

# Overpowering recession

*While businesses around the world struggled to cope with the financial crisis that engulfed the world last year, Avicenna managed to double their membership figures. Salim Jetha, Avicenna's CEO, and Raj Haria, director of sales and business development, provide a brief insight into last year's performance and what lies ahead...*

In the big, wide world of pharmaceuticals, Salim Jetha is in the minority: his company Avicenna enjoyed a 50 per cent rise in membership numbers last year, at a time when others were laying off staff or closing shop. Jetha, CEO and one of the founding directors of Avicenna – regarded as the UK's largest independent pharmacy support organisation – is confident to be repeating the success in the coming months as well.

Although the bulk of our growth comes via word of mouth, the acquisition of Nucare [by Phoenix in 2007] played a big part in us achieving those numbers,' he said. Another factor that may have helped Avicenna defy the financial meltdown was that it was founded during the 1992 recession. It is fair to say the instinct for survival and success kicked in early.

'It was the commitment of the members who played a part in starting Avicenna and that is a trend that we have carried with us throughout the years at Avicenna,' Jetha added.

While the number of members has gone past 1,000, the profit share for the financial year 2007/08 is expected to be over £1 million. All members stand to gain from the prosperity of the previous financial year – thus underlining the customers' status in the company



Representing Avicenna were (from left) Alex Phelps, brand manager; Raj Haria, director of sales and business development; and Salim Jetha, CEO

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pattern to continue.'

While advising pharmacists to work towards the MURs and increasing the number and type of services they offer, Jetha also reminded them to place special emphasis on merchandising their products on offer so as to achieve the level of sales they want. He also detailed the pre-registration tutors scheme that the business is offering in order to help the pharmacists as well as the individuals fresh out of education.

'It is surprising how much we learn from fresh students,' Jetha said. 'In-store pharmacists may not get the time to follow up on current trends and come up with fresh ideas. These students need to stay abreast of it at all times. Therefore, it pays to have an extra hand in the pharmacy; it helps reduce the pharmacist's workload and then the pharmacists get to learn from the students.'

Jetha also sent a reminder to Avicenna's members that despite not being able to match prices to the bigger independent chains, due to the size of its buying group, Avicenna is able to influence its suppliers.

In the event of a doubt, he advised his members to look at the business' logo: members may send in their input to the head office and in return, they get the benefits.

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as the owners – as well as benefiting from a dividend distribution of over £180,000 given out in 2007.

Despite the recent growth, Raj Haria, director of sales and business development at Avicenna, emphasised that it was not numbers they were after, but the quality and dedication of its members.

Although it may look nice on paper, we don't want to build up our membership figures just for the sake of it. We want commitment from members,' Haria said. 'We have

when the figure was almost 500] and due to the numbers and commitment, we have attained the critical mass essential for development and growth.'

Understandably, the exponential growth has had an impact on Avicenna's business plans, Haria said. 'The type of growth we have achieved had not been predicted.' So he looks at this year as a challenge and is keen to push for encouragement that the members need. 'Given the growth in numbers, we are not restricted by the plans we had made previously and envision the