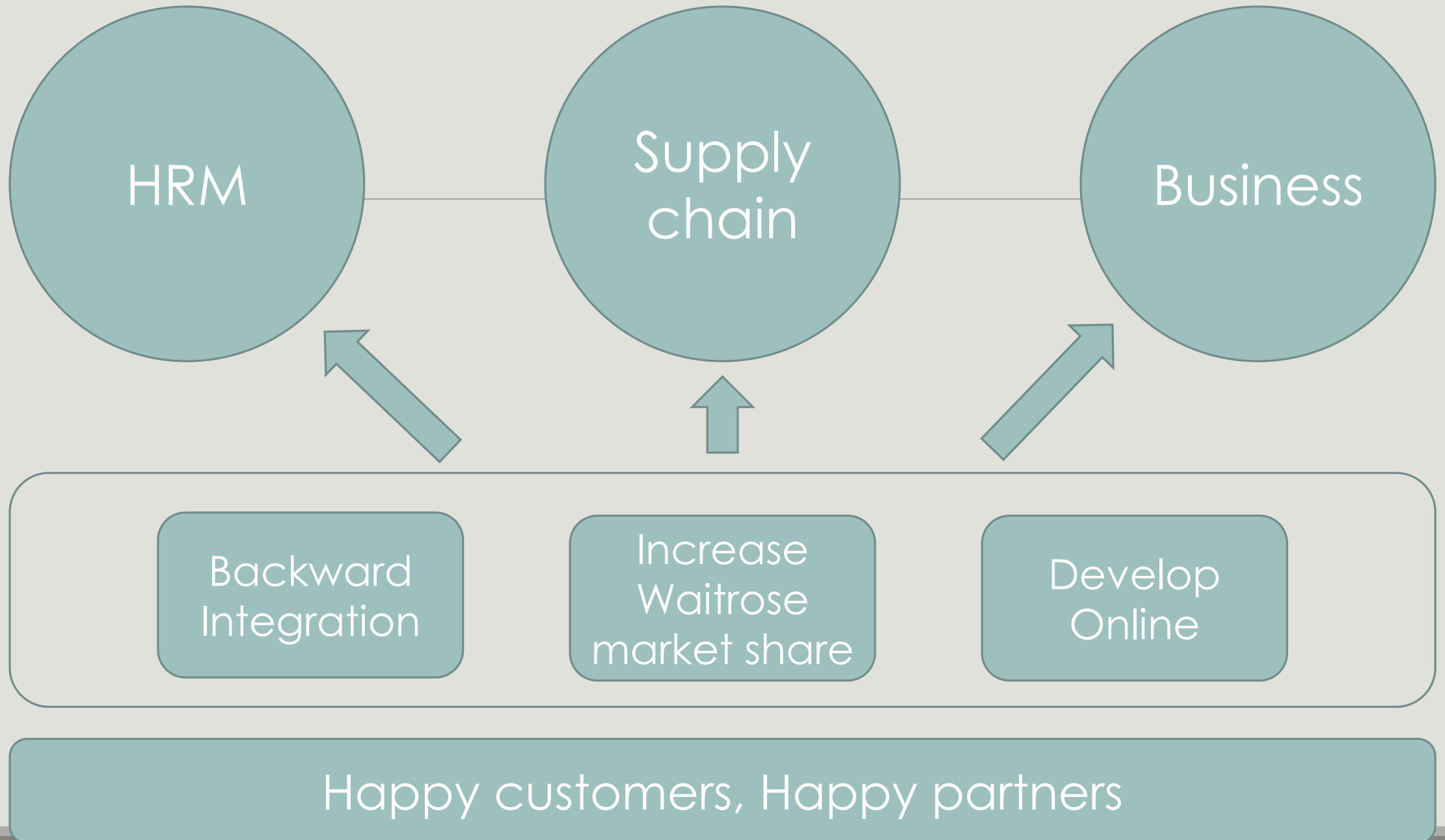


Happy customers, Happy partners

A GROWTH PLAN FOR JLP

SABRA CONSULTING TEAM - GGFBM

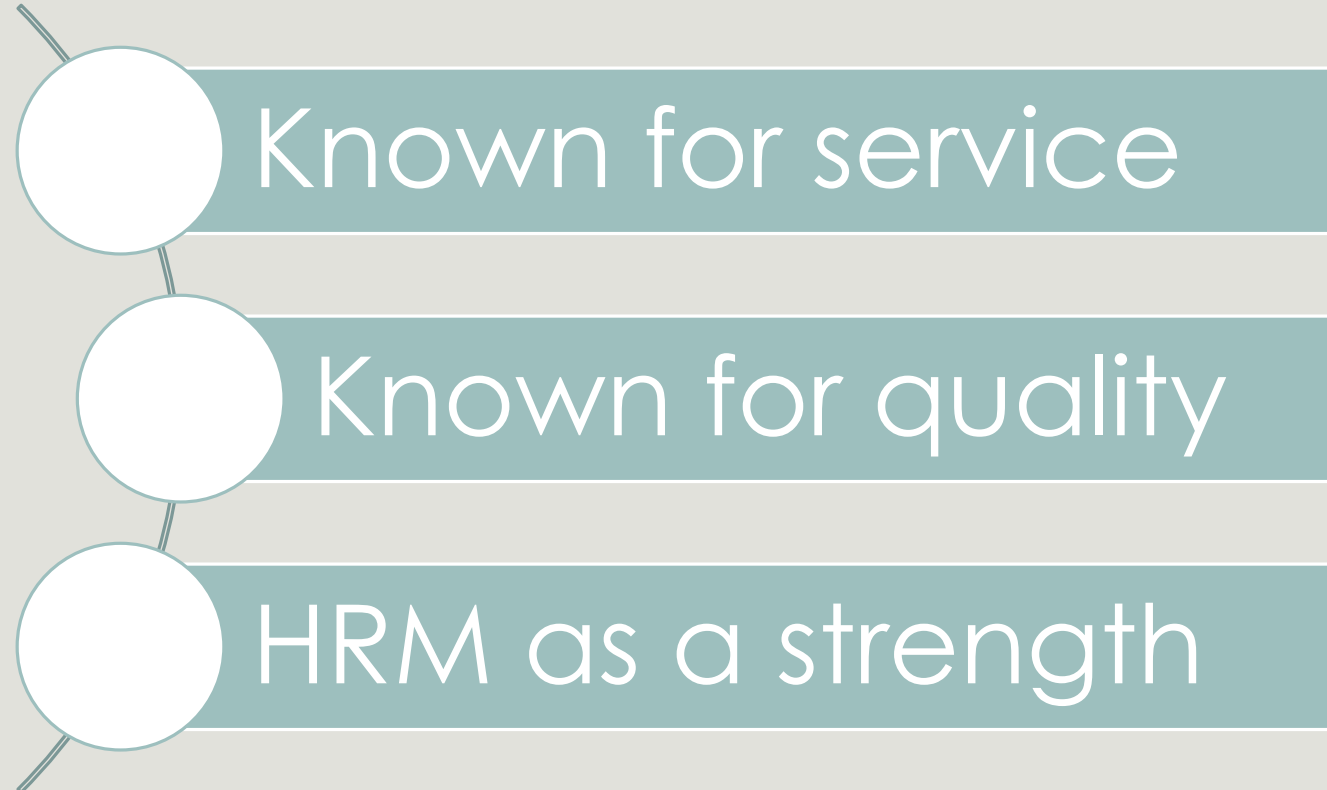
What can we do for the
partnership in the wake
of **Brexit** & looking
forward to **2028**



Analysis



Strengths



The company has a strong brand that should be utilized

Challenges - Brexit

- What will happen to the costs of imported goods?
 - Where can the company recruit warehouse workers?
 - What is the best format for the supply chain?

Brexit imposes multiple threats

Challenges – The future

What will the work force look like in 2028?

Robotics instead of people, online commerce continually growing

Looking ahead, we must be pro-active and not reactive

Competition – Department stores

Fragmented stores, fragmented competition

Mark's & Spencer's

Harrods

Dickens
(electronics)

H&M (fashion)

Nike (sports)

Etc.

The competition in department stores is fierce

Competition – Department stores

Online

Amazon and Hellofresh heavy competitors

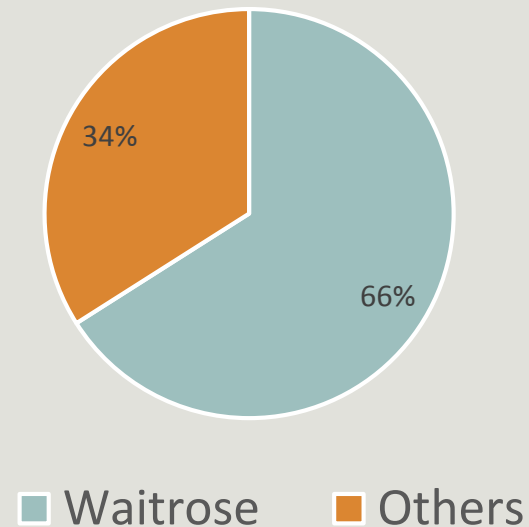
- They have no stores to upkeep
- Both are big enough to endure change

Online retail is the place to be

Waitrose

- Quality food
- Agile store concept
- Fitting local sustainable and healthy trend

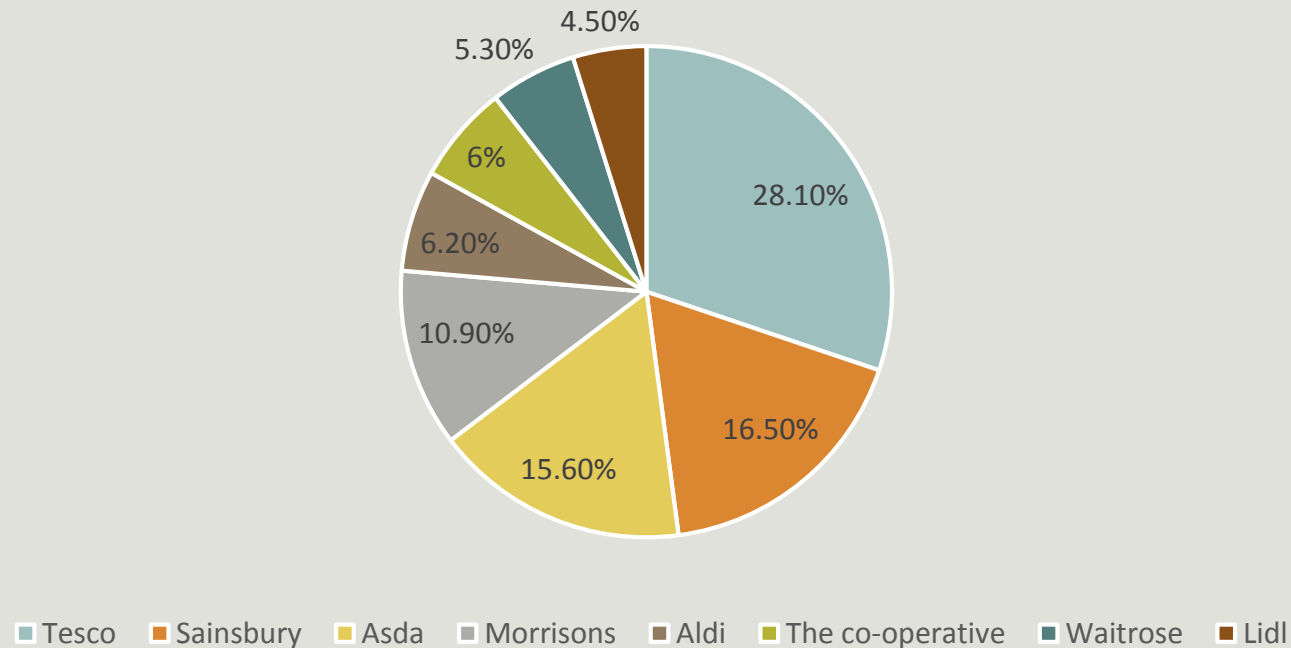
Sales in the partnership



Waitrose is a good investment for the future

Waitrose - Competition

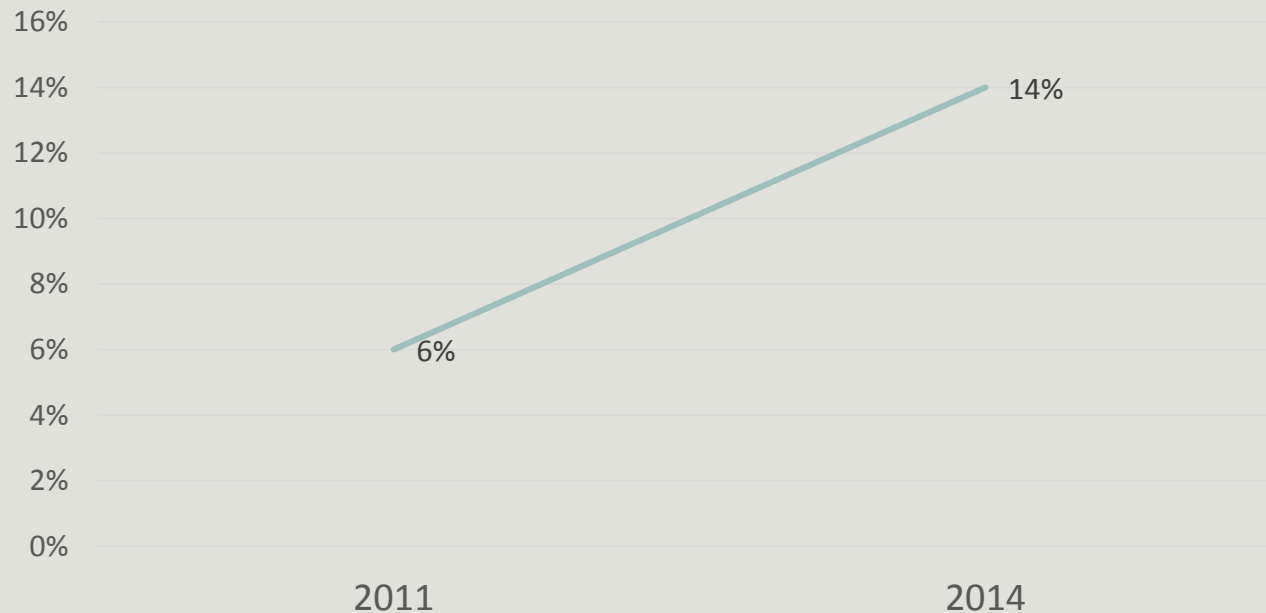
Market share



Waitrose has room for growth in this segment

“Bricks and Clicks”

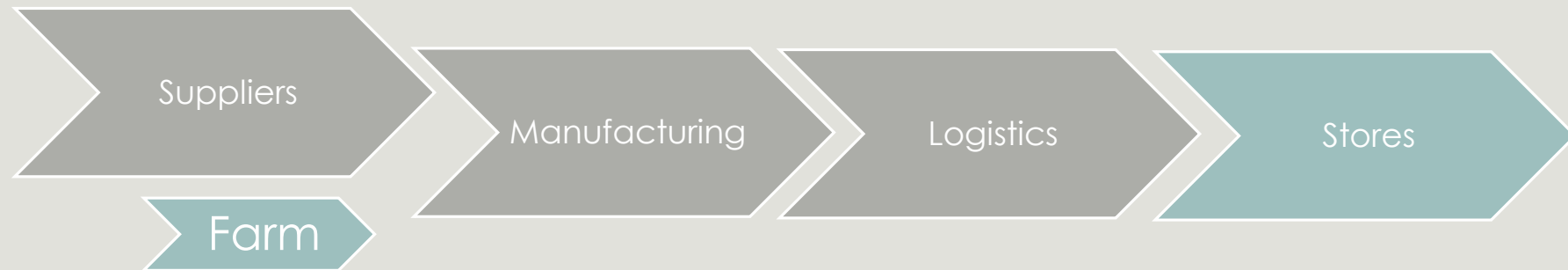
Growth rate in online sales



- Online is growing and expected to continue to grow
- Waitrose allow pickup at various locations
- Online requires great customer service

Online is a valuable investment

Value Chain



There is room to grow within the value chain

Alternatives

Preserve values and expand

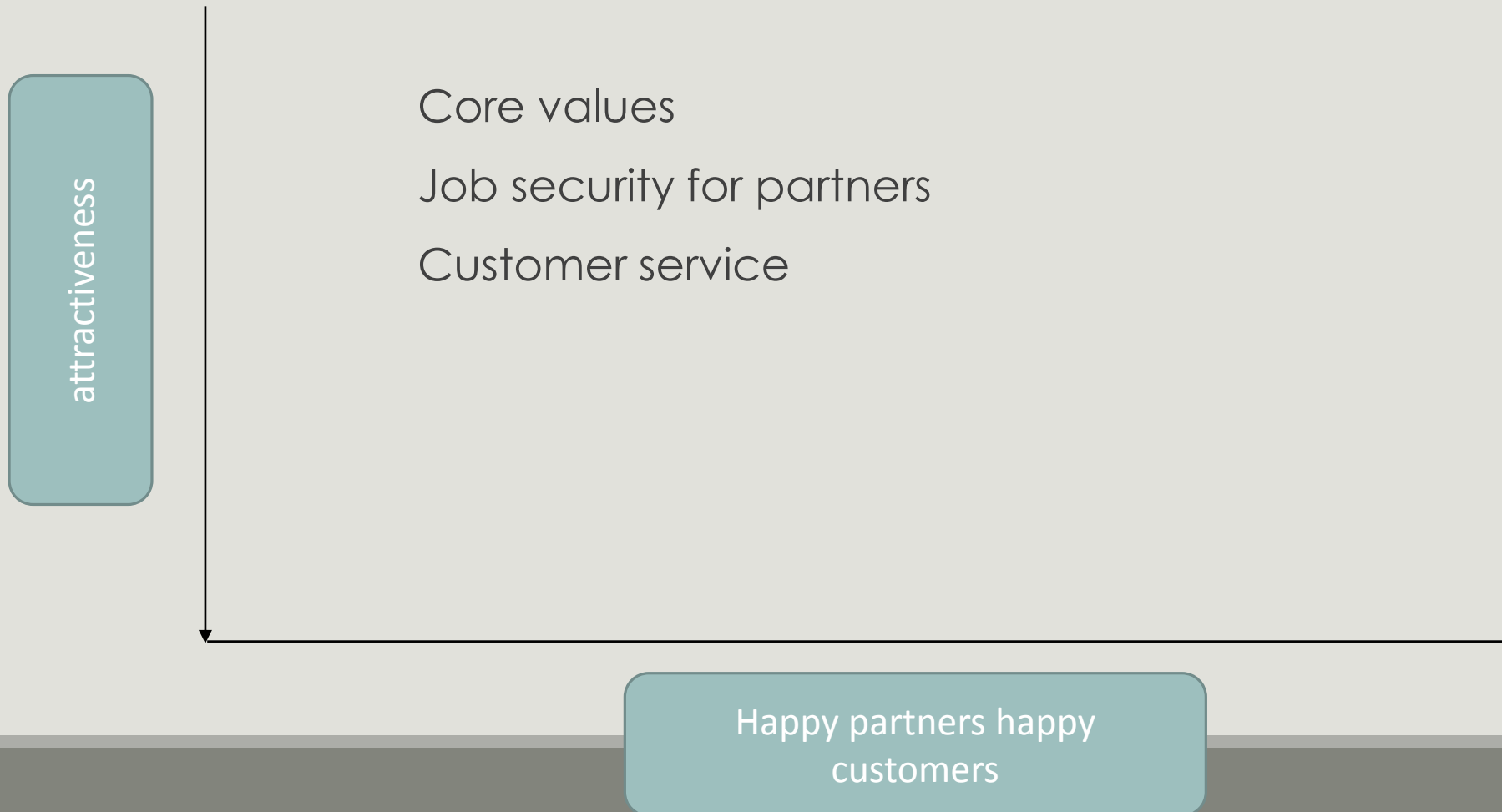
Core values
Business fields
Customer service

Re-think
business
ownership

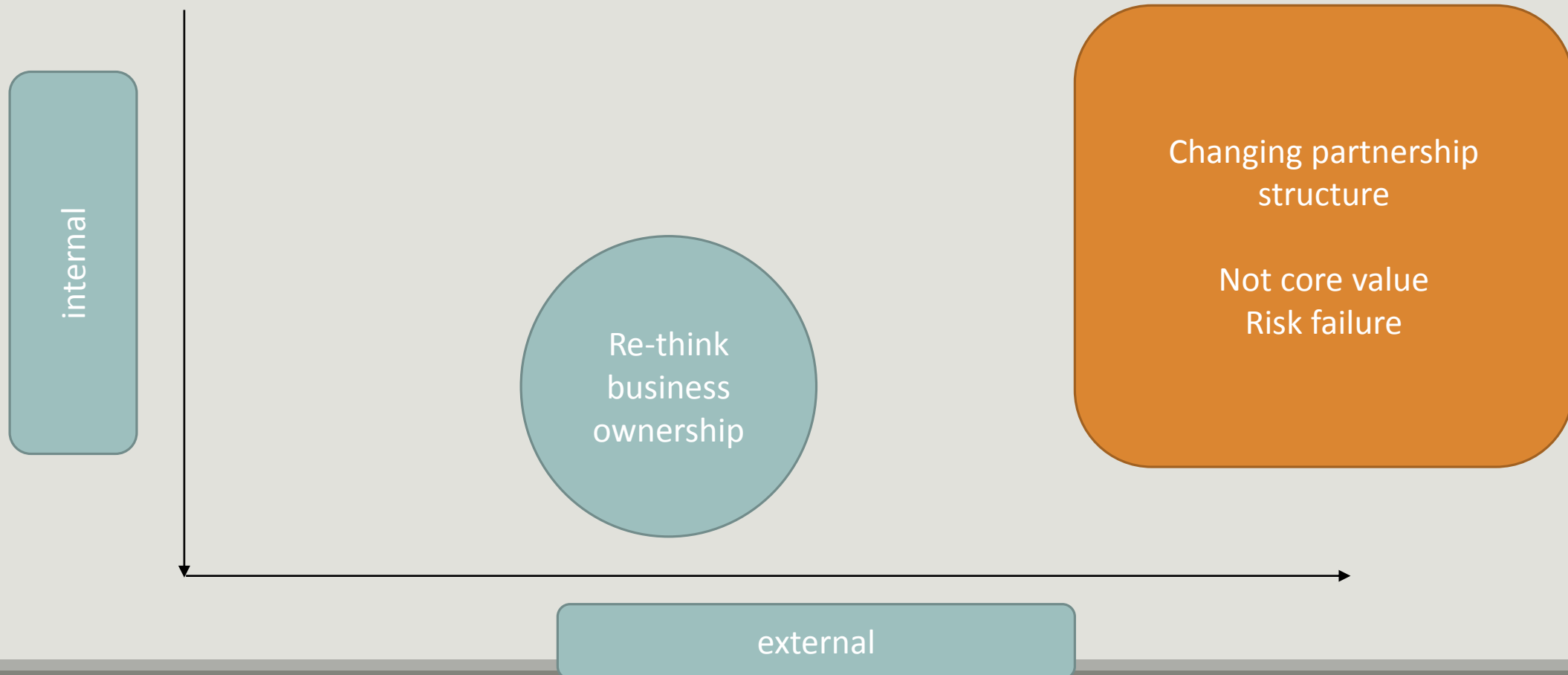
Penetrate
new
markets

Integrate
core value
with market
trends

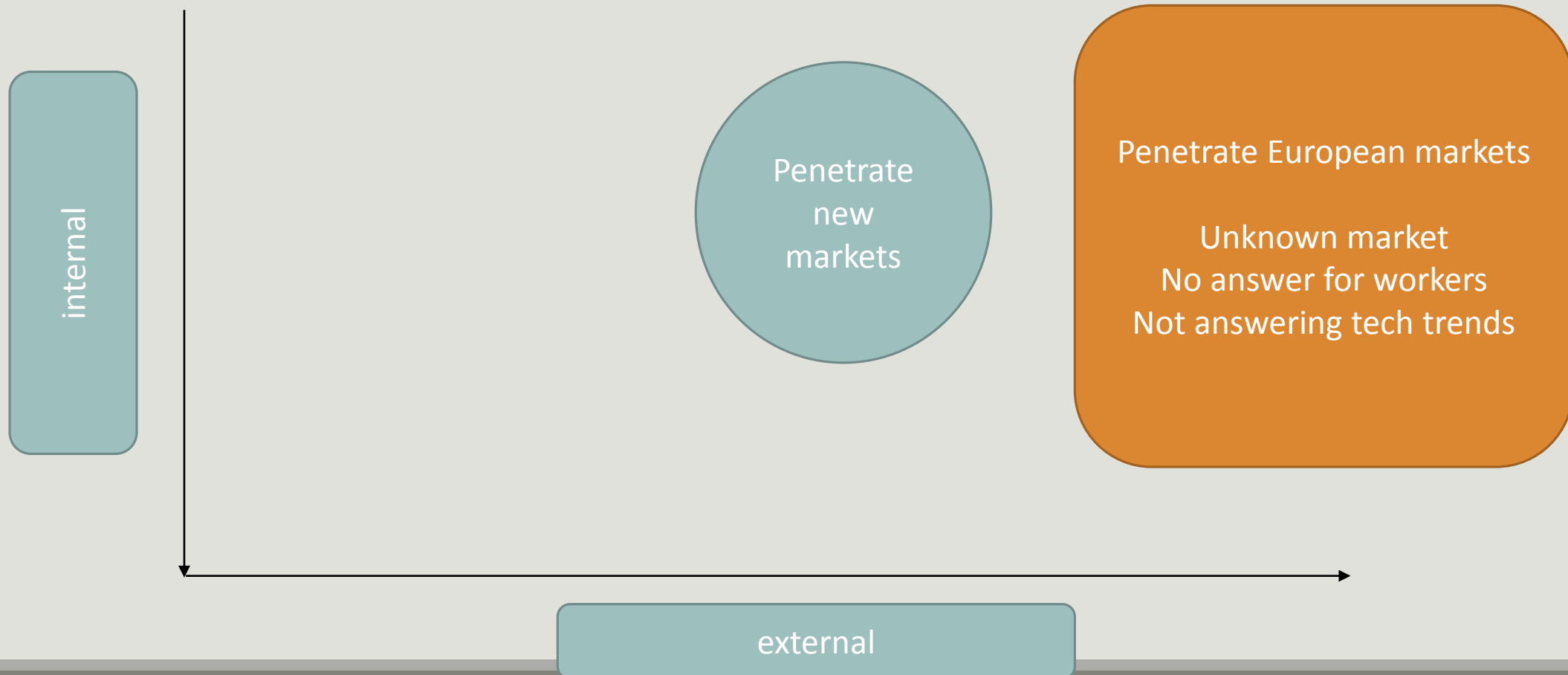
internal



alternatives



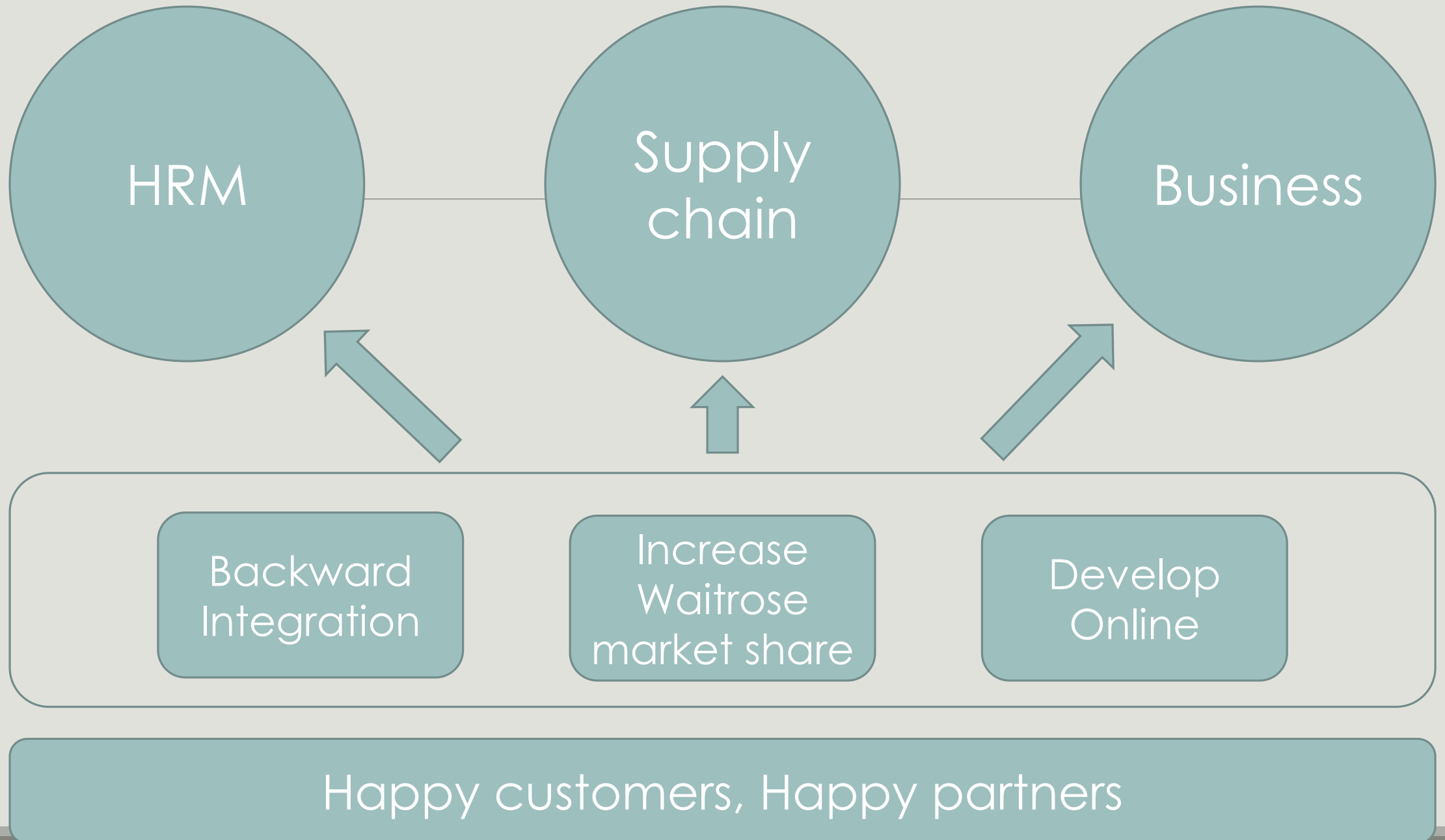
alternatives



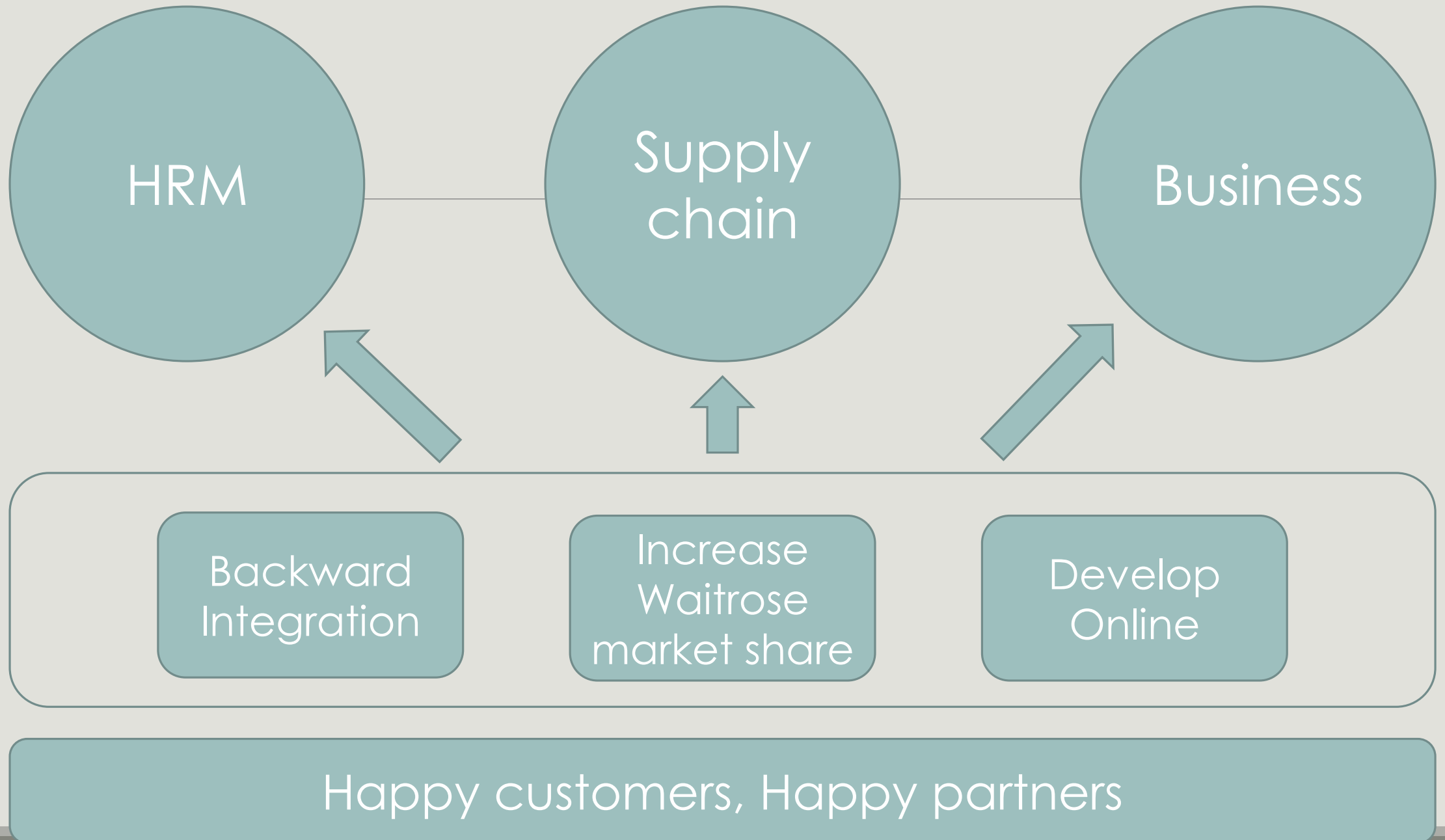
alternatives



Recommendation



Implementation



Backward
Integration

Increase
Waitrose
market share

Develop
Online

What?

-
- Purchasing manufacturing plants in:
 - Dairy
 - Grain
 - Whine
 - Veg packaging

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- Create jobs for the low wage partners:
 - Manufacturing line
 - Storage
 - Packaging
 - Etc.

Backward
Integration

Increase
Waitrose
market share

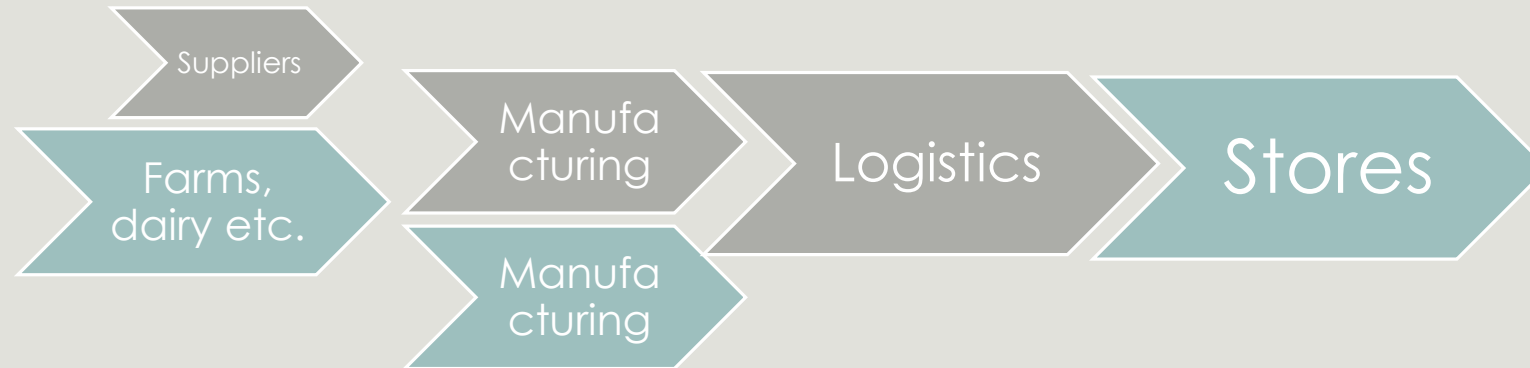
Develop
Online

Why?

HRM

Supply
chain

Business



Self sustainable and protected from Brexit

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

➤ Creating higher margins

Backward
Integration

Increase
Waitrose
market share

Develop
Online

How?

-
- 2018 – 2020: Training of low wage workers
 - 2018 – 2019: Purchasing 5 dairy and wine manufacturing plants
 - 2020 – 2021: Purchasing 3 vegetable packaging plants
 - 2020 – 2025: Purchasing 4 grain manufacturing plants

Backward
Integration

Increase
Waitrose
market share

Develop
Online

What?

-
- Focusing on Waitrose growth
 - Improving online services
 - Implementing technological change in stores
 - Keeping excellent customer service

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- New jobs in customer service and customer success

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- Waitrose will enjoy strong value chain
- Waitrose is not strongly effected by Brexit

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- Potential growth in market share 6.4%
- Strong revenue channel

Backward
Integration

Increase
Waitrose
market share

Develop
Online

How?

-
- 2018 – 2020: Training talents from low wage workers to customer service
 - 2018 – 2021: developing online division with 3rd party company
 - 2020 – 2025: implementing technological change

Backward
Integration

Increase
Waitrose
market share

Develop
Online

What?

-
- Develop online services
 - Decreasing department stores physical shops

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- Shifting to jobs that will survive tech disruption

Backward
Integration

Increase
Waitrose
market share

Develop
Online

Why?

HRM

Supply
chain

Business

- Answering world trend
- Reducing physical department stores to lower expenses

Backward
Integration

Increase
Waitrose
market share

Develop
Online

How?

-
- 2018- 2021: improving online services through 3rd party company
 - 2018-2028: gradually closing department stores and reducing them from 34 to 10

Financials



Financial management

We want to be as financially stable as we possibly can be

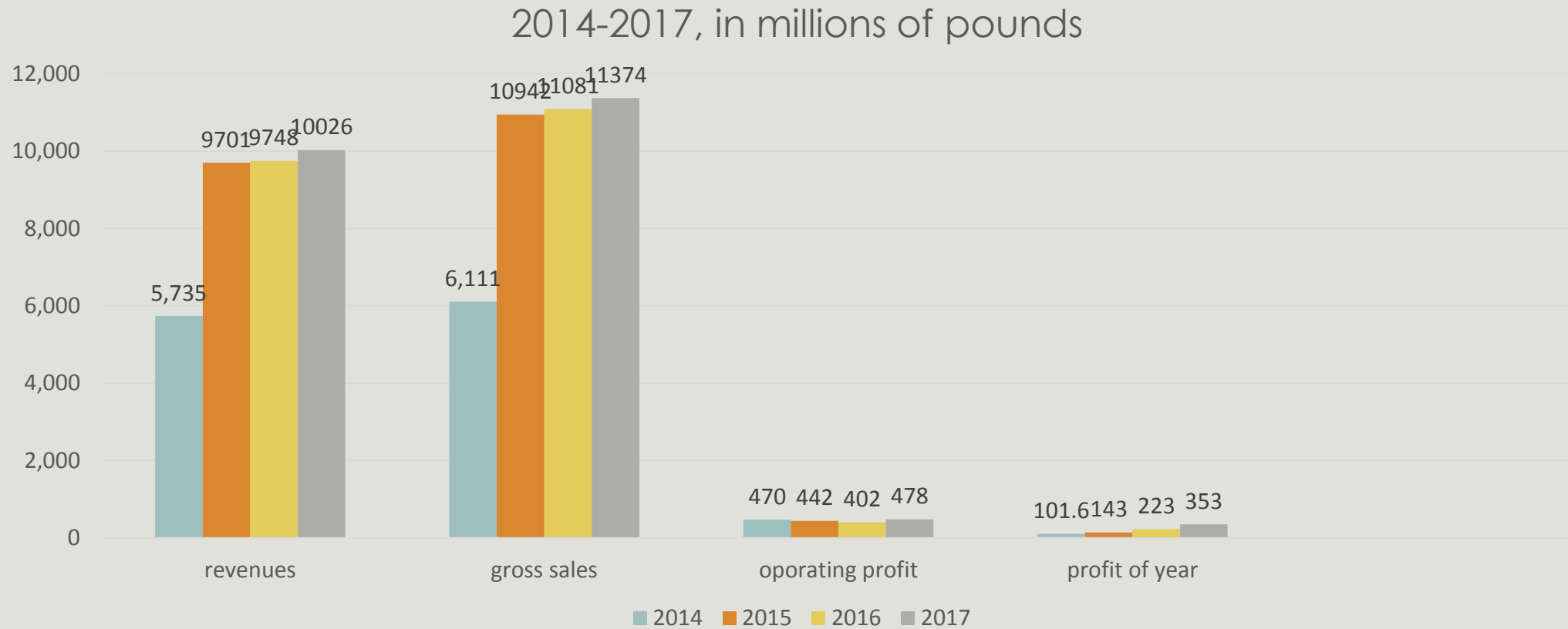
Labor employs capital, feel in control of our future

Make decisions in the long-term, not reacting in short-term

Financial record

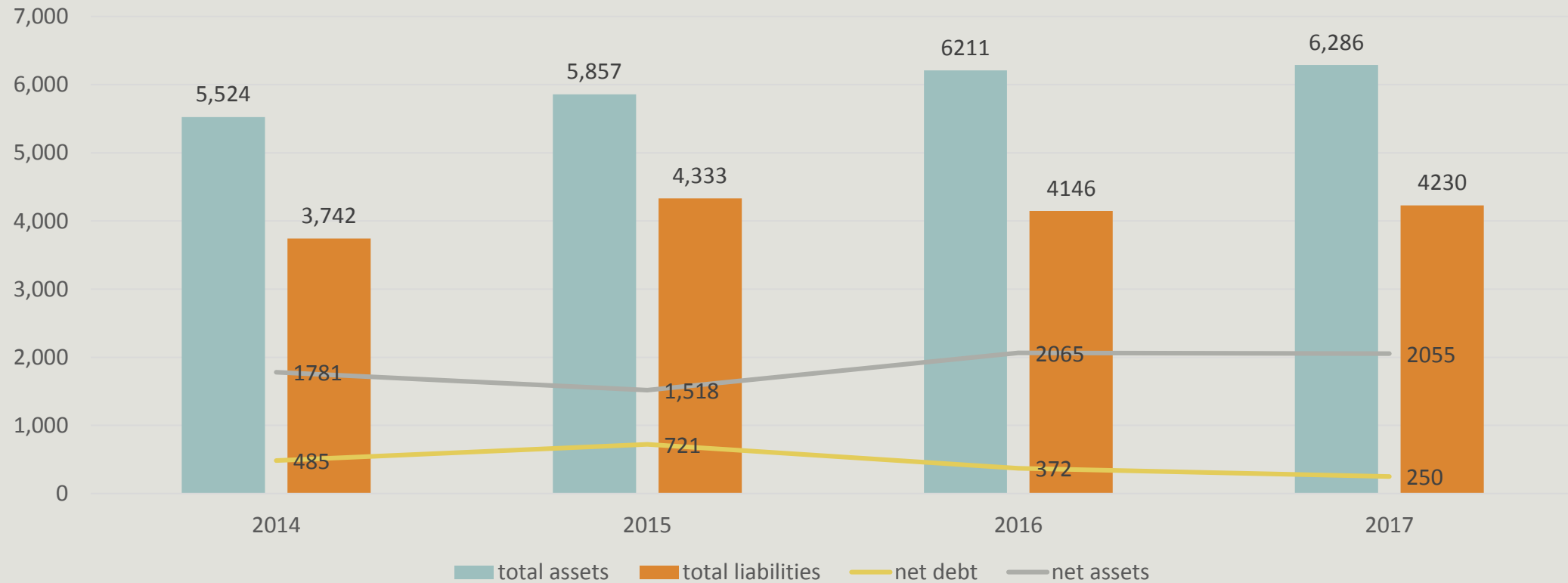
	2017	2016	2015	2014	2013
Gross sales total	11,374	11,018	10,942	10,171	9,541
Waitrose	6,633	6,461	6,508	6,119	5,763
John Lewis	4,741	4,557	4,433	4,059	3,777
Revenues total	10,026	9,748	9,701	9,027	8,465
Waitrose	6,245	6,086	6,135	5,753	5,416
John Lewis	3,780	3,662	3,565	3,274	3,049
Operating profit before Bonus & items	(18.5)	(80.7)	(45.6)	(65.3)	(55.6)
Waitrose	253	232	237	310	292
John Lewis	243	250	250	226	216
Net finance costs	(107)	(96)	(99)	(94)	(110)
Exceptional items	171	129	79	(43)	
Profit for the year	353.5	223.2	143.5	101.6	101

Financial record



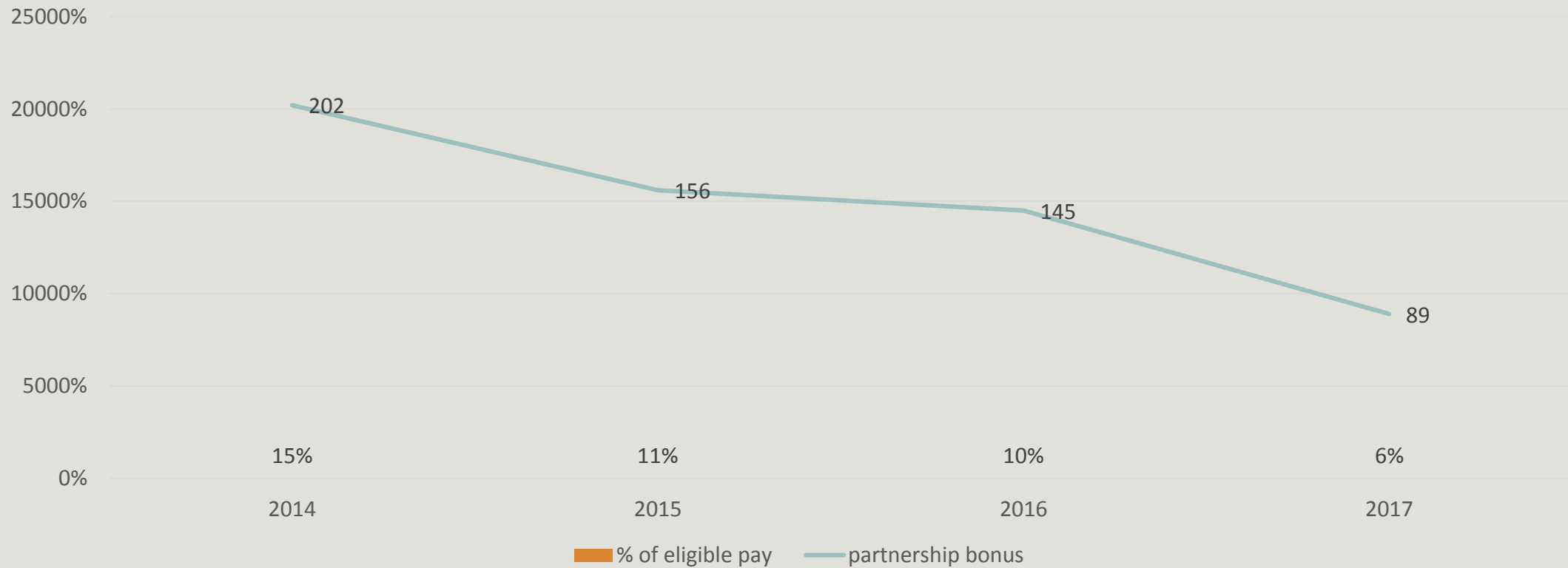
Balance sheet

2014-2017, in millions of pounds



Financial record

2014-2017, in millions of pounds

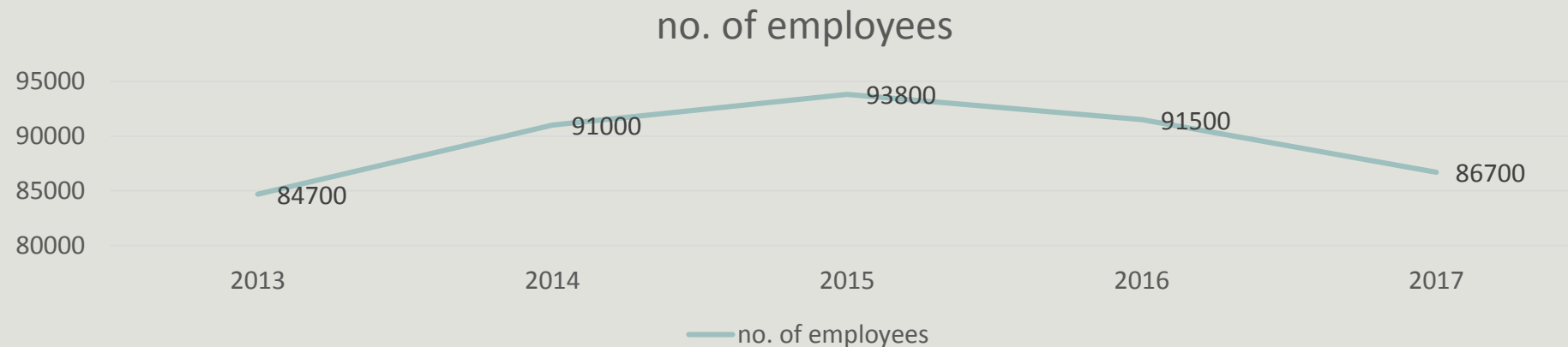


Financial record

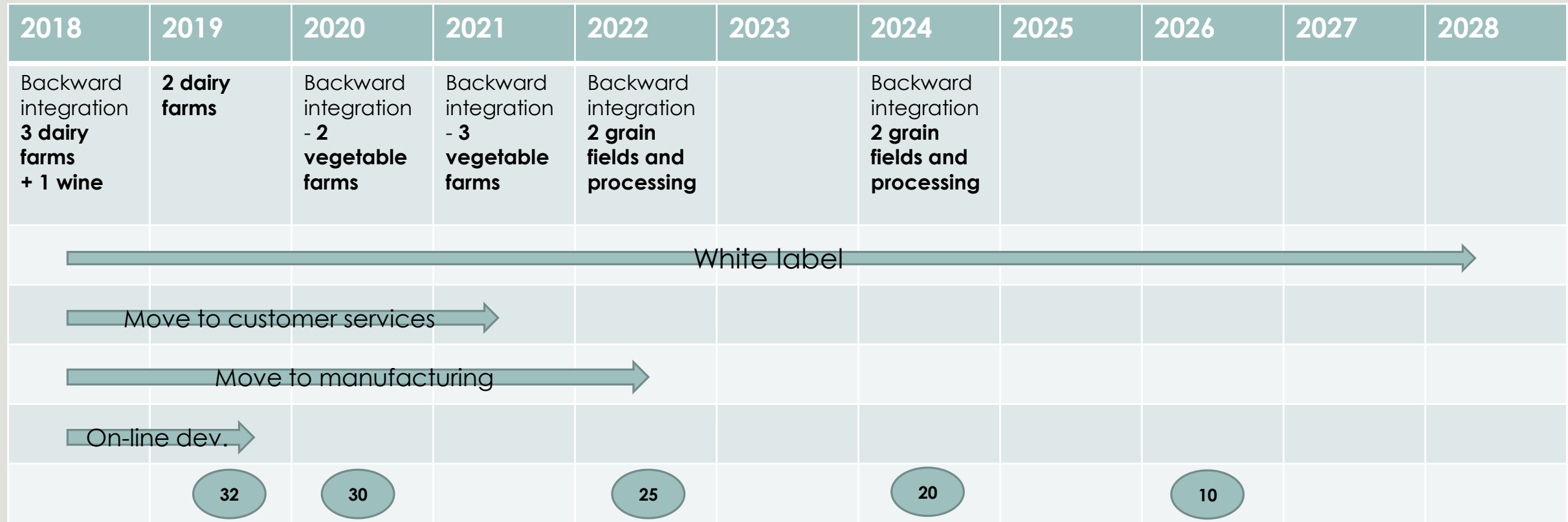
Company's CAGR 2013-2017
37%

Downward in profit 2015-2016 due to exceptional items

Fluctuations- decrease in partnership bonus
decrease in full-time employees



Financial time-line



Financial expenses time-line

expense	How much	amount	Time line
Dairy farm manufacturing acquisition- 1 unit	10,000,000 pound	5 units	2018-2019
Vegetable packaging acquisition- 1 unit	6,000,000 pound	5 units	2020-2021
Grain products manufacturing and processing acquisition- 1 unit	6,000,000 pound	4 units	2022, 2024
Winery acquisition- 1 unit	5,000,000 pound	1 unit	2018
Costumer service training - yearly	4,000,000 pound	3 years, 20,000 employees	2018-2020
On-line development and training- yearly	8,000,000 pound	2 years, 100 employees	2018-2019
Manufacturing training- yearly	8,000,000 pound	5 years, 1600 employees	2018-2022
White label design and development- yearly	4,000,000 pound	Every year	2018-2028
Tech development and implementation	6,000,000 pound	5 years	2020-2024
total			

Financial expenses time-line

2018	What?	2019		2020		2021		2022	
30000000	dairy	20000000	dairy	12000000	veg. pack	18000000	veg. pack	12,000,000	grain
5000000	winery	6000000	veg. pack	4000000	c.s training	8,000,000	manufacturing training	4000000	c.s training
4000000	c.s training	6000000	grain	8,000,000	manufacturing training	4,000,000	white label development	8,000,000	manufacturing training
8,000,000	online dev.	4000000	c.s training	4,000,000	white label development	6,000,000	tech dev.	4,000,000	white label development
8,000,000	manufacturing training	8,000,000	online dev.	6,000,000	tech dev.			6,000,000	tech dev.
4,000,000	white label development	8,000,000	manufacturing training						
		4,000,000	white label development						
59,000,000	total	56,000,000	total	34,000,000	total	36000000	total	34,000,000	total

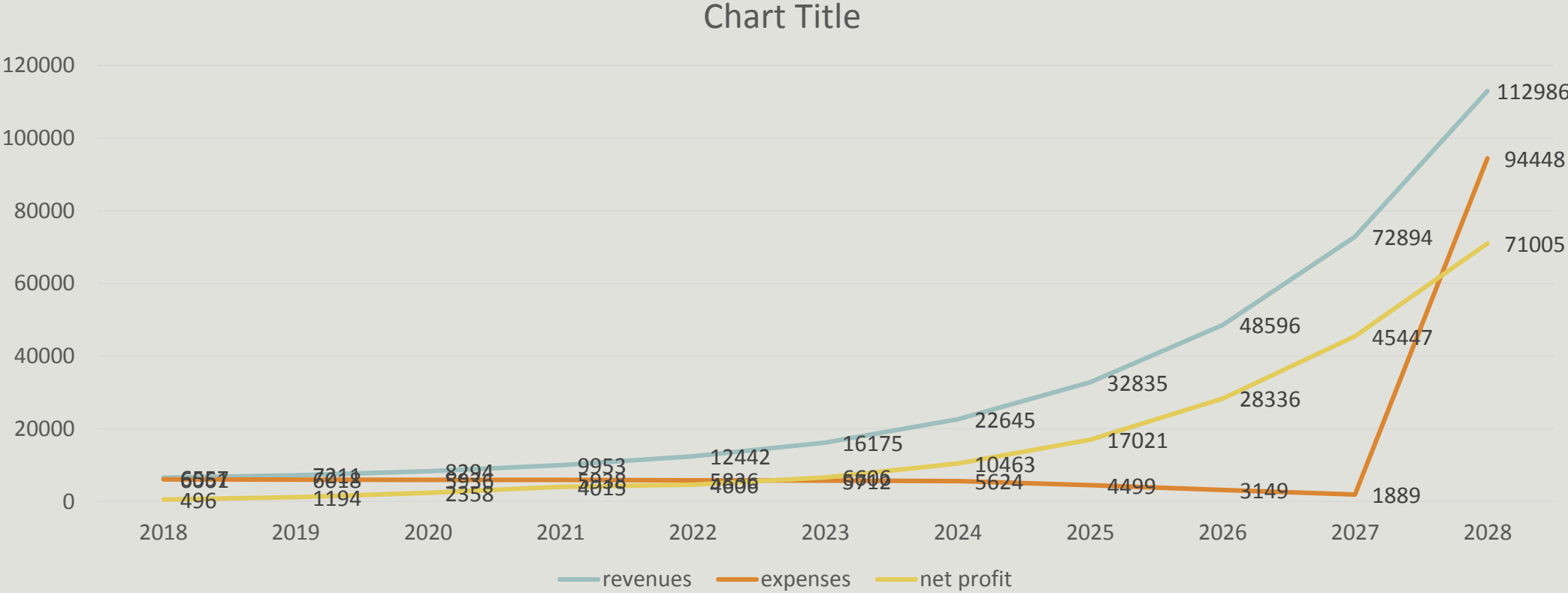
Financial expenses time-line

2023	What?	2024	
4,000,000	white lable development	12,000,000	grain
6,000,000	tech dev.	4,000,000	white lable development
		6,000,000	tech dev.
10,000,000	total	22,000,000	total

Reducing 24 physical stores-
Saving 10,000,000 yearly

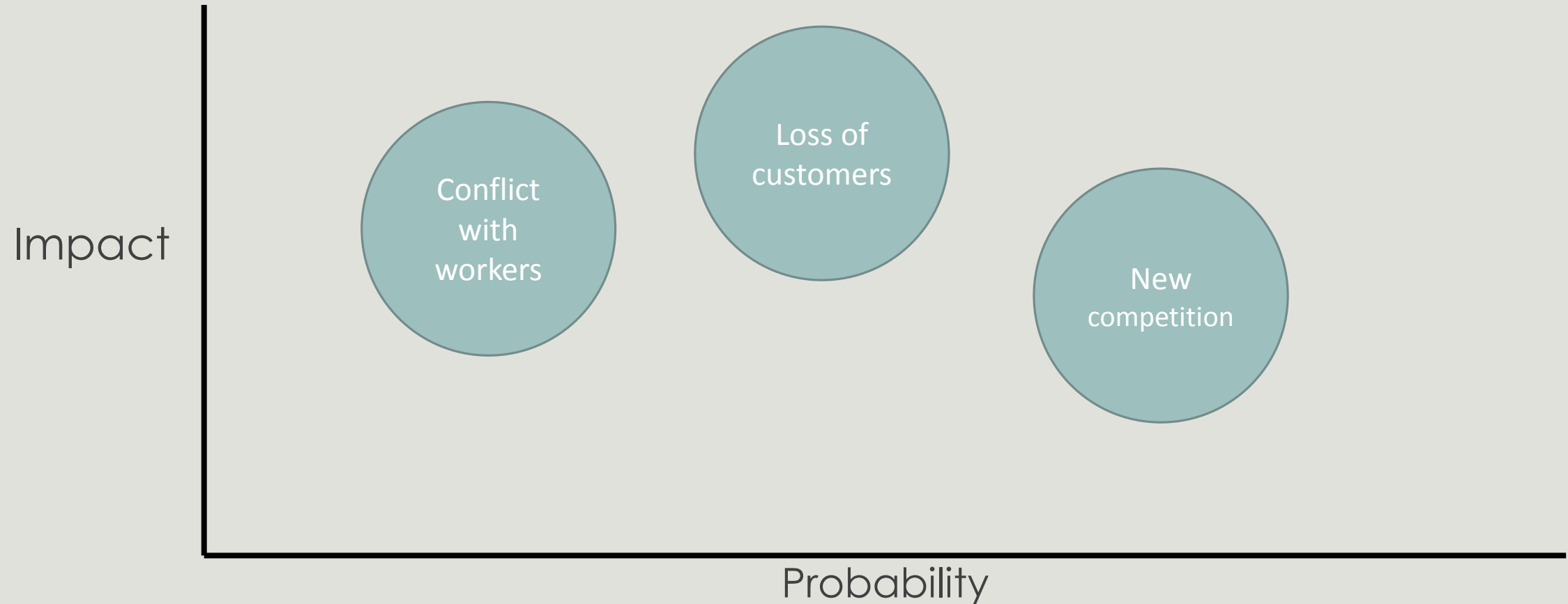
selling 24 physical stores-
Earning – 120,000,000
(each store 5,000,000)

Financial expenses time-line

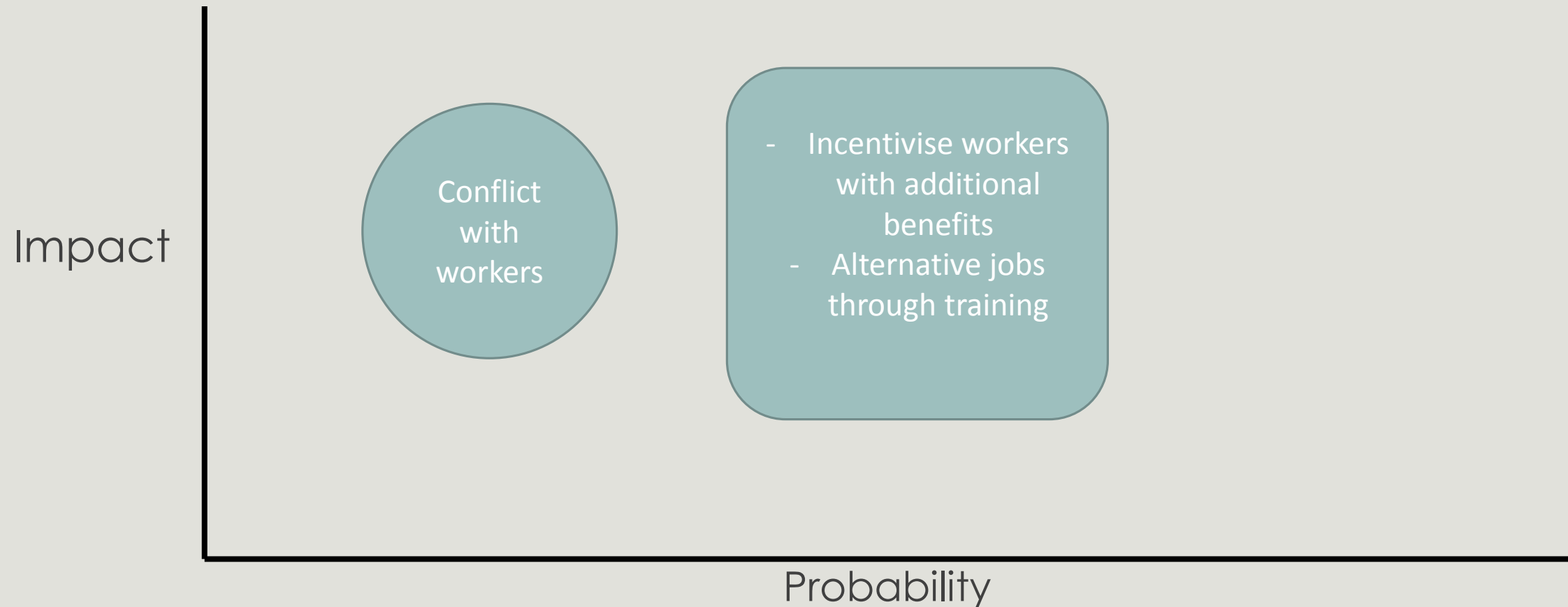


Risk Mitigation

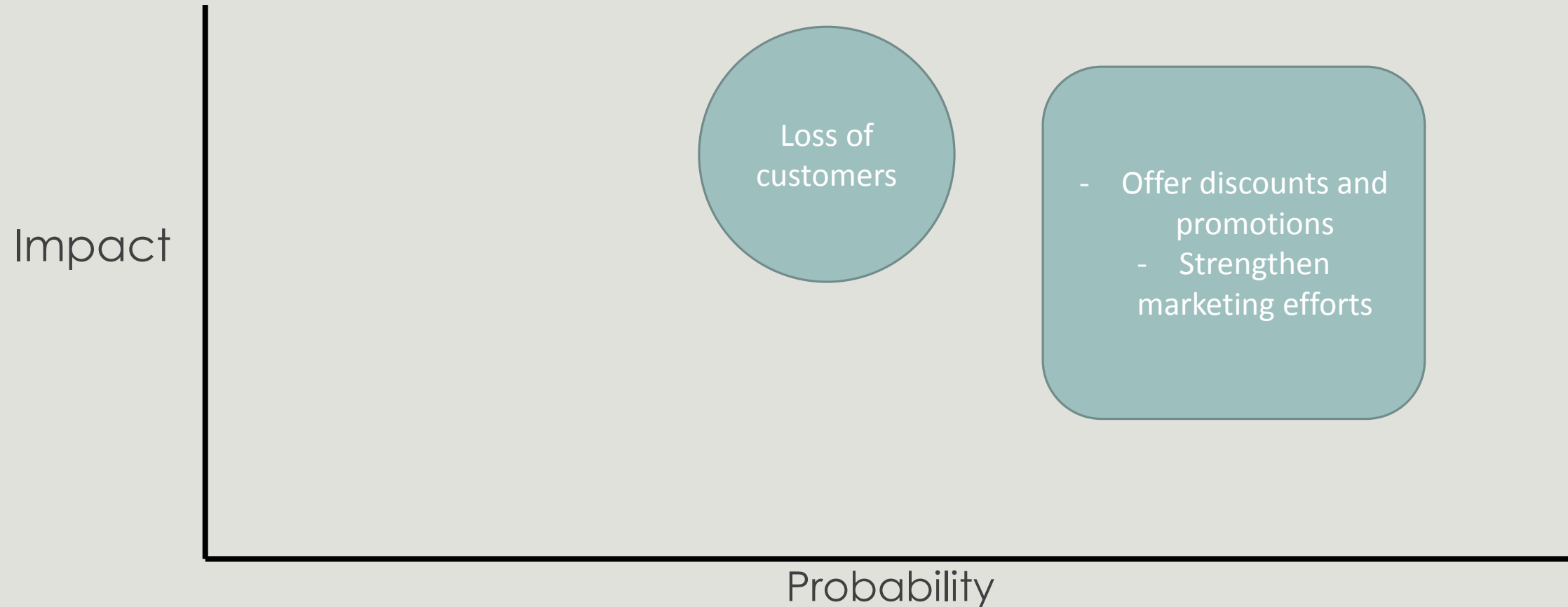
Risks



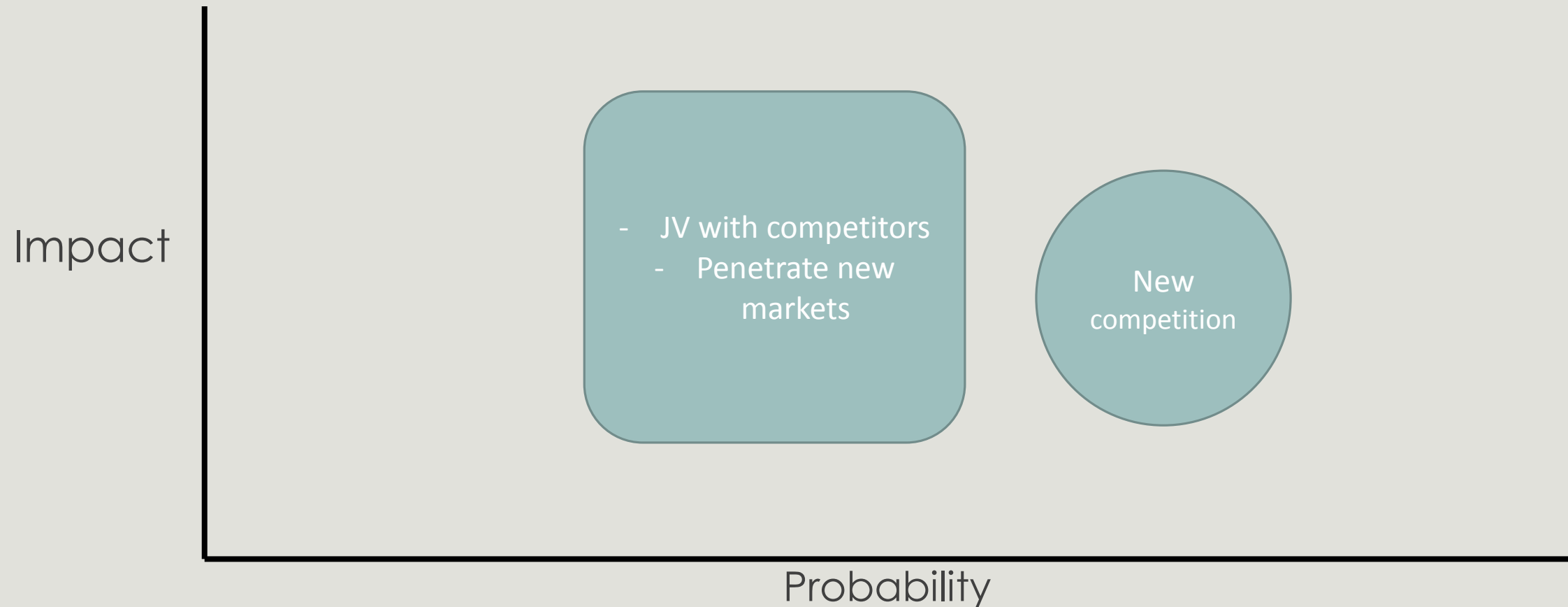
Risk Mitigation



Risk Mitigation



Risk Mitigation





Happy customers, Happy partners

Q&A