

# **"You can never hurt anybody with a pair of reading glasses": Kevin Hassey on profit, pharmacies and big-time scaling**

**Ambika Samarthya-Howard**

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**Ambika Samarthya-Howard: If you want to start by introducing yourself and talking about the pilots and models you're testing right now?**

**Kevin Hassey:** I am Kevin Hassey. I have been involved in helping people see better for many years, probably over a decade. I have experience in three capacities: one is as a Board Member of VisionSpring, and long ago, on an interim basis, I also held the CEO spot of VisionSpring until we found a permanent person to run the organization. I am the Chairman of the Board of RestoringVision (RV), and I am reasonably active on the for-profit side of the business as well, some with retailers like National Vision, then the private equity side of optical, so a lot of the deals of who gets bought, who gets sold, and things like that. I look at it from various different angles.

**Ambika Samarthya-Howard: The thing that I have the least amount of data on is the private sector, so if you're able to speak to any of that, I would love to start with that. What does it look like right now, specifically around pharmacies?**



**Kevin Hassey:** I'll start with pharmacies, then I'll go to some other for-profit models. Pharmacies are in play in a bunch of different areas. I'm going to start with the United States then go to far away places.

In the United States, it's obviously a very developed business, largely involving the EssilorLuxottica group and a company called FGX, which is a subsidiary of EssilorLuxottica Group. EssilorLuxottica is the largest optical company in the world. About three years ago, the largest

frame company in the world, Luxottica, and the largest lens company in the world, Essilor, combined and they now call themselves EssiLux, so they now have the highest market share of both.

 One of their subsidiaries is a company called FGX, which largely just operates in the United States, Mexico and Europe. It is the leading reading glass company in the world, so within their family of companies, they have this speciality in reading glasses. FGX does little directly in faraway places; RestoringVision uses FGX to manufacture its reading glasses and RestoringVision distributes glasses in Africa and India, and so on and so forth.

**Ambika Samarthya-Howard: Do you know what that contract looks like? Is FGX subsidized? Is EssilorLuxottica Group subsidizing the build of the glasses or how is that working?**

 **Kevin Hassey:** It's largely a cost-based contract. What happens is that they have huge contracts with manufacturers in China, and what we do is we keep the lines running after the for-profit orders are over, so the factory just runs more shifts and RestoringVision buys millions of pairs of glasses from FGX.

**Ambika Samarthya-Howard: Do they buy it at market value, or do they buy it at cost?**

 **Kevin Hassey:** They buy it pretty much at cost. So yeah, I think FGX feels good about contributing that capability. It doesn't really hurt their economics because they're recovering their cost and RestoringVision is getting to put millions of people in reading glasses. It's one of those things where it works well for everyone, and we're able to scale it.

**Ambika Samarthya-Howard: How does RestoringVision distribute these glasses across its models, and how does that relate to what VisionSpring is doing?**

 **Kevin Hassey:** They're distributed through community health workers. RestoringVision probably has the largest distribution contracts of anybody in the world for reading glasses, and so community health workers are taking RestoringVision glasses and putting them through their distribution pipelines and distributing them. I think it's like 140 countries.

I would say VisionSpring is a different organization. From my perspective. It does two things: its mainstream businesses – one is to distribute through medical centers, hospitals and governments. They have contracts with 500 to 600 medical hospitals, many in India. And then, secondly, they do full service "See to Earn, See to Learn, See to be Safe." They'll run camps at truck driver outlets, they'll run camps at schools, factories etc.

 They make the glasses and they own a laboratory. It's a much more people intensive business than RestoringVision. RestoringVision would never be doing services themselves; they're just coordinating distribution through others.

**Ambika Samarthya-Howard: Does RestoringVision work hand in hand with VisionSpring? Is it sort of circular or are they very separate?**

**Kevin Hassey:** They're well coordinated. They know what each other is doing, but I would say, they're separate services for the most part. VisionSpring will do community health workers, but they also spend a lot of time selling to hospitals and a lot of time running camps themselves. Whereas RestoringVision is solely focused on distribution through third parties.

 Because RV has relationships with a large number of partners to get glasses on faces, RV can go big, [and go] fast. RestoringVision is putting six million people in glasses this year and is looking at how to radically scale. RV has looked at plans to put 50 million people in glasses a year, and is actively working on that.

But RV doesn't do the work itself; I think it goes much slower if you're doing the work yourself. If you're RestoringVision, you can go way faster if you have the resources to access large networks of community health workers. 50 million becomes a possibility. Then, if FGX can make 50 million pairs for you, things are starting to move. The category is, we believe 800 million people needing reading glasses. All of a sudden, if you can start to do 50 million a year, you're actually starting to make a dent.

**Ambika Samarthya-Howard: When you're talking about 50 million glasses, even if you supplied a government with glasses for their community health workers, you still have to get glasses into people's hands and get people screened. I was wondering if you could speak to that. What has been working with the community health workers?**

**Kevin Hassey:** You just keep it simple. You keep really good styles and you keep it modest – what we call SKUs... +1.0, +2.0, +3.0 [diopter]: low, medium and high.

 You can pretty much tell who needs what power just by age. And you can never hurt anybody with a pair of reading glasses. They will always be better off. If it isn't optimal, all they have to do is get six inches closer or six inches further away. And so, the way I think to get it done is you don't have to have much manpower. Anybody can do that with very modest training. The way to get it to a great place is by demedicalizing it, which is beginning to get to the pharmacy side of things. It really is a pretty simple product.

If you can just give it to your everyday community health worker who's often providing all sorts of other things – aspirin, condoms, whatever – it's just adding reading glasses, so we're excited

about it. RV has some forces that are just really large that do hundreds of thousands of pairs year after year. RV has 15 or so groups like that with new ones coming all the time, but I'd switch to pharmacies.

**Ambika Samarthya-Howard: One last question before we switch. Do you give them away for free or are you selling them at a price point?**



**Kevin Hassey:** We give them away for free. I would say most everybody is getting their first pair of glasses for free. I say that from what I see, that's becoming the status quo.



When it comes to pharmacy, I do have a point of view. I've seen it all. I think the challenge is that the pharmacy business is way less developed in India and Africa compared to the United States. But there are some changes now starting to emerge with 200, 300 locations chains, but there's no Walgreens or CVS or anything like that. There's not likely to be one anytime soon.

So the question is, how do you do it in a less structured way? And I do think it's a great project to try to figure out. I encourage everybody to try and figure it out. My point of view is that I'd say some people have some thoughts and other people have other thoughts.

There's a thought that the workers in pharmacies care passionately about eyesight. They're going to screen; they're going to put up an eye chart; they're going to have people stand six feet away; they're going to use an app; they're going to do whatever. They're going to refer them to an eye doctor. If they need more than reading glasses, they're going to sell their reading glasses.



This is just me. I think differently. I think pharmacy folks are good people who want to help others but care most about making money out of their pharmacy. The more you think of them as just plain old-fashioned entrepreneurs, the better off you're going to be. The way they're thinking of reading glasses is... they need to make \$10 or whatever the local currency is from that space right now selling soap, and if they can make \$12 off the space selling reading glasses, they'd love to, but if they can only make \$5, they're not doing it.



Understanding powers is really difficult for those folks. They're used to people buying a bar of soap, and when that bar of soap is gone, they put another bar of soap there. They're interchangeable. Then you tell them that even though [eyeglasses] look exactly the same, you need one power, two power, three power. You need to keep track – you're out of the ones, you have too many threes. That's a learned skill. It seems like a simple skill, but it's not.

They evaluate reading glasses in a much more pedestrian, profit-oriented way. So then, you need to turn it into [something] like every other consumer product. You need to be efficient in the space you're asking for and get a good turn.

**Ambika Samarthya-Howard: When you say space, are you speaking about where the pharmacies are located or where the eyeglasses are located within the pharmacy?**



**Kevin Hassey:** Where the eyeglasses are located within the pharmacy. You want prime real estate; real estate being shelf space. This is how much you need, and you've got to figure out whether it's worth it or not. That's the way I think of it. Then, the goal is to hit their threshold: how do you make sure enough people come in to get the product? I don't think they're adverse to saying, "We have glasses over there too." But I don't think they're wanting to get involved in a long or complicated process at all.

I know LIF is experimenting with some demand things and doing AB testing – how can we get more people in so that the pharmacy is happy? I think that's a great thing.

I have spent less time on the pharmacy project, but I think there are some entities with 200 to 500 pharmacists working with them. Even though they're not Walgreens or CVS, I think that's a fertile testing ground versus little mom-and-pop shops. It's hard to aggregate learnings with little mom-and-pop shops.

**Ambika Samarthya-Howard: Have you seen anything work? Is there anything one place is doing – one region or one pharmacy – that you think others should try?**



**Kevin Hassey:** There's one type of reader, they call it a pen reader, that gets displayed vertically instead of horizontally. It uses incredibly little space. And I always thought that would be a good thing for a pharmacy just because it uses very little space. They may call it something else.



I've seen a bunch in pharmacies, but I haven't seen anything that I think works in a scalable way. By the same token, I also say pharmacies are an answer and we have to figure it out. I was definitely encouraging LIF to say, "Whatever you're doing, keep working. If you need help working on pharmacies, I'm here for you because I think this is a way to win on a long-term basis."

There was a time fifty years ago where the United States just didn't do much in retail reading glasses, but then they changed some laws. All of a sudden, they were in Walgreens and CVS. It just took off. And so, somehow, someday pharmacies will take off for reading glasses in India and Africa.

**Ambika Samarthya-Howard: Do you feel like it's a regulatory thing in these countries as well?**



**Kevin Hassey:** Some yes, some no. Like Brazil, for sure, it's a regulatory thing. You can't dispense a pair of reading glasses without seeing an ophthalmologist. And Brazil is one of the top 10 countries in the world population-wise; there's different answers for different countries.

Just last week, we had a chat with the world's largest manufacturers of reading glasses about where they were looking to go. They're in Europe and Mexico, a little bit more in Latin America, but they're looking to go into India and Africa in a big way as well as other parts of Asia.

So a pharmacy chain will emerge with thousands of doors that want to sell reading glasses in India and Africa, [but] they're not going to get there anytime soon.

**Ambika Samarthya-Howard: Yeah, if there's no demand generation, there's no way you're going to get a market or get entrepreneurs in there. You're not going to get those mid-people if people are feeling like there's no profit.**



**Kevin Hassey:** For profit optical chains won't stock readers. They're owned by investors who want to make money. I think LIF is on the right road of demand generation and thinking of it as just shelf space that they have to make money with. If you can do that and minimize the shelf space, I think it'll work.

I wouldn't want to do a distance eye test. You can put a close vision chart with signals so it's not language dependent because some people can't read. Just put it right on the display piece, and they can tell [level] one, two, or three in two seconds. They don't need much more. Keep it simple.

**Ambika Samarthya-Howard: That's what I was going to ask you next, about screening and training the pharmacist. So your feeling right now is to forget training the pharmacist and forget getting them to do the screenings, just get this physically out there and get people to self-screen?**



**Kevin Hassey:** Yes. It just makes it into something people can do in a quarter second. Pharmacists are not inclined to set up floor space for something that sells this slow. The training to do it is complicated, the time per patient is complicated, and the physical environment needed is complicated. So I don't buy it, but I'm a party of one. Others may think very differently.

**Ambika Samarthya-Howard: So RestoringVision has been giving all these glasses out to governments for community health workers. What do you feel about them giving millions of glasses to pharmacists to give for free?**



**Kevin Hassey:** Like others, we have to pay for the glasses. Someone has to fund. Depending on the services you want from RestoringVision, you can end up anywhere from 60 cents to a dollar and a half in total cost. If you want someone on the ground coordinating things, that's probably what gets you to a dollar and a half. If you just want products shipped, probably 60 cents. But as far as the cost of helping a person see, it's very reasonable.

**Ambika Samarthya-Howard: You were saying RestoringVision is mostly working with community health workers, so why not work with pharmacists?**

**Kevin Hassey:** Very well could. It's a distribution chain RV could, for sure, support. RV hasn't really supported it right now. I think it's just been busy supporting other venues. And pharmacies are not ready for high volume, and RV does mostly high volume. Should it be testing more in pharmacies? Probably.

**Ambika Samarthya-Howard: Why do you feel like pharmacies aren't ready for high volume?**



**Kevin Hassey:** Look at it right now, there might be three pilots out there that move 30,000 pairs a year. Basically, there's not very much. I guess I see it as an incubator right now; it's in a laboratory.

RV hasn't done work directly in pharmacies, but it would be very enthused about doing more work in pharmacies. It is doing other work in things like governments embedding reading glasses in pension programs and things like that.

**Ambika Samarthya-Howard: Community health workers don't really move high volumes either, right?**



**Kevin Hassey:** I guess RV has so many of them. So there's enough to move six million pairs of glasses a year.

**Ambika Samarthya-Howard: That's all through community health workers?**

**Kevin Hassey:** Mostly, yeah. The 50 million plan being developed uses community health workers to a large extent, some governments, etc. At a macro level, it's a huge number of community health workers.

**Ambika Samarthya-Howard: Can we talk a little bit about the demand generation? From your experience – you've been doing this for your whole life – what have you seen work and what hasn't worked for demand generation?**

↗️ 🎙️ **Kevin Hassey:** For years, I've seen going into the camp the day before with a megaphone and so on and so forth. It's pretty darn expensive because of two things: one, you have to have manpower there to try to create demand. Two, it means you're coming back the next day in a van with people in it, using gas, and riding on roads. I would say, as a collective, we've been pretty short on demand generation.

↗️ 📱 I think from time to time people have tried modest celebrity spokespeople, but not a bunch of work in that area. So it's clearly a huge opportunity area. EssiLux did a report, a big McKinsey report, probably five years ago about what it takes to solve this problem. It was something like, it needs \$15 billion.

You have to get people to know about and want glasses. It's something very few people do because the effort is incredibly fragmented. For most groups, I probably am 1% of solving this problem. I'm sending demand generation across 100% of the market. It's really going to make my economics look bad because I'm trying to cast a net a hundred people wide and I'm only going to get one of them. And so, people have been less interested.

🎙️ They're less interested or not capable of doing the demand generation work at a larger scale. It's easier just going around camp. They can go around the camp, so they do that. But if you suggest getting on the radio station, that's hard. That's why there's been much less work in that area.

There is a premise that says if you put the person in the first pair of reading glasses and they don't want to pay a modest price for a second pair of reading glasses, then our premise was all wrong to start with. That is one of the things groups are actually pulling together data to [show whether] if you went back two years later that the person would still be wearing glasses.

RestoringVision had a big party last week; it was our twenty year anniversary, we've put 28 million people in glasses. And Jeremy [Hockenstein], the head of the Livelihood Impact Fund was saying, "For sure, you put 28 million people in glasses, but can't you go back to a few of them and make sure they're still in their glasses?" So RV is working on research. I think VisionSpring is too. I think there's a line of thought that they should appreciate their glasses if they were given them and pay for the second pair.

There is a whole other thing... for-profit retailers, they all have a low price, but they're doing prescription glasses and they're going to solve some of the problem themselves.

**Ambika Samarthya-Howard: You're saying the for-profit retailers are different from the pharmacies?**



**Kevin Hassey:** Yeah. They're glass shops. There's an Indian fellow who lived in the United States for five years and worked for Microsoft that opened 1,500 retail shops after he went back to India. His entry-level package is helping solve the vision crisis. He is probably moving towards over 20 million pairs a year, headed towards 40 million pairs a year. But a guy like that wants nothing to do with readers. One to three dollars is too low of a price when his average price is \$15 to \$20. Yet he also sells \$5-7 prescription glasses at entry point, but not \$2 reading glasses though. There is a whole other dynamic going on.

**Ambika Samarthya-Howard: I suspect that one of the key reasons why you're able to distribute glasses through RestoringVision to community health workers is because there's one player, the Ministry of Health, and they do all this stuff. Do you think that it's less likely to do well through pharmacies because there's not a centralized distribution?**



**Kevin Hassey:** I'm optimistic about getting to pharmacies. I just think there's a bunch of work to do to get there. I think the demand generation is what you must figure out for pharmacies. I think it'll mostly be pharmacy chains to start, and it'll mostly be retailing. It's not going to be medical. They're going to be on the shelf. People are going to ask for them, they're going to get them.

There are ten pharmacy chains in Africa and India that are at scale enough to do this. If you can go from two to four to six to eight, then all of a sudden you're in 10,000 doors.

So it's headed that way. It needs to be successful. I'm glad many are working on it and I'd be happy to help in any way to make it work, more thinking from a retail side of things. RV has been mostly working on the community health worker side of things and government programs. It has another program with the government in Mexico and in Peru. RV has a bunch of government programs and community health worker programs. It would be fun to look at the pharmacy side of things more diligently.

For pharmacies, there may not be enough activity yet, but in the world of retail stores, long ago we used to hire consultants for everything. We want to sell more of this product, we want to sell more of that product. Hire a consultant. What we realized over time is that the family of people that we already know can get to the solution we want to get to. It requires some smart retail people working it through. And I bet you get to a pretty darn good place. So I'd be very happy to chat,

from a retail mind's perspective, to compare notes, and help a pharmacy team get to a great place.

**Ambika Samarthya-Howard: Thank you. I really appreciate this and think that this was really helpful.**

## ICON LEGEND



Advocacy



Money



Supply



Demand generation



Partnerships



Technology



Distribution channel



Regulation



Training



Media campaigns and marketing



Screening

*Ambika Samarthya-Howard (she/her) is Solutions Journalism Network's Chief Innovation Officer. She strategizes on communications, metrics, impact, product and technology, leveraging platforms for the network and creating cool content. She also leads the Solutions Insights Lab, an initiative of SJN that uses targeted research and analysis to identify and interrogate what's working and what's not in a particular sector or field. She has an MFA from Columbia's film program and has been creating, teaching and writing at the intersection of storytelling and social good for two decades. She has produced content for Current TV, UNICEF, Havas, United Nations Population Fund (UNFPA) and Prism.*

*\* This interview has been edited and condensed.*