

Industry Panels- How will customers buy?

The Alliances/Buying Groups weigh in:

Michael Block, President Block Business Group

BIO - Michael Block started his full time career in the optical business after graduating from Fairleigh Dickinson University. Shortly after graduating he passed the state board examination in New Jersey and practiced as an optician there for 14 years. He earned the Optician of the Year award from the Society of Dispensing Opticians in 1983. That same year Mr. Block started Block Buying Group, a nationwide purchasing group for eye care professionals. He was also the founder of Block Vision, a managed care company that provides vision care services to HMO's and employer groups. Mr. Block is a former Inc. Magazine Entrepreneur of the Year. He is currently President of Block Business Group, located in Boca Raton, Florida.

Perspective -"Manufacturers / distributors should make sure that providing discounts to entities such as buying groups or alliances is a value added proposition:

- Buying groups guarantee payment for goods and services purchased by their credit-qualified members and remit payment to suppliers within 20 days of statement.
- Buying groups do not charge fees to members. Therefore, the only source of income is to keep a small percentage of the discount provided by the vendor. Proactive buying groups promote their vendors to members. Buying group revenues are based completely upon the sales of our participating vendors.
- Block Business Group offers its members and vendors an Elite Vendor Program in which vendors provide members with additional discounts in the form of annual rebates as a reward for achieving sales goals and lower than average return rates. These rebates can only be used to purchase products from the vendor which they were earned. We don't offer rebate checks which can be used for miscellaneous purchases. In effect, this creates a loyalty program for our elite vendors.
- Block Business Group is dedicated to providing its members with business education to improve their top line sales and bottom line profits."

Glenn Ellisor, OD, Founder/Executive Chairman of Vision Source

BIO - Dr. Ellisor is the founder of Vision Source and has served as its President/CEO and Chairman of the Board since its inception in 1991 and as Executive Chairman since July 2013. He has also served as the Chief Executive Officer and Chairman of the Board of Smile Source, since it began in September, 2006 and as Executive Chairman since July 2103. In addition to these roles, Dr. Ellisor continues to see patients in his Kingwood practice one day per week and serves on several advisory, charity, and industry boards.

Perspective - “OD Alliances will need to enhance the depth and breadth of their value proposition and prerequisite infrastructure in order to insure that independent optometry continues to thrive in this rapidly changing healthcare environment. Patient channels are beginning to change, creating a unique opportunity to innovate and disrupt the existing environment. To accomplish this, I think we’ll see alliances further consolidate and also form closer relationships with vendor partners. Relationships that provide little value for either party will either diminish or otherwise cause the industry to experience further commoditization.”

David Golden, O.D, PERC co-founder (Professional Eyecare Resource Co-Operative)

BIO - Dr. David Golden is a practicing optometrist in a five location/12 doctor practice. In 2009, he Co-Founded PERC, the largest doctor alliance group in the United States, which focuses on large multi-million dollar practices. In 2011, he Co-Founded VERGE Alliance, a Healthcare Solutions Company designed to change the delivery of eye care using optometry as a primary care provider. He continues to innovate and push the boundaries including the new PERC Advantage e-commerce platforms.

Perspective - “We consider PERC to be more than just a doctor alliance. It is an organized community of elite doctors. Over the past several years, forward thinking Eye Care Professionals have realized the importance and benefits of working together as a combined entity to drive value and efficiencies. PERC leverages the purchasing power of its members to deliver an efficient supply-chain for frame distribution, ophthalmic lenses, nutraceuticals and much more.

PERC also connects its members to emerging health care delivery systems by partnering with VERGE Alliance, which re-positions optometry as the gatekeeper of eye care to deliver cost-effective healthcare solutions for their partners.

Because we are a no cost model, we maximize the acquisition of new members and are highly motivated to have our members fully engage with our vendor partners. Additionally, by incentivizing our members to avoid duplication of services and suppliers, we are able to drive the most business to the vendors within our network.

For the future, we see the ECP's dependence on technology and business tools growing, and we will continue to invest in those areas on a scale our members could not afford individually.

Al Ulsifer, O.D , CEO and President FYidoctors

BIO - Dr. Ulsifer is the founder of FYidoctors. In 6 short years this optometry owned company has grown to near 200 corporate and 100 franchise locations and is supported by a wholly owned freeform lab and distribution center. In 2012, Dr. Ulsifer was named Canada's Ernst and Young Entrepreneur of the Year.

Perspective –“The new consumer is relying on social media to select their doctors and products and creating a positive, expert, and differentiated experience will be critical to ongoing practice growth.

- The new consumer will choose and judge a doctor by their web presence and will often bypass a stale and dated web presence.
- Those who embrace and leverage technology, who see it as a strategic differentiator, will thrive.”

The Channels of Distribution weigh in:

Jonathan Assayag , CEO LEMA21

BIO - Entrepreneur and co-founder of an online eyewear startup called LEMA21 in Sao Paulo, Brazil. Entrepreneur-In-Residence for Monashees Capital while launching Lema21. Prior to living in Sao Paulo, Jonathan was a full-time Product Manager at Zinch.com (recently acquired venture-backed startup in Silicone Valley) in San Francisco.

Jonathan also worked to launch his own startup, Scholarshipkey.com while receiving my MBA at the Harvard Business School. Prior experience includes 3 years as in management consulting at Deloitte Consulting's Strategy & Operations Practice in New York. He received a B.S. in Mechanical Engineering and Economics from Carnegie Mellon University.

Perspective –“ I believe those involved in the eyewear industry need to consider the following things:

- Does our product category require a service to be sold?
- How much of this potential service can be replicated online?
- Think about the evolution of similar product categories that are being disrupted by internet sales and evaluate how much brick & mortar are still required. For example: mattresses, Sporting equipment, Skincare products, Jewelry”

Jim Eisen, CEO of HVHC, Inc. and President of Visionworks.

BIO - Jim Eisen serves as CEO of HVHC, Inc. and President of Visionworks. HVHC is located in San Antonio, Texas and is the leader of integrated vision care solutions for the value-seeking customer, offering differentiated products and services via three divisions: national optical retailer Visionworks, managed vision care provider Davis Vision and HVHC Distribution & Manufacturing. Visionworks is a leading provider of eye care services with more than 650 optical retail stores in 40 states and the District of Columbia. Davis Vision currently serves more than 19 million funded vision care consumers across the United States with 45,000 points of access. HVHC Distribution & Manufacturing has five U.S.-based manufacturing labs that fabricate over 4 million pairs of eyewear annually: two in Texas, two in New York State and one in Pennsylvania. Each Texas location is also a national Distribution Center.

Perspective –“Customers want convenience and will buy through multiple channels. They will demand:

- Flexibility...the ability to adapt the business model to their needs. This includes offers, options, products, etc.
- Value...all customers, regardless of the price they pay, want to feel that they’re receiving a value for their money.
- Quality...part of the value proposition, but needs to stand on its own in the eyes of the customer.

The ability to deliver on the above will create the total customer experience, based on individual needs and wants.”

M. Rob Pate, O.D. EyeCare Associates Inc

BIO - Rob Pate, of EyeCare Associates Inc., is the current Young Optometrist of the Year for the AOA held that honor in Alabama in 2013. Since his graduation from the University of Alabama School of Optometry in 2007, he has been fully engaged in the Alabama Optometric Association and the AOA, and is chairman of the InfantSEE® program. He co-chairs the state Special Olympics Opening Eyes event yearly and serves on the ALOA Board. Dr. Pate's many outside interests include his family, a weekly "Auburn Intel" television show, and writing a bi-weekly column for AuburnUndercover.com. His football career at Auburn University led him to become an author in 2004 with the book, A Tiger's Walk: Memoirs of an Auburn Football Player.

Perspective –"As an optometrist, I am beholden to the patients' best interest at all times. My duty is to properly diagnosis, prescribe, and educate each patient with proficiency, thoroughness, honesty, and reliably. The sale of materials is not an exclusion to these principles, but rather a unique opportunity to highlight them. Optometrists have several advantages in retail that will continue to drive sales including: access, trustworthiness, convenience, accountability, personalization, and quality.

Optometrists perform most people's eye exams most of the time, therefore optometrists have the unparalleled advantage of face-to-face interaction and education with solutions accessibly in-house. The future of how patients will buy, in my opinion, will be influenced largely by the optometrist. Lethargic optometrists will see sales vanish whereas proactive ODs engaging with patients will see sales soar.

Carlo Privitera- President E-commerce and Digital Innovation at Luxottica Group

BIO - Carlo Privitera was named President E-commerce and digital innovation at Luxottica Group in January 2014 and leads their Glasses.com business. Prior to that he was COO Retail Business Services and Distribution North America. He joined Luxottica in 2005 as Group Industrial Supply Chain Director.

From January 2008 to November 2010, he was the Chief Information Technology Officer.

From December 2001 to February 2005,

Mr. Privitera served in various capacities, including Supply Chain Management for Alfa Romeo and Production Control & Logistics for Fiat Auto subsidiaries. From 1996 to 2001, he served as Senior Manager in Efeso Consulenze. Mr. Privitera holds a bachelor's degree in Engineering from the Politecnico of Milan.

Perspective – “The last holiday season confirmed that the best retailers has been able to deliver an amazing and well integrated online and store experience.

- The customers want to shop at their convenience in the best way for them at any specific moment.
- The store has become the combination of our smartphone, our tablet, our laptop and our favorite retail location.
- We trust customer reviews as much as store associates ... and sometimes even more.

And all this is happening also in our industry. Buying glasses won't be the same as it is today ...”