

## *VPTax Case Study*

### **OptiMedica Gets Tax Strategy in Focus with VPTax**

Since 2006, OptiMedica has relied on VPTax for corporate tax strategy and tax return work. That relationship paid big dividends for OptiMedica in 2010, when the company completed the largest transaction in its history. Today, as the company grows and expands into new markets worldwide, it continues to rely on VPTax for its tax affairs.

Based in Sunnyvale, California, OptiMedica pioneered the use of new technology to make ophthalmic surgical processes simpler, more accurate, and more reliable. Funded by leading Silicon Valley venture capital firms including Kleiner Perkins, OptiMedica was founded in 2004 to commercialize advanced technology developed at Stanford University and other academic institutions. OptiMedica's initial product used highly precise lasers to treat eye diseases that cause bleeding within the retina. The technology achieved commercial acceptance, and in 2010, OptiMedica agreed to sell this business to Topcon Corp., a \$1.25 billion Japanese specialist in precision equipment. The gain on the transaction was significant. OptiMedica turned to VPTax to structure the transaction so as to maximize tax deductions from the company's losses in previous years. According to Dave Satterfield, OptiMedica's Director of Finance, VPTax did a "great job" on the tax issue. "It was a very complex calculation involving multiple years of history and it came out very favorably for us," Satterfield comments. "Their work had to be scrutinized by the auditors and our other accounting firms, and it passed all the scrutiny."

After selling the retina business, OptiMedica needed to resize its business model and expenses to match its smaller size. VPTax proactively assisted in this process. While previously handling OptiMedica's income, international, sales and use and property tax compliance and consulting, VPTax quickly modified their service offering to match the reduced R&D nature of the post-transaction OptiMedica.

Meanwhile, OptiMedica focused on developing a new product line, the Catalys™ Precision Laser system for the treatment of cataracts. Catalys, has proven very successful – so much so that the Company is in the midst of worldwide expansion yet again. VPTax is poised to grow the tax services being provided in support of OptiMedica and its current expansion. In March 2012, OptiMedica moved to a new larger global headquarters, and is now up to 100 employees worldwide.

Throughout this growth, VPTax has remained the company's lead tax advisers. "I look at VPTax as my corporate tax people, and I rely on them, as does our CFO," says Satterfield. In addition to the quality of their advice, Satterfield values the continuity of personnel at VPTax.

"With a large audit firm, the lower levels of people, the ones you see most often, are changing all the time," he says. "With VPTax we don't have that. We know the principals there, and we go to them whenever we have an issue and we know we will get the best answer possible."



The OptiMedicaCatalys system for  
cataract surgery

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answer possible.”***

*--Dave Satterfield, Director of Finance,  
OptiMedica*