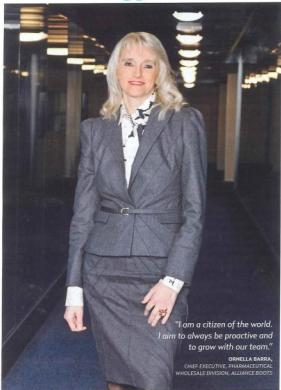


# corner office



"I am a citizen of the world. I aim to always be proactive and to grow with our team."

**ORNELLA BARRA,**  
CHIEF EXECUTIVE, PHARMACEUTICAL  
WHOLESALE DIVISION, ALLIANCE BOOTS

## IN BRIEF

Ornella Barra earned a degree in pharmacy from the University of Genoa in 1979. As a pharmacist, she managed and then created her own pharmacy. In 1984, she founded Salute Italia, an Italian pharmaceutical distribution company that was acquired in 1986 by Alleanza Salute Italia. She was named its managing director and then chairman. After, Barra helped start Alliance Santé, which merged with UniChem in 1997 to form Alliance UniChem, in which Barra was a board member and executive director. Nine years later, Alliance UniChem and Boots Group joined forces to create Alliance Boots, and she was appointed a company board member, wholesale and commercial affairs director, plus social responsibilities committee chairman. In 2009, Barra was promoted to the post of chief executive, pharmaceutical wholesale division, at Alliance Boots.

## MASTER CLASS

# Alliance Boots' Enterprising Visionary

It seems only fitting that Ornella Barra is inspired by nature. The Boots exec, who ranks in *Fortune's* top 10 most powerful women in business globally, is a force of nature, propelling the retailing giant to the forefront of beauty by mixing business acumen with an inherent entrepreneurial spirit. **BY JENNIFER WEIL**

A pharmacist by training, Ornella Barra is chief executive, pharmaceutical wholesale division, at Alliance Boots, the Switzerland-based mass retailing giant with revenues of 21.5 billion pounds (about \$36.65 billion at current exchange) for the fiscal year ended March 2010. In her role, Barra is responsible for developing Boots International outside of the U.K. and Ireland, overseeing retail expansion and everything concerning Boots products—including beauty. During her tenure, she has conquered Norway, Holland, Thailand and the gulf region, as well as myriad European countries. Next up: America, where she hopes to make Boots Laboratories skin care into one of the maelstrom's major brand forces.

*You're a trained pharmacist, and opened your own pharmacy early in your career. How has your background informed your current position?*

My DNA always remains a pharmacist's. I work on the principle that to do something well, it must be understood. So being a pharmacist helps me understand the métier. In reality, I do a job that is totally different, because in the end, it's more the work of an economist. The majority of our clients are pharmacists: Each day I deliver to more than 150,000 pharmacies, two times daily, in more than 50 countries with almost 400 depots. Each country is different, in terms of culture, legislation, price and packaging. I consider myself the ambassador of independent pharmacists on the European level. I developed in 1999 the European Pharmacists Forum, a grouping of pharmacists. Today, it includes nine countries and each has three to four representatives. We meet every three months in different European countries. It gives me the possibility to better study our strategy for the pharmacy itself. Additionally, the University of Nottingham named me a special professor and that again is a good opportunity to have lectures with young potential pharmacists.

*What is your current assessment of the global beauty industry? Where do you see the most opportunity and why? At the moment, when there is an obvious worldwide*

economic crisis, what differentiates products is their quality [and price]. The Boots product has really been a good example of these two principle axes. Before coming out with a Boots product, we test it like a medication at our research center in Nottingham, and we also work with the universities. There is a test on several thousand women and after that we decide to launch. We will not promise miracles—we promise real things. [Taking things seriously] next to quality and price are really the three important things that do well in a time of economic crisis. [During such a period] according to research, women don't want to give up mascara or lipstick.

**What does the industry need to pay attention to?**

The next two years won't be easy; it's necessary to be concrete and realistic. [The cosmetics consumer is] a lot more attentive, and quality must be found again with different commercial offers. We must give a lot of time and dedicate a lot of attention to the evolution of the client, because nothing will be like it was two years ago, when the economic crisis began.

**For the fiscal year ended March 31, 2010, the division you manage increased its sales by 20.3 percent. What was your strategy? What about your plan allowed you to outperform the market?**

One of the secrets was to have understood some years prior that our business was changing. It is evolving, and our division—my team and I—developed a new model and set it up at the European level. Afterward, we adapted it country by country. This new model really makes the difference: it represents the difference between us and the competition. It also gives benefits on the profitability. [Three years ago] we created the Boots Laboratories brand. I did a test in France, and it worked well. Then I launched it in Portugal, Spain and afterward made a partnership with Procter & Gamble to introduce it in Italy. There, it was really quite a success. The brand is something that I work on a lot; it is part of this new model.

**Where do you see the most opportunity for growth for the Boots brand of skin and personal care and why?**

We have the intention of developing and launching it in other countries. I have introduced Boots Laboratories in America, as well, and it was really a big challenge. I created a little work group of only eight people based in New York. This has been an incredible success. We have also put online a dot-com, bootsasia.com, to sell in Singapore [and elsewhere in Asia]. It's another means to develop. We also made a franchising agreement to develop in the region of the Middle East. And now we are doing a test in Finland and in Sweden.

**You oversee corporate social responsibility for Alliance Boots. How do you see this evolving, and why is it key for a company to get it right today?**

A company cannot be a great company if it doesn't...also help people on the outside. Boots, do not forget, has a great history with that. Jesse Boot gave a lot of his time to this [approach]. He was one of the founders of the University of Nottingham and of Nottingham's hospitals. As Alliance Boots, we are today developing our activity in different [ways]. In the U.K., it's possible to give two examples. I'm very involved in the agreement with Macmillan Cancer Support to help all the people who unfortunately are affected with cancer. We are also with the team working very closely on the reduction of CO<sub>2</sub>. The [strategy] is to adopt a decentralized [corporate social responsibility] approach.

**How would you describe your leadership style and how has it evolved?**  
I think one should set an example, involve people and work with a team spirit. Today I can say I'm proud of having a team that works very well together—an

international team. One must listen, put the ideas of others together, and, of course, have the courage to make decisions, initiate projects and take risks. Other things that are very important to know are how to adapt and especially to love change. It's necessary to have an open mind-set. One must understand others. I sought also to learn new languages, to understand cultures and people's different approaches. I am a citizen of the world. I [aim] to always be proactive...and to grow with our team. There was a big evolution in my management style because it's one thing to run one's own company rather than a firm with Stefano [Pessina, executive chairman of Alliance Boots] and today a company with 140,000 people.

**Normally, I look for when you're hiring?**

Normally, I look for colleagues who are able to think outside of an established, standard geometry, someone who has a three-dimensional vision, the ability always to think in 360 degrees and who also works with enthusiasm. [The people should have] the ability to love change and especially be committed to the company.

**What makes a great boss?**

A boss must be animated by a real vision [and have] the ability to share it. [A boss] must have the ability to make decisions, take risks, be a leader and know how to involve a team. And, of course, a boss must transfer [business acumen and passion], trust and create a spirit of trust.

**Do you believe in mentors? Why or why not?**

No, I don't believe in a mentor. It's really far from my style, my approach.

**How did you rise to the top of Alliance Boots?**

I come from a family of entrepreneurs. I started with my pharmacy near Genoa, and there I thought that I could do better: I created a small distribution company.

And after, I developed the business with Stefano Pessina, who is today one of the shareholders of Alliance Boots and the executive chairman of the company.

**What advice do you have for someone who hopes to follow in your footsteps?**

One must love what he does and do it with passion, be available for others and open to change. It's necessary also to make sacrifices. One must learn that things don't happen on their own, and have the courage to go and look [for opportunities]. He must be brave enough to take risks and have a little bit of...good luck.

**What do you do to relax?**

I relax in a bit of a special fashion [as even then] I continue to reflect, to think. I very much like going out for walks. I adore nature in general—mountains, which give inspiration. I love flowers a lot, plants and the sea. To know and understand nature, you find a lot of inner inspiration. I adore all that is art and antiques.

**What's the most difficult business decision you've ever had to make? Would you make the same decision today?**

There is no most difficult or most simple. There are decisions you take each day and for them, one must have courage to make them. Sometimes, they are decisions that go against the opinions of others, and one must have the [courage] to maintain them and after to succeed.

**What are you most proud of in your career so far?**

Having created a team around me that is really very motivated and international and which helps me develop this division, this group.

**What does being in the top 10 of Fortune's most powerful women in business mean to you?**

It's a recognition of the internationalization of my company, of the ability to have done it very quickly. It is recognition of the entire team who worked with me. I don't consider it as a recognition of myself.



A Boots store, above, and the skin care line.