



Optometry Practices

NAICS: 621320

SIC: 8042

prepared September 12th, 2018

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Banking Solutions

Managing check and credit card payments from patients (Payment is due at time of service).

- [Merchant Services](#)
- [Remote Deposit Capture](#)
- [Online Banking/Mobile Banking](#)

Questions to ask...

- How frequently do you experience challenges collecting payment from customers for more expensive services?
- How does the delay between receipt of check payments and availability of funds affect you?
- How difficult is it to understand or manage your cash balances due to the varied sources of deposits?

Ensuring timely payment from managed care vision and medical plans (65% of patients are covered by plans).

- [Lockbox](#)
- [ACH Services with Blocks and Filters](#)
- [Line of Credit](#)

Questions to ask...

- What payment delays do you experience due to insurance companies' payment cycles?
- What steps have you taken to ensure quick availability of funds on payments received from managed care plans?
- When, and to what extent, do insurance company payment terms stretch your cash flow? How do you manage that?

Funding investments in equipment and facilities to compete effectively with large optical chains and Internet retailers.

- [Equipment Financing](#)
- [Term Loans](#)

Questions to ask...

- What challenges has the “medical model” placed on your current optical instruments?
- As technology improves, what is your strategy for future investments in practice management software or an EMR system?
- What are your thoughts about updating or enhancing your waiting room, examination rooms, and display areas to enrich the customer experience and promote referrals?

Efficiently paying employees (28-30% of revenue) and minimizing staff turnover.

- [Payroll Service](#)
- [Workplace Banking Solutions](#)

Questions to ask...

- What difficulties exist in managing payroll, payroll taxes and tax reporting for your staff?
- What perks do you offer your doctors and technicians to minimize turnover in a competitive employment market?

Keeping supplier costs manageable (Eyeglasses and contact lenses are 40% of revenue).

- [Line of Credit](#)
- [Positive Pay](#)
- [Account Reconciliation](#)

Questions to ask...

- How do the inventory levels needed for dispensing revenue affect your cash flow? Operating expenses?
- What challenges do you face in meeting varying payment terms from suppliers?

Assessing benefits of "rent vs. buy" for office space (Rent averages 5-6% of revenue).

- [Real Estate Loans](#)

Questions to ask...

- (If practice rents space): How does your office design and specialized examination rooms affect your lease?
- To what extent are you feeling constrained by the terms of your lease? Can you make the changes you think are necessary to your space in order to remain competitive without stretching your lease restrictions?

Industry Forecast and Structure

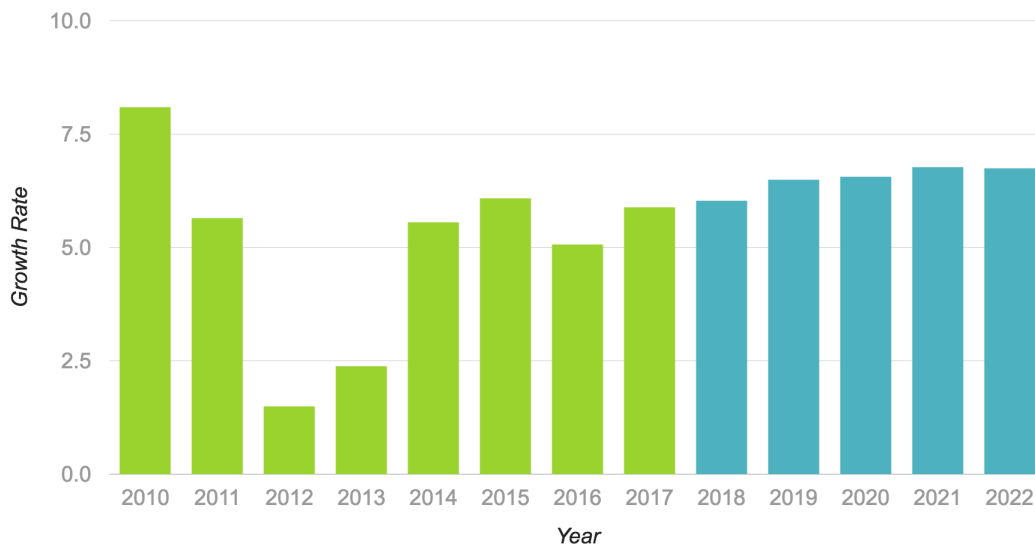
Industry Forecast

Sales for the US optometry practices industry are forecast to grow at a 6.41% compounded annual rate from 2016 to 2022, faster than the growth of the overall economy.

Vertical IQ forecasts are based on the Inforum inter-industry economic model of the US economy. Inforum forecasts were prepared by the Interindustry Economic Research Fund, Inc.

Last Update: August 2018

Optometry Practices Industry Growth



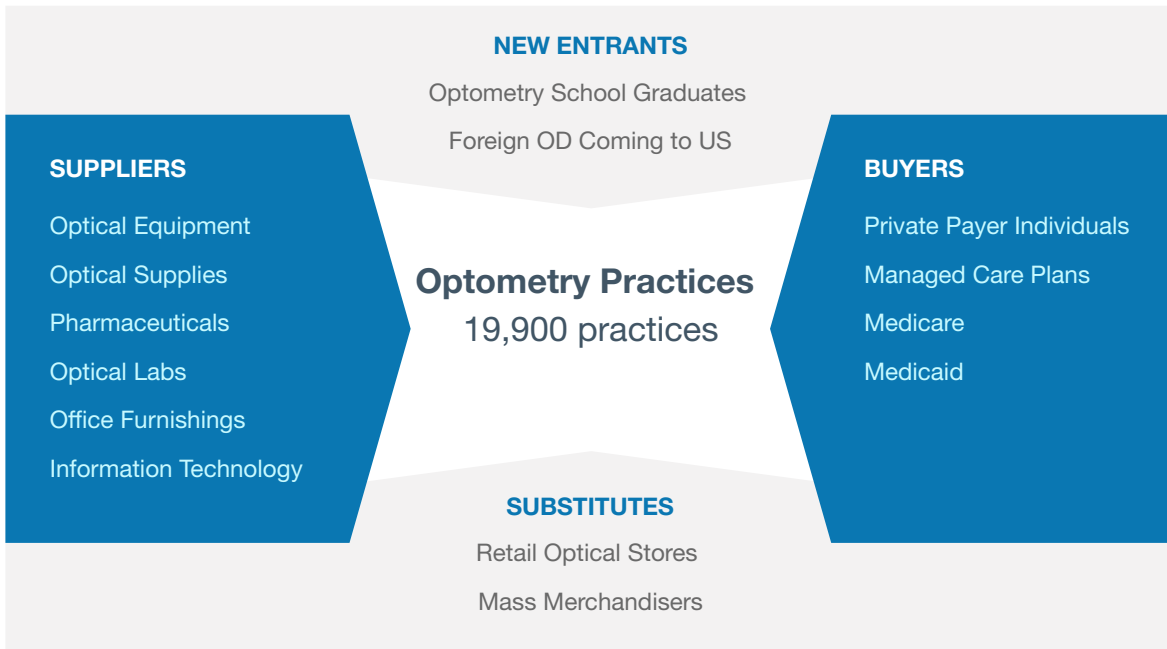
Industry Size and Structure

The average optometry practice has a single location, 6-7 employees, and about \$734,000 in annual revenue.

- A typical optometry practice has about 12,000 active patients.
- There are about 19,900 optometry practices in the US with \$14.7 billion in revenue.
- About 83% of optometry practices have less than 10 employees.
- There are about 37,200 optometrists in the US - around 58% of them work in private optometry practices. The rest work for ophthalmologists, retail optical chains, hospitals, HMOs, or the military.
- Optometrists need a Doctor of Optometry (OD) degree, which requires 4 years of graduate study at one of 23 accredited schools of optometry in the US.
- All states require that optometrists be licensed, which requires an OD degree and passing a written National Board exam and a National, Regional, or State clinical exam. Licenses must be renewed

every 1-3 years and continuing education credits are required for renewal.

- The business structure of optometry practices is 10% corporations, 63% S-corporations, 20% individual proprietorships, and 6% partnerships.
- 30% of optometry practices are female-owned and 21% are minority-owned.



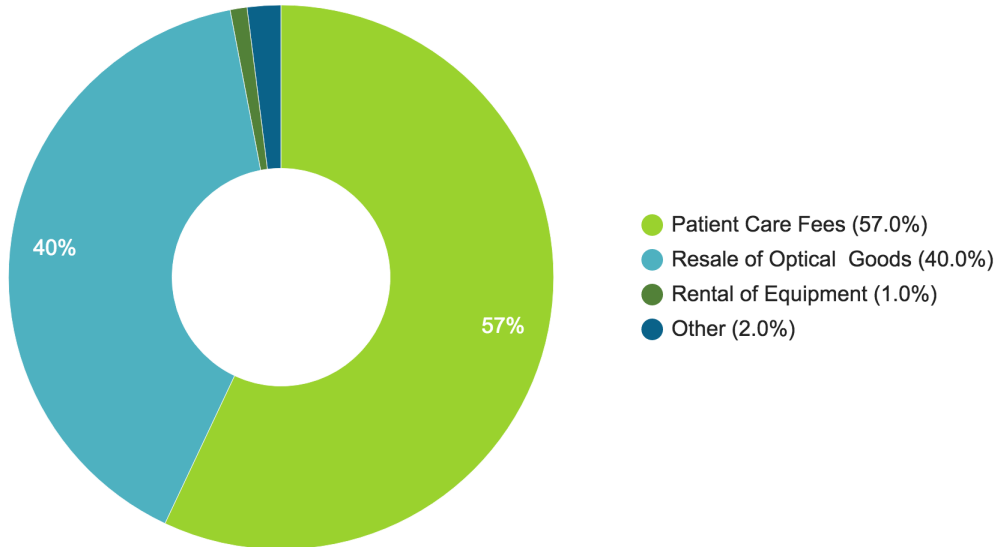
How Firms Operate

Products and Operations

Optometrists are the main providers of vision care. They examine patients' eyes to diagnose vision problems, prescribe eyeglasses or contact lenses, provide vision therapy treatments, prescribe medications, and test for glaucoma and other eye diseases.

- Nearly 60% of optometrist revenue comes from professional fees for patient care, which includes exams and treatment for problems and illnesses.
- The sale of eyeglasses and contact lenses, known as “dispensing revenue,” accounts for about 40% of overall revenue by optometry practices. According to the American Optometric Association (AOA), about half of optometrists' dispensing revenue comes from frames and lenses, and a quarter comes from contact lenses. The remainder includes add-ons, such as anti-reflective lens treatments and polarized lenses.
- Optometrists may be part of an “eye care practice” that includes ophthalmologists and opticians. Ophthalmologists are medical doctors who can perform eye surgeries, including LASIK procedures. Opticians are professionals trained in making and dispensing eyeglasses – they are not medical doctors and do not perform medical tests or treatments.

Optometry Practices Revenue



A typical optometry practice will have a patient reception and waiting area, 2-3 patient exam rooms (also called “refraction rooms”), 1-2 data collection rooms, an optical dispensing area, an office area for billing and administration, storage areas, and restrooms. Practices may also have a contact lens training area, a lab, offices for the optometrist and technicians, and a break room for staff. The combination of a data collection room for preliminary tests and a patient exam room is also referred to as an “exam lane.”

An average patient visit, consisting of a complete eye exam and purchase of eyeglasses with new frames or fitting for new contacts, lasts 60-75 minutes, with about a third of the time spent with the OD. The remaining time is spent with an optometric technician or assistant (who runs preliminary tests on the patient or teaches them to use contact lenses), or with an optical assistant (who helps them with eyeglasses). Practices strive to keep waiting and exam times under 45 minutes so patients will have time to purchase eyeglasses or lenses.

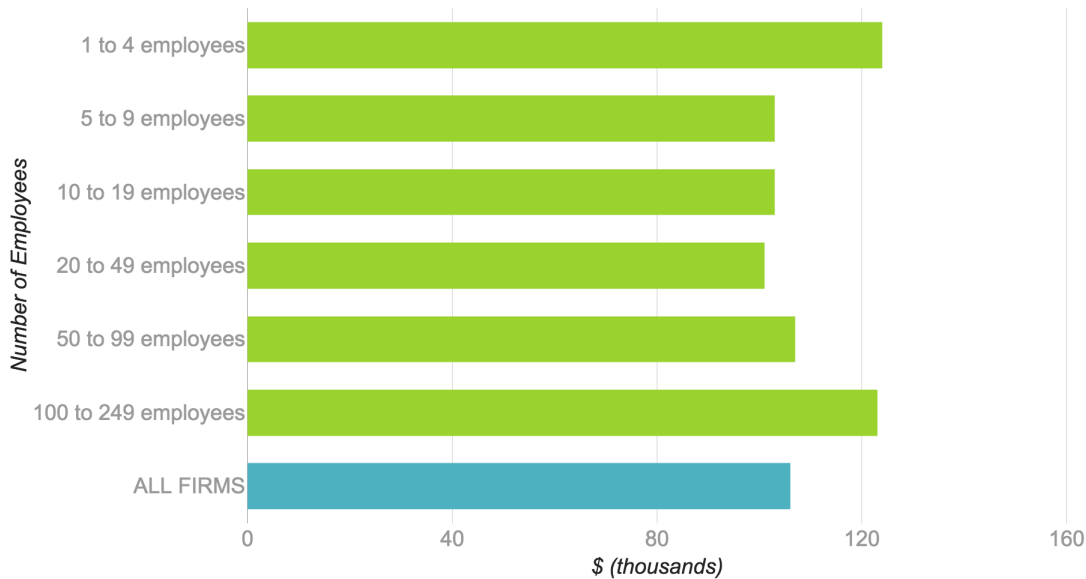
The optical dispensing area contains the display for eyeglass frames, usually referred to as the “frame board.” Determining how much frame inventory to carry is a challenge for optometry practices, since frames are a fashion item and come in a wide variety of styles designed for men, women, and children. Offering a wide selection of frames is critical to capturing dispensing sales, but must be balanced against the cost of carrying higher inventory levels. On average, inventory turn about 17-18 times per year.

Optometrists usually work with an outside optical lab to create lenses matching the patient’s prescription. Lens creation involves finishing and edging to match the lens with the shape of the frame. About a third of optometry practices perform some finishing and edging in-house and new equipment is making it more cost-effective to do so. Optometry practices can typically save 40% of the cost of lenses by finishing in-house. Full reimbursement from managed care plans for in-house finishing may cause more practices to adopt it.

Salaries for ophthalmic medical technicians average \$36,700. Other staff in an optometry office can include receptionists, billing and insurance specialists, and business managers. In small practices, these roles are often combined. Larger practices may also have one or more opticians on staff to run the optical dispensing area.

A typical optometry practice will have about 12,000 active patients. Traditionally, optometry practices have relied on word-of-mouth referrals from patients, Yellow Pages advertising, and referrals from other doctors as the primary sources for new patients. With increased competition, these methods are now being supplemented with online advertising, email marketing, direct mail, and advertising in local newspapers, magazines, movie theaters, and TV.

Revenue per Employee by Firm Size



Profit Drivers

Increasing Patient Exams Per OD Hour

Making effective use of the OD's time is the key to seeing more patients, so practices delegate patient prep and education to optometric technicians and assistants. Average exams per OD hour ranges from 0.93 for solo practices with less than \$750,000 in revenue to 1.53 for solo practices with over \$750,000 in revenue. Best practices achieve 2 or higher exams per OD hour.

Increasing Revenue Per Patient Exam

Average revenue per patient exam ranges from \$159 to \$500. The most successful practices have adopted a "medical model" focused on treating eye problems and diseases, such as glaucoma, dry eye, low vision and other problems, rather than just prescribing spectacles. By providing treatments for these problems as well as vision therapy, practices can increase their revenue per exam.

Increasing Spectacle Prescriptions Per Patient Exam

Optical dispensing accounts for 40% of practice revenues, so it's important that patient exams yield prescriptions for eyeglasses or contact lenses. On average, about 60% of patient exams result in a spectacle prescription.

Increasing Exams Per Active Patient

Practices can only be efficient if they have sufficient demand to fully use their staff and facility to capacity. By increasing the average number of exams per active patient, they can increase both demand and their revenue per patient. Averages for exams per active patient range from 0.22 to 0.76 and practices can increase the average by expanding treatments offered, effective marketing, and proactive scheduling of annual eye exams. Start-up optometry practices usually generate negative cash flow for 1-3 years and can cost between \$250,000 and \$400,000 to launch. As a result, only about 15%

of new practices are formed by new OD graduates. Most new ODs work for several years to pay off student debt, either as an associate OD for an optometrist or ophthalmologist, or as an affiliate with a retail optical chain.

KEY OPTOMETRY PRACTICE METRICS

Revenue Per Exam: \$159 - \$500

Exams Per OD Hour: 0.50 - 2.18

Revenue Per Active Patient: \$60 - \$270

Revenue per Staff Hour: \$53 - \$147

Spectacle Rx per Exam: 0.30 - 1.09

Best Practices

Operations and Staff Management

- Setting clear financial goals for the year and tracking key performance measures.
- Setting measurable goals for each staff member.
- Conducting staff meetings to review goals and issues at least weekly.

Revenue and Profit Enhancement

- Adopting a medical model and participating in medical insurance companies' networks.
- Developing specialty areas like low vision, vision therapy, sports vision, and computer vision to attract new patients and generate fees not covered by vision plans.
- Fully understanding managed care reimbursement policies and adjusting pricing strategy to ensure profitability.
- Delegating routine tests to optometric technicians.
- Upselling patient services beyond what is covered by their managed care plan.
- Reviewing managed care plans annually and dropping the lowest paying plan.
- Executing a marketing plan to achieve 30% new patients in the office.
- Sending reminder notices for eye exams that mention that the visit is covered by the patient's vision plan.

Collections

- Verifying with each patient's insurance company what the patient's financial responsibility is for any procedures *before* the patient arrives at the office.
- Having a written financial policy posted for patients in the office and on the practice website.
- Providing financing options through a third-party financing company for patients who have difficulty paying their out-of-pocket costs.
- Filing reimbursement claims within 48 hours of patient visit.

Working Capital

Sell and invoice

Traditionally, optometrists relied primarily on sales of eyeglasses and contact lenses to generate revenue, and this "dispensing revenue" accounts for 40% of practice revenue. With increased competition for eyeglasses and contacts, many practices have adopted a "medical model" focused on treating eye diseases and problems. Some are developing specialties in areas such as low vision, sports vision, and vision therapy.

About 35% of billing revenue comes from private or government insurance and 31% is from managed care plans for vision services, such as EyeMed or VSP, which pays for an annual vision exam and prescription lenses and an allowance for frames and contact lenses. The remainder of billing revenue is direct patient payments. Patients are responsible for any co-pays and for costs above the allowance and asked to pay at the time of treatment. Treatments for eye disease may be covered under the patient's medical insurance. Practices are usually a member of the managed care plan's "panel" (network) and submit claims to the plan(s) for reimbursement.

Collect

Since patients are asked to pay at the time of treatment, collection periods average only about 25 to 31 days. For a typical practice, patient responsibilities for co-pays and deductibles can total as much as \$1,000 per day. Patients usually pay by check or credit card; many practices offer financing through a third-party financing company for patients who have difficulty paying their out-of-pocket costs. Reimbursement rules from multiple insurance companies are complex and can result in disputes that delay payment.

Manage Cash

An average optometry practice will generate about \$61,000 per month in revenue. Established optometry practices typically generate sufficient cash flow to meet monthly expenses. Start-up practices take 1-3 years to become profitable, so significant equity is needed and new practices may rely on financing to meet cash needs. Start-up lending can be risky due to a lack of sufficient collateral and banks often require a guarantee from the Small Business Administration for loans.

Pay

Salaries for doctors and staff are the biggest expense and averages about 28-30% of revenue. Rent averages about 5-6%. Other costs include inventories of frames and contact lenses, optical lab fees, and lease payments for instruments and information systems.

Report

Most practices have practice management software that provides reports on operations and finances. Common metrics include the number of active patients, patient exams per OD hour, revenue per exam, revenue per active patient, spectacle prescriptions per exam, and dispensing revenue. Operating income averages about 11-14% of revenue.

Cash Management Challenges

Insurance Claims

Optometry practices gain additional patients by joining insurance plans, but delays in reimbursements can create cash flow problems. Billing codes and rules vary from plan to plan and incorrect coding can delay or reduce the size of reimbursements. Small practices may not be able to afford a billing specialist and may outsource the entire billing process.

Start-up Funding

Starting a new optometry practice costs \$250,000 to \$400,000 (assuming leasing the facility); it takes 1-3 years to achieve profitability. Start-up practices require significant equity and a solid business plan to obtain financing to carry them until they achieve positive cash flow.

Frame Inventory Costs

To capture dispensing revenue, practices must offer a wide selection of eyeglass frames, but this inventory can be expensive. A typical frame with a retail value of \$200 will cost the practice about \$40, so an inventory of 500 to 1,000 frames will cost \$20,000 to \$40,000. Since patients consider frames to be a fashion item, style preferences can change quickly. Practices must carefully track frame sales to determine optimum inventory levels and regularly replace unsold styles.

Capital Financing

Optometry practices require specialized equipment to diagnose and treat patients, making it expensive to start a new practice. Besides equipment, practices also make capital investments in office fixtures and furniture, information systems, and may choose to own, rather than lease, their office space.

Start-up costs for an optometry practice run from \$250,000 to \$400,000. Much of this expense is for optical instruments and outfitting the office space, including exam rooms, reception and waiting area, and optical dispensary. Basic optical instruments required to diagnose and correct vision problems include lensometers, phoropters, and slit lamps. Other instruments help in diagnosing and treating eye diseases, such as tonometers which are used for glaucoma detection.

Creating an inviting office environment and attractive optical dispensary is important for patient retention and dispensary sales, so practices invest in furnishings and fixtures upfront and may invest in remodeling older offices. Studies have shown that remodeling an optometry office can increase revenue by up to 15%.

Office rent averages about 5-6% of revenue for optometry practices. Practices in strip malls or other high traffic locations are typically able to only lease their space, while practices in medical office complexes or their own building may choose to own. Owning real estate generally requires a 15-20 year time frame to pay back through debt reduction and potential appreciation.

Most practices use practice management software for patient scheduling, billing, and accounting. More practices are implementing electronic medical records (EMR) systems to capture and track patient test data and treatments. Optical instruments are networkable and allow direct capture of digital images in EMR systems.

Practices lease or finance purchases of optical instruments, allowing them to match the monthly cost with the additional revenue generated by the instrument. Loans of 5-7 years from banks, third-party lenders, or instrument suppliers are typically used to finance instrument purchases. Computer hardware and software is typically leased, since it has a shorter useful life and requires regular upgrades.

Examples of Equipment Purchases



Lensometer

\$1,000 - 2,000

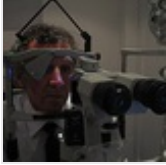
Instrument that reads a prescription directly from a pair of glasses.



Phoropter

\$4,000

Mask-like instrument that determines the refractive state of the eye (amount of vision correction needed).



Tonometer and Slit Lamp (Biomicroscope)

\$1,200 - 6,000

Instrument that measures the interior (intraocular) pressure of the eye (glaucoma detection). Attaches to slit lamp used to examine the external eye for abnormalities.



Patient Exam Chair and Stand

\$7,000 - 8,000

Reclining chair for patient exams with full power controls.



Autorefractor

\$6,000

Instrument that determines nearsightedness, farsightedness, and astigmatism.



Automated Visual Fields

\$18,000

Instrument that assesses peripheral and central vision disorders.



Digital Retinal Fundus Camera

\$20,000

Low-power microscope with an attached digital camera that takes digital images of the fundus (interior surface of the eye).



OCT (Optical Coherence Tomography)

\$55,000

"Optical ultrasound" that creates cross-sectional images of the fundus.



Finishing System

\$35,000

Instrument that cuts (edges) eyeglass lenses to fit frames.

Bank Product Usage

The following table provides the frequency of bank product usage by optometry practices with less than \$10 million in annual revenue. It is provided by Barlow Research Associates, Inc., the premier market research firm in the financial services industry.

Top Bank Products Used by Optometry Practices

BANK PRODUCT	% OF FIRMS
Business checking account services	100%
Point-of-sale credit card processing	77%
Business credit card issued in your company's name (Visa, MasterCard, Amex, etc.)	74%
Business savings or money market account	69%
Business debit card or business check card	69%
Overdraft protection for business checking	63%
Electronic payments initiated through the Internet (Bill Payment)	54%
Automated clearing house services (ACH)	47%
Credit lines secured by receivables, inventory, property or other assets	43%
Accounts receivable collection (lockbox)	39%
Company sponsored 401(k), SEP, pension or profit sharing plan	36%
Certificates of deposit	32%
Equipment leasing	30%
Money market mutual funds or short-term investments	27%
Commercial real estate mortgage	26%
Payroll processing	25%
Wire transfer services	25%
Unsecured short-term loans or working capital line of credit (less than one year)	24%
Term loans or equipment financing (one year +)	24%
Account reconciliation processing (ARP)	18%
Commercial real estate mortgage (company occupied building)	13%
Commercial real estate mortgage (investment property)	13%
Remote deposit capture (scanning checks at your office or by mobile device for electronic deposit)	11%

SBA loans	6%
International (foreign exchange, import/export letters of credit)	1%

Barlow's Small Business Banking program is a multi-client research program sponsored by leading banks. Each quarter, a stratified random sample of businesses throughout the United States with sales between \$100,000 to \$10 million compiled from an independent list provider are invited to participate in a comprehensive banking survey of over 100 questions. The results measure channel adoption, bank satisfaction, brand power, account management, service quality, business product usage and the selling abilities of leading providers. The results in this chapter are calculated directly from the business product usage section and represent usage for the average small business (\$100K-<\$10MM).

For more information on Barlow's banking research, go to <http://www.barlowresearch.com/>

Risks to Watch Out For

Business Failure and Merger Rate

Optometry Practices Fail or Merge more frequently

The business failure and merger rate for optometry practices from the end of 2016 to the end of 2017 was 16.70%, higher than the average for all US businesses, according to data from Bizminer.

"Business failures and mergers" include those firms that ceased operations during the time period, as well as firms that ceased being independent entities due to merger or acquisition.

Industry Risks

Staffing Shortage

Demand for optometrists and optometric techs is expected to exceed the available supply in the coming years. The 23 schools of optometry in the US produce only about 1,500 to 1,700 graduates each year - not enough to keep pace with demand growth. In addition, the American Optometric Association estimates that nearly one-quarter of practicing optometrists are approaching retirement age. Optometric technicians are already in short supply and competition for qualified staff has increased. However, average wages for non-supervisory employees in optometrist offices fell 1% in 2015, and then rose 1.4% in 2016 and 4.6% in 2017.

Reimbursement Issues

Since about 60% of their revenue comes from managed care and vision plans, changing reimbursement rates and rules creates challenges for optometry practices. Some plans require optometrists to provide goods and services at fees that severely reduce or eliminate their potential profit. Billing and coding for reimbursements from multiple managed care plans is complex and can require a dedicated insurance expert on staff, which small practices may not be able to afford. As practices expand into provision of additional medical treatments, they must also be prepared to navigate reimbursement rules for medical insurance plans.

Competition From Retail Chains

Independent optometry practices face competition from large retail optical chains, as well as mass merchandisers offering optical services. Retail optical chains, such as Lenscrafters, focus on selling eyeglasses and contact lenses, but also offer vision care services. They franchise or sublease the vision care side of their store to optometrists, which can be an attractive way for recent graduates to start out. Mass merchandisers, such as Walmart, also offer vision care services through contracts with independent optometrists. Independent optometry practices have difficulty matching the marketing spending and low prices of these large chains.

Competition From Online Suppliers

Consumers now have the option of purchasing prescription eyeglasses and contact lenses online from

multiple sources. Since dispensing glasses and contacts accounts for about 40% of overall revenue for optometrists, online competition puts a large portion of optometric businesses at risk. Competition comes from Internet-only suppliers with low overhead, as well as online sales by large retail optical chains.

Company Risks

Management Skills

Optometrists usually lack formal business training and may face challenges managing the financial and people aspects of their practices. Surveys show that a majority of ODs do an inadequate job of budgeting and monitoring practice performance. As revenues increase and staff is added, practices may outgrow the management skills of the owner. An inability to delegate responsibility to others can limit the growth potential of the practice.

High Turnover

Increasing competition for qualified staff can lead to high turnover at poorly managed optometry practices. Dissatisfied staff can easily find jobs elsewhere, particularly during good economic periods. Besides hurting morale and patient satisfaction, high turnover costs the practice due to additional recruiting and hiring fees.

Outdated Technology

Optometry practices that cut costs by skimping on technology investments may fall behind competitors who have obtained the latest equipment and information systems. Optometric equipment continues to evolve and additional equipment may be needed to take advantage of new treatment opportunities.

Unclear Exit Strategy

With nearly one-quarter of practicing optometrists approaching retirement age, many practices will begin transitioning to new owners. However, many practices lack a clear transition strategy, and owners may have unrealistic expectations for the value of the practice. The old valuation rule was "100% of gross revenue," but competition from retail optical chains and uncertainty about the impacts of healthcare reform have reduced valuations for optometry practices to 50-70% of gross revenue. Sale of a practice can create opportunities to sell retirement planning services and provide financing for the acquisition to the new owner. Financing a practice purchase requires review of several years of revenue to determine a proper valuation and assess any decline in revenue or patients.

Industry Trends

Growth In Eye Care Demand

As the US population ages, demand for eye care services should see steady growth. The onset of vision problems that occur at older ages, such as cataracts, glaucoma, and macular degeneration, will require additional services from optometrists and ophthalmologists. In addition, rising rates of diabetes and hypertension among the general population will create eyesight problems that require treatment. Employment of optometrists is expected to grow 18% between 2016 and 2026, much faster than the average for all occupations.

Greater Use Of Optometric Assistants

To meet rising demand, optometry practices are expected to increase the use of optometric assistants, also known as paraoptometric, to perform routine clinical duties and allow optometrists to see more patients per day. Optometric assistants instruct patients on contact lens use and care, conduct preliminary tests on patients, and provide chair-side assistance to the optometrist. Employment of optometric assistants and other medical assistants is expected to grow 29% from 2016 to 2026, making it one of the fastest growing US occupations.

Expanded Role For Optometrists

Another response to rising eye care demand is allowing optometrists to perform treatments previously restricted to ophthalmologists. Since there are over twice as many optometrists as ophthalmologists in the US, some states are expanding the services that optometrists can deliver. These services include minor surgical procedures on eyes and eyelids and some treatments for glaucoma. Ophthalmologists are fighting such changes to the role of optometrists, citing concerns over patient safety.

Comprehensive Eye Care Practices

Optometry practices and ophthalmology practices have long had referral relationships with each other, but are increasingly combining to form a comprehensive eye care practice. Combined practices gain leverage in marketing and administrative functions, such as billing and coding insurance claims. Patients like the convenience of “one-stop shopping” for all their eye care needs. However, optometrists may feel like “second class citizens” when working with ophthalmologists, since they are restricted from providing certain treatments.

More Female Optometrists

The demographics of optometry are changing rapidly as more women enter the profession. Optometry has traditionally been dominated by men – over 60% of optometrists practicing in 2012 were men. However, about half of new practices are being formed by women. In 2016-2017, women accounted for two-thirds of the graduates from US schools of optometry. More male optometrists are retiring, and by 2020, slightly more than half of practicing optometrists will be female, according to Jobson Medical Information.

Marketing Via The Internet

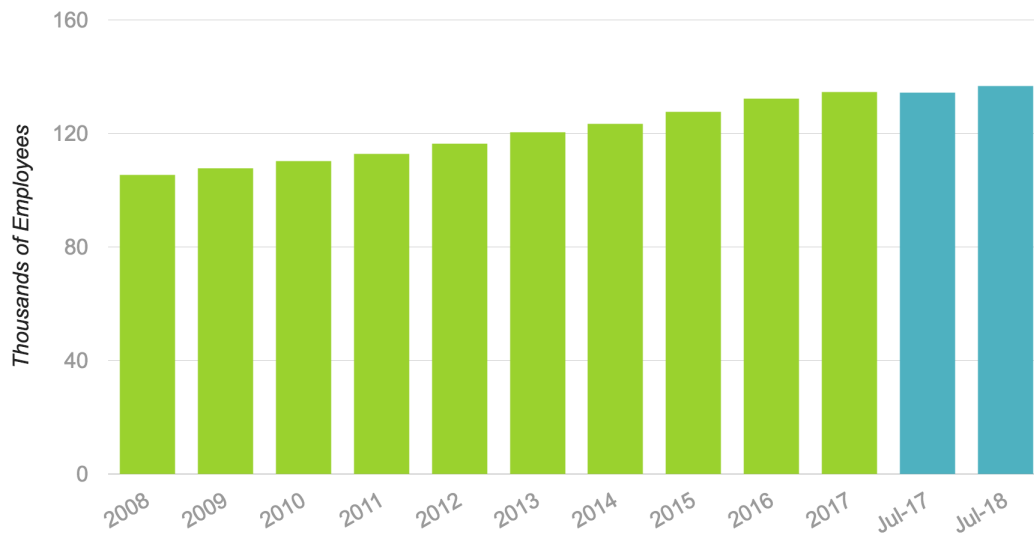
Optometrists are using the Internet in their marketing activities. Most optometrists have a web site for their practice and are taking steps to assure search optimization for their site. Optometrists are also using social media, such as Facebook, LinkedIn, and Twitter, to communicate with their patients.

Employment and Wage Trends

Employment by optometry practices increases

Overall employment by optometry practices changed 1.8% in July compared to a year ago, according to the latest data from the Bureau of Labor Statistics.

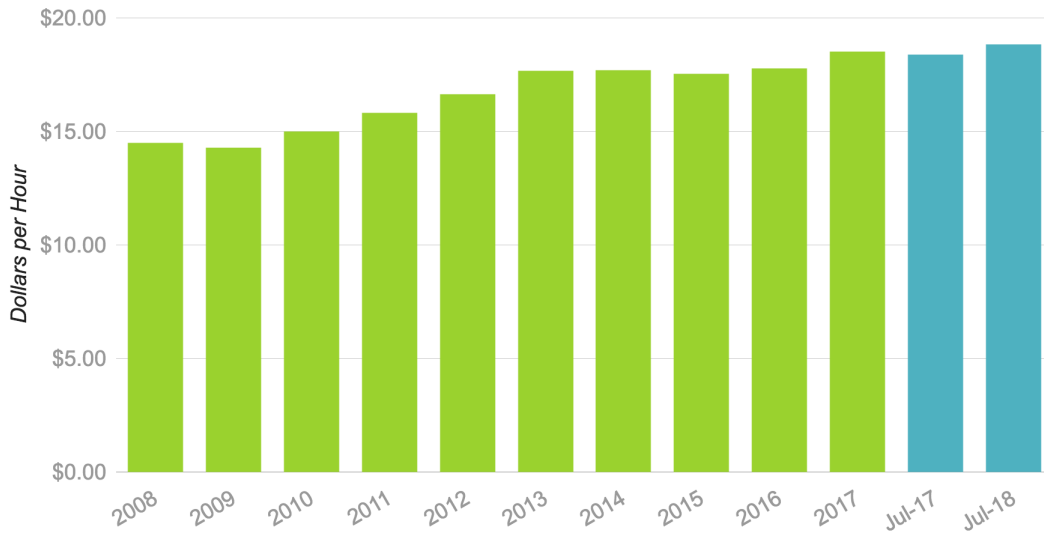
Optometry Practices Employment



Wages at optometry practices rise

Average wages for nonsupervisory employees at optometry practices were \$18.84 per hour in July, a 2.5% change compared to a year ago.

Average Wages for Nonsupervisory Employees



Quarterly Insight

Third Quarter 2018

Oklahomans Will Vote on Optometry Practices in Retail Settings

A question on the Oklahoma November 2018 election ballot asks if eye doctors should be allowed to practice inside Oklahoma retail establishments. Oklahoma is one of just three states that do not allow eye doctors to practice in retail locations. Optometrists say the ballot language allows big box retailers such as Walmart to define the services their optometrists will be able to offer, while some consumer groups say approval would lead to more affordable eye care options.

Second Quarter 2018

Managing Student Loan Debt

Newly graduated doctors of optometry (DOs) are strapped with high student loan debt that can seem daunting. Their debt is often comprised of loans from multiple sources. OD grads can benefit from working with lenders to consolidate their debt, lower their interest rates, and spread payments over 15-25 years. The American Optometric Association has a program for helping DOs refinance their school loans. Many new DOs want to buy into a practice after a few years of employment, but are concerned about how their student debt will impact that plan.

First Quarter 2018

Video Game Vision Therapy

Some optometrists are using video games as a form of therapy to treat a vision condition called amblyopia (“lazy eye”). The video game uses a virtual reality headset that the optometrist can adjust. The therapy forces the patient’s brain to use his/her weak eye instead of the dominant eye. The video game treatment performed in the office is typically used in conjunction with traditional approaches used outside of the office, such as patches that block vision in the dominant eye or atropine drops that blur vision in the dominant eye. Patients with untreated amblyopia may struggle with focus or depth perception. Patients with a cataract in one eye may become dependent on the unaffected eye and suffer amblyopia over time if the cataract is not removed.

Fourth Quarter 2017

SERVICE AND PRODUCT OPPORTUNITIES

Optometry practices typically offer services and products beyond a comprehensive eye exam to bring in additional revenue. Due to population growth, an aging population, increased income, and new technology, demand for eyecare services and products have steadily grown in recent years. According

to The Future of Optometry report, contact lens wearers represent 22% of the vision correction population and are expected to reach 24% by 2025 driven by new technology such as extended wear contacts and disposable contacts. Demand for medical eyecare services, such as diagnostic tests for ocular disorders and treating dry eye and ocular allergies, is forecast to grow three times as much as comprehensive vision exams through 2025.

Third Quarter 2017

SOLAR ECLIPSE IMPACT

Optometry practices across the nation took the opportunity to educate patients and others in their communities on eye care and safe viewing of the recent solar eclipse. Practices will likely see an increase in patient visits for some time after the eclipse as people who viewed the eclipse without protection suffer from long-term injuries to the eye and vision changes. The American Optometric Association worked with NASA and the American Astronomical Society to issue public health warnings.

Second Quarter 2017

CREDIT FRAUD HITS OPTOMETRY INDUSTRY

The optometry industry recently suffered several waves of credit fraud, which has spurred the American Optometry Association (AOA) to call for tighter controls of personal data. The latest round of fraud resulted from unsolicited, fraudulent applications submitted for Chase Amazon Visa cards in the names of optometrists and optometry students. The source of the breach is currently unknown. In reaction, the National Board of Examiners in Optometry investigated its data system and found no breach, but has eliminated the use of Social Security numbers to identify students in order to increase data security. AOA recommends that affected optometrists contact their banks, credit card companies, and the credit bureaus. Optometrists can also benefit from enrolling in an identity theft recovery program and obtaining cyber liability insurance.

First Quarter 2017

NATIONAL ADVERTISING SUCCESS

The American Optometric Association's "Think About Your Eyes" campaign is driving more consumers to have eye exams. The campaign was launched in 2013, and in 2015, an additional 828,500 eye exams were performed as a result of the campaign. The average wait between eye exams is now 16 months, down from 29 months. The campaign's budget is increasing 60% in 2017 with TV ads running from February through September. The Armed Forces Optometric Society is also committed to the campaign.

Fourth Quarter 2016

TREATING DIABETIC VISION PROBLEMS

New research is giving optometry practices better understanding and potential tools to help diabetic patients prevent or slow vision loss related to the disease. According to the Centers for Disease Control (CDC), diabetes is the leading cause of new cases of adult blindness in the U.S. Diabetes affects the blood vessels of the eye, resulting in retinopathy. Research in mice, using a combination of antioxidants and micronutrients, has produced promising results.

Third Quarter 2016

OPTOMETRISTS HELP SHOOTERS

Optometry practices have opportunities to help sports shooters and hunters improve their target accuracy. Shooting sports that include use of a scope may require the shooter to have more than 20/20 vision in just one eye(monocular correction). Shooting sports such as skeet, may require correction for distance in both eyes (binocular correction). The recent Olympic shooting events highlighted the use of sport -specific eye wear. Specialized, tinted eye wear for shooting can start at \$500 per pair without vision correction lenses and increases with the addition of prescription, apertures, occlusions and other features.

Second Quarter 2016

Practice Growth Tips

Optometry practices may be able to grow their business and revenue by practicing their full scope, using staff more efficiently, scheduling smarter, and playing less distracting music. Practices often focus on refractive eye care and let slip opportunities to expand in areas such as contact lens fitting and eye allergy treatment, which are included in the scope of their license. Practices can improve revenue by as much as 25% by using techs to take some of the workload off of physicians. Practices can see more patients and boost revenue by scheduling appointments in blocks of time that increase the physicians' productivity. Practices can increase revenue by at least 8% by playing background music without words, because patients are less distracted when given a diagnosis and better able to a focus on treatment options.

First Quarter 2016

Glaucoma Treatment and Coding Benchmarks

In late 2015, the Centers for Medicare and Medicaid Services sent Comparative Billing Reports to about 6,500 optometrists. The reports include benchmarks on the industry's use of medical treatment and reimbursement codes. The information can help optometrists measure compliance and whether they over- or under-use codes compared to the industry as a whole. One area of wide variation is the use of both vision exams and laser imaging within 90 days for glaucoma patients. Optometrists are recommended to check with insurers in their area on whether reimbursement for both tests is covered within a 90-day period. Failure to verify could result in limited or no reimbursement from insurers, higher costs for patients, or lost revenue for optometrists.

Fourth Quarter 2015

Boosting Sales of AR Lens Coatings

For optometry practices that sell glasses, the sale of anti-reflective (AR) coating on lenses is often considered an add-on. This was once true of anti-scratch coatings, which are now sold as a standard feature, and the cost is included in the price of lenses. Optometrists have been reluctant to prescribe AR because early products had issues (easily scratched, hard to clean, cracking, higher cost). Advances in AR have addressed these issues and now provide opportunities for optometrists to boost revenue. Some practices are including AR in the price of lenses and educating patients on the benefits to their vision to justify the cost.

Third Quarter 2015

Catering to the Aging Population

As the huge Baby Boomer population ages, demand for eye care services is expected to spike. Optometry practices can prepare for this trend by encouraging older adults to have regular eye care exams, working more closely with nursing homes, assisted living communities, and other senior housing settings, and developing or partnering with vision rehab services. The American Optometric Association is advocating for better eye care coverage for seniors under Medicare. Optometry practices are also expected to see more patients with hearing, mobility, and cognitive issues as their client base ages. Keeping caregivers and family informed of patients' optometric needs may also help to improve care and practice revenue.

Second Quarter 2015

Avoiding Value-Based Penalties

Optometrists are urged to participate in the value-based modifier (VBM) program under Medicare. The VBM compiles data and compares the cost of physicians' care to the quality. In 2017 the VBM will impact how much optometrists are paid under Medicare's fee-for-service program. In 2019, the VMB data will be used along with other measures as part of the Merit-Based Incentive Payment System (MIPS), which will rate physicians on a scale of 1-100. Optometrists that fail to participate or score poorly could be penalized with lower reimbursements and a lower MIPS rating.

First Quarter 2015

Offering Online Scheduling and Payments

Optometry practices can benefit from providing patients, particularly younger ones, with online appointment scheduling and bill paying. A survey by TechnologyAdvice found that for 60% of consumers, their choice in doctor was influenced by the ability to schedule appointments and pay bills online. Use of electronic scheduling and payments can also save optometry practices time in processing paper bills, scheduling appointments and call reminders on the phone, as well as the cost of paper, ink,

and postage. Electronic billing is also faster than mail and can reduce collection time.

Fourth Quarter 2014

Contact Lens Campaign Launched

The American Optometric Association and the Centers for Disease Control and Prevention (CDC) are joining forces to raise awareness of eye health for contact lens wearers. Together they launched the public health initiative, Contact Lens Health Week, in mid-November with public service announcements and on social media via #OnePairTakeCare. The campaign targets older teens and young adults, who represent 35% of contact lens wearers and tend to have a poor record of following contact lens care instructions. The campaign addresses the importance of lens hygiene, proper use and storage, and annual eye exams.

Third Quarter 2014

Electronic Devices and Youth Vision

The American Optometric Association recently surveyed children and their parents on kids' use of electronic devices such as computers, smartphones and tablet. The information is part of a campaign to raise awareness of vision issues that can result from prolonged viewing of these devices. 73% of parents said their children use a computer or tablet daily for homework and entertainment. In terms of duration, about 37% of children spend 1-2 hours per day on devices, 30% spend 3-4 hours, and 10% use them 5 or more hours per day. Optometrists are interested in the effect on eyes and vision and found that 80% of children reported their eyes burned, itched, or felt tired and blurry after using electronic devices. Only about one-third take breaks every hour to rest their eyes. Optometrists may begin to see more young people seeking treatment for vision issues and eye irritation as the use of electronic devices increases.

Second Quarter 2014

ICD-10 Coding Delayed

Implementation of ICD-10 billing codes, which was scheduled to take effect in October 2014, has been delayed by Congress. The delay will give optometrists more time to prepare for the new coding system. The ICD-10 will replace the sustainable growth rate (SGR) formula currently used by Medicare and Medicaid to reimburse optometrists and other healthcare providers. The cost to implement ICD-10 is estimated at about \$225,000 for a small practice and up to \$8 million for a large practice, according to the American Medical Association. The cost to convert may be high for some practices, but under the SGR, practices were facing a 24% cut in reimbursements from Medicare and Medicaid.

First Quarter 2014

Medicare Reimbursements Rise

Optometrists are expected to see a 4% increase in payment from the Centers for Medicare and Medicaid Services (CMS) in 2014. In total, the industry will receive an estimated \$1.1 billion from CMS. Payments for 2014 are based on procedures performed and would have been higher if they were based on practice expenses because optometrists use a lot of expensive equipment. Two major changes in reimbursements for 2014 include a 13.7% increase in the code for contact lens fitting and an 18.5% decrease in the code for the "visual evoked potential test" which helps to diagnose optic nerve disease. Medicare payments have grown steadily over the past decade, but CMS' sustainable growth rate formula (SGR) is set to cut payments by 24% in 2015, if Congress doesn't take action.

Fourth Quarter 2013

FSA Change Benefits Optometrists

The IRS has decided to loosen its "use it or lose it" policy on Flexible Spending Accounts (FSA) and allow FSA holders to carry over up to \$500 in funds to the next year. The IRS originally planned to allow all unused funds to be rolled over, but the American Optometric Association lobbied for the limited rollover option. The rollover will allow some patients to procrastinate making eye appointments but will alleviate pressure on patients to squeeze an eye exam in at the end of the year. Optometrists will be able to fill their appointments without having to turn patients away and will be able to schedule patients at the beginning of the next FSA year without patient concern about their funds.

Third Quarter 2013

Stopping Forced Discounts

Kentucky, Maryland, and Texas are the first states to enact legislation that protects optometry practices from the discounting practices of health insurers. The legislation is roughly based on legislation adopted for the dental industry. In most states, health insurance providers can require optometry practices to join discount vision plans in order to participate in the insurer's major medical network. The forced discounting cuts into optometry practices' revenues. Under the three states' new legislation, anti-competitive practices are prohibited and optometrists and patients can negotiate a reasonable fee for services and products. The American Optometric Association is encouraging optometrists in other states to press their lawmakers to enact similar legislation.

Second Quarter 2013

Eye Care Knowledge Tested

A recent survey was conducted by the American Optometric Association to gauge consumers' knowledge of eye care and conditions. Almost 60% of respondents had seen an eye care doctor or specialist in the past year and almost 30% had seen one in the past 2-4 years. The main reasons for their visits were to have routine annual exams and purchase new glasses or contact lenses. To deal with vision problems people typically wear reading glasses, use brighter lights, limit night driving, and use eye drops. Major eye issues include an inability to see close up (47%), at night (42%), far away (38%) and having dry eyes (29%). Just over 70% wear sunglasses to protect their eyes from ultraviolet (UV)

rays, but almost two-thirds don't spend more than \$50 for a pair of sunglasses. Almost 90% were aware that UV rays can sunburn the eyes, but only 60% wear sunglasses during the winter when UV rays are still present and glare from snow and ice can damage eyes.

First Quarter 2013

Medicare Pay Cuts Delayed

On January 1st, legislators approved a one-year delay on a scheduled 27% Medicare pay cut to optometrists and other physicians and a two-month delay on a 2% cut that was part of the federal government's budget sequester. The American Optometric Association Advocacy Group has announced that claims should be submitted for reimbursement as usual, but that Medicare contractors may delay payment for up to 10 days. The Centers for Medicare & Medicaid Services are also updating the physician fee schedule and optometrists should watch for the changes. Funding to cover the one-year delay in physician payments was allocated away from other healthcare providers such as hospitals and pharmacies, but optometrists are not expected to see cuts related to the reallocation. Instead, Medicare payments to optometrists are expected to rise in 2013.

Call Prep Questions

Working Capital

How many of your patients are covered by managed care plans?

About 60% of patients are covered by a managed care plan for vision services, such as EyeMed or VSP.

How many managed care panels are you on?

Practices are usually a member of multiple managed care plans- "panel" (network) in order to attract patients.

What is your typical volume of patient payments per day?

For a typical practice, patient responsibilities for co-pays and deductibles can total as much as \$1,000 per day.

What is the mix of cash, checks or credit cards for patient payments? Do you offer financing?

Patients usually pay by check or credit card; many practices also offer financing through a third-party financing company for patients who have difficulty paying their out-of-pocket costs.

What is your average collection period?

Since patients are asked to pay at the time of treatment, collection periods average only about 25 to 32 days.

How often do you experience delays in reimbursements from insurance companies?

Reimbursement rules from multiple insurance companies are complex and can result in disputes that delay payment.

Do you ever experience cash shortfalls to meet monthly expenses?

Established optometry practices typically generate sufficient cash flow to meet monthly expenses. Start-up practices take 1-3 years to become profitable and rely on financing to meet cash needs.

What difficulties do you face in paying staff, payroll taxes, and reporting?

Salaries for doctors and staff are the biggest expense and average about 28-30% of revenue.

What software do you use to manage your practice and report results?

Most practices have practice management software that provides reports on operations and finances.

Capital Financing

How much have you invested to start your practice?

Start-up costs for an optometry practice run from \$250,000 to \$400,000, not including purchase of a facility.

How do you finance new optical instruments?

Practices lease or finance purchases of optical instruments to match monthly costs with additional revenue generated by the instrument.

What plans do you have for office improvements?

Studies have shown that remodeling an optometry office can increase revenue by up to 15%.

What plans do you have to invest in practice management software or electronic medical records?

Practices use practice management software for patient scheduling, billing, and accounting. Electronic medical records (EMR) systems capture and track patient test data and treatments.

What is your strategy regarding owning your office space?

Owning real estate generally requires a 15-20 year time frame to pay back through debt reduction and potential appreciation.

What is your exit strategy for the practice?

With nearly one-quarter of practicing optometrists approaching retirement age, many practices will begin transitioning to new owners, creating opportunities to finance the acquisition.

How Firms Operate

How important is dispensing revenue to your practice?

The sale of eyeglasses and contact lenses, known as "dispensing revenue," accounts for about 40% of overall revenue by optometry practices.

How do you determine the quantity of frame inventory to carry?

A wide selection of frames is critical to capturing dispensing sales, but must be balanced against the cost of carrying higher inventory levels. On average, inventory turns about 17-18 times per year.

Do you use an optical lab for lens finishing and edging or do the work in-house?

About a third of optometry practices perform some finishing and edging in-house and new equipment

is making it more cost-effective to do so.

How do you manage your optical dispensing?

Larger practices may have one or more opticians on staff to run the optical dispensing area.

How many active patients do you have?

A typical optometry practice will have about 12,000 active patients.

What are you doing to increase the number of exams per OD hour?

Making effective use of the OD's time is the key to seeing more patients, so practices delegate patient prep and education to optometric technicians and assistants.

Have you adopted a medical model to increase the average revenue per patient exam?

By providing treatments for glaucoma, dry eye, low vision, and other problems, and offering vision therapy, practices can increase their revenue per exam.

What are you doing to increase your exams per active patient?

Averages for exams per active patient range from 0.22 to 0.76. Practices can increase the average by expanding treatments offered, implementing effective marketing and proactive scheduling of annual eye exams.

Risks to Watch Out For

How will the shortage of optometric techs affect your practice in the coming years?

Demand for optometrists and optometric assistants is expected to exceed the available supply in the coming years.

What staff turnover rate are you experiencing?

Increasing competition for qualified staff can lead to high turnover at poorly managed optometry practices.

What challenges do you face in managing reimbursements from managed care plans?

Billing and coding for reimbursements from multiple managed care plans is complex and can require a dedicated insurance expert on staff, which small practices may not be able to afford.

What challenges do you face in competing with retail optical chains and mass

merchandisers?

Independent optometry practices have difficulty matching the marketing spending and low prices of large chains.

How has competition from online suppliers affected your dispensing revenue?

Since dispensing glasses and contacts accounts for about 40% of overall revenue for optometrists, online competition puts a large portion of an optometrist's business at risk.

What investments have you made in new technology and equipment over the past few years?

Optometry practices that cut costs by skimping on technology investments may fall behind competitors in having the latest equipment and information systems.

Industry Trends

How do you see demand for your services growing over the next few years?

As the US population ages, demand for eye care services should see steady growth.

What is your practice's strategy for using optometric techs?

To meet rising demand, optometry practices are expected to increase the use of optometric assistants to perform routine clinical duties and allow optometrists to see more patients per day.

How do you partner with ophthalmology practices?

Optometry practices and ophthalmology practices have long had referral relationships with each other, but are increasingly combining to form a comprehensive eye care practice.

What opportunities do you see for expanding into minor surgery or other treatments?

Since there are over twice as many optometrists as ophthalmologists in the US, some states are expanding the services that optometrists can deliver.

How do you market your practice?

Optometrists are expanding use of the Internet in their marketing activities.

Web Links

[American Optometric Association](#)

News and education from a trade association for optometrists.

[Optometric Management](#)

Management articles and tips for optometric practices.

[Optometry Times](#)

News source for the optometric community in U.S. and Canada.

[Review of Optometric Business](#)

Weekly online publication on running an optometry practice.

[Vision Source](#)

Network of private practice optometrists.

Business Valuation

This data on business valuations is supplied by Pratt's Stats, an online database with the most complete financial details on over 27,000 acquired private companies. The graphs show the distribution of transactions for various values of each of the following metrics:

- Selling Price to Sales
- Selling Price to Gross Profits
- Selling Price to EBITDA
- Selling Price to EBIT

At the bottom of each graph, the number of transactions, minimum value, maximum value, mean value, and median value are displayed. Click on the metric below to display the corresponding graph:

- [Price to Sales](#)
- [Price to Gross Profits](#)
- [Price to EBITDA](#)
- [Price to EBIT](#)

Count: 13	Min: 0.3	Max: 0.8	Mean: 0.57	Median: 0.6
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Price to Sales = Selling Price/Net Sales
Date range: 01/01/2008 - 09/30/2016

Count: 13	Min: 0.4	Max: 1.2	Mean: 0.81	Median: 0.8
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Price to Gross Profit = Selling Price/Gross Profit
Date range: 01/01/2008 - 09/30/2016

Count: 11	Min: 1.2	Max: 14.1	Mean: 5.1	Median: 4.3
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Price to EBITDA = Selling Price/Operating Profit + Depreciation & Amortization
Date range: 01/01/2008 - 09/30/2016

Count: 11	Min: 1.2	Max: 14.1	Mean: 5.12	Median: 4.3
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Price to EBIT = Selling Price/Operating Profit
Date range: 01/01/2008 - 09/30/2016

Selling Price, also known as MVIC (Market Value of Invested Capital) is the total consideration paid to the seller and includes any cash, notes and/or securities that were used as a form of payment plus any interest-bearing liabilities assumed by the buyer. The MVIC price includes the noncompete value and the assumption of interest-bearing liabilities and excludes (1) the real estate value and (2) any earnouts (because they have not yet been earned, and they may not be earned) and (3) the employment/consulting agreement values. In an Asset Sale, the assumption is that all or substantially all operating assets are transferred in the sale. In an Asset Sale, the MVIC may or may not include all current assets, non-current assets and current liabilities (liabilities are typically not transferred in an asset sale).

Source: *Pratt's Stats* 2017 (Portland, OR; Business Valuation Resources LLC). Used with permission.

Pratt's Stats is available at <http://www.bvresources.com/prattsstats>

Just the Numbers

Financial Summary

- [Cash Intensity](#)
- [Inventory Intensity](#)
- [Labor Intensity](#)
- [Profitability](#)
- [Capital Intensity](#)

Cash Intensity

8.29% Cash to Total Assets (%)

4th quartile

Inventory Intensity

23.65 Days Inventory

3rd quartile

Labor Intensity

17.52% Salaries/Wages to Sales (%)

2nd quartile

Profitability

14.13% Operating Income to Sales (%)

1st quartile

Capital Intensity

34.19% Net Fixed Assets to Total Assets (%)

2nd quartile

Industry Financial Benchmarks

Here are typical financial statements for optometry practices.

This data is supplied by BizMiner, a leading supplier of industry analytical statistics to the financial sector, accounting and business valuation communities. BizMiner content includes financial and market reports on more than 9000 industry segments at national and local levels. [Learn more about BizMiner products](#) or [review BizMiner data sources](#).

Need more detailed financial benchmark data for your client or prospect? BizMiner can break down this industry data by specific industry segments, size of business, or geographic market. These more detailed reports are available for as little as \$79. To learn more or order a report, [click here](#).

Show data for: Industry-wide

Optometry Practices Financial Ratios

Size: industry-wide

MEASURE	2015	2016	2017
Current Ratio [?]	1.72	1.77	1.75
Quick Ratio [?]	1.41	1.44	1.43
Days Inventory [?]	21.20	18.56	23.65
Days Receivables [?]	29.53	25.42	31.61
Days Payables [?]	36.86	31.31	39.66
Pre-tax Return on Revenue [?]	11.65%	14.61%	13.33%
Pre-tax Return on Assets [?]	34.70%	51.11%	36.89%
Pre-tax Return on Net Worth [?]	81.63%	119.06%	85.29%
Interest Coverage [?]	18.88	22.53	20.64
Current Liabilities to Net Worth [?]	0.55	0.53	0.52
Long Term Liabilities to Net Worth [?]	0.81	0.8	0.79
Total Liabilities to Net Worth [?]	1.35	1.33	1.31
Number of Firms Analyzed	3,671	4,219	4,851

Optometry Practices Income Statement

Size: industry-wide

ITEM	2015	2016	2017
Revenue	100%	100%	100%
Cost of Sales	18.45%	18.27%	17.90%
Gross Margin	81.55%	81.73%	82.10%
Officers Compensation	11.42%	10.80%	11.13%
Salaries-Wages	18.75%	17.29%	17.52%
Rent	6.14%	5.76%	5.93%
Taxes Paid	3.50%	3.25%	3.31%
Advertising	1.33%	1.24%	1.27%
Benefits-Pensions	2.79%	2.58%	2.61%
Repairs	0.80%	0.74%	0.76%
Bad Debt	0.03%	0.03%	0.03%
Other SG&A Expenses	24.03%	24.45%	25.15%
EBITDA	12.76%	15.59%	14.39%
Amortization-Depreciation	1.57%	1.46%	1.48%
Operating Expenses	70.36%	67.60%	69.19%
Operating Income	11.19%	14.13%	12.91%
Interest Income	0.01%	0.01%	0.01%
Interest Expense	0.68%	0.69%	0.70%
Other Income	1.12%	1.16%	1.11%
Pre-tax Net Profit	11.64%	14.61%	13.33%
Income Tax	2.55%	3.86%	3.38%
After Tax Net Profit	9.09%	10.75%	9.95%
Number of Firms Analyzed	3,671	4,219	4,851

Optometry Practices Balance Sheet

Size: industry-wide

ASSETS	2015	2016	2017
Cash	8.53%	8.54%	8.29%
Receivables	24.09%	24.36%	23.96%
Inventory	3.19%	3.25%	3.21%
Other Current Assets	4.20%	4.21%	4.12%
Total Current Assets	40.01%	40.36%	39.58%
Net Fixed Assets	34.21%	34.19%	34.72%
Other Non-Current Assets	25.78%	25.45%	25.70%
Total Assets	100.00%	100.00%	100.00%
Liabilities			
Accounts Payable	5.55%	5.48%	5.38%
Loans/Notes Payable	6.32%	6.26%	6.09%
Other Current Liabilities	11.34%	11.06%	11.12%
Total Current Liabilities	23.21%	22.80%	22.59%
Total Long Term Liabilities	34.28%	34.27%	34.16%
Total Liabilities	57.49%	57.07%	56.75%
Net Worth	42.51%	42.93%	43.25%
Total Liabilities & Net Worth	100%	100%	100%
Number of Firms Analyzed			
Number of Firms Analyzed	3,671	4,219	4,851

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