

What to Do in a Reeling Economy

J. Andy Corley's thoughts on the state of the US financial system and plans for survival.

BY SARA E. SMITH, SENIOR MANAGING EDITOR

In this tumultuous economic time, many ophthalmic companies and practices will need thoughtful plans for their existence to continue. Choosing the direction toward future financial security may seem almost impossible in the current economic climate. *Cataract & Refractive Surgery Today* asked J. Andy Corley, President of the Surgical Division for Bausch & Lomb's facility in Aliso Viejo, California for his advice.

CRSToday: What are your thoughts on today's economy, and what worries you the most?

Mr. Corley: After the collapse of the housing market, I am most worried about the middle layer of today's economy, which is composed of individuals in their late 20s or 30s who have jobs that pay an annual salary of \$30,000 but have, for example, a \$50,000 car. If these individuals lose their jobs, I am concerned that there will be an unprecedented series of bankruptcies in that age group.

CRSToday: How are premium IOL sales affected?

Mr. Corley: I believe at Bausch & Lomb my colleagues and I are incredibly fortunate to be in a unique space within the ophthalmic surgical industry. By unique, I certainly do not mean that today's economy has not affected the company, but rather that the impact on our business has been relatively small due to our balanced portfolio of our products that treat a wide range of the patient population, not focusing solely on the 30-somethings who are being affected most in this financial time. In contrast, the baby-boomer patients who will benefit from our premium lenses are much more isolated from the economic downturn, and their financial stability allows them to pay for the established value of the premium lens.

CRSToday: So, the 60-year-old age group is still willing to pay out of pocket for premium lenses?

Mr. Corley: The value of the proposition has not changed.

CRSToday: Is the development of new technology affected?

Mr. Corley: New technology will march on. Of course, funding will be more difficult in this economic environment. Pressures on public stocks and financial rounds in the private sector will definitely be more stringent. This is cyclical however and will ease over time.

CRSToday: What would it be like to launch a new category like you did with the original Crystalens (Bausch & Lomb, Rochester, NY) in today's economic environment?

Mr. Corley: Launching a product into a new category today would be more challenging, but not impossible. We face an environment where the erosion of consumer confidence has transferred to the surgeons, which was not the case when the Crystalens was launched. In 2003, a surgeon said to me that patients would never pay \$3,000 for an eye operation. This proved not to be the case, and, because we were able to establish the value of the premium lenses with our surgeons over the past several years, we have remained somewhat insulated from the current market situation.

CRSToday: How will Bausch & Lomb survive?

Mr. Corley: Bausch & Lomb has provided ophthalmic technologies and services for over 150 years. The company survived the Great Depression and many other economic downturns. I feel confident that we will continue to grow and maintain our innovative leadership position within the ophthalmic community through preservation of capital and investment in things that create a profit.

CRSToday: What advice would you give to physicians?

Mr. Corley: I would advise them to preserve capital but not to lose confidence in the value proposition. Few things are more valuable than what ophthalmologists provide patients. Even though the economy has its ups and downs, the value of vision is constant. ■

J. Andy Corley may be reached at (949) 297-3516; andy.corley@bausch.com.