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Y E A R I N R E V I E W



THE **VISION** COUNCIL

The Vision Council Year In Review: JANUARY 2012

Dear Members,

There has never been a better time to be a part of The Vision Council.

Across the board, our programs have seen strong growth. After celebrating a banner year in 2012, our shows are greater than ever, boasting record attendance at Vision Expo East and forging 11 new strategic alliances (for a total of 100) at Vision Expo West. Our VisionWatch program has expanded to Europe, and thousands of top-tier media placements have led to national recognition for our consumer campaigns. On the government and regulatory affairs front, our team has been instrumental in shaping key public policy initiatives for the entire ophthalmic industry.

On the following pages, you will see the continuing realization of our ultimate goal to be the global voice for vision care products and services. We are better poised to collaborate with related organizations, further engage with consumers and expand participation at our shows to serve the whole spectrum of the vision industry.

I look forward to sharing another exciting year with all of you.

Sincerely,



ED GREENE, CEO

Record Number of Attendees Gather at Executive Summit to Strategize, Innovate and Network

The Executive Summit, held at The Ritz-Carlton in Key Biscayne, Fla. on Jan. 25-27, drew more than 255 industry executives, a new record for the association's annual meeting. The 2012 program delivered a dynamic combination of networking opportunities, division meetings and hot-topic breakouts.



New Members Mobile Site

The Vision Council launched a mobile version of its site, providing on-the-go members with quick and easy access to upcoming meetings and events, breaking news and top-line market data, all from their handheld device.



The Vision Council and the OLA 'Tie the Knot'

On Jan. 27, The Vision Council and the Optical Laboratories Association (OLA) signed a final merger agreement at the Executive Summit, naming the OLA the new Optical Lab Division of The Vision Council.

FEBRUARY



Eyecessorize Spring 2012 Trend Kit

The Eyecessorize spring 2012 trend kit was revamped and sent to more than 400 lifestyle and fashion editors nationwide. The updated, fashion-forward design highlighted members' product prominently by including frame images and credit information alongside each trend description. Additionally, the printed kit was supplemented by a thumb drive that contained hi-res product images, complete trend descriptions and a video illustrating the season's top trends.

International Vision Expo Announces Jobs Portal for ECPs

In partnership with Local Eye Site, International Vision Expo launched a new job search portal, Vision Jobs (visionexpoeast.com/visionjobs), for eye care providers.

Great Combos

A direct mail postcard campaign was designed to inform members of the merger between the Optical Laboratories Association (OLA) and The Vision Council. The five-part series introduced the new Optical Lab Division (formerly the OLA) to the membership, highlighted the history and evolution of the OLA, and promoted new joint programs and benefits.



International Vision Expo East Records Highest Attendance Ever in 2012



International Vision Expo East drew a record crowd of 16,768 eye care providers from more than 90 countries during its four-day show at the Javits Center in New

York City. Nearly 575 exhibitors spanned four levels, opening up a new split-level floor plan that featured combined pavilions and continuing education on Level 1. Beyond expanding the show's physical footprint, show organizers noted strong growth in all program areas.



Customs and Border Protection Meeting

In March, The Vision Council met with Customs and Border Protection (CBP) officials regarding ports of entry and rules impacting members of The Vision Council.

MARCH

Eyecessorize Consumer Press Event

Eyecessorize held its annual consumer press event on the opening day of International Vision Expo East, Friday, March 23. More than 45 fashion editors and reporters from top-tier publications, such as *InStyle*, *Marie Claire*, *Travel & Leisure*,



O, The Oprah Magazine and *Cosmopolitan*, attended the successful event, which showcased the latest trends in eyewear from 84 member companies.



VisionWatch reports 4.5 percent dollar growth for the industry in the first quarter of 2012.



The Vision Council Expands its Government Relations Team

On April 1, The Vision Council contracted with McElvaney Public Affairs to streamline and coordinate its government relations department. In addition, a new guide was released to members: *Guide to U.S. Regulations & Manufacturing Standards Covering Eyeglass Frames, Prescription Lenses and Finished Eyewear Sold in the United States.*

APRIL



New White Papers Give Overview of US Eyewear Market

The Vision Council published three white papers: **2012 AR Lens White Paper**, **2012 Rx Polarized Lens White Paper**, and **2012 Progressive Lens White Paper.**

Cultivating the Next Generation of Leaders

International Vision Expo contributed to the Student Optometric Leadership Network's (SOLN) two-day meeting in Orlando, Fla.



Opticianry Community Joins to Advance Profession

Recognizing the important role opticians play in the delivery of some of its members' products, The Vision Council organized and hosted the **Opticianry Summit: Creating a Plan for the Future.** Nearly 60 representatives from national organizations, state societies, schools, certification bodies, independent retailers and manufacturers came together for two days to develop a shared vision for opticianry. Working groups and an Opticianry Summit Steward Team were later formed to outline steps for various high-level initiatives defined at the summit.

MAY



UV Campaign Kicks Off Unofficial Start of Summer

As part of its refreshed UV campaign (**The Bureau of Missing Sunglasses**), The Vision Council issued a report, *Finding Your Shades, Protecting Your Vision*, to consumer reporters nationwide on May 17. The report was part of a larger effort to educate the public about the risks that UV rays pose to eyes and the benefits of wearing UV protective eyewear. The campaign had tremendous year-end results, generating more than 1,800 unique articles, blogs and broadcast segments with product-driven messages about tint, frame and lens options.

Key events surrounding the report launch included:

- Desk-side briefings with consumer magazine editors;
- Targeted Street Team events in five high-risk UV cities;
- Capitol Hill briefing for more than 60 congressional staffers;
- A blog tour with 30+ influential mommy bloggers from The MOTHERHOOD.

International Vision Expos Rank Among Top 250 US Trade Shows

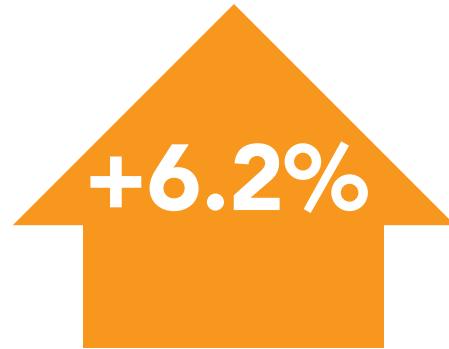
International Vision Expo East in New York City and International Vision Expo West in Las Vegas, are named to the 2011 Trade Show News Network's (TSNN) *Top 250 Trade Shows in the United States* list.





Optical Lab Division Sets Strategic Direction

Members of the Optical Lab Division Steering Committee met in June for a two-day strategic planning session to develop top-line priorities for the newly formed division.



Q2 VisionWatch results show total dollar growth for the industry is up 6.2 percent, compared to last year.



Eyecessorize Fall 2012 Trend Kit

The Eyecessorize fall 2012 trend kit was sent to more than 400 lifestyle and fashion editors nationwide and featured the same format as the spring kit.

Readers & Accessories Look Book

Print and digital versions of the Eyecessorize fall 2012 readers and accessories look book were sent to the nation's top men's and women's lifestyle fashion magazines and newspapers.

Guide Issued in Response to UDI Proposed Rule and its Impact on Ophthalmic Industries

On July 3, the U.S. Food and Drug Administration (FDA) released its proposed rulemaking for promulgating regulations to implement a unique device identifier (UDI) system in the US. In response, The Vision Council submitted comments to the FDA on the impact that the regulations may have on members, and prepared a brief guide to help members better understand the proposed rule.

JUNE

Rx Eyeglasses Carved Out of Vermont "Prescribed Products" Law

Through the advocacy efforts of The Vision Council, Vermont's "Prescribed Products" law was amended to clarify that Class I medical devices (e.g. sunwear, readers) sold over-the-counter are exempt.



The Bureau of Missing Sunglasses Street Teams Visit the Chicago Blues Festival



Online Action Sports Sunglass Campaign Yields Results

The Vision Council began an online advertising effort under its existing **Know Your Market** campaign to drive interest about and purchases of its *Action Sports Sunglasses Research Report*. Running on two main sites, Transworld Business and Shop-Eat-Surf, the refreshed promotion led to the first successful sale of the 2011/2012 report combo.

New ANSI Standard

On July 25, The ASC Z80 Standards Committee received approval from the American National Standards Institute (ANSI) for a new, national standard: **Z80.31-2012 Specifications for Single-Vision Ready-to-Wear Near-Vision Spectacles.**

JULY

SEPTEMBER



UV Campaign Street Teams Tour the US

The Bureau of Missing Sunglasses (BOMS) continues to be a success, having taken the UV message to New York City, Chicago, Los Angeles, Portland and San Diego during the summer months. On location, Bureau agents scoured the streets issuing citations to those not wearing sunglasses or other UV protective eyewear. They also handed out branded prizes and encouraged people to visit the website (missingsunglasses.com) and "like" the campaign on Facebook (facebook.com/missingsunglasses).

Total BOMS Street Team event impression scores:

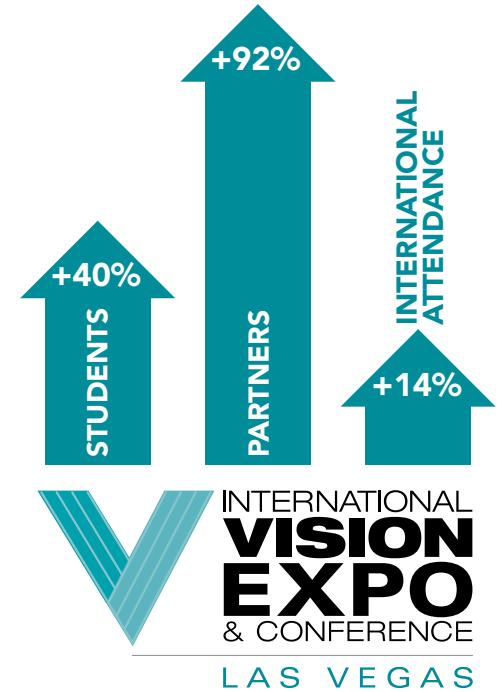
- Total Live Brand Impressions: 2,874,000
- Total Social Impressions: 282,400
- Total Live Citations Handed Out: 7,600

New Report Examines Emerging Occurrence of Digital Eye Strain

In September, The Vision Council released its digital eye strain report, *Keeping Your Eyes Safe in a Digital Age*. Through a media telebriefing and targeted pitch efforts, the report generated 231 unique stories within the first two weeks of its release. Following the release, additional outreach was conducted surrounding new electronic releases like the iPhone5, garnering more than 3,000 stories in national and local news outlets ranging from radio, TV, print and online media, such as *PC World*, *Men's Health*, *CBS News* and more.

Building Attendance and Value at International Vision Expo West

Dozens of strategic partnerships were formed at International Vision Expo West among those from a diverse, global network of optometric associations, professional organizations, alliances and buying groups. The Optimum Program - comprised largely of million-dollar practices, *VisionMonday's* Top 50 Retailers and boutique optical buyers - grew by 22 percent. Vision Expo's Partner Program signed 11 new professional groups, bumping the total number of allies up to nearly 100. In addition, the growth of the Optometry (OD) Student Program enticed several organizations to host meetings at the show, including the Association of Practice Management Educators (APME) and the Student Optometric Leadership Network (SOLN).



AUGUST

The Vision Council Releases a New Guide, *2D Barcode Standard for Lenses*

Z80 Accredited Standards Committee for Ophthalmic Optics

Z80.11 Laser Systems for Corneal Reshaping Standard is Revised

The report included custom illustrations for proper computer and smartphone posture.



Smartphone "Eye-gonomics"

Optical Lab Division Meeting Wraps with Record Attendance

More than 300 lab professionals attended customized education sessions and gathered for unique networking events during the annual meeting, held in conjunction with Vision Expo West. The contributions of seven industry veterans were celebrated at the event's signature Hall of Fame banquet, inducting Kevin Bargman, Marty Bassett, Bob Colucci, Bob Dziuban, Mike Francesconi and William Hernandez into the Optical Pioneers Hall of Fame. David Rips was presented with the Directors' Choice Award.

Board Votes to Amend The Vision Council Bylaws

Proposed changes would allow companies conducting business outside of North America to join The Vision Council.

The ESA and The Vision Council Announce Merger

The European Sunglass Association (ESA) and The Vision Council announced their intent to merge during a joint press conference at Silmo in Paris, France, on Oct. 4.

THE VISION COUNCIL



Vision ONE2ONE Attracts Million-Dollar Practices

International Vision Expo hosted a two-day, invitation-only buyer's event in Albuquerque, N.M. for 40 high-volume practice optometrists and 18 sponsors.

OCTOBER

NOVEMBER

Stylesight S/S 2013 Trend and Product Preview

For the third consecutive year, Eyecessorize partnered with Stylesight, a leading trend forecasting service, for a spring/summer 2013 eyewear product and trend preview. The event was held at Stylesight's headquarters in New York City where invited media including *People*, *People StyleWatch*, *O*, *The Oprah Magazine*, *Glamour*, *InStyle* and many more, learned exclusive trend information from Stylesight's trend director.

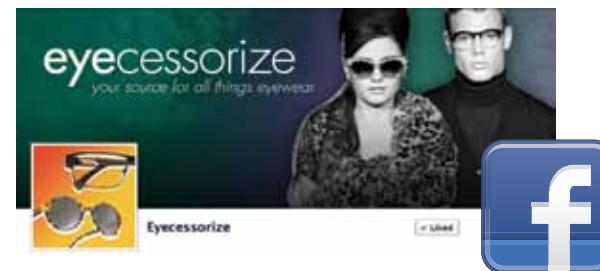


Consumer Programs Ranked Among Nation's Best

The Vision Council was selected as a winner in the *19th annual National Health Information AwardsSM*, which recognizes the nation's best consumer health information programs and materials.

International Vision Expo Launches Optometry School Video Challenge

In this two-week online contest, students from 21 optometry schools were challenged to create a short video depicting their unique Vision Expo experience.



Eyecessorize Reaches 50,000 'Likes' on Facebook

Eyecessorize achieved a social media milestone, crossing the 50,000 "likes" mark on its official Facebook page (facebook.com/eyecessorize).

Post-Election Outlook

The Vision Council's federal affairs representative, Bill Applegate, delivered a post-election message via podcast to members of The Vision Council. In his address, Applegate explained what a second term for President Obama means for the vision industry, what public policy activities The Vision Council has planned for 2013 and how members can get involved.

VisionWatch embarks on new consumer research study in Europe

COLA to Join The Vision Council

The California Optical Laboratories Association (COLA), an organization of full-service optical laboratories from California and other western states, signs a comprehensive Joint Operating Agreement with The Vision Council.

Board of Directors Holds Year-End Strategic Planning Meeting

The Vision Council Government and Regulatory Affairs Committee Holds its First Meeting

DECEMBER



eyecessorize

Eyecessorize Wraps its Most Successful Year to Date

MORE THAN 345 million media impressions
72,000 blog views
65,000 "likes" on Facebook

Placements throughout the year included *SELF*, *Los Angeles Times*, *LIVE! With Kelly*, *FOX News*, *REDBOOK*, *O*, *The Oprah Magazine*, *Travel & Leisure*, *eHow.com*, *TODAY's Kathie Lee & Hoda*, and many more.

Eyeglasses Exempt from Medical Device Excise Tax

The Internal Revenue Service (IRS) issues its final rule that provides guidance on the excise tax imposed on the sale of certain medical devices, enacted by the *Patient Protection and Affordable Care Act (PPACA)*. After pushing for the exemption of eyeglasses from this tax, The Vision Council reports that the final rule confirms that eyeglasses are not taxable items.

Finance and Operations

Financial information shown below represents The Vision Council's financial status as of Jan. 9, 2013. As such, it is preliminary and unaudited.

Projected 2012 Balance Sheet

Assets

Current Assets	\$6,610,606
Long Term Assets	
Net Fixed Assets	1,469,771
Investments	8,429,325

Total Assets 16,509,702

Liabilities

Short Term	432,396
Long Term	853,226

Net Assets

Beginning Net Assets	13,144,480
Year-to-Date Net Income	2,079,600
Less Designated Net Assets	(800,000)

Total Undesignated Net Assets 15,709,702

Designated Net Assets 800,000

Total Liabilities and Net Assets \$16,509,702

Projected 2012 Income Statement

Revenues

Shows	\$8,049,656
Dues	1,457,720
All Other Income	973,604

Total Revenue 10,480,980

Expenses

Personnel	3,793,032
General & Administration	1,198,108
Program	
Marketing & Communications	1,640,600
Shows & Meetings	1,210,500
Member Services/Public Affairs	1,942,650
Executive Initiatives	168,500
Optical Lab Division Programs	311,100

Total Expenses 10,264,490

Net Income from Operations 216,490

Investment Income	938,170
Other Gains (OLA at Fair Market Value)	924,940

Total Net Income \$2,079,600

