

HULT



Global Case
Challenge

Inverting the Pyramid: *Empowerment through the Venture Model*

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While water.org's WaterCredit Program was a huge step forward, specific issues have limited its reach

What WaterCredit Got Right

- Tailorign solutions to communities
- Building realtionships
- Utilizing existing distribution networks
- Aligning incentives to make solution sustainable

Issues yet to be Mitigated

- Current levels of funding is not high enough to solve the 100 million person goal
- Partners (MFI's) do not have a vested interest in long term success of the individuals taking loans



The Need

- Increased access to funds
- The building of equity in solutions
- Increased number of water suppliers to alleviate price concerns
- Utilize the levers that worked in WaterCredit

The VC Model can be applied to fund and empower entrepreneurs to invert the pyramid

What Our Idea Will Accomplish

- Each entrepreneur can become a water supplier. That supply will be built using funds from the venture fund
- The venture fund can invest in more capital intensive projects
- Increased competition and supply as more entrepreneurs enter the market
- The price of water and philanthropic cost per person will also decrease

Who is the Entrepreneur?

- Women community leaders involved in SHG's

What will the VC look like?

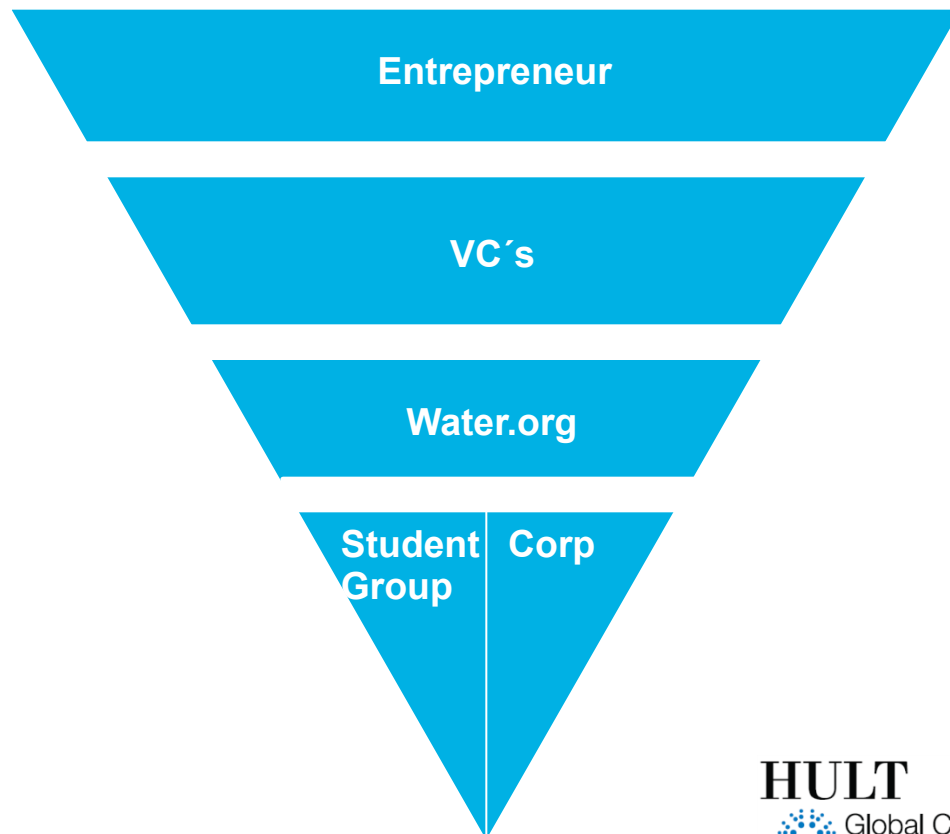
- Will fund entrepreneur's ventures as well as higher level projects both for an equity stake

What will water.org provide?

- How to interact with local populations and what solution is best for each community

Where will all this money come from?

- University students via student union fees
- Corporate sponsorships



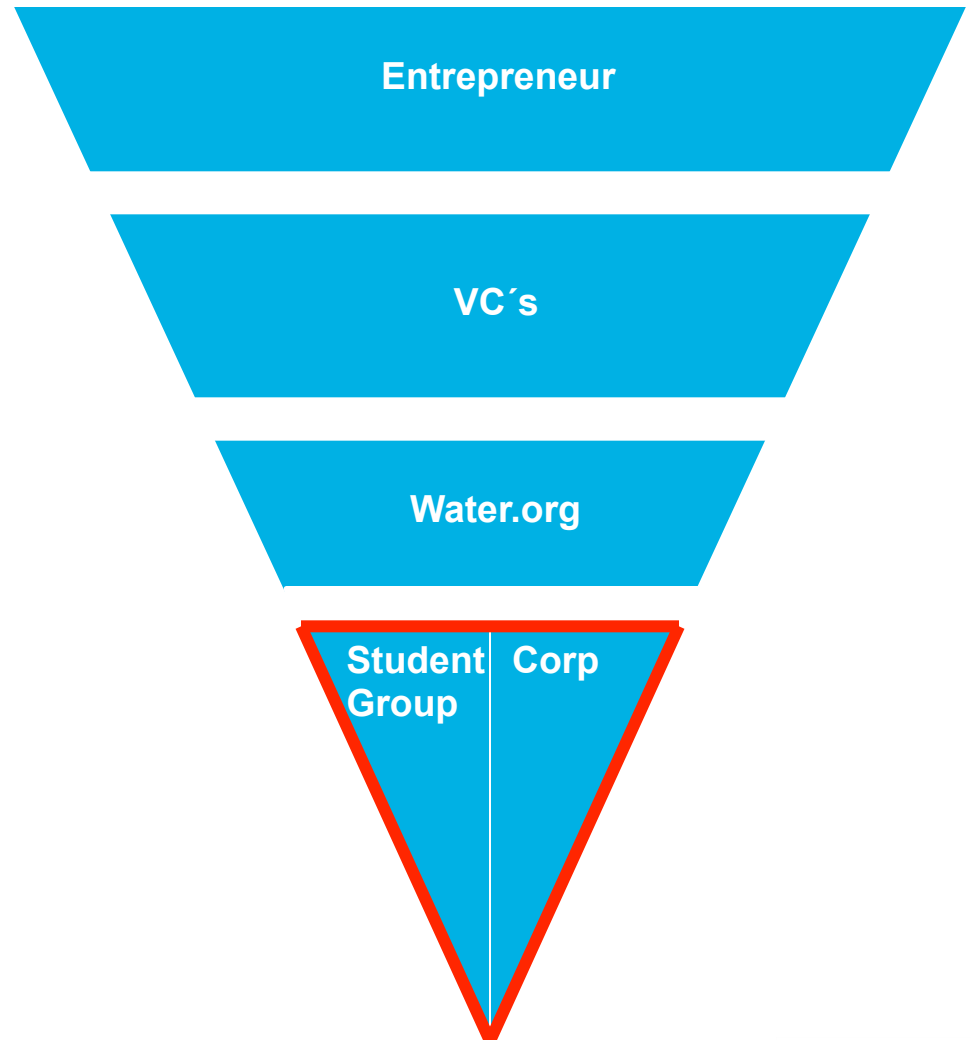
Increased funding and the involvement of students and corporations will allow the organization to grow in scope and ensure sustainment through relationships

Schools

- Students pay fees for student groups, chapters will be started
- Awareness and fundraising events will be held by each chapter
- Within 5 years 300 schools will be involved, contributing \$50 M to water.org annually

Corporations

- Corporate partnerships will be formed
- Partners pay \$1M annually to water.org
- Within 5 years 15 partnerships will generate \$15M/year
- Partners gain exposure to the BOP markets
- Relationships will be key in establishing BOP markets



\$200M will be raised in 5 years

Utilizing water.org and a new VC, money will flow to entrepreneurs

Water.org

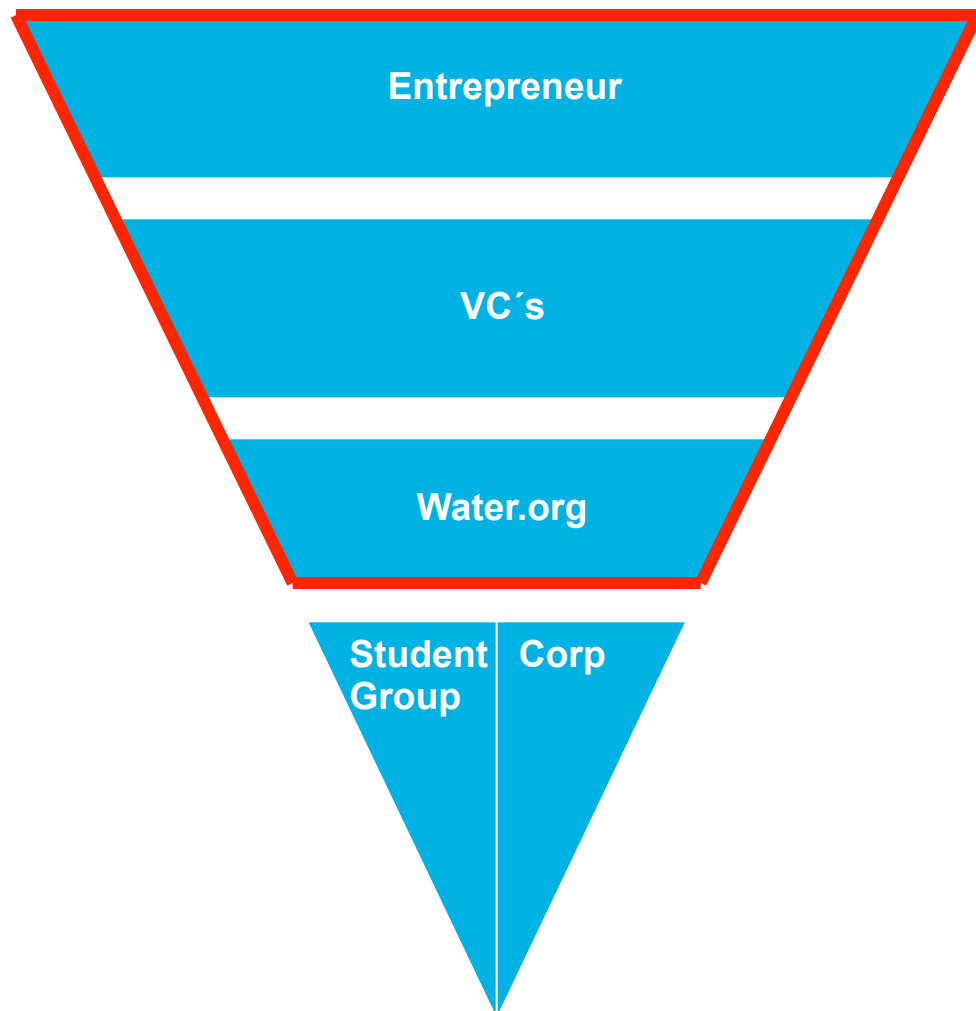
- Water.org will do what it does best
- It will be the conduit between the student groups, corporations and entrepreneurs on the ground

Water.org VC

- Will utilize existing distribution channels such as MFI's to identify investment opportunities; MFI's will get a cut of the deal
- Can fund any entrepreneurs including companies from the west

Entrepreneurs

- Will utilize funding to start and grow their business
- Will pay percentage of their net income



Solutions will be tailored to each community but there are specific higher level solutions that can be funded by the VC

Urban Water Efficiency Water Source Solution

- Repairing and increasing efficiency in current municipal and large-scale water sources
- 60% of water is lost in transmission in urban areas, repairing links to urban systems can create "new water"
- Yields will be increased and costs will be decreased by distributing water more efficiently
- Reduce contamination risks to the water supply



VC funded pipes and infrastructure for local, accessible taps and toilets with sewage disposal system

- Pipe, tap, and infrastructure development extending the municipal water source to the slums
- Women entrepreneurs managing and maintaining the taps and toilets using a small-business model
- Rainwater and floodwater collection low-cost devices funded by VC and low-cost home filters (lifef straw family) small business products

Creating long lasting/symbiotic relationships while aligning incentives allows for sustainment of solution and success for entrepreneurs

Student Groups

- Visits by group members to city/town to meet SHG leader in order to nurture and maintain relationship
- Students gain real world education/experience

Corporations

- Initial introduction by providing education for hygiene/sanitation
- To lead to market penetration of their products into BOD market

Water.org

- Serves as the middleman between the source of funding (student groups & corporations) and VC's/entrepreneurs, while continuously having the welfare and eventual success of spreading clean water in mind

VC's

- By serving as an equity partner to the entrepreneurs, the VC has a vested interest in expanding further relationships with other towns/cities

Entrepreneurs

- SHG leader is empowered to sustain clean water to her customers as it will become a source of income, persuading her to provide distribution and maintenance of the solution

To implement, water.org will have to take steps to set up a value chain

Create relationships with Uni's

- Relationship with student group via video conference calls, monthly newsletters, progress reports, and information on new towns/cities that want to be included in the program

Create relationships with Corps

- Organize logistical and information flow for corporations, providing them with town/city progress reports and new towns/cities that want to be included in the program

Create relationships with Distributors

- Act as middleman between universities & corporations and VC's & entrepreneurs
- Deliver investment opportunities to VC's

The \$1M prize can immediately be utilized towards the execution of our actionable solution

- Sourcing representatives in the US to begin promoting the concept to universities
- Seed money for initial set of universities in order to incentivize participation
- Water.org will hire staff to work with VC models in Africa and organizing self-help groups in the specific town/city
- Marketing and promotion



Questions?

