



Contact Lens Manufacturers Association  
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Dear CLMA Member:

At the close of our Board of Directors meeting in Orlando we agreed to conduct a focus meeting with the Button Material Manufacturers in order to gain a better understanding of the concerns they face when dealing with non-member laboratories as well as issues they have pertaining to membership in the CLMA. Button Manufacturers pay \$0.20 per button for every button sold in the United States for membership in our Association. Therefore we are sensitive to the challenges facing them in the marketplace. All seven of the member Button Manufacturers were invited to Atlanta on Wednesday, February 19, 2003 for an open discussion with the Board of Directors on the concerns of membership relative to them. Polymer Technology, Paragon Vision Sciences and Contamac USA were represented at the meeting. The Lagado Group submitted a position statement in abstentia.

The meeting was designed to expose every item of concern this group of members has. Each attendee was asked to come to the meeting with three items already prepared. Those items were 1) their concerns clearly defined; 2) three possible resolutions to each of their concerns; and 3) their recommendation for the most acceptable resolution. The spirit of the meeting was participatory by nature allowing everyone in attendance equal opportunity to present his or her views. I was impressed with the level of preparedness and contribution exhibited by each attendee.

During the first stage of the meeting, the discovery phase, there were approximately 17 issues brought to light. These issues were organized and consolidated into similar categories. The results of this exercise were three main topics, each with subtopics for discussion. The three categories, ranked by order of importance, were:

1. The value of membership for the Button Manufacturers customer (the Regular Member laboratory).
2. The allocation of button dues into the educational programs conducted for Practitioners and Students
3. A clearly defined budget and participation in the budgeting process.

After identifying the three main issues, or items of concern, we developed an action strategy for each category. The strategies agreed upon are:

1. Create a compelling "value gap" for being a CLMA member vs. non-member.
2. Enhance the current educational programs to include existing practitioners in addition to the current schools program.
3. Clearly define the budget, reducing costs where practical and implement new revenue generating activities to offset the shortfall due to the reduction in membership dues.

Having identified our strategy, we next defined action items to compliment each strategy. In outline format the action items developed to date are as follows.

- 1. Create a compelling “value gap” for being a CLMA member vs. non-member.**
  - Offer Practitioner incentives available only through CLMA member labs, *ie*; “frequent fitter” program, *etc.*
  - Branding the CLMA name with the practitioners.
  - Insure that the price for literature to non-members more realistically reflects the CLMA's production and overhead costs
  - Develop a “Seal of Manufacturing Excellence” awareness Campaign that compels practitioners to look for this “seal” when selecting a GP lab.
  - Develop a strong relationship with key organizations like AAO, CLES, *etc.* so they will endorse the CLMA and what it means to use a CLMA member for Custom Contact Lenses.
  
- 2. Enhance the current educational programs to include existing practitioners in addition to the current schools program.**
  - Expand the Educational offers to include existing fitters by executing one, possibly two major GP Symposiums for existing Fitters. These Symposia may become self funding.
  - Offer CE and strong incentives available only through CLMA members for attending the Symposium.
  - Develop an aggressive awareness campaign to promote the upcoming symposium
  - Continue the existing schools program
  - Continue with the RGPLI Newsletters to practitioners, schools and students.
  
- 3. Clearly define the budget, reducing costs where practical and implement new revenue generating activities to offset the shortfall due to the reduction in membership dues.**
  - Reformat the presentation of our Financial Report to reflect accurate allocation of revenue and expense.
  - Immediately pursue means to generate new revenue to offset the shortfall created by the change in Regular Membership dues structure.
  - Actively recruit new members among existing US Laboratories.
  - Reduce unnecessary cost from the existing budget
  - Insure that the price for literature to non-members more realistically reflects the CLMA's production and overhead costs
  - Sell advertising in the RGPLI Newsletter
  - Exhibit at GOS and actively pursue new International members
  - Generate a profit from the annual meeting
  - Charge more for participation in the “Seal of Manufacturing Excellence” program

Membership in any trade association carries intrinsic value that is difficult, if not impossible, to measure in monetary terms. The friendships made in a trade association often span a lifetime. When relationships are cultivated among business owners within an industry it is comforting to know others that have experienced similar production, labor, cash flow or distribution challenges as may arise in your business from time to time. Product integration among association members often presents exceptional opportunity. The value one places on things such as these vary from person to person and is therefore subjective in nature.

Some other items that are more easily measured to calculate your ROI with membership in the CLMA bear mentioning here. First, the cost of membership was simplified, and reduced in most

cases, to a straight fee of only \$250 per year. For the cost of membership in the CLMA a member lab will have their name and phone number placed on a list that is mailed with every fulfillment item, on our web pages and in our product guide. With close to 50,000 exposures in a year the cost per exposure amounts to less than one half of one cent per exposure. That is pretty cheap advertising and it is targeted to practitioners that have expressed interest in fitting Custom Manufactured Contact Lenses.

Fulfillment items are offered to CLMA members at a substantial reduction from the price paid by nonmembers. A nonmember that provides these fulfillment items will quickly pay more for the products than membership in the CLMA would cost them.

The Seal of Manufacturing Excellence is a prestigious award that we have not done a good enough job of promoting. It is now our intention to provide more recognition to the Seal of Excellence Award through trade publications, news releases and other means. We have added a substantial number of new members to our roles in the last few weeks and we want them to be able to take full advantage of all benefits of membership in the CLMA. Therefore we have asked the Technical Affairs Committee Chairman, Quido Capelli to look into the feasibility of providing Seal of Excellence Certification on a more frequent basis than currently offered. Quido has agreed to research the matter and will report back to the Board as soon as his Committee has formed a sound recommendation.

It was suggested that we form a buying group within the CLMA. The idea has merit and it is being considered. If you have interest and/or skill in this area please let me know and we will explore opportunities for the Association.

Since the actions taken by your Board of Directors at the Orlando meeting we have received twenty-two commitments from non-member labs to join the CLMA. Some for the first time and others returning after making a decision to leave the Association. Anyone that takes a brief moment to analyze the cost/benefit ratio joins quickly. It is just smart business.

We believe we have not done an adequate job promoting the virtues of membership in the CLMA in the past so your Board is trying hard to redeem ourselves. We have established a new committee to communicate more clearly the reasons that every Custom Contact Lens Manufacturer in the United States should belong to the CLMA. The newly formed CLMA Marketing Committee is chaired by Al Vaske. Members volunteering to participate on the committee are Keith Parker, David Bland and Kathy Shaffer. We are looking for more volunteers, so if you have an interest in participating on this committee please contact Al. He will bring you up to speed and keep you in the loop. The new Bulletin Board system of communicating we will be putting in place will make it easy to contribute to committees on your own schedule.

Education is the key to our future. The RGPLI is a subcommittee of the GP Committee. We are proud of the job the RGPLI is doing with the schools programs. We are now in virtually every College of Optometry in the US. We have articles published in the trade journals and we sponsor a monthly chat session on the Internet. Dr. Ed Bennett is a champion for GP Lenses, but he can't do it alone. Ursula Lotzkat is knowledgeable about our industry and has done an exemplary job. Ursula has made a decision to dedicate her full attention to the business she owns with Sue Connelly in the coming year so we are searching for a person to assume her duties. Ursula will always hold a special place in our hearts and we look forward to working with her again should the opportunity arise. We are excited to report we have some excellent prospects for her replacement. Ursula is willing to work through a transitional phase so our educational programs will not miss a beat.

One of the things our members told us is that we should offer education to existing practitioners as well as students. Jo Svochek, Chairman of the GP Lens Committee is working with Dr. Bennett to organize our first Practitioner Program to be held in Ohio in October of this year. If this Program is a success, which we expect it to be, we will embellish and expand in the next budgeted period.

We have established a goal of having a minimum of 90% of the dues collected from the Button Manufacturers to be directed to further the support of educational programs. We fully expect this goal to be achieved and will endeavor to exceed the goal.

In keeping with our commitment to education and operating efficiently we have begun negotiations with CLES to merge our annual meeting with theirs. CLES enjoyed a successful merger of Optometry, Ophthalmology and Opticians at their first meeting in Orlando this past January. We will have our scheduled CLMA meeting at Bal Harbor Florida this September but we have canceled our meeting in Palm Springs scheduled for October 2004. We expect to align with CLES for the January 2005 meeting. Having a joint meeting continues to support our "value" strategy by getting closer to our customers.

Dan Bell, Chair of the Government Affairs Committee reports the **National Institute of Health** is working with NORC to collect input for a national campaign to promote Healthy People 2010. The attendees will provide input and guidance to the group for use in coordinating a national health plan. Each meeting should last no more than 2 to 3 hours and names have been submitted to NIH as the contact person for the contact lens industry.

This is a very valuable chance to express the needs of the average patient from the viewpoint of a lens manufacturer. The working group will include representatives from a variety of industry segments. I expect that all of the CLMA representatives will offer constructive support to this effort.

When I served as Treasurer, I wanted to simplify the financial statement into an easy to read document with the volumes of data presented as supporting documents. Perhaps I over did it. Some of our members desire more detail. Therefore, the presentation of our financial reports will take on a new look. We will develop a format that will allow members to clearly understand from where the revenue is derived and where it is spent. We will also open the budgeting process to members that have an interest in the process. If you would like to participate in this area of your Association, please let Jan Daniel and me know as soon as possible.

In conclusion, your trade association, the CLMA, is strong and getting stronger. Our recruiting efforts are bringing not only Regular Members on board but Associate members as well. I expect our meeting in Florida this year to be well attended and a lot of fun.

As always, we appreciate your input and we encourage your participation. The CLMA is YOUR trade association. Be a part of the decision making process.

Sincerely,



Lee Dickerson, President  
Contact Lens Manufacturers Association