**Vendor Strategy 2014**

We vet our vendors thoroughly to ensure that Vision Source members receive the best pricing, quality and service from our Elite vendors.   Our ability to maintain these distinct advantages for Vision Source members is contingent upon our members supporting the vendors who support us.

We will protect and preserve the clinical and business autonomy of our members.  However, we ask every member to make a conscious clinical-business decision to evaluate our Elite vendor product first on every patient when clinically equivalent and appropriate.   Your support of this will enable us to continue to provide the best products, pricing and programs to Vision Source members.

In 2014, you will note that we have made changes to our vendor strategy.   Alcon, our long-term partner is our sole Elite contact lens vendor and Safilo is our new Elite frame vendor.  Essilor remains our sole Elite lab vendor.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Vendor Level** | **Labs**  | **Contact Lenses**  | **Frames**  | **Equipment**  |
| **Elite Vendor\***  | **Essilor**  | **Alcon**  | **Safilo** | **Marco****Optos****Zeiss** |
| **Vendors \*\***  | **Hoya**  | **Vistakon****Sauflon**  | **Viva/Marcolin****Westgroupe****Match****Riserva** |  **Optovue** |

**Elite Vendor Updates**

**Safilo**

We are proud to announce that Safilo has been promoted to Elite VS Frame Vendor. Safilo earned this position based on the following:

* Safilo is the #1 manufacturer in the US market with world class brands(i.e., Fendi, Gucci)
* All VS Members receive the highest discount levels available. Non-VS members must purchase $16K per year to achieve VS member’s discount level.
* Exclusive VS member 5% annual rebate with $5,000 of annual purchases
* 5-10% annual growth credit opportunity (see VS on-line vendor book for details)
* Safilo has no connection to Retail or MVC plans

Safilo is the first of the 3 major US frame manufacturers to provide VS members with a clearly differentiated offer. Your support will help us increase our differential in future years.

**Essilor**

Exclusive VS rebates for Eyemed patients

Available today - VS members are eligible for a $29 rebate opportunity for Eyemed patients that are prescribed Definity lenses.

In July 2014\* – VS Truclear/Viso products will be added to the Eyemed formulary.  VS members will be eligible for additional rebates when Truclear/Viso products are prescribed.

*(\* Subject to IT systems assessment under evaluation)*

2014 Pricing Change

Effective 2/1/2014 Essilor will implement a 3.5% price increase (all products with the exception of Crizal coatings) and shipping fee increase of $.50/ invoice to the entire U.S. market. Please note Vision Source member practices will experience a 2.5% price increase (all products with the exception of Crizal or VISO coatings) and no change in shipping fees.

**Alcon**

Effective 2-1-2014, Alcon will increase pricing in the U.S. on select products. (see VS on-line vendor book for details) VS members retain our 11-13% price advantage over list price. In addition, VS practices maintain, our 3-12% quarterly rebate opportunity on all products.

In 2014, Alcon will be launching a new Dailies MultiFocal and Toric product and a new line of colored contact lenses in Si-Hy materials.