

EMERGING VISION INC
Form DEF 14A
April 29, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Under §240.14a-12

EMERGING VISION, INC.
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
 Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how its was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:
EMERGING VISION, INC.
100 Quentin Roosevelt Boulevard
Garden City, New York 11530

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 23, 2008

To the Shareholders of Emerging Vision, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Emerging Vision, Inc. will be held at the offices of Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, NY 11554, on May 23, 2008, at 9:00 a.m., local time, for the following purposes:

(1) To elect three (3) Class II Directors to our Board of Directors, to fill the (3) vacancies that will be created by the expiration of the term of the Class II Directors, whose term expires at the meeting.

(2) To transact such other business as may properly come before the meeting.

Only shareholders of record at the close of business on April 4, 2008 are entitled to notice of, and to vote at, the meeting or any adjournment(s) thereof.

By Order of the Emerging Vision, Inc. Board
of Directors

/ s / C h r i s t o p h e r G .
Payan
Christopher G. Payan
Chief Executive Officer

Garden City, New York
April 29, 2008

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, WE URGE YOU TO COMPLETE, DATE AND SIGN THE ENCLOSED PROXY, WHICH IS SOLICITED BY THE BOARD OF DIRECTORS OF EMERGING VISION, INC., AND RETURN IT IN THE PRE-ADDRESSED ENVELOPE PROVIDED FOR THAT PURPOSE. A SHAREHOLDER MAY REVOKE HIS PROXY AT ANY TIME BEFORE THE MEETING BY WRITTEN NOTICE TO SUCH EFFECT, BY SUBMITTING A SUBSEQUENTLY DATED PROXY OR BY ATTENDING THE MEETING AND VOTING IN PERSON.

EMERGING VISION, INC.
100 Quentin Roosevelt Boulevard
Garden City, New York 11530

PROXY STATEMENT

SOLICITING, VOTING AND REVOCABILITY OF PROXY

This proxy statement is being mailed to all shareholders of record of Emerging Vision, Inc., at the close of business on April 4, 2008, in connection with the solicitation, by the Board of Directors, of proxies to be voted at the Annual Meeting of Shareholders, to be held at the offices of Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, NY 11554, on May 23, 2008, at 9:00 a.m., local time, or any adjournment(s) thereof. The proxy and this proxy statement were first mailed to shareholders on or about May 9, 2008.

All shares represented by proxies duly executed and received will be voted on the matters presented at the meeting in accordance with the instructions specified in such proxies. Proxies so received without specified instructions will be voted FOR the election, to our Board of Directors, of those nominees named in the proxy.

The Board does not know of any other matters that may be brought before the meeting nor does it foresee or have reason to believe that proxy holders will have to vote for substitute or alternate nominees to the Board. In the event that any other matter should come before the meeting or any nominee is not available for election, the persons named in the enclosed proxy will have discretionary authority to vote all Proxies not marked to the contrary with respect to such matters in accordance with their best judgment.

The Board has fixed the close of business on April 4, 2008 as the record date for the determination of shareholders entitled to notice of the Annual Meeting, and only holders of record of our common stock, par value \$0.01 per share (the "Common Stock"), and Senior Convertible Preferred Stock, par value \$0.01 per share (the "Preferred Stock" and, together with the Common Stock, hereinafter collectively referred to as the "Capital Stock"), on that date, will be entitled to notice of, and to vote at, the Annual Meeting. As of the record date, we had outstanding 125,292,806 shares of Common Stock, each share of Common Stock being entitled to one vote on all matters presented at the Annual Meeting, and 0.74 shares of Preferred Stock entitled to vote, on an "as converted" basis, together with the Common Stock as a single class, 98,519 shares of Common Stock, for a total of 125,391,325 voting shares (collectively, the "Voting Shares").

The presence, in person or by proxy, of the holders of shares that represent a majority of the votes entitled to be cast at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. A plurality of the votes cast at the Annual Meeting is required for the election of directors. Abstentions and instances where nominee recordholders, such as brokers, are prohibited from exercising discretionary authority for beneficial owners of shares of Common Stock who have not returned a proxy ("broker non-votes") will be counted for purposes of determining the presence or absence of a quorum for the transaction of business. Abstentions are counted as present in the tabulation of votes on each of the proposals presented to shareholders. Broker non-votes are not counted for the purpose of determining whether a particular proposal has been approved; however, since voting for directors is considered routine, there will not be any broker non-votes with respect to such proposal.

Any person giving a proxy in the form accompanying this proxy statement has the power to revoke it at any time before its exercise. The proxy may be revoked by filing with us a written notice of revocation or a fully executed proxy bearing a later date. The proxy may also be revoked by affirmatively electing to vote in person while in attendance at the meeting. However, a shareholder who attends the meeting need not revoke a proxy given and vote in

person unless the shareholder wishes to do so. Written revocations or amended proxies should be sent to us at 100 Quentin Roosevelt Boulevard, Suite 508, Garden City, New York 11530, Attention: Corporate Secretary.

The proxy is being solicited by our Board of Directors. We will bear the cost of the solicitation of proxies, including the charges and expenses of brokerage firms and other custodians, nominees and fiduciaries for forwarding proxy materials to beneficial owners of our shares. Solicitations will be made primarily by mail, but certain of our directors, officers or employees may solicit proxies in person or by telephone, telecopier or email without special compensation.

A list of shareholders entitled to vote at the meeting will be available for examination at the meeting at the request at or prior to the meeting by any shareholder. To contact us, shareholders should call (516) 390-2100.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the total compensation awarded to, earned by or paid to our Chief Executive Officer, and the other two most highly compensated executives, other than our Chief Executive Officer, as of December 31, 2007 (collectively, the “Named Executive Officers”) for services rendered to us in all capacities:

Name and Principal Position	Year	Salary (1)(\$)	Bonus (2)(\$)	All Other Compensation (3)(\$)	Total (\$)
Christopher G. Payan, Chief Executive Officer	2007	\$275,000	-	\$13,000	\$288,000
	2006	\$275,000	-	-	-\$275,000
Neil Glachman, President – Combine	2007	\$210,000	\$60,000	-	-\$270,000
	2006	\$88,000	\$21,000	-	-\$109,000
Samuel Z. Herskowitz, Chief Marketing Officer	2007	\$190,000	-	\$10,000	\$200,000
	2006	\$190,000	-	\$10,000	\$200,000

- (1) Represents annual salary paid to the executive.
- (2) Represents bonuses paid to Mr. Glachman based on Combine Buying Group’s earnings before interest, taxes, depreciation and amortization for the year ended December 31, 2007 and the period August 1, 2006 through December 31, 2006, respectively.
- (3) Represents car allowance payments and medical and dental reimbursements.

EMPLOYMENT AGREEMENTS

In connection with the acquisition of Combine Optical Management Corporation (“COMC”) in August of 2006, the Company entered into a five-year Employment Agreement with Mr. Glachman that expires July 31, 2011. Mr.

Glachman is to receive an annual base salary of \$210,000. Additionally, Mr. Glachman is eligible to receive an annual bonus based upon certain financial targets of Combine Buying Group, Inc. (“Combine”), but not to be less than \$50,000, receive a monthly car allowance, and receive certain other benefits defined in the Employment Agreement.

On April 2, 2007, Mr. Payan entered into an Employment Agreement with the Company, effective December 1, 2006, which provides for Mr. Payan to serve as Chief Executive Officer for a term expiring on November 30, 2009, unless sooner terminated pursuant to the provisions of the Employment Agreement. Mr. Payan is to receive an annual base salary of \$275,000. Additionally, Mr. Payan will be eligible for an annual bonus to be determined by the Company’s Board of Directors at the end of each calendar year, receive employee benefits, receive a monthly car allowance, as well as certain other benefits defined in the Employment Agreement.

GRANTS OF PLAN-BASED AWARDS IN 2006

There were no equity-based awards granted to the Named Executive Officers nor were any non-equity awards granted with future payouts during 2007.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table sets forth information regarding exercisable and unexercisable stock options held by each of the Named Executive Officers on December 31, 2007:

Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Option Exercise Price (\$)	Option Expiration Date
Christopher G. Payan	7,208,220 50,000	0.14 0.26	12/29/2014 7/16/2011
Neil Glachman (1)	3,515,625	0.15	9/28/2016
Samuel Z. Herskowitz	1,841,180 37,500 20,000 10,000	0.14 0.33 6.31 3.25	12/29/2014 4/26/2011 12/14/2009 4/9/2009

(1) Commencing on September 29, 2010, and expiring September 28, 2016, 2,187,500 options may be put back to the Company at a put price per share of \$0.32.

OPTIONS EXERCISED AND STOCK VESTED

There were no options exercised by or stock awards that vested for the Named Executive Officers during 2007.

PENSION BENEFITS

We do not provide a pension plan for our employees.

DIRECTOR COMPENSATION

Directors who are not our employees or executive officers receive \$20,000 per annum, payable in equal, quarterly installments of \$5,000, \$1,500 for each in person meeting, and no additional compensation for telephonic meetings or actions taken by written consent in lieu of a meeting. In the event that multiple meetings are held on the same day, directors will receive compensation for one meeting. Further, all directors are reimbursed for certain expenses in connection with their attendance at board and committee meetings.

Other than with respect to the reimbursement of expenses, directors who are our employees or executive officers will not receive additional compensation for serving as a director.

The following table represents the compensation provided by us to each of the persons who served as a director during 2007, except for Christopher G. Payan, our Chief Executive Officer, whose compensation is set forth in the Summary Compensation Table. Mr. Payan did not receive any additional consideration for his service on the Board of Directors:

Name	Fees Earned or		Total
	Paid in Cash (\$)	Option Awards (2) (\$)	
Alan Cohen, O.D.	\$24,500	\$9,116	\$ 33,616
Robert Cohen, O.D.	\$24,500	\$9,116	\$ 33,616
Joel L. Gold	\$23,000	\$9,116	\$ 32,116
Harvey Ross	\$24,500	\$9,116	\$ 33,616
Seymour G. Siegel	\$34,500	\$9,116	\$ 43,616

(1)

- (1) Mr. Siegel received an additional \$10,000 during 2007 in consideration for serving as Chairman of the Audit Committee.
- (2) The amounts in this column reflect the compensation expenses recognized for the year ended December 31, 2007 in connection with the 75,000 options granted to each of the non-employee directors in June 2007.

SECURITY OWNERSHIP OF
CERTAIN BENEFICIAL OWNERS AND, MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Common Stock

The following table sets forth information, as of April 4, 2008, regarding the beneficial ownership of our Common Stock by: (i) each shareholder known by us to be the beneficial owner of more than five percent of the outstanding

shares of our Common Stock; (ii) each of our directors; (iii) each of our Named Executive Officers (as said term is defined under the caption “Executive Compensation” above); and (iv) all of our directors and executive officers as a group.

The percentages in the “Percent of Class” column are calculated in accordance with the rules of the Securities and Exchange Commission, under which a person may be deemed to be the beneficial owner of shares if that person has or shares the power to vote or dispose of those shares or has the right to acquire beneficial ownership of those shares within 60 days (for example, through the exercise of an option or warrant). Accordingly, the shares shown in the table as beneficially owned by certain individuals may include shares owned by certain members of their respective families. Because of these rules, more than one person may be deemed to be the beneficial owner of the same shares. The inclusion of the shares shown in the table is not necessarily an admission of beneficial ownership of those shares by the person indicated. The address of Horizons Investors Corp. is P.O. Box 221, Brooklyn, New York 11208. The address of Joel L. Gold is c/o Andrew Garrett, 425 Park Avenue, 22nd Floor, New York, New York 10022. The address of all other persons listed below is 100 Quentin Roosevelt Boulevard, Garden City, New York 11530.

Name of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership	Percent of Class
Dr. Alan Cohen (a)	Common Stock	7,848,590 (1)	6.2%
Dr. Robert Cohen	Common Stock	6,322,459 (2)	5.0%
Neil Glachman (b)	Common Stock	3,515,625 (3)	2.7%
Joel L. Gold (a)	Common Stock	446,500 (4)	*
Samuel Z. Herskowitz (b)	Common Stock	2,008,680 (5)	1.6%
Horizons Investors Corp.	Common Stock	50,526,543 (6)	40.3%
Christopher G. Payan (a) (b)	Common Stock	8,470,720 (7)	6.4%
Harvey Ross (a)	Common Stock	7,891,513 (8)	6.3%
Seymour G. Siegel (a)	Common Stock	300,000 (9)	*
All current directors and executive officers as a group	Common Stock	30,481,628 (10)	21.9%

* less than 1%

(a) Director

(b) Executive officer

- (1) Includes (i) the right to acquire 350,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options, and (ii) 26,700 shares owned by Dr. Cohen, as custodian for each of Erica and Nicole Cohen (Dr. Cohen’s children, as to which Dr. Cohen disclaims beneficial ownership), but excludes 16,840,528 shares, in the aggregate, held in trust for Dr. Cohen’s minor children, Erica, Nicole, Jaclyn and Gabrielle, as beneficiaries, in respect of which Dr. Cohen is not a trustee and has no dispositive or investment authority, and as to which he disclaims beneficial ownership.
- (2) Includes the right to acquire 350,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options, but excludes 16,550,104 shares, in the aggregate, owned by Dr. Cohen’s adult children, Allyson, Jeffrey and Stefanie, as to which Dr. Cohen has no dispositive or investment authority and disclaims beneficial

ownership.

- (3) Includes the right to acquire 3,515,625 shares of Common Stock upon the exercise of presently exercisable, outstanding options. Additionally, commencing on September 29, 2010, and expiring September 28, 2016, 2,187,500 options may be put back to the Company at a put price per share of \$0.32.
- (4) Includes 76,500 shares of Common Stock owned by Mr. Gold's children and the right to acquire 370,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options, but excludes an additional 5,000 shares of Common Stock owned by Mr. Gold's wife, as to which Mr. Gold disclaims beneficial ownership.
- (5) Includes the right to acquire 1,908,680 shares of Common Stock upon the exercise of presently exercisable, outstanding options.
- (6) Includes shares of Common Stock owned by Horizons Investors Corp., a New York corporation principally owned by Benito R. Fernandez, a former director of ours, and includes the right to acquire 100,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options.
- (7) Includes the right to acquire 7,258,220 shares of Common Stock upon the exercise of presently exercisable, outstanding options.
- (8) Includes the right to acquire 300,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options.
- (9) Represents the right to acquire 300,000 shares of Common Stock upon the exercise of presently exercisable, outstanding options.
- (10) Includes (i) the right to acquire 14,002,525 shares of Common Stock upon the exercise of presently exercisable, outstanding options and (ii) 26,700 shares owned by Dr. Cohen, as custodian for each of Erica and Nicole Cohen (as to which Dr. Cohen disclaims beneficial ownership). In accordance with Rule 13d-3(d)(1) under the Securities Exchange Act of 1934, as amended, the 14,002,525 shares of Common Stock for which our directors and executive officers, as a group, hold currently exercisable options, have been added to the total number of issued and outstanding shares of Common Stock solely for the purpose of calculating the percentage of such total number of issued and outstanding shares of Common Stock beneficially owned by such directors and executive officers as a group.

Senior Convertible Preferred Stock

Set forth below is the name, address, stock ownership and voting power of the sole owner of the outstanding shares of our Senior Convertible Preferred Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Approximate Percent of Class
Rita Folger 1257 East 24th Street Brooklyn, New York 11210	0.74 (1)	100%

- (1) These shares are convertible into an aggregate of 98,519 shares of Common Stock; and the holder thereof will be entitled to cast that number of votes at any meeting of shareholders.

Securities Authorized for Issuance under Equity Compensation Plan

The following table includes information regarding our equity compensation plan as of December 31, 2007:

Plan Category	(A) Number of securities to be issued upon exercise of outstanding options and warrants	(B) Weighted-average exercise price of outstanding options and warrants	(C)
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