View from the top

Andrea Guerra Chief executive, Luxottica

Luxottica of Milan is the world’s biggest maker of spectacles, covering a huge variety of items from fairly inexpensive frames to high-end luxury “eyewear” including designer sunglasses. It also runs a large chain of stores, mainly in the US. During the past eight years, Andrea Guerra, 46, has turned the company into a much more global operation, building up factories in China, the US and Brazil, as well as in Italy.

Edited highlights of a video interview with FT.com appear below.

How do the strengths and weaknesses of the world economy translate into the world of spectacles?
Our generation of management entrepreneurs is very lucky. We are in a world where finally we can say, we can serve another 2bn consumers. No other generation before us could say such a thing. The second reason why I feel we’re lucky is that we have lived in an industrial revolution. Technology has changed our lives. So I think all of this gives a lot of new ideas to the way we work. The other way of answering your question is, there is no heaven, there is no hell. Everything is much more uncertain, much more unstable. Business cycles are much shorter. We cannot predict so I think you need to be more adaptive.

The eurozone is in crisis. There is one country that might be kicked out. How does that impact on you?
We are well exposed to the world. Italy and Spain are tough markets. We have grown in the past 24 months in both of them but they’re tough. [Together] they represent 4 to 5 per cent of our business. Italy is where our heart is and the real answer to this is, let’s give more. So we’re giving more ideas, we’re sitting next to our customers to satisfy their consumers. This is what we’re trying to do but it’s tough. Immediately, you move away and Germany’s not as tough. France is not as tough.

How worried are you that the eurozone might break up?
We could endorse what you’re saying in two ways: having 20 meetings a day to understand what will happen – for sure, we would get the wrong answer; or continue to do what we know how to do – [to make] the best sunglasses and prescription frames we can do. We chose the second.

Let’s turn to Brazil [where last year Luxottica bought a leading glasses manufacturer]. How is that going to work?
Some years ago we decided that in five other countries, we would try to be domestic players [have local plants]. In order of importance, these countries are Brazil, India, Mexico, Turkey and China. I think this has been the most important thing we have done in the past five to 10 years, having the proper people in these places.

Have you got your eye on a company in Russia, for example?
First of all, these five countries will grow fast if we manage the operations correctly. We also have Indonesia, Thailand, Vietnam. I think there are huge opportunities in all these places. We have just six months ago made a rather big investment in Chile and Peru and it’s proving to be very right, very correct.

Is there a secret to running a company like Luxottica where there’s a dominant shareholder but it’s also publicly quoted?
I think that there are some European countries where family entrepreneurship has always been very critical and very important. The families we work with have always been very intellectually honest and long-sighted.

Peter Marsh