

Esmeralda Ortiz CEO, Grupo Loeffler Russek



My leadership revolves around people, profit, and planet—three pillars that drive both immediate results and long-term success

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This interview explores Esmeralda Ortiz's transformative leadership at Grupo Loeffler Russek (GLR), where she has worked to professionalize operations, strengthen the product portfolio, and position the company for sustainable growth. By balancing structure with inclusivity, Ortiz implements best practices drawn from global experience while respecting GLR's legacy as a family-owned business.

What motivated you to join GLR, and how have you transformed the company since taking on the role?

With over 27 years of experience in the pharmaceutical industry, I've built a career that spans operations, marketing, and sales, working with major companies such as Novartis, Apotex, and Ranbaxy Laboratories. My journey began at Vitacilina, where I developed expertise in OTC products and gained valuable cross-cultural insights through collaborations with Japanese teams. These experiences shaped my ability to navigate complex, dynamic environments.

When I joined GLR two years ago, the company was undergoing a generational transition, and the owners sought someone to professionalize its operations while maintaining its positive legacy. A headhunter connected me with GLR, a family-owned business with strong financial results but lacking the internal structures necessary to sustain growth. Upon conducting a detailed analysis, I

discovered significant strengths, including strong relationships with clients, partners, and suppliers, but also areas requiring immediate attention. For instance, unstructured processes, and limited internal controls were key challenges that needed to be addressed.

To tackle these issues, I initiated a comprehensive restructuring. I hired a Chief Financial Officer and a Human Resources Director to strengthen leadership and introduced formalized systems, including KPIs and clear organizational goals. Beyond operational changes, I also revamped the company's product portfolio. GLR's traditional reliance on high-volume, low-margin products, characteristic of the "push market" strategy, limited profitability. I pivoted the focus toward higher-margin offerings, which, although challenging, proved essential for long-term growth. Convincing the owners to part with certain legacy products, some of which they held sentimental attachments to, required thoughtful communication and a focus on the company's overall profitability and future success.

These efforts yielded remarkable results. In 2023, GLR achieved surplus budget with outstanding results. This success was driven by both organizational and portfolio restructuring, creating a more efficient and sustainable business model. Throughout this transformation, I prioritized preserving the company's positive work environment and respectful culture, ensuring a seamless transition to a more professionalized operation

How did you manage to professionalize GLR and align it for long-term growth?

When I joined GLR, the challenge was implementing professional structures without disrupting its legacy. There was initial resistance to changes, many key positions were held by trusted, long-serving employees, making it essential to approach changes carefully and build trust through results.

One of my first priorities was revising the company's budget. I rebuilt the budget entirely, which was a pivotal moment that demonstrated my understanding of the business and established credibility with the owners. This step was crucial in securing their confidence in the larger transformation.

To balance immediate profitability with future growth, I focused on what I call "oxygen" initiatives that generate rapid financial results. This involved streamlining inefficiencies, restructuring the product portfolio, and addressing gaps in compliance through the strengthening of a regulatory affairs and a Business Development departments to lead licensing opportunities and expanded the leadership team to drive growth in key areas.

Today, GLR operates across four main areas: the push market, over-the-counter (OTC) products, private labels, and government contracts. While the push market continues to be the largest revenue contributor, its reliance on high volume and low margins underscores the importance of diversification. I've prioritized expanding into OTC products, supported by a dedicated team and experienced marketing leadership, while government contracts provide short-term financial support. Private labels offer additional growth opportunities, further strengthening our portfolio. Through a combination of early wins and strategic planning, GLR has evolved into a more structured, competitive organization. We've maintained the company's positive culture while positioning it to reduce dependency on a single revenue stream and achieve sustainable, long-term growth.

How have you incorporated sustainability and strategic collaborations into GLR's growth plan?

Sustainability has become a cornerstone of GLR's operations under my leadership. Given the pressing water scarcity in Mexico City, where our manufacturing site is located, we faced a significant challenge, especially with liquids as a core part of our production. Last year, we launched a focused water conservation campaign that raised awareness within the company and successfully reduced water consumption. This initiative marked the first step toward a more ambitious Environmental, Social, and Governance (ESG) strategy, which now aligns with international standards and strengthens the company's long-term resilience.

In parallel, collaboration has been instrumental in expanding our capabilities. GLR operates through four specialized entities. Loeffler, for instance, serves as a distributor, managing both in-house products and externally sourced offerings, while Russek focuses on contract manufacturing for major laboratories. These partnerships highlight our ability to provide specialized manufacturing solutions, which require deep technical expertise and precision.

By embedding sustainable practices into our operations and fostering collaborative partnerships, GLR has not only addressed immediate challenges but has also positioned itself for future growth. This balanced approach enables us to diversify, remain competitive, and build a strong foundation for long-term success in an evolving market.

What opportunities and challenges do you see in the Mexican pharmaceutical market, and how is GLR positioning itself for sustainable growth?

The Mexican pharmaceutical market presents both promising opportunities and notable challenges. While population growth drives consistent demand, the overall market has faced a slowdown this year, influenced by supply chain disruptions, regulatory delays from Cofepris, and occasional shortages. These gaps can create short-term opportunities for companies like GLR, but we remain cautious, ensuring we differentiate between temporary gains and sustainable demand.

Competition in the generics segment is particularly intense, with low pricing and tight margins driven by multiple competitors offering similar products. Where GLR stands apart is in areas where we are the sole generic provider, giving us a competitive edge. However, this advantage requires meticulous portfolio management, careful pricing strategies, and measured marketing investments to maximize impact without overspending in a price-sensitive environment.

Currently, the private market is performing better than government channels in Mexico, providing stronger opportunities for growth. Distributors play a pivotal role in this dynamic, acting as the bridge to patients, particularly those with limited access to physicians or higher-cost treatments. Building strong relationships with distributors remains central to our strategy, but the competitive pressure to win their loyalty is high, as all companies invest heavily to secure their position. While this model is effective now, it will eventually need to evolve to reduce dependence and ensure long-term sustainability.

Looking to the future, GLR is balancing immediate opportunities with strategic expansion. While human health remains our primary focus, our animal health division has already made inroads into Central America. In the long term, we aim to enter the U.S. market, an ambitious step that will require FDA (U.S. Food and Drug Administration) approval but reflects our commitment to international growth. By optimizing our portfolio, managing competition, and strengthening key relationships, GLR is well-positioned to navigate the complexities of the local market while laying the foundation for broader, sustainable success in the years ahead.

What are GLR's priorities for portfolio development, and how do you approach licensing to drive long-term growth?

At GLR, we are strategically shifting our focus from acute treatments to chronic therapeutic areas, with diabetes and hypertension as key priorities. These segments reflect rising healthcare challenges and offer significant opportunities for sustainable growth. While acute treatments remain part of our portfolio, chronic care allows us to build a stronger foundation for the future and better address evolving patient needs.

Our approach to licensing opportunities is highly methodical and forward-thinking. Regulatory compliance and patents research is our starting point. Products must meet standards from recognized authorities, whether from the U.S. Food and Drug Administration (FDA), emerging market regulators, or other agencies accepted by Cofepris. However, we remain vigilant, as regulatory policies can change, requiring careful consideration of each opportunity's long-term viability.

To support our expansion, we have invested in strengthening our research and development (R&D) capabilities. Advanced technologies, allow us to accelerate development timelines and enhance the quality of our in-house products. These efforts position us as a strong and reliable partner for collaborations. Our participation in global events like CPHI (Convention on Pharmaceutical Ingredients) has been particularly successful. It has facilitated productive discussions with laboratories eager to work with us. While finalizing partnerships requires thorough financial, legal, and strategic review, the strong interest we received reflects confidence in GLR's vision and capabilities.

By focusing on chronic care, adhering to rigorous regulatory standards, and enhancing our internal development capacity, GLR is well-positioned to expand its portfolio, secure meaningful partnerships, and drive long-term growth. This balanced strategy ensures we are ready to meet both current market demands and future opportunities.

What distinguishes GLR within the Mexican pharmaceutical market, and how does its manufacturing capacity strengthen its competitive edge?

GLR holds a prominent position among the top ten laboratories in Mexico's push market, a testament to our strong relationships with distributors and our ability to deliver at scale. Manufacturing is a key pillar of our success, particularly in liquid formulations, where we possess one of the largest production capacities in the country. This capability gives us a significant advantage in a market where reliability and efficiency are essential to meeting growing demand.

In addition to our leadership in liquids, we have expanded our operations to include injectables, solid, and semisolid forms such as ovules and creams, further diversifying our offering and reinforcing our competitive strength. Across all product lines, our manufacturing site achieves a total capacity of five million units per month. It is worth mentioning that GLR manufactures and commercializes over one million units of vaginal ovules packs a year, which ranks our manufacturing resources as the second pharmaceutical company in Mexico in this regard.

While many Mexican laboratories remain focused exclusively on the local market, GLR's infrastructure and operational expertise provide a strong foundation for international expansion. Although we are deeply committed to serving the needs of Mexico, we recognize the opportunity to broaden our reach into Latin America and beyond. By leveraging our manufacturing scale and proven capabilities, we are strategically preparing for a future that balances local leadership with

regional growth.

What are GLR's key priorities for the next two to three years, and how will they define success?

In the coming years, GLR will focus on three strategic priorities—expanding into new markets, strengthening our product portfolio, and retaining top talent—pillars I refer to as “people, profit, and planet.”

The first priority is expanding our OTC portfolio into the retail market. While our OTC products have performed well in the push market, retail represents an untapped opportunity that requires a dedicated marketing strategy. By effectively positioning our products, we aim to broaden accessibility, enhance visibility, and capture a larger market share.

The second priority is portfolio development. A strong, diversified product offering is essential for sustainable growth. By identifying gaps and strengthening our existing portfolio, we can better respond to evolving market demands and remain competitive. This focus ensures we continue delivering value while building a foundation for long-term success.

The third and most critical priority is retaining talent. GLR employs 700 individuals, including manufacturing teams, and I believe that while hiring talent is challenging, retaining it is even more difficult. In such a competitive industry, skilled professionals are in high demand, and ensuring they remain engaged requires creating a supportive and motivating environment. Retention is not just about stability; it is about fostering growth and aligning our people with the company's vision.

What defines your leadership style, and how do you ensure focus and progress in leading GLR?

My leadership style is rooted in high standards, inclusivity, and clear communication. I hold myself accountable to the same high expectations I set for the company, and I focus heavily on empowering people. I believe that every individual has unique skills, and I make it a point to understand their perspectives. I value being challenged—when someone on my team tells me “no,” I don't see it as resistance but as an opportunity to question, explore, and improve our direction together.

I encourage collaboration across departments, ensuring that voices from engineering, finance, marketing, and other functions are brought into the conversation. Each brings a unique lens to our goals, and involving them helps us craft well-rounded solutions. I always separate short-term priorities from long-term strategic objectives, ensuring the team understands both immediate steps and the broader vision. Communicating these clearly keeps us aligned and focused, even as challenges arise.

My experience working with multinational companies like Novartis and Apotex, as well as Indian and Japanese organizations, has been instrumental in shaping my approach. These environments taught me valuable best practices, and I now adapt those step by step into GLR's context as a family-owned business. The key is balancing ambition with cultural awareness, ensuring we implement change thoughtfully and in ways that respect our organization's strengths. Ultimately, my leadership revolves around people and progress. By fostering an inclusive, collaborative environment, setting clear goals, and gradually integrating proven practices, I aim to guide GLR toward sustainable success while ensuring we remain adaptable and forward-focused.

What makes GLR the ideal partner for global firms seeking to enter the Mexican market?

GLR provides an exceptional combination of manufacturing expertise, proven quality, and deep commercial insight, making us a trusted partner for global firms. Our manufacturing facilities operate to the highest standards, offering dedicated production lines and rigorous quality processes. This level of reliability is not an aspiration but a reality, demonstrated through our ability to deliver consistent results across liquid, solid, semisolid and injectable formulations.

On the commercial side, Loeffler's strength lies in its long-standing and deeply established relationships with distributors. For global companies seeking to enter the push market, government sector, or private label space, we bring unparalleled expertise and access. These networks allow us to introduce products efficiently, navigating complexities that can often delay market entry for companies unfamiliar with the region.

At GLR, we combine manufacturing excellence with a proven ability to deliver products to the market quickly and effectively. For global firms, this means access to a reliable, professional partner who understands the nuances of the Mexican pharmaceutical landscape and can treat their assets with the care, precision, and dedication they deserve.

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