

*“DRIVING THE TORTILLA INDUSTRY GROWTH”*



**PRIVATE SECTOR  
INTERNSHIPS AND LINK**



**MAY, 2014**

## **TABLE OF CONTENTS**

**I. MISSION FOODS' DESCRIPTION**

**II. INTERNSHIP PROGRAMS**

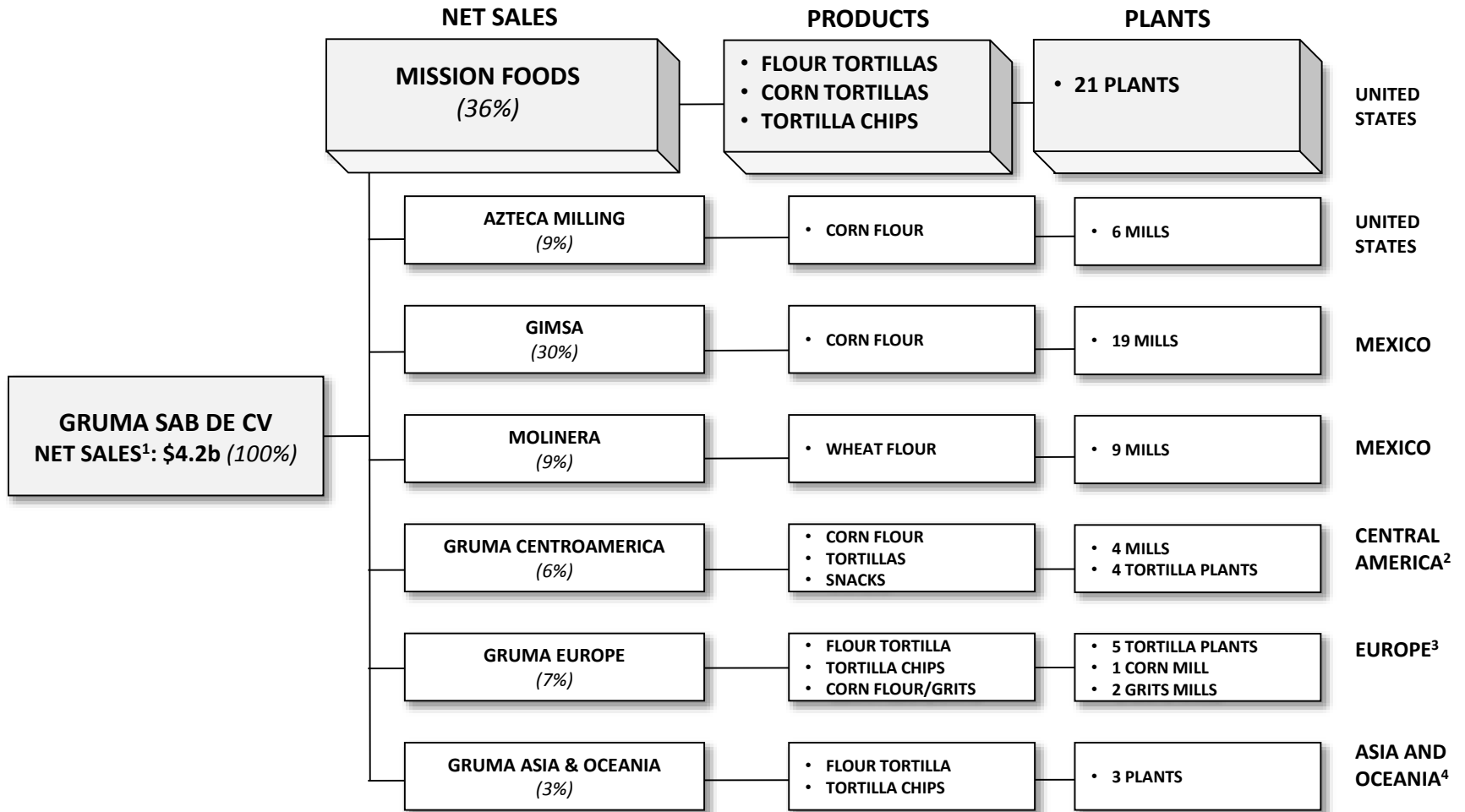
**III. INNOVATION IMPACT ON CPG'S HR**

## **I. MISSION FOODS' DESCRIPTION**



# MISSION FOODS IS THE LARGEST SUBSIDIARY OF GRUMA, THE LEADING CORN FLOUR AND TORTILLA MANUFACTURER AND MARKETER IN THE WORLD

## GRUMA SAB DE CV SUBSIDIARIES



NOTES: 1: CONSOLIDATED NET SALES LTM SEP 2013 (IN MILLIONS), INCLUDE ELIMINATIONS AND DOES NOT INCLUDE VENEZUELA OPERATIONS

2: COSTA RICA, NICARAGUA, GUATEMALA, HONDURAS, ECUADOR AND EL SALVADOR; 3: U.K., NETHERLANDS, ITALY, UKRAINE, RUSSIA AND TURKEY; 4: CHINA, AUSTRALIA AND MALAYSIA

SOURCE: GRUMA'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 2013; GRUMA LATEST PRESENTATION JANUARY-14-2014.



# SINCE 1977, MISSION FOODS HAS BEEN DRIVING THE EVOLUTION OF MANUFACTURING, DISTRIBUTION AND PRODUCT INNOVATION IN THE TORTILLA INDUSTRY

## MISSION FOODS HISTORY

**BUILT FOUNDATION TO IGNITE INDUSTRY GROWTH**

**1977-1989**

- INITIATED TORTILLA OPERATIONS IN CALIFORNIA
- DEVELOPED STATE-OF-THE-ART MANUFACTURING EQUIPMENT
- DEVELOPED THE BEST CORN TORTILLA USING MASECA CORN FLOUR
- BECAME THE LARGEST TORTILLA COMPANY

**ACCELERATED MARKET PENETRATION**

**1989-2005**

- ACHIEVED COMMANDING LEADERSHIP IN THE WEST COAST
- BEGAN AGGRESSIVE EXPANSION TO CENTRAL AND EAST REGIONS
- DEVELOPED THE LARGEST DIRECT-STORE-DELIVERY NETWORK
- ASSUMED INDUSTRY LEADERSHIP

**COMPLETED NATIONAL COVERAGE**

**2005-2012**

- ATTAINED NATIONWIDE COVERAGE
- EXPANDED PRODUCT OFFERINGS
- PROVIDED BEST-IN-CLASS NATIONWIDE CUSTOMER SERVICE
- GAINED CATEGORY LEADERSHIP WITH TOP 10 FOOD RETAILERS

**FOCUSING ON PROFITABLE GROWTH**

**2013-ON**

- EXECUTING A TRANSFORMATIONAL STRATEGY REFOCUSING IN CORE BUSINESSES
- ENERGIZING THE TORTILLA INDUSTRY GROWTH



# MISSION IS A CONSUMER PACKAGED GOODS COMPANY THAT HAS EARNED A COMMANDING LEADERSHIP IN THE TORTILLA MARKET, BASED ON KEY COMPETITIVE ADVANTAGES

## MISSION FOODS' COMPETITIVE ADVANTAGES ACROSS THE VALUE CHAIN



PROVIDING HIGH-QUALITY FRESH TORTILLAS EVERY DAY FOR OUR CONSUMERS



**STRONG MARKET LEADERSHIP**

- PROPRIETARY MANUFACTURING TECHNOLOGY
- BREAKTHROUGH AUTOMATION

- 21 STRATEGICALLY LOCATED PLANTS
- LARGEST AND MOST EFFICIENT DISTRIBUTION NETWORK

- THE ONLY 2 NATIONAL BRANDS
  - CORN TORTILLAS
  - FLOUR TORTILLAS
  - TORTILLA CHIPS
- RECOGNIZED AS TOP QUALITY BRANDS
- HIGH TOP-OF-MIND COMPARABLE WITH LEADING MAINSTREAM BRANDS

- STRATEGIC PARTNERSHIPS WITH ALL FOOD RETAILERS
  -
- PREMIUM SHELF SPACE IN STORES
- STRATEGIC ASSOCIATIONS WITH TOP "CPG1"'s
  -

- OVER \$1.6b IN SALES
- REVENUE GROWTH 2x THE FOOD INDUSTRY
- 50% MARKET SHARE

NOTES: 1: "CPG" STANDS FOR CONSUMER PACKAGED GOODS

SOURCE: MISSION FOODS, 2014.



# MISSION HAS REVOLUTIONIZED THE TORTILLA INDUSTRY WITH BREAKTHROUGH AND PROPRIETARY TECHNOLOGY

## MISSION FOODS TECHNOLOGICAL EVOLUTION

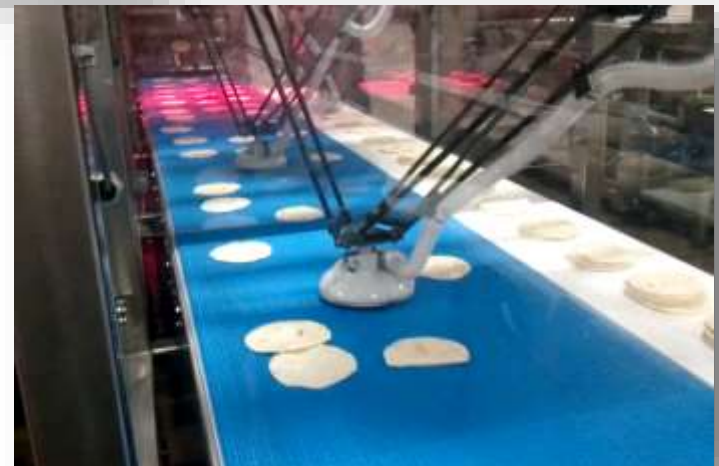


... TO INDUSTRIALIZE THE TORTILLA MANUFACTURING ...



STATE-OF-THE-ART FACILITIES. . .

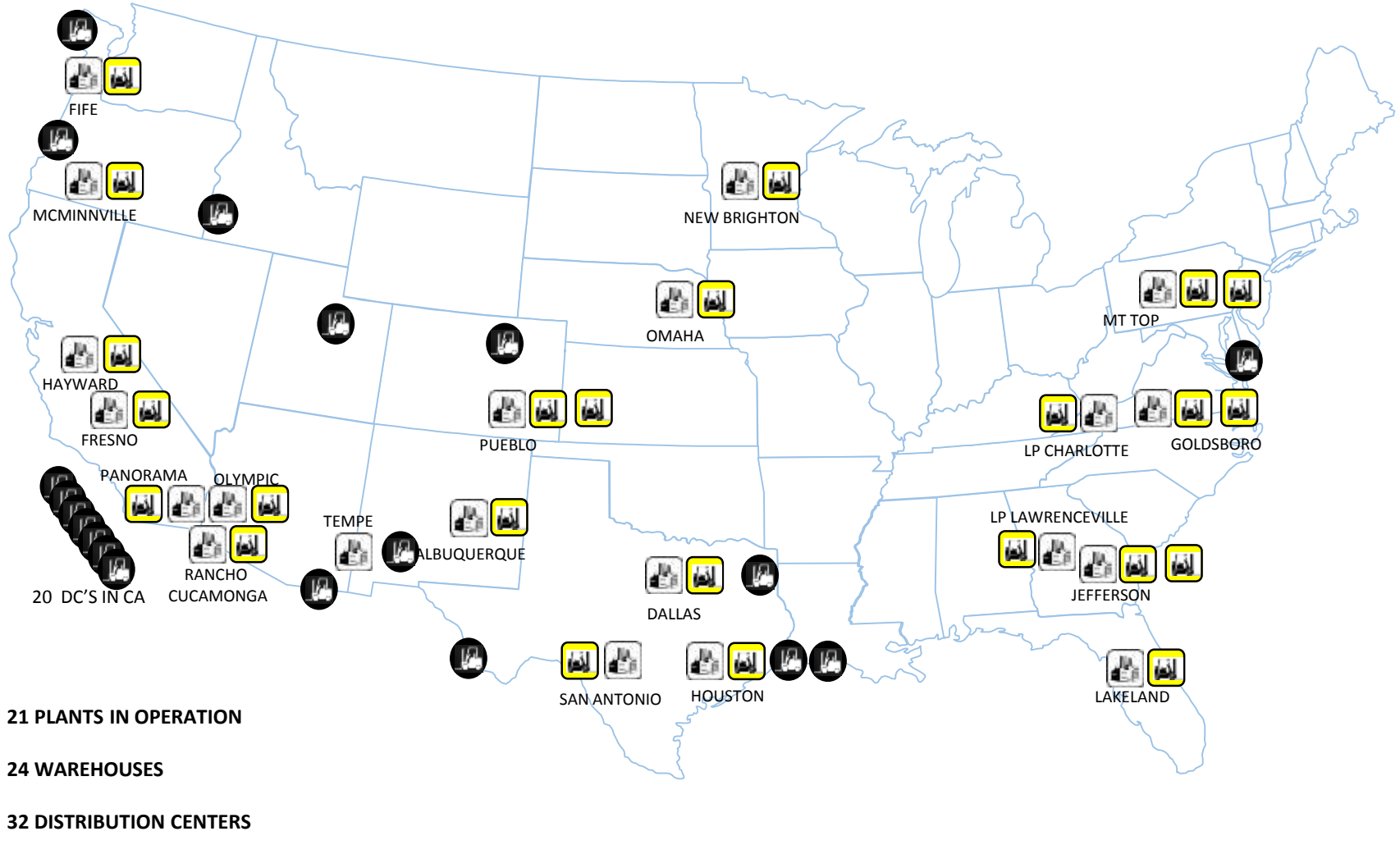
... AND AUTOMATING PROCESSES





# NATIONWIDE COVERAGE THROUGH ITS STRATEGICALLY LOCATED MANUFACTURING AND DISTRIBUTION FACILITIES

## MISSION FOODS FACILITIES, 2013







# MISSION FOODS HAS DEVELOPED THE ONLY TWO NATIONAL BRANDS: MISSION® AND GUERRERO® AND SEVERAL REGIONAL LEADING BRANDS

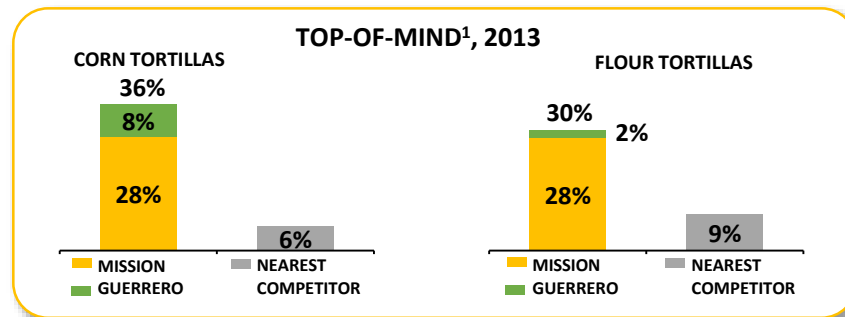


## MISSION FOODS BRAND PORTFOLIO

### UNIQUE NATIONWIDE BRANDS . . .



### . . . HIGHLY RECOGNIZED



### MISSION'S REGIONAL BRANDS



NOTE 1: GENERAL MARKET, FIRST MENTION, UNAIDED TORTILLA BRAND AWARENESS SURVEY.



# BEST-IN-CLASS CUSTOMER SERVICE EMPOWERED BY A UNIQUE NATIONWIDE DIRECT STORE DELIVERY NETWORK



## MISSION FOODS SUPERIOR CUSTOMER SERVICE

THE ONLY NATIONAL  
DISTRIBUTION SYSTEM . . .

. . . DELIVERING AND  
MERCHANTISING FRESH  
TORTILLAS DAILY . . .

. . . FULFILLING CONSUMERS'  
TORTILLA NEEDS

	<ul style="list-style-type: none"><li>• 2,700 ROUTES DELIVERING </li><li>• MERCHANTISING 33,000 STORES </li></ul>	<ul style="list-style-type: none"><li>• STRATEGIC PARTNERSHIPS WITH ALL FOOD RETAILERS AND MAJOR CHAIN RESTAURANTS </li><li>• STRATEGIC JOINT PROMOTION WITH MAJOR FOOD AND BEVERAGE COMPANIES </li><li>• MISSION TORTILLAS GENERATE 2x ADDITIONAL PURCHASES OF RELATED PRODUCTS</li></ul>
---	--	--



# THIS SUPERIOR CUSTOMER SERVICE ALLOWED MISSION TO GAIN MULTI-LOCATION SHELF SPACES IN FOOD STORES



## MISSION FOODS MULTI-LOCATION PRESENCE IN FOOD STORES





# MISSION FOODS HAS DEVELOPED STRATEGIC PARTNERSHIPS WITH THE LARGEST GROCERY CHAINS AT NATIONAL AND REGIONAL LEVELS

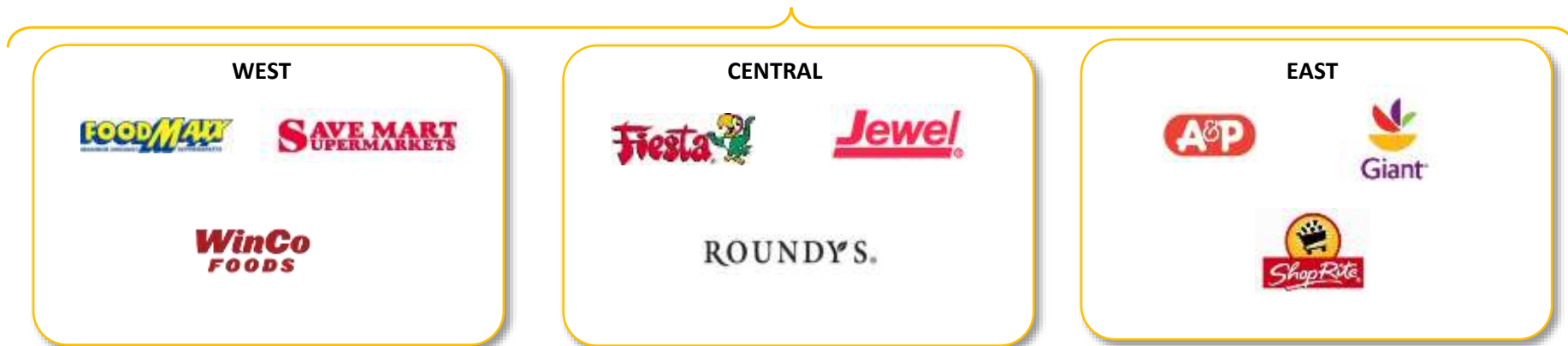


## LARGEST GROCERY CHAINS DOLLAR MARKET SHARE

### NATIONAL ACCOUNTS



### REGIONAL ACCOUNTS



NOTE 1: GENERAL MARKET, FIRST MENTION, UNAIDED TORTILLA BRAND AWARENESS SURVEY.

SOURCE: MISSION FOODS MARKETING AND SALES DEPARTMENTS, 2014



# IN FOOD SERVICE, MISSION HAS BUILT STRONG PARTNERSHIPS WITH LEADING RESTAURANT CHAINS AND DISTRIBUTORS



## FOOD SERVICE CUSTOMERS

### RESTAURANT CHAINS



### DISTRIBUTORS



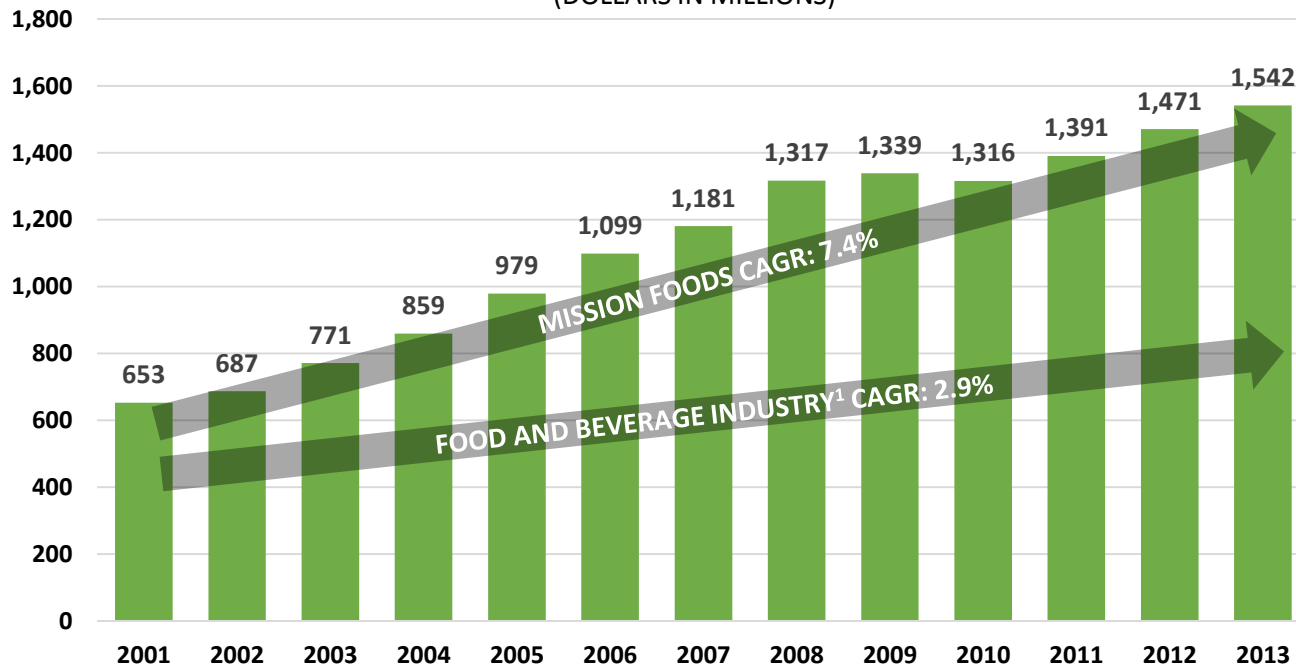


# BASED ON THIS COMPETITIVE ADVANTAGES, MISSION SALES GROW AT TWICE THE RATE OF THE OVERALL FOOD INDUSTRY

STATE-OF-THE-ART TECHNOLOGY    NATIONWIDE COVERAGE    LEADING BRANDS    SUPERIOR CUSTOMER SERVICE



## MISSION FOODS NET SALES, TORTILLAS RETAIL AND OTHER PRODUCTS (DOLLARS IN MILLIONS)



NOTE 1: ADVANCED MONTHLY RETAIL TRADE REPORT, DECEMBER 2013; MONTHLY RETAIL TRADE REPORT, NOVEMBER 2013. US CENSUS BUREAU, 2014

SOURCE: MISSION FOODS PANORAMA SALES, WEB FINANCIALS, 2013

## **II. INTERNSHIP PROGRAMS**



## **HUMAN CAPITAL HAS BEEN THE MOST VALUABLE RESOURCE FOR MISSION FOODS DEVELOPMENT**

---

- **IN EVERY STAGE OF MISSION DEVELOPMENT, HUMAN CAPITAL HAS BEEN THE KEY SUCCESS FACTOR**
  - **START-UP**
  - **GROWTH COMPANY**
  - **MAJOR PLAYER**
  
- **MISSION HAD TO DEVELOP THE TORTILLA INDUSTRY IN THE USA**
  - **MANUFACTURING EQUIPMENT**
  - **TECHNOLOGY**
  - **DISTRIBUTION**
  - **PRODUCT INNOVATION**
  
- **THE ORGANIZATION HAD EFFECTIVELY COMBINED BOTH: THE MEXICAN AND THE USA BUSINESS CULTURES**





## **INTERNSHIP PROGRAMS WERE ESTABLISHED IN MEXICO TO CAPTURE AND DEVELOP THE RIGHT TALENT FOR OUR BUSINESS**

---

- **MANY MEXICAN EXECUTIVES AND TECHNICAL EXPERTS HAVE COME TO WORK FOR MISSION FOODS . . .**
- **. . . MANY OF THEM WENT THROUGH OUR INTERNSHIP PROGRAMS**
- **TODAY, WE HAVE THE BEST TALENT TO MANUFACTURE THE HIGHEST-QUALITY TORTILLAS IN USA**
- **257 VISAS HAVE BEEN PROCESSED FOR MEXICAN CITIZENS TO WORK IN OUR ORGANIZATION IN THE USA, MAINLY IN THE AREAS OF:**
  - **MANUFACTURING**
  - **TECHNOLOGY**
  - **ADMINISTRATION**
- **SOME EMPLOYEES HAVE COME TO THE USA IN A TAILOR-MADE PROGRAMS FOR MISSION FOODS**



## **IN 2014, MISSION FOODS IS IN THE PROCESS TO ASSEMBLE A MORE STRATEGIC INTERNSHIP PROGRAM TO SUPPORT MISSION'S FUTURE TALENT NEEDS**

---

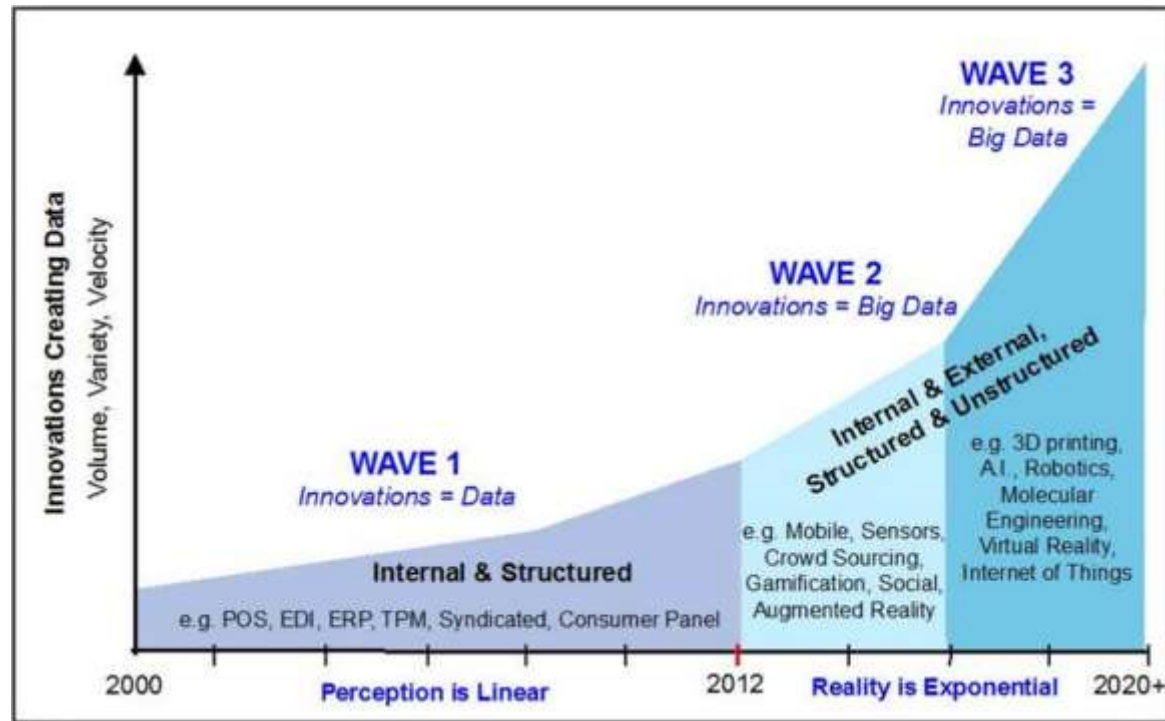
- **CLEAR DEFINITION OF MISSION FUTURE TALENT NEEDS DERIVED FROM OUR STRATEGIC PLAN**
- **PROJECTS DEFINITION ACCORDING WITH OUR CORE COMPETENCES AND FUTURE STRATEGIC NEEDS**
- **UNIVERSITIES SELECTION ALIGNED TO DEFINED PROJECTS**

## **II. INNOVATION IMPACT ON CPG'S HR**



## IN THE FUTURE, MISSION FOODS WILL HAVE NEW NEEDS FOR HIGHLY-QUALIFIED TALENT IN ORDER TO COMPETE WITH CONSUMER PACKAGED GOOD COMPANIES (CPG)

- IN THE PAST TWO DECADES, MANY CPG COMPANIES HAVE ACHIEVED GROWTH SUPPORTED BY GROWING ANALYTICAL CAPABILITIES
- THIS ANALYTIC CAPABILITES HAVE SUPPORTED CPG COMPANY'S BRANDS AND HAS BEEN A DRIVING FORCE FOR SUSTAINBLE GROWTH
- THE NEW CONSUMER TRENDS, NON-TRADITIONAL COMPETITION, AND NEW INNOVATIONS ARE CHANGING CPG LANDESCAPE



- CONSUMER UNDERSTANDING AND INSIGHTS
- DETAILED KNOWLEDGE OF SHOPPING CYCLE PROCESS
- SHOPPERS INFORMATION



## CPG COMPANIES WILL BE COMPETING WITH ALL OTHER INDUSTRIES FOR ANALYTICAL-TRAINED TALENT

