

# MBA adds business skills to eye doctor's vision

By **ROBERT CELASCHI**  
CONTRIBUTING WRITER

To hear Michael Chow tell it, there's not a lot to building a small network of eye-care clinics.

"I think location is always a key. Our main office is right next to Microsoft," said Chow, president and CEO of Northwest Eye Care Network.

That office opened in 1999. He added an Auburn clinic in 2003 and one in Kent last year.

A second factor is finding good staff and taking good care of them.

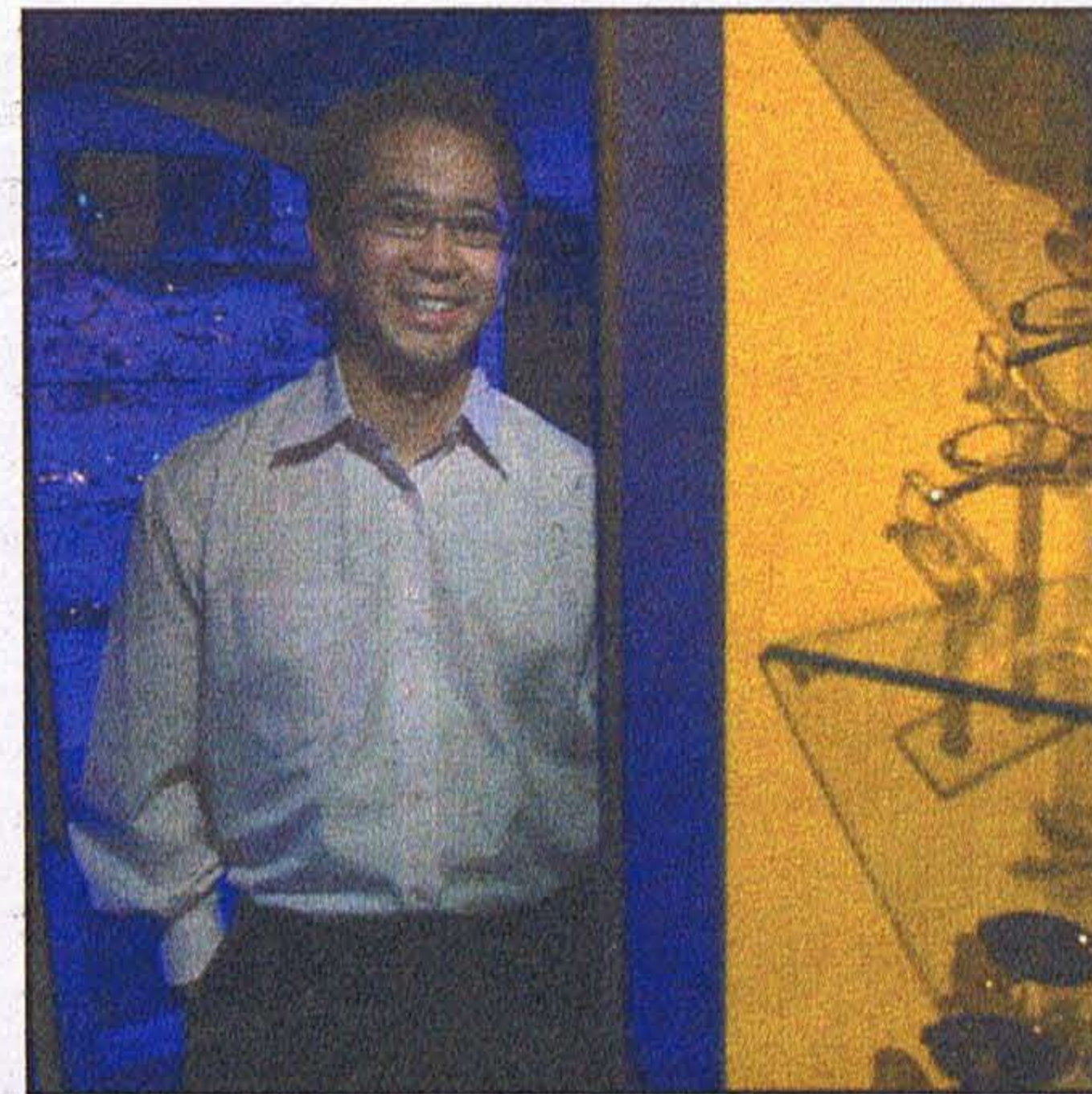
*"I think location is always a key. Our main office is right next to Microsoft."*

**Michael Chow, president and CEO, Northwest Eye Care Network**



"We train them, we show them what to do, and let them do it. We don't micromanage them," Chow said. He tries to pay them more than average, and provides plenty of perks.

In early October he was getting ready to briefly shut down all three clinics so he could send the entire staff to the annual International Vision Expo West trade show — in Las Vegas. They're supposed to attend five or six of the workshops and lectures, and



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**Michael Chow, president and CEO of Northwest Eye Care Network, has opened clinics in Bellevue, Kent and Auburn.**

then the town will be all theirs.

Chow himself planned to stay in Bellevue and catch up on paperwork.

A third factor is the momentum he's established.

"We're getting to the point where the economies of scale kind of work for us," he said.

With three clinics, he's been able to centralize some functions, such as dealing with all the insurance companies. Running the third clinic isn't costing him that much more, and it helped boost revenue well over the \$1 million mark. Revenue in 2006 was \$1.39 million, up from \$722,000 two years earlier.

Then, too, there is the mix of eye

care and eyewear. While the clinics emphasize eye care, it's actually glasses and contacts that bring in most of the revenue, at about a 60-40 split over the diagnostic part of the business.

The clinics keep an inventory that goes beyond the basic frames.

"We have a lot of Microsoft and Boeing people where we are at," Chow said. "With our population base, we are dealing with more of a high-tech crowd, a little more fashion conscious. A little younger, too. We chose locations that are a little more up and coming."

While Chow makes it sound casual, there's one more factor at work. After opening his first clinic, Chow went back to school and got a master's degree in business administration in June 2002.

"I've learned a lot about running the business from Mike because he has an MBA," said Dr. Jay Kaufman, who has run his own clinic, Occhio Optometry, in Sammamish for five years. He and Chow have been friends for about 14 years.

"He's organized. That's probably why he is so successful," Kaufman said. "I think the things I have learned from him are more management issues — learning how to maximize my profit and minimize expenses."

Changes in the overall economy such as the downturn in housing don't worry Chow. Even if things slow down generally, people still need eye care, and the high-tech companies that supply a lot of his customers seem to

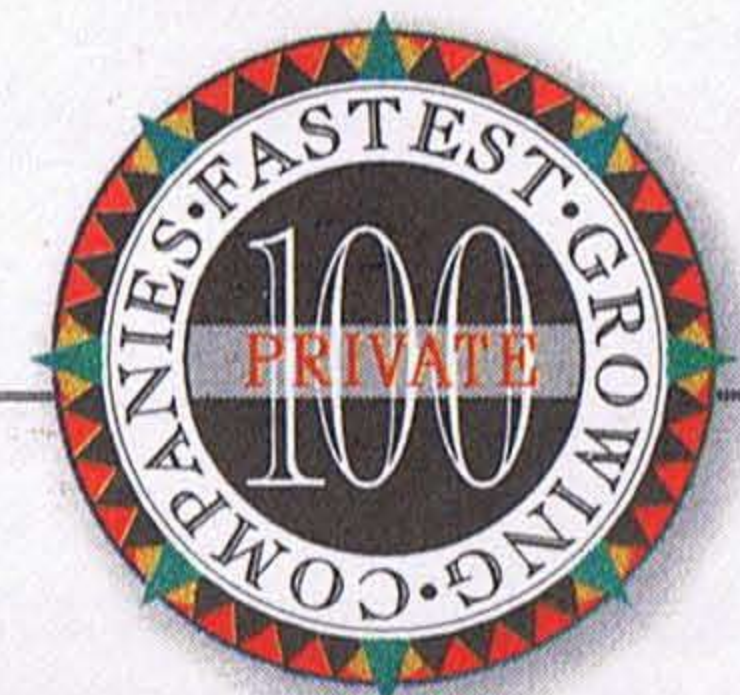
be doing well.

He's not looking to stay on the fast-growth track for much longer, in any case.

"Right now I'm as busy as I want to be. I don't want to cut it too thin," he said. "We're still considered a small company. When you have all the growth, you have a lot more busy-work too. We do a lot of third-party stuff with insurance. That becomes somewhat of a chore.

"We've got ourselves established," he added. "I think where we are at is pretty good."

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**NORTHWEST EYE CARE NETWORK** **75**

Bellevue

Eye health care services and optical eyewear

Fiscal year	Total operating revenue	No. of employees
2004	\$0.72M	8
2005	\$0.87M	9
2006	\$1.39M	13