

Crafting a Comeback

The Nation's Leading Retailers and ECP Groups Endure the Unprecedented, Rethink Priorities and Shape a New Vision of the Future



MARGE AXELRAD / SENIOR VP, EDITORIAL DIRECTOR AND MARKTOSH / SENIOR EDITOR

The year 2020 was remarkable, presenting an almost unimagined range of challenges unheard of before COVID-19 became part of the lexicon. The result has been a wave of changes for everyone, whether at work or at home.

Like many businesses, the optical/eyecare sector was significantly impacted by the long-running and continuing pandemic. Practices closed or operated with reduced hours over various time

periods, and many still struggle with issues related to staffing and in-office safety. Resiliency became the watchword.

To gain a better understanding of what happened and what lies ahead, as *Vision Monday* issues its signature Top U.S. Optical Retailers Report in such an exceptional year, we asked several of the Top 50's optical retail executives about how they adapted to 2020's upheaval and what they see coming next. Here's what they said. ■



Russ Steinhorst
 CEO
 Shopko Optical

"2020 was a year of unprecedented change. It required our teams to be flexible and agile. Our goal was to ensure

we could continue to safely serve patients with their exam and eyewear needs. To do so, we invested heavily in PPE and cleaning solutions, staggered appointments, promoted usage of our contact lens website, and offered free shipping on all orders.

We also added teleoptometry solutions in many stores to meet the demand coming out of the pandemic as a supplement to our in-house optometrists. The pandemic further solidified the value of great relationships between doctors, opticians and patients.

As an industry, we need to continue focusing on edu-

cating the public on overall vision health and the value of comprehensive eye exams.

With respect to staffing, our number one priority during the pandemic was to take care of our teams who take care of our patients. We are fortunate to have a tenured loyal workforce, and worked to ensure teammates had the resources needed to manage through both personal and work-related disruptions associated with COVID-19.

Because of this, we have had limited openings tied to the pandemic. While we are certainly feeling the pressure of a tighter available workforce when opening new locations, our current employees continue to be our best recruiting advocates.

For us, the patient experience continues to be focused on long-term vision health by providing a comprehensive eye exam and having a knowledgeable optician team who can help our patients select the best options for vision correction. By doing this, we establish and maintain the long-term relationships patients appreciate in their health care providers.

In addition, a delay in eye exams and increased eye strain has driven a surge in demand. We expect this to continue as students prepare to return to school this fall."



Reade Fahs
 CEO
 National Vision Inc.

"National Vision has always seen itself as a health care business—and during the pandemic, we became even more focused on the well-being

of every customer, patient, associate, and doctor we work with. We enhanced cleaning and safety protocols, of course, but we also deepened our focus on taking care of the well-being of our National Vision team.

Despite various moments of uncertainty at the begin-

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ning of the pandemic, we continued to look toward a stronger future—investing in technology advancements, store updates and improvements, and opening lots of new stores.

Since reopening, the demand for our convenient, value-based offerings has been pretty phenomenal. We believe that COVID-19 hastened trends that the industry has been seeing for the past several years—the growth of chains, omnichannel purchasing, and more focus on value and convenience. We are seeing more people getting eye exams and, of course, continued growth in products like blue light lenses.

We at National Vision, along with most of the optical community, remain focused on emerging gradually and safely from the extreme COVID-19 concern, and we continue to follow CDC guidelines in our stores. Beyond this, we are doing our part to help America's students return to in-person schooling, looking and seeing their best.”



Darren Horndasch
 President and CEO
 Wisconsin Vision

“Among the changes we made, first was the sanitation and disinfecting procedures that were put into play during the pandemic, includ-

ing surfaces, equipment and frames, [along with] masks for team members and patients. I now see most of this to be in place going forward. The year before the pandemic, we were struggling with staff calling in due to cold and flu. With these new procedures/policies, I think we are able to manage these matters better.

Second, is simply the issue of staffing. Unemployment is low and yet our ability to hire is at an all-time struggle and we have found ourselves in the position to attract talent with far less experience than in the past. As a result, we now have a full-time position dedicated to creating and executing training tracks. These are as basic as our inventory portfolio, optics 101, how to best recommend products and services, and similar things.

Going forward, our belief is that telehealth is a key priority. This is an area that we are looking to launch in the very near future.

We continue to monitor the mask mandates in states and communities where we operate. Our priority is to keep our team and patients healthy and safe. However,

with some of the recent CDC communication regarding vaccinated persons we have begun to relax the mask mandate at our corporate office, lab and in our locations for customers/patients (not staff and not patients while in the exam lane). This is a policy that will undergo constant review and be based on the science and data.

Still, staffing is a major issue and until the additional funding for unemployment is relieved it will continue to be so. There have been times when a dozen candidates have expressed interest in a job, two will show for an interview and one will accept only not to show on the first day of work. Retaining our great talent that has been with us for years and expressing our gratitude for their service is paramount to our organization.

On the patient side, there has been a tremendous amount of online traffic to our website and more and more customers/patients use the online appointment portal. In addition, our communication in email and texting has ramped up drastically.

This past year has been amazing in terms of demand. I think that working from home and school from home have contributed to the demand with digital fatigue and having time to address personal needs. The concern is moving forward and when does that demand begin to cease. Managed care benefits have certainly assisted in the drive, but if we are faced with inflation in the near future, will the demand slow?

Another key point that is important is that the cost of doing business has risen. Materials cost more and labor costs more. On the labor side, although a new minimum wage law has not passed at this time, it happened organically with the additional government stimulus. We now hire team members, with no experience, at a greater cost than in the past just to compete.”



Sue Downes
 CEO
 MyEyeDr.

“In terms of adapting, we took a closer look at opportunities to enhance our omnichannel experience by better connecting in-office

and online components of the patient journey. We began by overhauling our online appointment scheduler to create a smoother experience for both our patients and associates.

As an industry, though, it is time for us to move for-

ward to a true health care position. Additionally, we must focus on increasing and raising consumer awareness on the importance of comprehensive eyecare as it relates to their overall health.

Going forward and given the fact that many patients postponed necessary routine eyecare, it is a priority for us to provide ample opportunities for patients to re-engage with us. This includes adding additional availability so our patients can see their doctors in a timely, convenient, and safe manner.

Patients are prioritizing their vision and looking for solutions to meet their needs in a post-COVID environment. This includes accelerated demand for tools that help them conveniently engage outside of the four walls of an optical practice.”



Jamie Rosin
 Co-President
 Rosin Eyecare

“Among the key adaptations to the pandemic, we changed our hours of operations, utilized telemedicine particularly early on in the pandemic, de-

signed new safety protocols and explored several VTO programs. In the mid-term, we are curious to see how lasting the online transaction preference will be as [things return to a more normal environment].

Our key priorities now are to ramp back up our staffing levels for sure. Yes, we have seen staffing issues in our business.

Among patient changes, it seems that shopping patterns so far have changed. Weekends and evenings, which used to be high demand, now are much lower in terms of patient demand. Yes, there is pent-up demand and meeting this demand with current staffing problems is a challenge to a large degree.”

John Bonizio
 Owner and Chief Operating Officer
 Metro Optics

“The pandemic presented many challenges, and these led to opportunities. We were forced to adapt to new social and physical protocols and a unique way of maintaining a presence in our patients' lives that kept their

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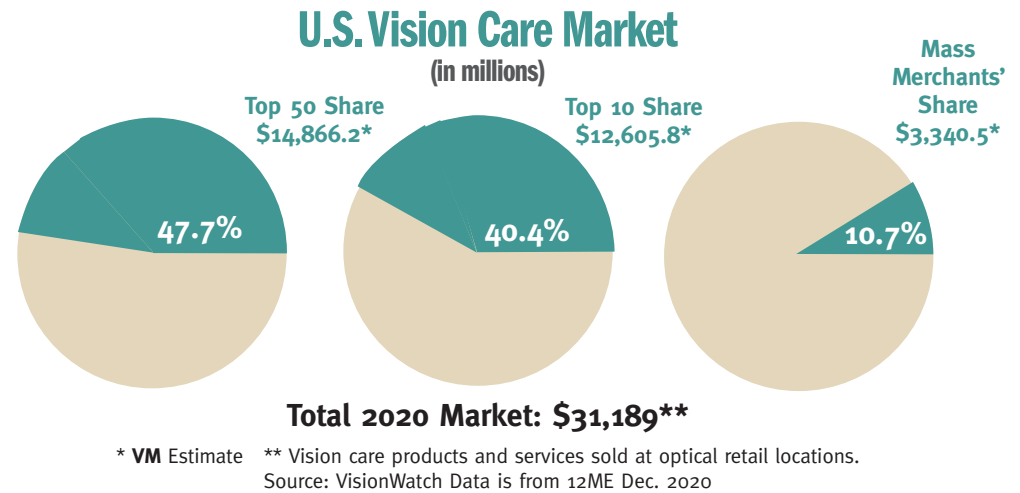
Consolidation, Balanced by Hard-Won Gains and Some Declines, Shape VM's Top 50

MARGE AXELRAD / SENIOR VP, EDITORIAL DIRECTOR
AND MARKTOSH / SENIOR EDITOR

NEW YORK—In a year like no other, against a backdrop of an overall vision care industry retail sales decline due to the impact of the COVID-19 pandemic, the collective sales of the VM's Top 50 U.S. Optical Retailers fared slightly better. In 2020, U.S. total market sales declined about 17 percent to \$31.2 billion according to The Vision Council's VisionWatch market research estimates. Compared to that, the Top 50 U.S. Optical Retailers, according to VM's report and estimates, saw a decline of 5 percent on average, for the year, and 6 percent, collectively, among the Top 10 Retailers. (The 2021 VM Top 50 Report reflects sales, locations and rankings based on calendar year, ending Dec. 31, 2020.)

Looking more closely at the numbers, however, this year's overall report and ranking reflected a very mixed range of performance and experiences—from positive to downright tough, across those companies in this year's VM Top 50. There were 15 groups whose estimated dollar sales were up while 30 groups' sales were down in 2020 vs. 2019. But sales and company rankings don't tell the whole story.

All companies, faced with closed offices for an average of two months or longer in some cases—whether in a concentrated geographic market or



spanning many states—fought to protect their people and patients and to manage topline sales and operating expenses. Several recovered to post higher sales than in 2020, many of these with the same or fewer locations.

Others grew partially via acquisition as consolidation regained its pre-pandemic pace in the latter half of 2020. And some retailers opened new stores too. Some groups fought to recover to within “even” or a few points below 2019's record sales. Nevertheless, several longtime players on the VM list were clearly faced with painful choices and closed locations.

In the face of such a dramatically changed busi-

ness climate, the VM Top 50 still rose collectively as a percentage of the total U.S. market sales, comprising 47.7 percent of the market in contrast to 41.6 percent in 2019. The Top 10, too, grew for the most part, organically and through acquisitions to account for a 40.4 percent share of the overall market compared to 35.4 percent in the calendar year 2019.

Based on these market-share shifts across the spectrum of optical retail in 2020, the indication seems to be that the largest U.S. optical retailers-performed better on a top-line basis last year and continued—or perhaps even accelerated—their market-share growth. ■

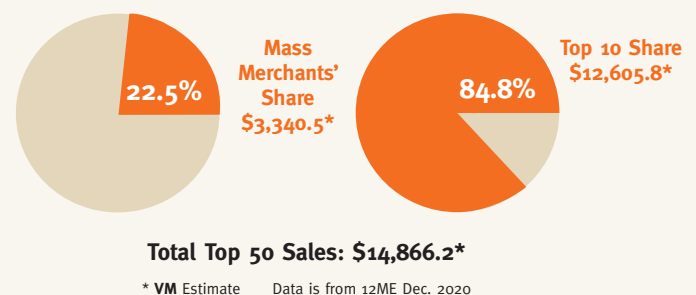
VM's Top 50 and Top 10 Shares Grew, in a Challenging Year

NEW YORK—Companies among the VM Top 50 U.S. Optical Retailers collectively maintained a concentration of sales that fared better than the overall market in calendar year 2020. The VM top 50's sales reached an estimated \$14.9 billion, comprising 47.7 percent of the total U.S. market's sales, a larger share than the prior year's 41.6 percent.

The VM Top 50 did see its collective sales drop off by 5 percent versus the total U.S. market's 17 percent decline. The Top 10 optical retailers collectively comprise \$12.6 billion in 2020 calendar year, which was itself 6 percent less than 2019. Mass merchants' and warehouse clubs' optical sales were \$3.34 billion for the year and comprise about 11 percent of the total U.S. optical retail market. ■

Top 50 Retailers' Sales

(in millions)



Key Optical Players Ranked by U.S. Sales in 2020

2020 Rank	2019 Rank	Retailer	2020 Sales ¹ (\$ Millions)	2019 Sales ² (\$ Millions)	2020 Units ³	2019 Units ³	Comments
1	1	Vision Source, LP	\$2,587.8	\$2,883.3	3,143	3,250	Vision Source is a part of Essilor of America, which is a division of EssilorLuxottica. In accordance with franchise law, Vision Source is a franchisor, and its members are franchisees who own their respective practice(s). The collective revenue of those practices are reported here. Essilor acquired Vision Source in 2015.
2	2	Luxottica Retail	\$2,000.0*	\$2,510.0*	2,005	2,160	Luxottica Retail is a part of the retail network of EssilorLuxottica. Luxottica Retail store brands/dbas in the U.S. and Puerto Rico include, at the end of Dec. 2020: LensCrafters (919 total locations including 97 LensCrafters inside Macy's); Pearle Vision collectively 500 locations: (Pearle corporate: 58 locations, Pearle Franchise: 442 locations); Target Optical (536 locations), Oliver Peoples (25 locations); Persol (2 locations); Ray-Ban (19 locations); OSA (3 locations), Alain Mikli (1 location). During the year, 40 LensCrafters stores were closed and did not reopen due to Covid and those were among the units inside Macy's. One new LC store in 2020 was a former freestanding Sears Optical location, converted to a LC. As of February 2020, all Sears Optical were closed.
3	4	National Vision Holdings, Inc.	\$1,712.0	\$1,724.0	1,205	1,151	National Vision (NVI), publicly traded on Nasdaq (EYE) exchange. Its 1,205 stores operated in 2020 include America's Best Contacts & Eyeglasses (773 locations); Eyeglass World (119 locations); Vision Centers inside Walmart (230 locations); Vista Optical in select Fred Meyer Stores (29 locations); Vista Optical in select military exchanges (54 locations). Its year-end revenue also includes revenues reported for its Corporate/ Other segment in 2020, which includes the results of the e-commerce platform of 15 dedicated websites managed by AC Lens. That e-commerce business consists of six proprietary branded websites, including aclens.com, discountglasses.com and discountcontactlenses.com, and nine third-party websites with established retailers, such as Walmart, Sam's Club and Giant Eagle as well as mid-sized vision insurance providers. During 2020, despite the impact of COVID-19, NVI achieved record profitability and continued growth in 2020. For NVI's stores, all brands' stores temporarily closed to the public on March 18, 2020 with gradual reopening beginning in late April 2020. By early June 2020, all stores had reopened.
4	3	Walmart Inc.	\$1,595.0*	\$1,790.0*	3,422	3,416	Walmart's optical business includes both Sam's optical departments (547 locations at the end of 2020, including six locations in Puerto Rico, a net increase of 10 locations over 2019) and the company-owned Walmart optical departments (2,875 locations, compared with 2,879 at the end of 2019).
5	5	Costco Optical	\$1,106.5	\$1,256.7	532	529	A part of Costco Wholesale, Inc., Costco Optical finished the year 2020 with 532 optical departments. In March of 2020, they operated 525 optical departments and those were completely shut down for 2.5 months when the pandemic hit. The company noted its biggest accomplishment in 2020 was reopening 525 departments in 42 days.
6	7	MyEyeDr./ Capital Vision Services, LP	\$975.0	\$772.0	659	569	MyEyeDr. (MED) ended 2020 with 659 locations. The company started the year with 569 locations and by March 1 operated 608 locations. In mid-March, MED completely shut all locations from Mid March until the end of May. Then started to open up in waves for essential care and then to all patients thereafter. The company cited "staff and patient safety protocols and business resilience," as its biggest achievement in 2020. MyEyeDr. continued to grow with independent practice acquisitions in the latter part of 2020 and into 2021. In May, 2021, MyEyeDr. announced it would partner with Rx Optical, with 54 locations across Michigan and Indiana.
7	8	EyeCare Partners LLC	\$921.5	\$757.0	482	482	EyeCare Partners, a portfolio company of Partners Group, completed 2020 with a flurry of new partnerships. Between the third quarter of 2020 and April this year, ECP added 95 offices, 11 ambulatory surgery centers (ASCs) and 165 doctors to its network of integrated ophthalmology and medical optometry practices, which is on track to exceed \$1 billion in revenue this year. In addition, ECP in April promoted David A. Clark to chief executive officer. Clark joined ECP as president in July 2020.
8	6	Visionworks of America, Inc.	\$913.0	\$980.7	698	711	Visionworks of America operates stores under the Visionworks and Empire Visionworks names (the company does not break out the dba counts). Visionworks started the year with 712 locations, ending the year with 698, noting that this reflected certain planned closures and deferred new store openings due to COVID. There were two weeks of complete shutdown to put protocols in place to see emergent care. Built from offering emergent care to medically necessary to routine care based on COVID environment. Opened stores and expanded hours based on real estate limitations (e.g., malls) and patient demand. By May 31, 2021, Visionworks operated 703 locations, the company said, noting its greatest achievement in 2020 was "Safely and successfully providing access and quality care to our patients while protecting our associates throughout the pandemic." VSP Global acquired Visionworks in October 2019.

Source: VM's 2021 Top 50 U.S. Optical Retailers. When 2020 sales are the same for more than one company, the retailer with fewer 2020 U.S. stores is ranked first.

*VM ESTIMATE includes company sources and documents, reports and industry sources.

*=VM estimate.

R=Revised

N=Not on last year's list.

2020 Rank	2019 Rank	Retailer	2020 Sales ¹ (\$ Millions)	2019 Sales ² (\$ Millions)	2020 Units ³	2019 Units ³	Comments
9	9	Warby Parker	\$515.0*	\$410.0*	123	116	In addition to its online sales from WarbyParker.com, Warby Parker operates 123 stores in the U.S. (3 of which are showrooms that sell eyewear to consumers, the remainder are freestanding locations.). There are 3 additional store locations in Canada. VM Estimates include both online and in-store sales.
10	10	Eyemart Express	\$280.0	\$295.0	228	218	In October 2020, Leonard Green & Partners (LGP) made a strategic investment in Eyemart Express. The Los Angeles-based PE group joined majority stakeholder FFL Partners and the founding Barnes family in the ownership of the retailer, which added 10 net new stores in 2020. The financial terms of the private transaction were not disclosed, but the investment did not add any incremental debt to the balance sheet, the firms said. In 2020, Eyemart locations closed for approximately 30 days. Upon reopening, they operated with normal hours and followed the CDC's COVID-19 guidelines.
11	11	Keplr Vision	\$270.0	\$203.0	191	124	Amid the challenges of 2020, Keplr Vision said it finished the year with 40 new eyecare partnerships, which added 65 practice locations. In June 2021, Keplr said its growth continued in the first half of this year with the addition of 43 partnerships, with 10 of the practices located in Washington state and six in New Mexico. The additions increased Keplr's footprint to more than 230 locations across 34 states. Keplr Vision was formed in July 2019 when two portfolio companies of Imperial Capital of Canada—Total ECP and Visionary Eye Partners—merged to operate as a combined entity under the Keplr name.
12	12	AEG Vision	\$258.0	\$196.0	201	151	AEG Vision operated under more than 60 retail trade names in 12 states in 2020, including Crown Vision Center, ABBA Eye Care, Memorial Eye Center, Hill Country Vision Center, EyeCare Specialties of Colorado, IEC: International EyeCare Center, Malbar Vision, 20/20 Image Eye Centers, EyeTX Vision Centers and Eyetique, among others. The group completed the acquisition of 50 locations, despite a slowdown during Q1/Q2 due to COVID. In late March 2020, AEG Vision temporarily paused operations in all practices for a period of six weeks—consistent with direction from the CDC and AOA—and used the time to optimize marketing/recall, operations, and COVID protocols. AEG began reopening in phases throughout May—with full operations under strict COVID safety protocols resuming in June. Exams were available by appointment only until the fall when walk-in patients were also welcome.
13	13	Now Optics	\$207.2	\$175.0	200	177	Now Optics' retail brands include Stanton Optical, MyEyeLab and FrameGenie. It manages both corporate-owned and franchised locations. At year-end 2020, My EyeLab had 51 company-owned stores (with approximately \$42 million in sales) and 48 franchised stores (with approximately \$31 million in revenue). Stanton Optical operated 101 company-owned locations (with approximately \$134 million in revenue). The corporate name changed to Now Optics (from Vision Precision Holdings) at the beginning of 2019.
14	15	Cohen's Fashion Optical	\$123.0	\$153.0	125	125	
15	16	Texas State Optical (TSO)	\$110.8	\$121.0	113	118	Texas State Optical is a member-owned cooperative, founded in 1936, providing full-service, medical scope optometry to families in Texas and Louisiana. Last year, 2020, was a test of the resilience of the Texas State Optical organization. After shutting down offices for an initially undetermined amount of time, the practice owners began opening back up with protocols in early April and by June were back to regular schedules. A constant effort of patient communication using digital technology helped to reassure patients. With a strong third and fourth quarter revenues helped to bring the organization within single digit percentages of aggregate sales in 2019.
16	19	SVS Vision	\$83.5	\$94.0	83	82	SVS Vision, which opened a new location in Rochester, Mich., in 2020, completely shut down from March 16 until May 16, 2020.
17	22	Shopko Optical	\$77.0	\$78.0	91	81	Shopko Optical topped 100 standalone locations this spring as it transitions from its legacy in-store optical department model. The retailer expects to add approximately 30 to 35 new stores over the remainder of the year. Shopko Optical is the trade name of Shoptikal LLC, an affiliate of Monarch Alternative Capital, a private equity firm that acquired the Shopko Optical business out of bankruptcy court in mid-2019. The retail firm noted at the end of last year that it managed to maintain "steady growth in hiring qualified optometrists and expanding its optical centers during a tumultuous year" that was impacted by COVID-19.

¹ Includes retailers' product sales, professional services, managed vision benefit revenues and e-commerce sales when applicable. U.S. sales include Puerto Rico, not Canada.

² The retailers and totals given for 2021 VM Top 50 are different from what appeared on the May 2020 VM Top 50 list because the Top 50 companies differ from year to year due to industry consolidation and other factors.

³ U.S. and Puerto Rico optical locations.

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18	21	BJ's Optical Centers	\$76.0*	\$85.0*	210	209	BJ's Wholesale Club operated 210 BJ's Optical Centers at the end of 2020, and then opened new clubs in Long Island City, N.Y., and Newburgh, N.Y., in January 2021, both of which include BJ's Optical Centers. The company plans to open an additional six new clubs this year, all of which are expected to operate optical departments.
19	18	Emerging Vision, Inc.	\$75.6	\$108.1	116	123	Emerging Vision Inc. had a total of 116 locations at year-end 2020, including Sterling Optical with 56 franchised locations. During 2020, one lease expired and the location's records combined with another office. Two additional franchised locations closed due to Covid-19. Site for Sore Eyes (41 franchised locations). One location was closed and merged into another nearby, prior to March 2020. One company-owned location became a franchise. California mandates required the group to completely shut down during the early stages of COVID and to slowly reopen under reduced capacity and operating hours. Eye Gallery (eight locations) began the year with nine locations; one was closed at lease expiration, which occurred during COVID. A Hawaii store, however, was shut down through July. Optica (10 locations): The lease expired on a location and was not renewed. A second lease expired during COVID and management closed it. The company said it withstood the COVID storm and emerged as a stronger and more efficient company.
20	20	GrandVision USA Retail Holding Corporation (dba For Eyes)	\$75.0*	\$90.0*	114	125	GrandVision, parent company of the 114-location For Eyes, is in the midst of being acquired by EssilorLuxottica. GrandVision operates more than 7,000 stores worldwide. While noting the impact of COVID-19 on the topline, GrandVision said the U.S. has seen a strong bottom-line recovery "as it achieves underlying operational improvements resulting from the business turnaround and closures of structurally underperforming stores." The profit turnaround, in the U.S. as well as the U.K. and Italy, continued in the first quarter 2021. Separately, For Eyes is working with Walgreens to launch optical departments in select drugstores. The For Eyes optical departments are in about 10 Walgreens stores in the Chicago area.
21	17	Henry Ford OptimEyes	\$67.0	\$112.0	20	20	Henry Ford OptimEyes said that its operational achievements in 2020 were developing COVID safety protocols and telehealth for medical eye visits.
22	14	Refac Optical Group	\$66.0	\$171.8	373	400	Lincoln Road Advisors Inc., an investment company operated by optical industry veteran Eric Bertrand, acquired the holding company Refac Optical Group, which owns the U.S. Vision optical business, in March 2021 from ACON Investments. U.S. Vision operates roughly 375 optical locations in licensed retail spaces at J.C. Penney, Meijer, Boscov's and Optical Center/AAFES Exchange locations. The optical departments shut down from mid-March 2020 until various dates in June consistent with host operations. Hours returned to normal levels mostly by year-end. Bertrand is the former chief executive of OptiCare Health Systems of Connecticut and Vision Center at Meijer.
23	23	Vision Associates	\$64.0	\$73.7	211	218	All offices under Vision Associates, management of optical dispensaries. Acquired in 2017 by Essilor of America, which is a division of EssilorLuxottica. Vision Associates reported that 95 percent of its offices shut down from March to April and started to open in May, with June seeing pent-up demand generating strong sales.
24	N	Eye Doctors Optical Outlets	\$60.5	\$65.3	55	54	Eye Doctors Optical Outlets, based in Tampa, Fla., completely shut down for about six weeks in 2020, from the latter part of March to the second week in May. Added one new location last year.
25	24	Luxury Optical Holdings	\$60.0	\$55.0	29	28	Company operates a total of 29 stores which include: Morgenthal Frederics (14 units), Robert Marc (7 units), Leonard Opticians (2 units) and six other locations, one of which was a new acquisition last year. The company notes that about 20 percent of their transactions were remote/virtual in FY 2020 as the group's NYC stores were closed for a portion of the year due to COVID.
26	31	Total Vision LLC	\$55.0	\$34.0	40	32	Total Vision, based in Southern California, grew to 40 practice locations through new partnerships by the end of 2020. The offices adjusted their operations in compliance with regulatory requirements and to optimize for patient care.
27	25	Rx Optical	\$48.5*	\$48.5*	54	56	Rx Optical was acquired by MyEyeDr. in May 2021.
28	30	Blue Sky Vision	\$43.0*	\$35.0*	34	24	Blue Sky Vision was formed in 2017 as a partnership among doctors, members of the leadership team and the private equity group Sterling Partners, and rapidly grew to 34 locations. The Michigan-based practice management group was acquired by EyeCare Partners in December 2020.

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29	34	VSP Ventures	\$39.0*	\$23.5*	23	12	VSP Global started VSP Ventures in March 2019. As of Dec. 31, 2020, VSP Ventures had 23 locations under its management. New practices added in 2020 included Optometry at Redwood Shores, Swan Family Optometry, Eagle Vision Eye Care Optometric Group (2 locations), Stanislaus Optometric Center, Norwalk Family Optometry, Sacramento Optometric Group and Irvine Optometry, all in California. Ventures also acquired Nevada-based Family Eyecare Associates (2 locations).
30	27	Rosin Eyecare	\$39.0	\$44.0	51	54	Rosin Eyecare, with 51 locations at the end of 2020, closed a location upon the end of its lease, had a location destroyed during the summer 2020 protests following George Floyd's death and did not reopen a location that was impacted by COVID. Of the flagship Rosin Eyecare, all but three locations closed from mid-March through late April 2020. The three open locations accommodated urgent care patients and eyewear pick ups. Several locations were staffed to answer phones and fill electronic and phone orders for contact lenses and eyewear. All elective surgery (laser vision correction and cataract surgery) was postponed until late May/June. The practices reopened slowly and safely during the summer months of 2020. Rosin also operates offices under the names Kirschner Vision Group (2), Vision Care Associates, Buffalo Grove Vision Center, Libertyville Vision Center, Northcenter Vision Center, Tescher Vision Center, and Eagle Eyecare. In response to the pandemic, Rosin said it reorganized the way it delivers patient care/ services, and it has become significantly more efficient from an economic standpoint. While this was "necessary for survival during 2020, we will continue to operate as a leaner company as we continue to grow," the company said.
31	29	Wisconsin Vision, Inc.	\$35.5	\$37.5	38	38	Wisconsin Vision locations shut down completely between March 19 and April 20, 2020. Upon reopening, offices saw only patients for essential care for the first month. Hours were reduced and staff only worked part time. After June 1, locations fully reopened for normal business. Company said it ended the year 2020 only slightly down compared with 2019—despite the pandemic—and "learned to do more with less."
32	28	Today's Vision Licensing Corporation	\$34.9	\$40.8	47	49	Today's Vision Licensing Corp. operates practices under the Today's Vision banner. Store count reduced by two in 2020 as two licensees sold to private equity groups in November. Locations were closed and/or operated with reduced hours at various times during 2020. After getting through the pandemic, Today's Vision said will now build on its base of offices and earnestly begin recruiting new licensees in 2021.
33	32	Houston Eye Associates	\$32.0*	\$29.2	22	19	
34	26	SEE, Inc.	\$31.5	\$45.0	44	45	SEE Eyewear closed all of its stores for a minimum of two months. The company gradually reopened all stores by appointment only with reduced days, hours and staffing. During the March-December period, two existing locations closed, and one new store opened. The group noted that its biggest achievement in 2020 was weathering the storm of the pandemic and reopening as a more efficient company by right-sizing to better fit the current needs of the business.
35	33	Northeastern Eye Institute	\$29.0*	\$27.5*	15	15	
36	35	Dr. Tavel Optical Group	\$25.0*	\$22.5*	22	21	Indiana-based Dr. Tavel Optical Group added a new location while also boosting aggregate and comparable sales on a year-over-year basis.
37	N	LION Eye Group	\$20.0*	N	18	N	LION Eye Group, which launched Jan. 1, 2020, describes itself as a management services organization for a network of 18 (as of year-end 2020) independent optometry practices based in New York. Founded as the Long Island Optometric Network, the group has expanded into Manhattan and the surrounding boroughs, utilizing new technology and business partnerships.
38	38	CVS Health	\$20.0*	\$18.0**R	49	49	CVS added three new optical locations in the spring of 2021, and now operates 52 departments. All stores were closed for approximately six weeks in spring 2020, reopening as local and state mandates allowed. During this time, service activity was limited to medical/emergency clinical service only. Still, the optical group noted its achievements last year included supporting customers and store colleagues during COVID closures, expanding its telehealth platform and delivering double-digit sales comps. CVS Health operates roughly 8,000 retail/pharmacy locations, and another roughly 2,000 pharmacies inside Target stores.

¹ Includes retailers' product sales, professional services, managed vision benefit revenues and e-commerce sales when applicable. U.S. sales include Puerto Rico, not Canada.

² The retailers and totals given for 2021 VM Top 50 are different from what appeared on the May 2020 VM Top 50 list because the Top 50 companies differ from year to year due to industry consolidation and other factors.

³ U.S. and Puerto Rico optical locations.

2020 Rank	2019 Rank	Retailer	2020 Sales ¹ (\$ Millions)	2019 Sales ² (\$ Millions)	2020 Units ³	2019 Units ³	Comments
39	37	Standard Optical Company	\$19.5	\$19.5	20	20	Standard Optical kept four regional "hub" locations open for emergency and medical eyecare during the height of the pandemic, and reduced the patient flow to one patient every half hour and only allowed one patient in the dispensary at a time. Also began curbside dispensing and mailed all completed orders to the patients' homes free of charge. Utilized ABS Smart Mirror for non-contact measurements. The group's key achievements in 2020 included implementing a new e-commerce webstore, a new business intelligence platform and four new private label frame lines.
40	36	J.A.K. Enterprises, Inc.	\$19.0	\$21.5	21	21	J.A.K. Enterprises is the parent company of Bard Optical, which completely shut down for six weeks in April and May of 2020. Upon reopening, doctors' schedules were limited to 50% of capacity for the first two months and then added openings from there. COVID policies included a prohibition on anyone entering the offices with patients unless the patient was a minor or an adult with special needs. The company noted that its biggest achievement was navigating the rough COVID-19 waters. It discovered its ODS, staff and patients were all very resilient.
41	39	Associates in Eyecare	\$18.0	\$19.1	10	10	Associates in Eyecare maintained its location count at 10 as all M&A activity was suspended due to COVID-19. The drop in 2020 revenue also was a result of the impact of COVID-related office closures.
42	N	True Eye Experts	\$11.4	N	4	2	Tampa, Fla.-based True Eye Experts acquired Tucker Vision Center in North Fort Myers, Fla., in November 2020, and also made a "cold start" in May during a pandemic year.
43	41	Edward Beiner Group	\$10.2	\$12.5*	11	11	Edward Beiner Group became a division of New Look Vision Group on March 6, 2020, the deal was announced in December 2019. In the calendar year 2020, the 11 Edward Beiner locations in Florida were closed for 7 weeks due to Covid. In 2021, Edward Beiner group opened one new location in Cocowalk Coconut Grove, Fla. and acquired a second location in Las Olas Blvd, Fort Lauderdale, which will be rebranded. Additional expansion is planned.
44	42	Eyecare Plus PC	\$9.9	\$12.3	7	7	Eyecare Plus PC locations shut down to urgent and emergent care for six weeks in 2020. It reduced hours and had some practices open one day per week. The practice now sees walk-ins and appointments, but still down in patient numbers by 15% to 20%. The company said the key achievement in 2020 was surviving a pandemic and getting closer to staff and patients, and running a successful, profitable practice.
45	44	Midwest Vision Centers, Inc.	\$9.2	\$9.9	18	19	Midwest Vision said it closed all 19 locations by 3/21/20, and reopened its first location on 5/4/20, with 18 locations fully open May 18, 2020. There was and continues to be reduced hours in multiple locations. One of the busiest locations was operating by-apt only until November. The practice also noted it was able to plan and set up the conversion to a new practice management system while surviving the pandemic.
46	45	Metro Optics Holdings Inc	\$9.1	\$9.4	5	5	Metro Optics shut down three of its four Metro Optics Eyewear locations for six weeks, operating one main location with normal hours and emergency services. Reopened all locations in May with full service. Group noted significant achievement of 2020 was to finish the year within 97 percent of 2019 revenue mark.
47	47	Optyx	\$7.9*	\$7.9*	11	9	New Jersey-based Optyx acquired new offices in March and September 2020 in Long Island, N.Y., to increase its count to 11 locations. The group shut down 100 percent from mid-March through April, and reopened May 5 seeing limited patients.
48	46	Eye Surgeons of Richmond, Inc.	\$7.1	\$9.1	7	8	Eye Surgeons of Richmond operates practices under the Virginia Eye Institute name. It combined two locations during 2020, and some locations were closed for up to three months during the pandemic.
49	48	Drs. May, Hettler & Associates	\$6.8*	\$7.7	7	7	EyeCare Partners acquired the seven-location Drs. May, Hettler & Associates practice in northern Virginia in December 2020.
50	50	Visual Health Doctors of Optometry	\$6.3	\$5.7*	8	5	Visual Health Doctors of Optometry added three new locations in 2020 and now operates eight offices in the northern Virginia area.
		TOTAL	\$14,866.2*	\$15,699.7**	15,215*	15,175*	

Source: VM's 2021 Top 50 U.S. Optical Retailers. When 2020 sales are the same for more than one company, the retailer with fewer 2020 U.S. stores is ranked first.

*VM ESTIMATE includes company sources and documents, reports and industry sources.

**=VM estimate.

R=Revised

N=Not on last year's list.

¹ Includes retailers' product sales, professional services, managed vision benefit revenues and e-commerce sales when applicable. U.S. sales include Puerto Rico, not Canada.

² The retailers and totals given for 2021 VM Top 50 are different from what appeared on the May 2020 VM Top 50 list because the Top 50 companies differ from year to year due to industry consolidation and other factors.

³ U.S. and Puerto Rico optical locations.

In a Down Year, Mass Merchants Still Outperform Overall Optical Market

NEW YORK—The mass merchant and wholesale clubs sector of the U.S. optical retail market felt the impact of COVID-19 in 2020, albeit not quite as significantly as the overall optical market in the U.S., but more sharply than the collective group of firms in the VM Top 50 Optical Retailers group.

Here's how the numbers unfolded in 2020: the mass merchant group overall (which this year do not include the former Shopko Stores optical business) finished calendar year 2020 with aggregate sales of \$3.34 billion, according to VM's estimates and reports from the individual companies. This was roughly a 10 percent decline compared with

2019's aggregate total of \$3.72 billion. (The overall optical market in 2020 was estimated at \$31.2 billion by The Vision Council's VisionWatch report, and declined 17 percent.)

VM's Top 50 Optical Retailers saw an overall sales decline of 5 percent last year, according to estimates and company reports.

In the mass merchant and wholesale club optical sector, each of the seven companies in VM's tracked universe saw a sales decline in 2020, except for the Target Optical departments, which turned in an "even" year, per VM's estimates, after a few years of strong sales growth.

Even in a difficult year, however, the mass mer-

chant group managed to raise the aggregate total of optical departments they operated, perhaps reflecting a larger trend for bigger retailer groups to gain market share in the optical space. In 2020, mass merchants finished the year with a total of 4,959 optical departments. This marks a "location" increase of 25 locations for the group—impressive in a year when many retailers pruned under-performing stores.

Still, mass merchants and clubs with optical departments continued to hold over 10 percent of the total U.S. optical retail market. And, according to VM's estimates, their share increased slightly last year. ■

Leading Mass Merchants, Clubs With Optical Departments

Rank 2020	Rank 2019	Mass Merchant (Operator)	2020 Retail Sales ¹ (\$ in Millions)	2020 Units	Class	2019 Retail Sales ² (\$ in Millions)	2019 Units
1	1	Walmart Inc Walmart National Vision	\$1,592.0* \$1,450.0* \$142.0	3,105 2,875 230	MM	\$1,790.0* \$1,630.0 \$160.0	3,105 2,879 226
2	2	Costco Optical Costco Wholesale	\$1,106.5	532	WC	\$1,256.7	529
3	3	Target/Super Target Luxottica Retail	\$410.0*	536	MM	\$410.0*	525
4	4	Sam's Club Walmart Inc.	\$145.0*	547	WC	\$160.0*	537
5	5	BJ's Optical Centers BJ's Wholesale Club Holdings Inc.	\$76.0*	210	WC	\$85.0*	209
6	7	Fred Meyer National Vision	\$11.0	29	MM	\$14.0	29
		Totals	\$3,340.5*	4,959		\$3,715.7*	4,934

Source: VM's 2021 Top 50 Optical Retailers

*=VM Estimate MM=Mass merchant WC=Warehouse club

¹ optical locations

² VM's 2020 Estimates for Mass Merchants and Warehouse Clubs do not include Shopko Optical this year, since that group now operates freestanding stores, not within a host environment. Shopko Optical is listed this year entirely on the Main VM Top 50 chart. Shopko Optical was included in the 2020 VM Top 50 Estimates, based on estimated sales in calendar year ending Dec. 31, 2019.

Snapshots of Optical's 10 Largest U.S. Retail Players

1 VISION SOURCE, LP

Vision Source is a part of Essilor of America, which is a division of EssilorLuxottica. In accordance with franchise law, Vision Source is a franchisor, and its members are franchisees who own their respective practice(s). The collective revenue of those practices are reported in VM's annual ranking. Essilor acquired Vision Source in 2015.

Collective revenues of the group were reported as \$2,587.8 million for the 12 months ending December 2020, a slight decline from total revenue of \$2,883.3 million in the year prior. Vision Source consisted of 3,143 locations in 2020, compared to 3,250 in 2019.

The company told VM, "Vision Source member practices continued to outpace industry growth rates during this historically challenging year. The highly collaborated community were able to successfully navigate the pandemic through our COVID-19 Resource Center and Practice Acceleration Resource Center to support members in readying, relaunching and rescaling their practice activities."

This year's Exchange, the group's annual meeting, will be held in early August in Houston. Vision Source plans to celebrate the 30th anniversary of its founding. Vision Source noted that The Exchange has helped to "shape the industry and champion private practice" since 1990.

2 LUXOTTICA RETAIL

Luxottica Retail is a part of the retail network of EssilorLuxottica. The Group operates optical, sun and brand stores around the world, however in the U.S. and Puerto Rico, Luxottica Retail store brands/dbas include, at the end of Dec. 2020: LensCrafters (919 total locations including 97 LensCrafters inside Macy's); Pearle Vision, collectively 500 locations: (Pearle corporate: 58 locations, Pearle Franchise: 442 locations); Target Optical (536 locations), Oliver Peoples (25 locations); Persol (2 locations); Ray-Ban (19 locations); OSA (3 locations), Alain Mikli (1 location).

During the year, 40 LensCrafters stores were closed and did not reopen due to the pandemic and many of those were among the units inside Macy's. One new LC store in 2020 was a former freestanding Sears Optical location, converted to a LC. As of February 2020, all Sears Opticals were closed. In late 2020, LensCrafters opened two of the company's first flagship stores in New York City and plans more in 2021.

3 NATIONAL VISION HOLDINGS, INC.

Despite the impact of COVID-19 on its operations, National Vision (NVI) was able to achieve record-breaking profitability and continued growth in 2020. The company moved up one spot in the VM Top 50 rankings this year. National Vision has been publicly traded on the Nasdaq (EYE) exchange since October 2017. Its 1,205 stores span 44 states plus the District of Columbia and Puerto Rico.

In 2020 NVI operations included: America's Best Contacts & Eyeglasses (773 locations); Eyeglass World (119 locations); Vision Centers inside Walmart (230 locations); Vista Opticals in select Fred Meyer Stores (29 locations); Vista Optical in select military exchanges (54 locations). Its year-end revenue also includes revenues reported for its Corporate/Other segment in 2020, which includes the results of the e-commerce platform of 15 dedicated websites managed by AC Lens.

That e-commerce business consists of six proprietary branded websites, including aclens.com, discountglasses.com and discountcontactlenses.com, and nine third-party websites with established retailers, such as Walmart, Sam's Club and Giant Eagle as well as mid-sized vision insurance providers.

In 2020, once reopened, stores mostly operated normal hours with reduced appointments to accommodate enhanced cleaning protocols.

The company employs over 13,000 people, including a network of more than 2,000 optometrists.

The group has formally adopted an ESG (environmental, sustainability and governance) strategy, created new leadership positions on its senior team as well as its board of directors.

20/20 Quest, a National Vision sponsored charitable foundation, was chartered for the purpose of providing screenings, eye exams, eyeglasses and refractive error solutions to the optically underserved in both the U.S. and the developing world.

NVI was one of the first optical groups to support The Black Eyecare Perspective's IMPACT HBCU program, a recruitment and awareness event to introduce more students to the eyecare industry and support future Black optometrists on their journey.

In May of 2021, NVI's CEO Reade Fahs became a signatory to the CEO Action for Diversity and Inclusion (CEO

Action) pledge. National Vision is the first optical retailer represented in the growing coalition of nearly 2,000 business leaders across 85 industries committed to advancing diversity and inclusion goals in the workplace.

The company told VM, "We expanded our ability to make a positive impact on people's lives at a greater scale than ever before in the company's history."

4 WALMART

Walmart continued enhancing and fine-tuning its moves in the health care space, and also last year added several of the recently launched Walmart Health Center locations (which debuted in September 2019 in Georgia). Walmart Health is designed to be a "first-of-its-kind health center to deliver primary care, vision care, urgent care, labs, dental, hearing, counseling, x-ray and diagnostics services all in one facility at affordable, transparent pricing regardless of a patient's insurance status."

In May, a Walmart spokesman told *Vision Monday* there are currently 20 Walmart Health Centers in operation in three states. The centers are staffed by qualified medical professionals, including optometrists, physicians, nurse practitioners, dentists, and behavioral health providers.

Walmart also filled some high-level posts in its health care operation last year. In December, the retailer named Dr. Cheryl Pegus as executive vice president, health and wellness. Dr. Pegus was charged with further developing Walmart's "bold health care vision, leading health and wellness across the Walmart enterprise," the retailer said in its announcement at that time.

Dr. Pegus reports to Walmart U.S. chief executive officer John Furner, and her first day with Walmart was Dec. 21, 2020. She succeeded Sean Slovenski, who led the health and wellness business as senior vice president for two years before departing in August. Dr. Pegus joined Walmart from Cambia Health Solutions, where she was president of consumer health solutions and chief medical officer.

Walmart also has taken steps to become more active in telehealth. In May, the company entered into an agreement to acquire MeMD, a multi-specialty telehealth provider.

In 2020, Walmart also extended a contact with National Vision for managing some of its optical departments (about 230 locations) for three years into 2024. There were about 2,875 Walmart-owned and operated optical departments at the end of last year, and an additional 547 Sam's Club optical departments.



5 COSTCO

In spite of the challenging operating conditions of 2020, the Costco Optical departments turned in a solid performance last year. Costco added three additional optical departments last year (compared with year-end 2019 total), finishing the year with 532 locations. Sales, which were impacted by a 2½-month shutdown, declined on an overall basis for the year, but still topped \$1.1 billion. Costco continued to rank as the No. 5 optical retailer in the U.S.

The company noted that one of its key achievements was to reopen all pandemic-related closed locations in a 42-day period. Costco Optical is owned by Costco Wholesale Corp., one of the largest and most successful retailers in the U.S.

In 2019 pre-pandemic, Costco Optical added 20 additional optical departments, increasing its optical location total to 529 clubs at the end of the year.

Also, in 2020 at the Transitions Academy meeting in Orlando, Fla., Costco was a finalist in the U.S. Retailer of the Year category (which was won by Henry Ford Optim-Eyes of Detroit). The award recognizes commitment to the Transitions brand and improving patient vision.

Costco Optical prides itself on having some of the most knowledgeable employees in the industry. The staff consists of trained opticians that are well regarded in the optical industry. The optical departments carry a wide range of contact lenses, brand-name designer frames and sunglasses and offer the latest technology in high-definition lenses.

A Costco membership is not required to receive an eye exam at Costco warehouse clubs, but it is required to purchase frames and/or lenses from the optical department. Costco optical centers offer a variety of prescription and special lens options for Costco members. Many Costco optical departments also have an independent optometrist (OD) in or near the optical department.

6 MYEYEDR./CAPITAL VISION SERVICES, LP

After finishing 2020 with a flurry of new locations, MyEyeDr. continued its rapid growth in May 2021 with the acquisition of Rx Optical and its 54 locations across Michigan and Indiana. The deal brought the total MyEyeDr. office count to 731 over 26 states and the District of Columbia.

In addition, the Rx Optical partnership further solidified the presence of MyEyeDr. in the Midwest. (Rx Optical was



founded in 1947 in Kalamazoo, Mich.) Since partnering with Goldman Sachs Merchant Banking in 2019, MyEyeDr. (the dba name for Capital Vision Services LP) has added 185 offices to its list of optometric practices.

MyEyeDr. finished 2020 with a net addition of 90 new locations (with some existing locations consolidating, it was roughly 100 practice additions) and finished 2020 with 659 locations total, an increase of more than 15 percent compared with 2019's 569 offices. Virtually all of the deal-making occurred in Q1 and the August-December period.

Annual revenue increased year-over-year, also, which MyEyeDr. attributed to the addition of the 90 net new locations. On a same-office basis, the comparisons were down for the year—the first time in MyEyeDr.'s 20-year history—but started bouncing back in the fourth quarter. The company reported a strong fourth quarter and “a very good first quarter,” with same-office locations trending positively. Patient demand for exams has remained strong, but safety processes has limited availability of office visits in the early part of 2021, MyEyeDr. said.

For calendar 2021, MyEyeDr. is planning to achieve approximately 20 percent growth. “That has been our history. We’re in the business of taking care of the patient, but we also are in the business of growing. Those are two not competing priorities, but they are two that we have to have top of mind with every decision,” chief growth officer David Sheffer told *Vision Monday* in a recent interview.

7 EYECARE PARTNERS

After a year of continued growth in 2020, St. Louis-based EyeCare Partners announced a leadership transition in April. Less than a year after joining the network, David A. Clark was promoted to chief executive officer. Clark had joined EyeCare Partners as president in July 2020 after 20 years with MEDNAX Inc., where he was chief operating officer.

Kelly McCrann, who had served as chief executive officer of EyeCare Partners since December 2016, shifted to the role of operating director on the company's board of managers, where he focuses on industry relations and mergers and acquisitions.

Both moves came as part of a completion of a planned leadership transition for the company that is owned by Partners Group, a global private investment manager, according to an announcement at the time. Partners Group made “a significant equity investment” in EyeCare Partners in December 2019.

EyeCare Partners, the leading network of integrated ophthalmology and medical optometry practices, serves patients across the vision care continuum.

McCrann led ECP through significant growth during his tenure as CEO, nearly tripling the company's clinics and ambulatory surgery centers from 250 to 700 and more

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than doubling annual revenue, which is expected to exceed \$1 billion this year.

Some of this growth came in the latter half of 2020 and extended into the first quarter of 2021. ECP said in April that it had added 16 new partner practices to the organization between October 2020 and mid-April. Despite the enormous challenges of 2020, EyeCare Partners said it “adapted and continued to expand its footprint in the vision care field.” Between the end of last year’s third quarter and April, EyeCare Partners added 95 offices, 11 ambulatory surgery centers (ASCs) and 165 doctors.

8 VISIONWORKS

Visionworks of America was acquired by VSP Global in a deal that closed in September 2019. At the time, VSP Global said the deal “furthers its vision to provide more access to affordable, high-quality eyecare and eyewear.” Visionworks is based in San Antonio, Texas.

Visionworks started the year 2020 with 710 locations. But there were certain planned closures and other new store openings deferred, due to the pandemic. The group ended the year with 698 locations, but reported that by May 31, 2021, it is now operating 703 locations.

Visionworks acknowledged that its achievement in 2020 was to “Safely and successfully provide access and quality care to our patients while protecting our associates throughout the pandemic.”

9 WARBY PARKER

Warby Parker was one of the first optical retailers in the country and in the optical market to close its stores on March 14, when the COVID-19 pandemic hit. It pivoted to provide PPE to those on the frontlines. Warby started the gradual reopening of its locations in mid-May. As the year went on, Warby also restarted its new store openings around the U.S. and finished the year with 123 stores in the U.S., as well as another three locations in Canada. The company continues its brick-and-mortar expansion this year.

The pandemic’s stay-at-home mandates in the second quarter subsequently also had a profound impact on the way many Americans shopped and Warby Parker was one of the companies which benefitted as its online eyewear sales grew significantly, even while its stores were shuttered.

VM’s estimates of \$515 million in calendar year 2020 combine Warby Parker’s online and in-store sales.



In August, the company announced a \$245 million fundraising effort, with investment from D1 Capital Partners, Durable Capital Partners, T. Rowe Price, and Baillie Gifford. According to a source familiar with the company’s financing, the new investment values the e-commerce/brick-and-mortar retailer at \$3 billion.

The company had previously raised a total of \$290 million, as *VMAIL* reported in March 2018. Warby would not comment further but its senior executives said in an interview in March 2021 that they “have always viewed an IPO as a financing opportunity though we don’t have any immediate plans to go public at this time.”

From its origins as an eyewear e-commerce retailer just over 10 years ago, Warby Parker had social purpose as a core part of its business approach. The company’s “Buy a Pair, Give a Pair” concept helps support the work of VisionSpring and has also resonated with consumers drawn to connecting purchases to a good cause.

In 2020, Warby took steps to promote more diversity and inclusion initiatives, which has included publishing a more robust Racial Equity Strategy, partnering with New England College of Optometry to provide scholarships to Black optometry students, and stepping up as one of three lead sponsors (along with National Vision and MyEyeDr.) with Black Eyecare Perspective on career fairs at HBCUs across the country.

In 2020, Warby Parker joined with other corporate leaders to take steps to encourage both employees and customers to vote in the upcoming election, including providing employees with paid time off to vote and volunteer as poll workers. The company is a partner to Civic Alliance, Business For America, and Time to Vote.

More recently, Warby was one of 23 companies who pledged to support The Tent Partnership for Refugees, a

network of over 130 major companies committed to integrating LGBTQ refugees, and the Human Rights Campaign Foundation (HRC), the educational arm of the nation’s largest LGBTQ civil rights organization, joined forces for the program.

The company continues to be transparent about its activities and values through its Impact Report, which is available on its website. A 2020 Impact Report was recently posted at <https://www.warbyparker.com/assets/img/impact-report/Impact-Report-2020.pdf>.

10 EYEMART EXPRESS

It has been a busy 12 months for Eyemart Express, a leading national value optical retailer. The most significant development came in October 2020 when the private equity investment firm Leonard Green & Partners (LGP) completed a strategic investment in the retailer. Los Angeles-based LGP joined majority stakeholders FFL Partners (FFL) and the founding Barnes family in the ownership structure.

The financial terms of the transaction were not disclosed, but the announcement noted that the investment “will not add any incremental debt to the Eyemart Express balance sheet.”

“We are very excited to welcome Leonard Green & Partners to Eyemart Express,” Michael Bender, chief executive of Eyemart Express, said at the time. “The team at LGP shares our vision about the significant market opportunity ahead, and their experience and insights, in partnership with FFL, will enable us to continue to grow our market share, innovate and deliver best-in-class customer service.”

Its growth continued in April 2021 with the initial expansion move into Tennessee. A 3,500-square-foot Eyemart Express in Jackson marked the retailer’s 230th location across 42 states. (The company was founded in 1990.)

In May, Eyemart Express named Femi Enigbokan as the company’s first chief growth officer. Enigbokan is focusing on expanding the optical retailer’s footprint, which currently stood at 231 stores throughout the U.S., and maintaining Eyemart Express’ position as a leader in the optical industry.

In March, Eyemart Express launched a flexible payment option in stores as part of an effort to find “innovations [that] make quality eyecare more affordable, convenient, and safer than ever.” The retailer said it believed it was among the first value optical chains to launch a “buy-now, pay-later” (BNPL) option for patients. The BNPL program, which debuted in partnership with Sunbit, gives consumers a three-month, no-interest plan to buy eyewear. ■



Crafting a Comeback



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confidence throughout it all. We accomplished this as we did before the mayhem began—through relationships between our patients and our staff. Practices grow when their people grow. We never lost sight of that simple rule.

We protected our staff, kept them financially sound, and encouraged them to rise above the fear of the unknown. We brought in enhanced technology and spent heavily on protective equipment and safety protocols to assure that safety for our staff. This in turn protected our patients and maintained our image.

In the end, we matched the successes of 2019—never looking back with fear, only ahead with determination and confidence. Many things have changed but the constant of our staff's determination to adapt and meet new challenges will keep us growing.”



Eric Anderson
 CEO
 AEG Vision

“At AEG Vision, our immediate concern was for the health and safety of our doctors, associates and patients. Beginning in March 2020, we closed

all practices and facilities for six weeks in compliance with CDC/AOA safety recommendations. During this period, we took significant steps to maintain payroll and benefits for doctors and employees. We also used the time to improve processes, technology platforms, recall programs in preparation for reopening and receiving patients again.

Once CDC/AOA indicated it was safe to reopen, we implemented strict COVID-19 operating protocols (PPE, social distancing) at all of our facilities. As a result, we experienced strong doctor/employee retention coupled with sustained significant increases in patient volume and patient satisfaction.

As a result of the pandemic, patients are more acutely aware of their health and wellness. Optical practices with a stronger focus on ‘patient care’ are well positioned to leverage this.”



Tiffanie Burkhalter
 President
 VSP Ventures

“We really focused on partnering with Ventures’ practice doctors and staff to ensure our team had what they need-

ed to deliver eyecare to their patients safely. This included providing PPE, trainings, best practices and a community to leverage for support.

Our priority is to continue to raise awareness of the value of eyecare and its role in preventive care, and to support network doctors with the tools they need to successfully meet this moment of collective interest in overall health.

Also, we’re definitely seeing a shift in the spending habits of our members. Many are purchasing an additional pair of glasses or adding blue light reducing coatings to their lenses to address the increased screen time we’ve all experienced.

That’s in line with a recent survey we conducted that showed 9 in 10 Americans think it’s important to take care of their vision, particularly now. The last year has certainly inspired a renewed sense of well-being—and that includes our eyes.”



Harvey Ross
 Chairman
 HMR Holdings/Optyx
 LLC

“We were able to stay open during the pandemic but we saw patients and customers by appointment only. This

made our clients feel more safe and secure and we were able to continue to offer the individualized service customers appreciate.

Going forward, I think more customers will continue to ‘shop local.’ The pandemic showed them they could see the same product in our stores that they can see in the crowded department stores. Our stores have a much more personalized atmosphere and we are able to offer specialized attention. Clients see value in that.”



Nick Williams
 CEO
 Keplr Vision

At the onset of the COVID-19 pandemic our clinical and executive teams led an extensive initiative—including

[developing] a guidebook for safely reopening our clinics after all were shuttered for at least two weeks. The [subsequent] months were filled with monumental challenges requiring real-time, complex decision-making on a scale that no one could have ever predicted. This company is no stranger to adversity, and because of that we have learned to adapt quickly and think differently. We believe there is no other option than to succeed.

Keplr Vision practices are some of the most medically focused in the industry. The majority of Keplr providers continued to offer medical office visits throughout the pandemic, preventing delayed medical care. Where we did see pent-up demand was in routine care. With the return of routine care in late May, the provider schedules filled up quickly and haven’t seen much of a slowdown since. We do anticipate returning to some semblance of seasonality this June and July.

In terms of long-term changes, while we do see tele-optometry playing a greater role in our business going forward, we see it as an enhancement—not a replacement—to the infinite patient experience provided at our clinics. We remain devoted to providing in-person primary health care that is second-to-none.

Our company lost very little momentum during the height of the COVID-19 pandemic, largely because our OD partners took the lead in making sure they were there for their patients. We were one of the first to reopen because we are patient-centric, and our medical optometry model allowed us to make sure those with significant medical eyecare needs still got the care they needed.

Today there is a tremendous opportunity for us to partner with the best optometrists in our industry—and we of course see this as a primary source of growth in the upcoming year. Additionally, we are looking at other ways to grow the business—exploring new locations, building alliances with optometry schools across the country, and strengthening our supply chain through advancements at our lens lab. ■