

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) May 9, 2019

VUZIX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-35955

(Commission File Number)

04-3392453

(IRS Employer Identification No.)

**25 Hendrix Road, Suite A
West Henrietta, New York 14586**

(Address of principal executive offices)(Zipcode)

(585) 359-5900

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common Stock, par value \$0.001	VUZI	Nasdaq Capital Market

Item 8.01 Other Events.

On May 9, 2019, Vuzix Corporation (the “Company”) mailed a letter and fact sheet to the Company’s shareholders, which were included with the Company’s proxy statement for its annual meeting. Copies of the letter and fact sheet are filed as exhibits to this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

[99.1 Shareholder Letter](#)

[99.2 Fact Sheet](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 17, 2019

VUZIX CORPORATION

By: /s/ Grant Russell
Grant Russell
Chief Financial Officer



May 2019

Dear Vuzix Stockholders:

We continue make good progress in growing our business and expanding its foundation. Many positive developments have occurred over the last year and I would like to highlight just a few of them:

- Over the last two years, our revenue has almost quadrupled, rising from \$2.1 million in 2016 to \$8.1 million in 2018 as sales of enterprise AR smart glasses has steadily risen.
- In 2018 we introduced two new models of our smart glasses products. The first being our upgraded M300XL enterprise smart glasses with numerous improvements based on customer feedback. The second being our Blade Smart Glasses, our first commercial and ‘prosumer’ waveguide-based product.
- Our yields and production capacity on the Blade have now reached our initial goals and are at a stage we can now call “volume” production. While I will be the first to admit that building the Blade has been more challenging than originally expected, I am pleased to state that we can now offer near immediate delivery on new Blade orders on our website. Plans also remain in place to realize further production increases and cost reductions over the balance of 2019.
- We have delivered a solid operating system and application base for our Blade Smart Glasses, complete with companion applications for iOS and Android phones, as well as a robust developer support center. Several popular apps for the Vuzix Blade are now available for consumer use at the Vuzix App Store including Yelp, AccuWeather, and news and sports feeds that all help users stay informed.

Thus far in early 2019, we have announced two major new product offerings, which should be available in the second half of 2019:

- Our upcoming M400 Smart Glasses for enterprise, unveiled at the MWC in late February, is one of the first products made commercially available using the Qualcomm® Snapdragon™ XR1 platform. The XR1 processor was designed to accelerate high quality video, audio, machine vision and interactive experiences on XR devices like augmented reality smart glasses. The M400 will run the latest version of Android, offer USB-C connectivity, and have a host of hardware improvements covering near every major feature that should make it by far the most innovative and powerful set of enterprise smart glasses on the market. We expect to enter volume production of the M400 by late summer.
- Our upcoming M300XL Intrinsically Safe Smart Glasses is designed to safely operate in hazardous industrial atmospheres where workers are exposed to flammable gases, mists or vapors. We entered into a joint development agreement with global power management company Eaton Corporation to develop our intrinsically safe (ATEX) certified smart glasses based on the M300XL and both Vuzix and Eaton will be selling the final solution to our respective customers. Eaton is a NYSE-listed global firm with 2018 sales of \$21.6 billion and is a leading provider of electrical and instrumentation products for harsh and hazardous environments.

Additionally, so far in 2019 we have signed a three-year master reseller agreement with Verizon for them to resell smart glasses products, including our M-series products, the Blade and our Vuzix Remote Assistant software. We expect them to initially target their 3,000 largest B2B enterprise customers, particularly those in the manufacturing, logistics and transportation sectors, with orders commencing in Q2 of 2019. We expect this new channel will create significant new business opportunities both with Verizon’s commercial customer base, as well as internally within their organization in their field support operations. We are also engaged with Verizon’s 5G Partnerships, 5G Labs and XR Edge teams to drive innovation and showcase smart glasses for business, communities, and consumers. Vuzix’ objective is to leverage this soon-to-be-coming large opportunity for next generation smart glasses and use cases.

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OEM Developments

Regarding our OEM business, we remain actively engaged with Toshiba, who continues to market their Windows-based Dynabook product line with Vuzix-built AR100 smart glasses. We received our second purchase order from Toshiba this spring and we expect this program to continue to expand as industry adoption progresses. We also are continuing to see inbound requests for custom OEM waveguide programs within the aviation and defense markets.

Financial Developments

We are implementing plans to reduce our operating costs to achieve breakeven net income and cash burn by the end of 2019. Our current goal is to cut overall operating costs by at least \$4 million in 2019 versus 2018, notwithstanding what is expected to be an increase in revenues. Achievement of these plans should mean that our current cash position of \$10.1 million as of March 31, 2019 will be enough to fund our operations throughout 2019. That being the case, management does not currently see an immediate need nor does it plan to raise cash over the foreseeable future, although we will remain flexible, as any responsible company would, should favorable financing opportunities present themselves that we feel are in the best long-term interests of our shareholders.

Looking Ahead in 2019

We are expecting another strong year of revenue growth in 2019, as demand for our products and new opportunities continue to build. Our enterprise M-series smart glasses have the potential to close and deliver against several much larger deployment orders and we see significantly more Blades being sold in 2019 than in 2018. We believe our industry position will only strengthen as we roll out more powerful and capable solutions that can address both new market verticals and applications. Our products bring real solutions to industry challenges, they are well-designed and highly competitive in the market. We have an exciting product and technology roadmap in place that will further cement our position as a leader in this space. As always, I would like to thank you for your continued support of the company. Speaking for our entire team at Vuzix, we remain committed to bringing the shared visions and goals we all have for Vuzix to fruition this year and beyond.

Best regards,

Paul J. Travers
President and CEO
Vuzix Corporation

Forward-Looking Statements Disclaimer

Certain statements included in this document may be considered forward-looking. All statements in this document that are not historical facts are forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements, and therefore these statements should not be taken as guarantees of future performance or results. We may use words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “could,” “seeks,” “estimates,” and variations of such words and similar expressions in identifying forward-looking statements. The forward-looking statements include statements concerning: our possible or assumed future results of operations; our possible or assumed future results of operations; our business strategies; our ability to attract and retain customers; our ability to sell additional products and services to customers; our cash needs and financing plans; our competitive position; our industry environment; our potential growth opportunities; expected technological advances by us or by third parties and our ability to leverage them; the effects of future regulation; and the effects of competition. These statements are based on our management’s beliefs and assumptions and on information currently available to our management. It is important to note that forward-looking statements are not guarantees of future performance, and that our actual results could differ materially from those set forth in any forward-looking statements. Due to risks and uncertainties, actual events may differ materially from current expectations. For a more in depth discussion of these and other factors that could cause actual results to differ from those contained in forward-looking statements, see the discussions under the heading “Risk Factors” in the Company’s annual report on Form 10-K filed by Vuzix Corporation and other documents the Company’s files from time to time with the SEC. Vuzix disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



FACTSHEET

May 2019

NASDAQ: VUZI

Company Description		Key Investment Highlights
Company Overview	Leading provider of Smart Glasses and AR wearable display technology for enterprise and consumers	<ul style="list-style-type: none"> ➤ Vuzix is an industry leader in terms of customer count, technology expertise and product breadth ➤ The augmented reality (AR) wearables market is projected to soar to 25M+ units/year by 2022 ➤ 1000+ enterprise customer trials to date with many starting to place initial deployment orders ➤ Tier-one OEM co-branding of products and initial shipments of next gen waveguide-based solutions ➤ Substantial tier-one OEM opportunities exist for Vuzix' proprietary waveguide optics ➤ A debt-free balance sheet with \$10.1M in cash
Founded & IPO	Company was founded in 1997; IPO was in 2009	
Headquarters	West Henrietta, NY (suburb of Rochester)	
Revenue	2016A: \$2.1 million 2017A: \$5.5 million 2018A: \$8.1 million	
Ownership	CEO and CFO together own ~13% Intel Corporation (~15%) – Series A Preferred	

Vuzix supplies leading edge augmented reality solutions to broad market verticals

M-Series Smart Glasses



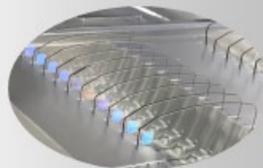
Enterprise B2B

Blade Smart Glasses



Enterprise B2B & B2C, Prosumers

Waveguide Optics



Aircraft/vehicle HUDs, OEM white labels

Industry leadership driven by major partnerships for product supply, design and marketing



- XR-1 based next-gen M400
- Product will be a technology leader when it's rolled out



- Joint development agreement
- ATEX-certified M300 variant
- Co-branded and jointly sold



- 3-year reseller agreement
- All Vuzix products to be sold
- 3000+ enterprises targeted
- Deployments versus pilots
- Potential to expand to 5G, education, first responder and B2C market verticals

Vuzix M-Series



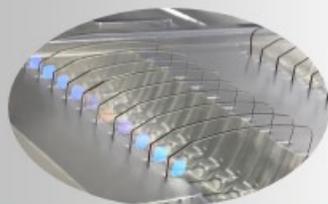
- Enterprise AR smart glasses designed for commercial usage
- Established ecosystem of VARs and system integrators
- More than 18,000 Vuzix AR smart glasses in the field
- 1000+ enterprise trials to date versus 350 at 2017 year end
- Global strategies in place to accelerate enterprise adoption
- Customer orders and RFQs are continuing to expand in size
- Next generation M400 Smart Glasses will ship summer 2019
- ATEX-certified intrinsically safe variant will ship fall 2019

Vuzix Blade



- World's first pair of truly wearable AR glasses
- First product to incorporate Vuzix' latest waveguide optics
- Manufacturing levels continue to ramp
- Commercial version launched; script inserts available
- Allows users' phones to be kept in their pockets by providing first true hands-free communication
- Growing software base including Amazon Alexa, Yelp, Google Assistant, AccuWeather and many others coming soon

Vuzix Waveguide Optics



- Patent protected disruptive technology able to drive third party OEM designs of true AR smart glasses
- Weight, size, cost and optical performance improvements over alternative solutions
- State-of-the art production facility in Rochester, NY HQ
- Custom tool-making equipment, procedures, polymers, and replication equipment all designed and owned by Vuzix

Other Revenue Drivers: Toshiba OEM Deal, Non-Commercial Markets and Vuzix Remote Assistant

Toshiba AR100



- Co-branded enterprise solution package with Toshiba Dynabook wearable computer
- Produced by Vuzix/Sold and marketed by Toshiba

New Market Opportunities

First Responders



Defense



Vuzix Remote Assistant



- Remote video field support solution
- Click and connect software that connects multiple viewers
- Bundled 1-year subscriptions for M-Series Smart Glasses

Additional Information

Investor Inquiries

Ed McGregor, CFA
 Director of Investor Relations
 +1 585-359-5985
ed_mcgregor@vuzix.com

Sell-Side Coverage

Alliance Global Partners: Brian Kinstlinger
 Chardan Capital Mkts: Jim McIlree
 Craig-Hallum: Christian Schwab
 Maxim Group: Nehal Chokshi

Disclaimer: Except for historical information contained herein, the statements in this fact sheet, dated May 2019, are forward looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. A fuller discussion of Vuzix Corporation risks and uncertainties are described in the Company's filings with the Securities and Exchange Commission.