



Imperial

Imperial

Imperial

In 2012, Imperial expanded to new cities, strengthening its brand and leadership as the principal specialist wood and board distribution chain.

Expanding our specialist offer

During 2012, Imperial met its objective of continuing to expand to more cities in Chile in order to further its consolidation as the main specialist wood and board distribution chain. The year also brought important progress as regards logistics and the brand's positioning in the Chilean market.

In 2012, Imperial opened two new stores in different regions of Chile: one in Reñaca (Valparaíso Region) and the other in Talca (Maule Region). This was a cause for satisfaction in that it implied a significant increase in coverage, enabling the chain to reach new clients in important Chilean cities. The company also continued to consolidate its position in the Santiago Metropolitan Region, with the inauguration in December of a store in its San Bernardo district.

As of the end of the year, the company had a total of 14 stores of which seven were in Santiago and the others in different regions of the country. As a result, its sales floor increased from 51,950 m² in 2011 to 66,381 m² in 2012.

This reflects a successful investment plan implemented since Imperial became a subsidiary of Sodimac in 2007. Through this plan, the company has sought not only to open new points of sale but also to increase its efficiency through the introduction of continuous improvement programs and pilot logistics plans in a bid to provide a better quality of service to clients.



“In 2012, we continued to implement a program of continuous improvement that has a very clear core objective - to maximize the value proposition we provide for clients, with simpler processes, optimizing the flow of products and services.”

ENRIQUE CABO O., GENERAL MANAGER, IMPERIAL.



For all these reasons, 2012 was definitely a positive year for the company, with clear progress as regards service and geographic coverage.

Customer service and innovation

Throughout 2012, Imperial continued to deepen its business model based on specialization and the provision of the best service to furniture makers and on being the main reference for wood and board distribution.

The company's constant quest to improve its value proposition through innovation resulted in significant advances in its line of exclusive products for furniture making and interior design, with a particular focus on areas that included hardware, edging solutions and boards.

In this context, the company launched the new Melamine 3.0 line, a solution that provides specialists with access to the most innovative products of the main international suppliers. These included synchronized melamine which recreates the texture and vein of wood.

In ensuring that clients are aware of new products, a key initiative was the launch of the Imperial board catalogue. Offering the widest range of products available in the local market, this has the potential to become a powerful tool for the furniture makers, architects, designers and other professionals who prefer the company.

In 2012, in a further bid to strengthen its customer service, the company also redefined standards for equipment and personnel in charge of the sized products area.



The increased geographic coverage that Imperial has achieved thanks to the opening of new stores in regions has been accompanied by efforts to boost the brand among specialists working in the cities where the company has started operations. In this way, Imperial is positioning itself as Chile's principal wood and board supplier to furniture makers, architects, designers and other professionals.

Human resource management

One of the company's permanent objectives is to build closer ties with its 1,372 employees. To this end, it has maintained its policy of seeking to improve their quality of life, emphasizing respect, participation and employee development. In line with this, it redefined the company's vision and mission and these will serve to guide its development and growth.

In addition, the company continued to implement a system of performance-based incentives, rewarding those people who perform outstandingly. Similarly, it maintained an active employee training policy.

These initiatives were recognized by the market. In 2012, the INACAP professional training institute awarded Imperial its Human Capital Development Prize while the Chilean Association of Metallurgical and Metalworking Industries (ASIMET) gave the company its Commitment to Training Prize. Both these awards are an incentive for further progress in this area.



14

stores, 7 in Santiago and 7 in regions.

66,381

m² of sales floor.

1,372

employees.

20,546

hours and

US\$1 06,504

invested in training.

Imperial has implemented an active human resource management policy with quality of life, participation and employee development among its pillars. In 2012, the company's work to contribute to the development of its human capital were rewarded with the INACAP Human Capital Development Prize and the ASIMET Commitment to Training Prize, which were both a source of satisfaction and an incentive for ongoing efforts in this field.



Brand positioning

Penetration of the Imperial brand in Chile's different regions was at the core of company's marketing work in 2012. This was reflected in active positioning campaigns in support of the opening of its new stores in Reñaca and Talca.

Complementing these efforts, the company also launched the Imperial board catalogue in a bid to create a powerful channel for providing information about the wide range of solutions it can offer to the specialist market.

This work was further reinforced by specific activities such as the campaign to inform the target audience - or, in other words, furniture makers, architects, designers and other professionals - about the new Melamine 3.0 line.



Challenge: ongoing expansion

In the coming years, Imperial will continue with active implementation of its growth plans. This will imply the opening of new stores and ongoing expansion of the chain's geographic coverage in regions.

The company will also maintain its policy of expanding the provision of services that are complementary to strictly commercial activities and will continue to strive to increase the efficiency of all its operations in order to generate cost savings that can be passed on to clients.

Efficiency gains

Increasing the efficiency of its operations is one of Imperial's strategic objectives since this is key for fulfilling the promise of low prices and high-quality service that are two of the company's pillars.

For this reason, the company launched a continuous improvement program in 2012 which seeks to increase efficiency through the simplification of processes, reducing loss of materials and optimizing the flow of products and services. This program has enabled the company to maximize the value it provides to clients.

Always bearing in mind that its clients are the company's main focus, it implemented a new storage and product location methodology in its warehouses in order to reduce customer waiting times and offer a better service.

Another milestone of 2012 was the launch of a pilot program to introduce cross-docking in its logistics operations. Through this model, the company expects to be able to capture synergies in distribution and storage costs while, at the same time, improving product availability in its stores and, therefore, satisfying clients' needs more effectively. In addition, in order to respond better to the needs of the Antofagasta Region, a pilot initiative was implemented to improve wood board distribution and marketing in this area.



Imperial Management Team



From left to right:

Rodrigo Fuenzalida Frugone
Operations Manager

Robinson Martínez Bustos
Wholesale Channel Manager

Eugenio Caldentey Morales
Logistics Manager

Fabio de Petris Duarte
Deputy Commercial Manager

Jorge Letelier Pereira
Administration and Finance Manager

Jaime Vargas Severine
Mechanized Plant Manager

Enrique Cabo Osmer
General Manager

Milton Aránguiz Koch
Commercial Manager

Ricardo Alvarado Osorio
Comptroller

Nazira Nara Rumie
Credit and Collection Manager

Ramón Vidal Flores
Store Channel Manager

Christian Toloza Gómez
IT Manager

Pedro Flores León
Deputy Human Resources Manager

Marco Manqui Painemal
Deputy Management Control
Manager