



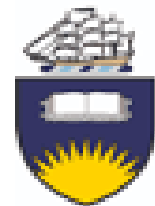
Dr. Ilse Treurnicht

Ilse was CEO of Mars from 2005-2017. She was Chair of the Canadian Task Force on Social Finance in 2010, and serves on the Government of Canada's Science, Technology and Innovation Council (STIC) and the Advisory Council on Economic Growth.



Bert Verhoeven

Bert is founder of (social) enterprises in Australia and globally. He has designed and facilitated programs on Entrepreneurship & Innovation since 2009 at Swinburne University (Melbourne) and as Head of Entrepreneurial Programs and Senior Lecturer at NVI (since January 2017).



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Today's Masterclass

Bert Verhoeven

how to structure your business with commercial mechanisms and hold true to your original mission and ethos?

how to successfully prepare for the earliest stages of funding?



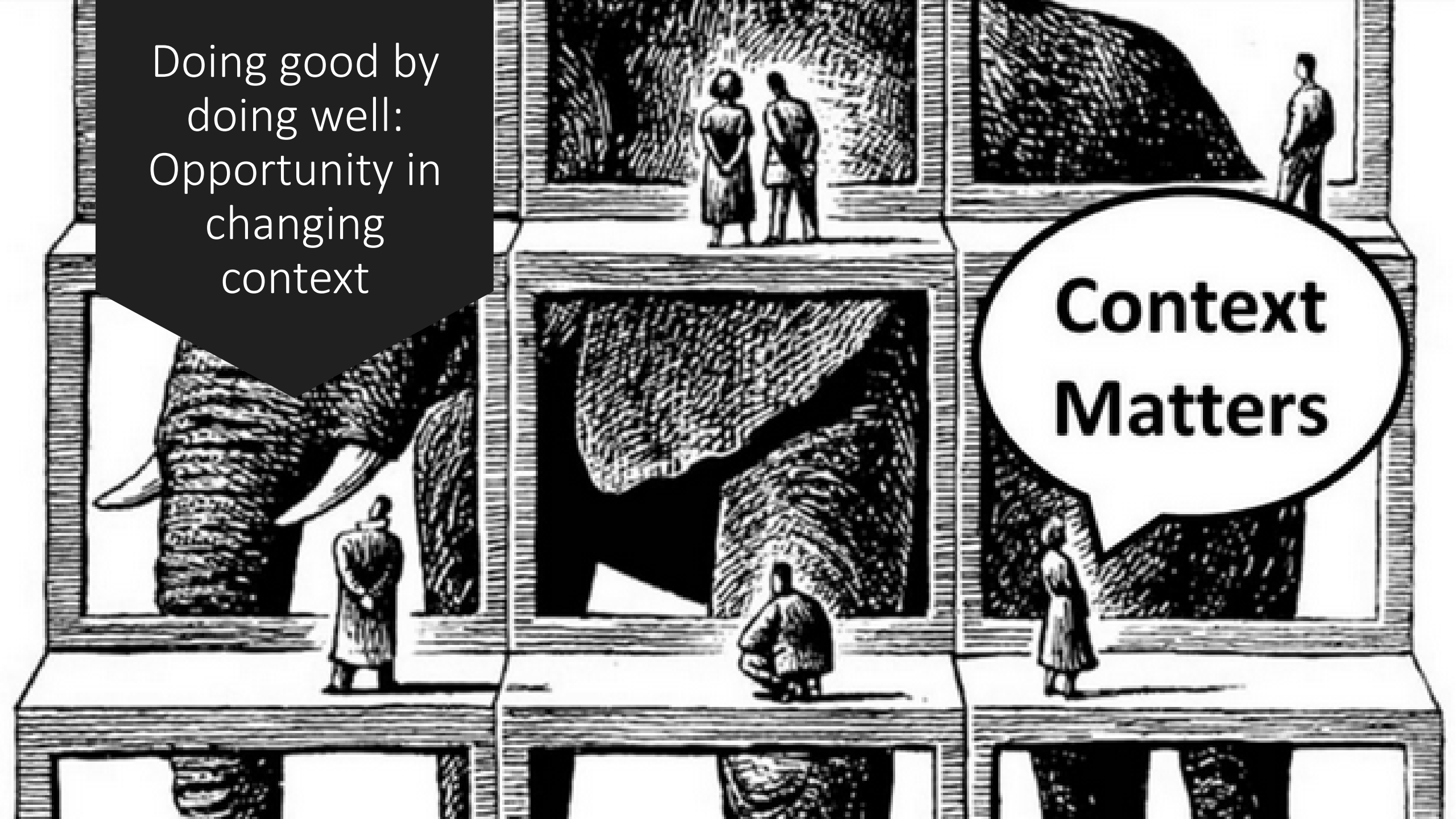
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Doing good by
doing well:
Opportunity in
changing
context

**Context
Matters**



Ilse: an illustration that shows a personal moment/achievement in relation to Social Enterprises you are proud of

Sports development project





<http://unfoundationblog.org/common-questions-on-the-global-goals/>

Problem and Challenge




- People in developing countries do not have the money to buy meat every day. This makes them vulnerable for iron deficiency.
- Challenge: In small groups ideate and discuss large number of options to tackle this problem.
- Choose your best and present to the group

Lucky iron fish

video



Lucky iron fish: social enterprise

- 
- A young man with short blonde hair is smiling and looking towards the camera. He is standing in front of a sign that has the words "IN EVERY POT" visible. The background shows green foliage and trees.
- Gavin Armstrong, founder, launched 2012, biomedical doctoral student
 - Business model: Buy one fish (30 dollar) and one fish is donated to people in Need
 - Embed social impact into everything they do

<http://www.luckyironfish.com/about-us>

<https://www.guelphtoday.com/local-news/lucky-iron-fish-grows-411976>

Design Features

Recycled iron

Cultural understanding

Fading smile

Convex - iron release



50,000

lives impacted

this year by our

Buy - One - Give - One model



LUCKYIRONFISH

HIGHLIGHTS FROM AROUND THE WORLD

Our Fish Tank program has distributed Lucky Iron Fish to British Columbia, Saskatchewan, New Hampshire, Peru, Nicaragua, Mozambique, the Democratic Republic of the Congo, Somalia, Haiti, Uganda and Pakistan.

1,180

lives impacted
Guatemala



14,000

lives impacted
India



1,800

lives impacted
Mozambique



13,260

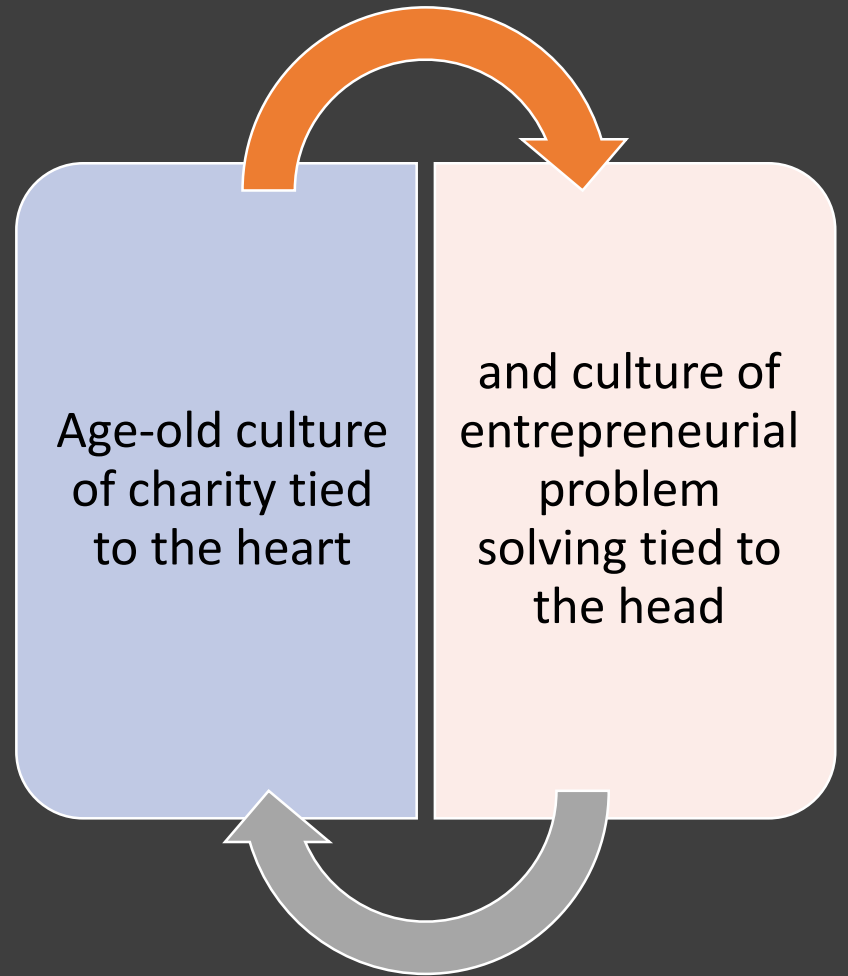
lives impacted
Peru





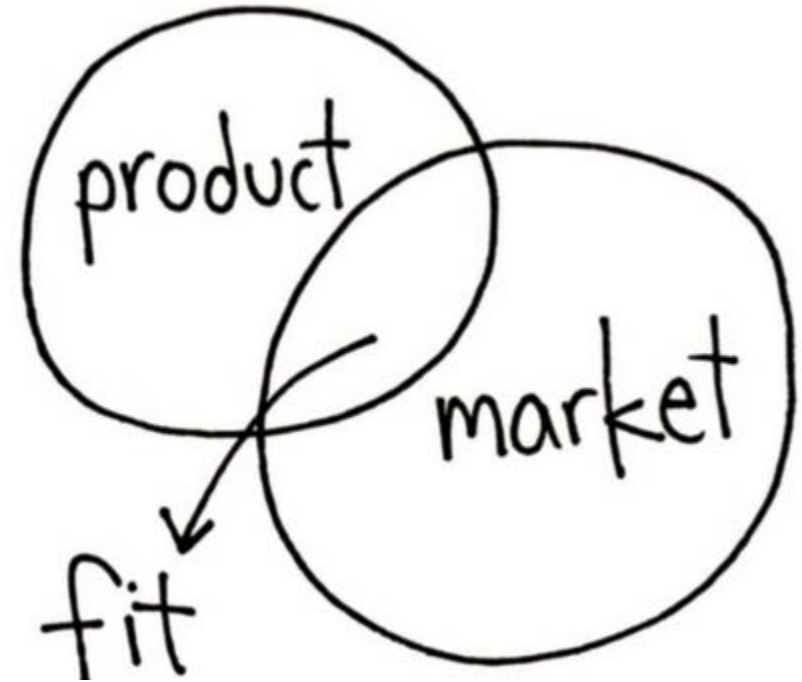
CONTRAST

Context: Two cultures at play...





A hand-drawn sign with a black border and four black dots in the corners. The word "START" is written in large, pink, block letters. Below it, the word "With" is written in smaller, black, cursive letters. Below "With", the word "WHY" is written in large, blue, block letters.



How to structure your business with commercial mechanisms and hold true to your original mission and ethos?

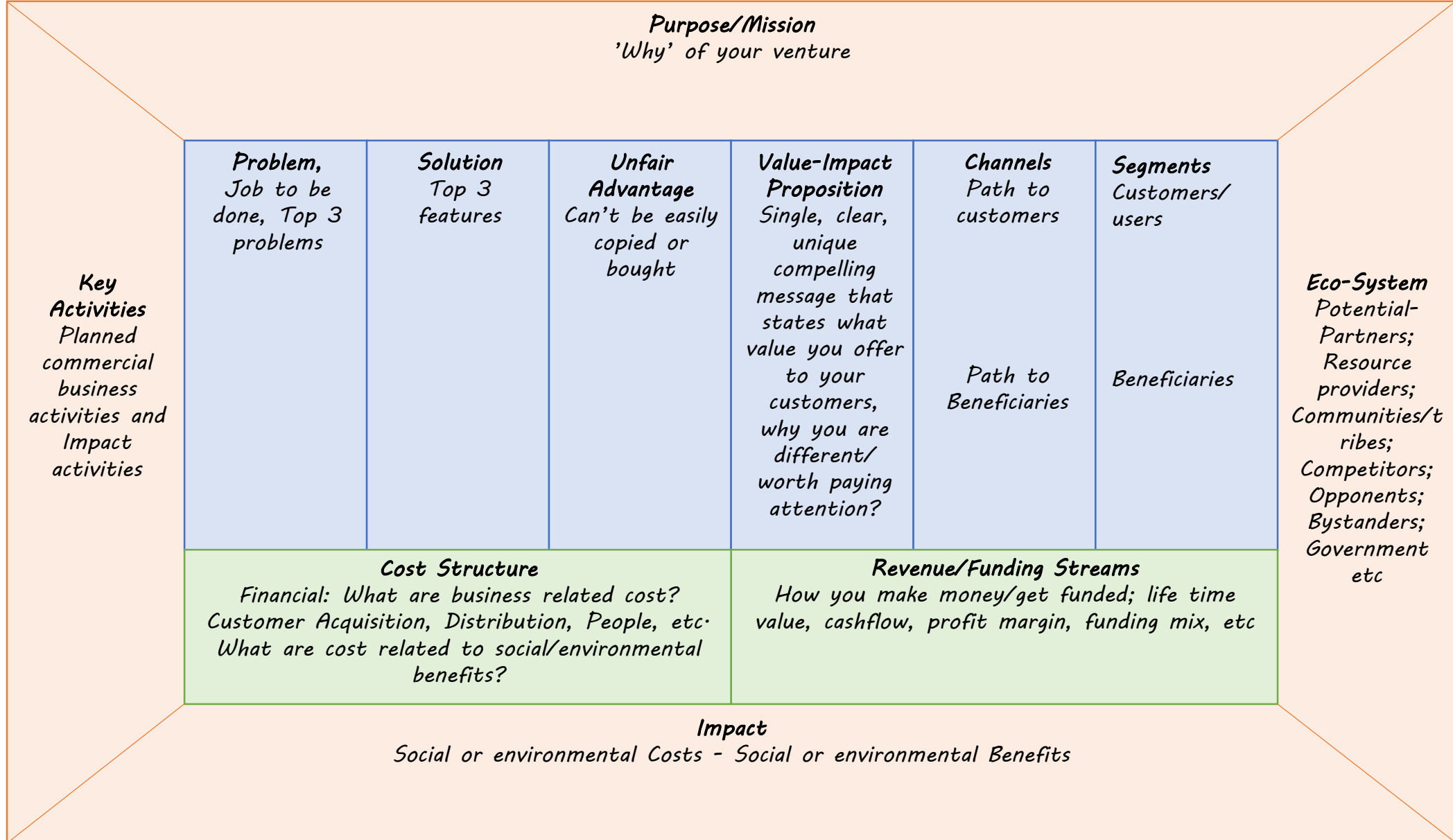
Need a tool.....

Purpose To Impact:

Product-Market Fit

Project Name: _____

Date: _____ Iteration: _____

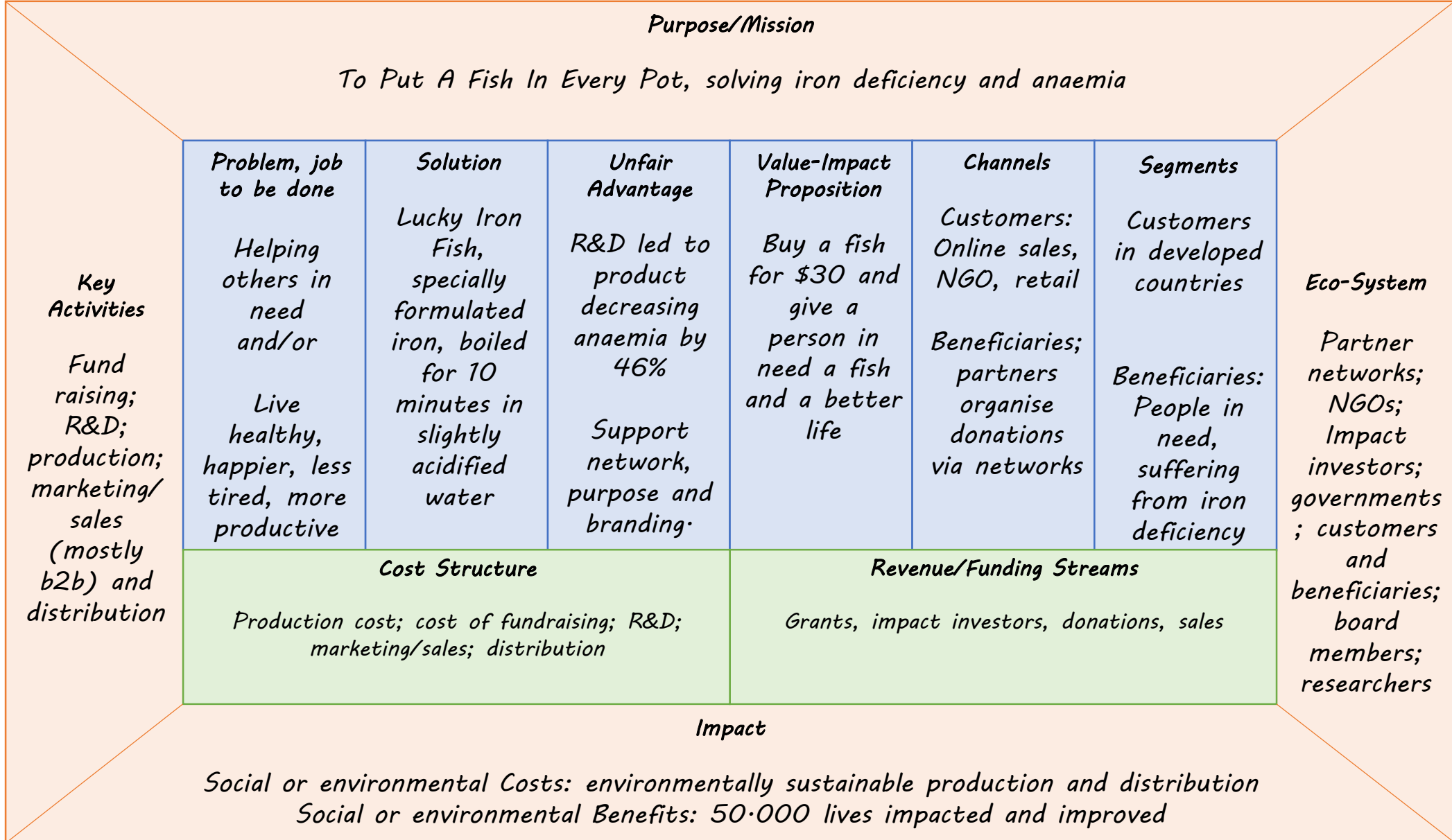


Purpose To Impact:

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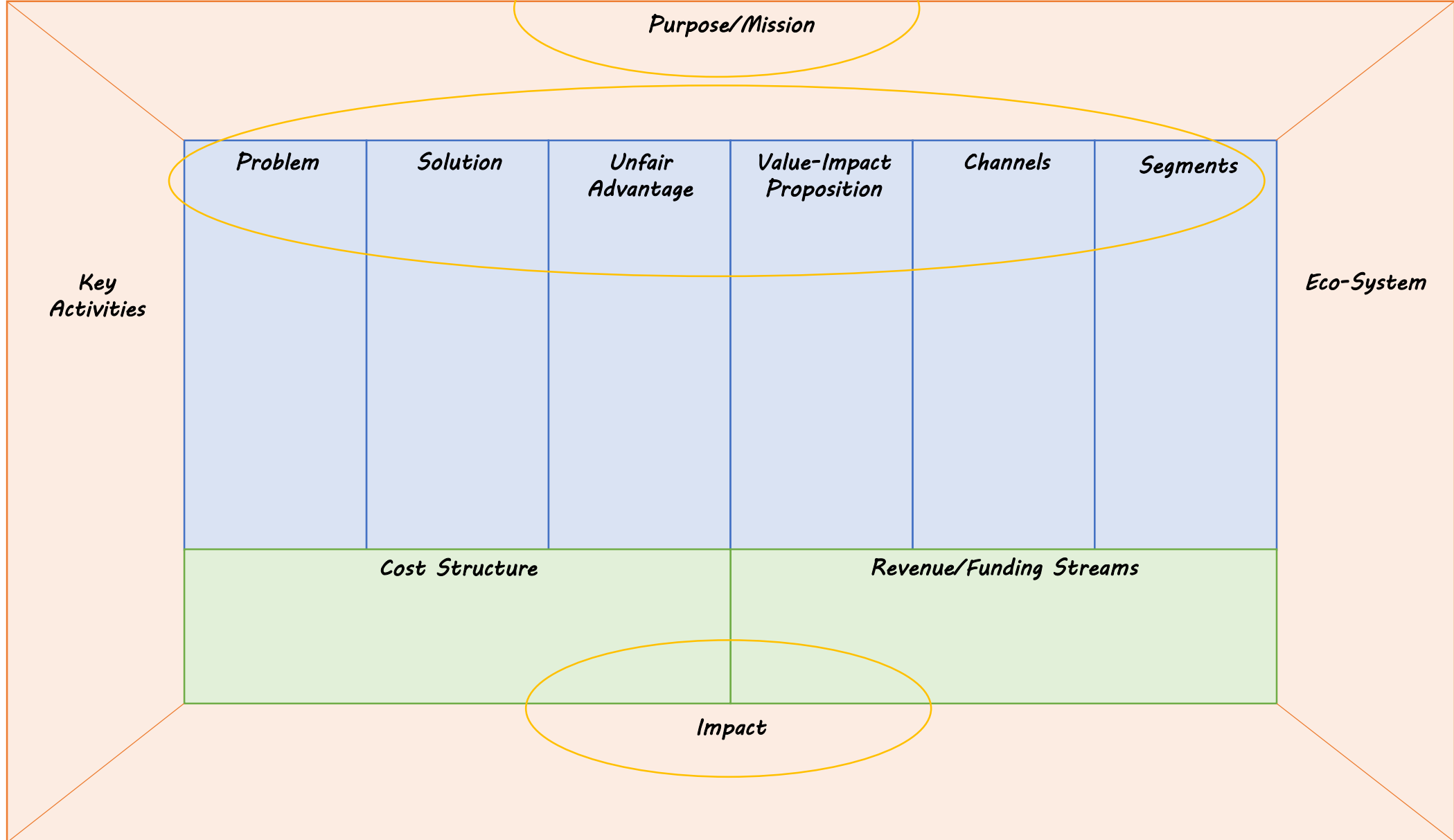


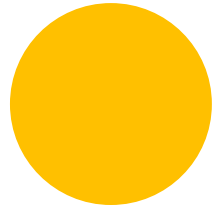
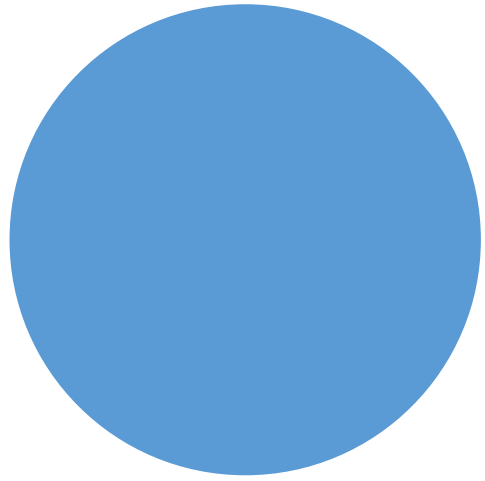
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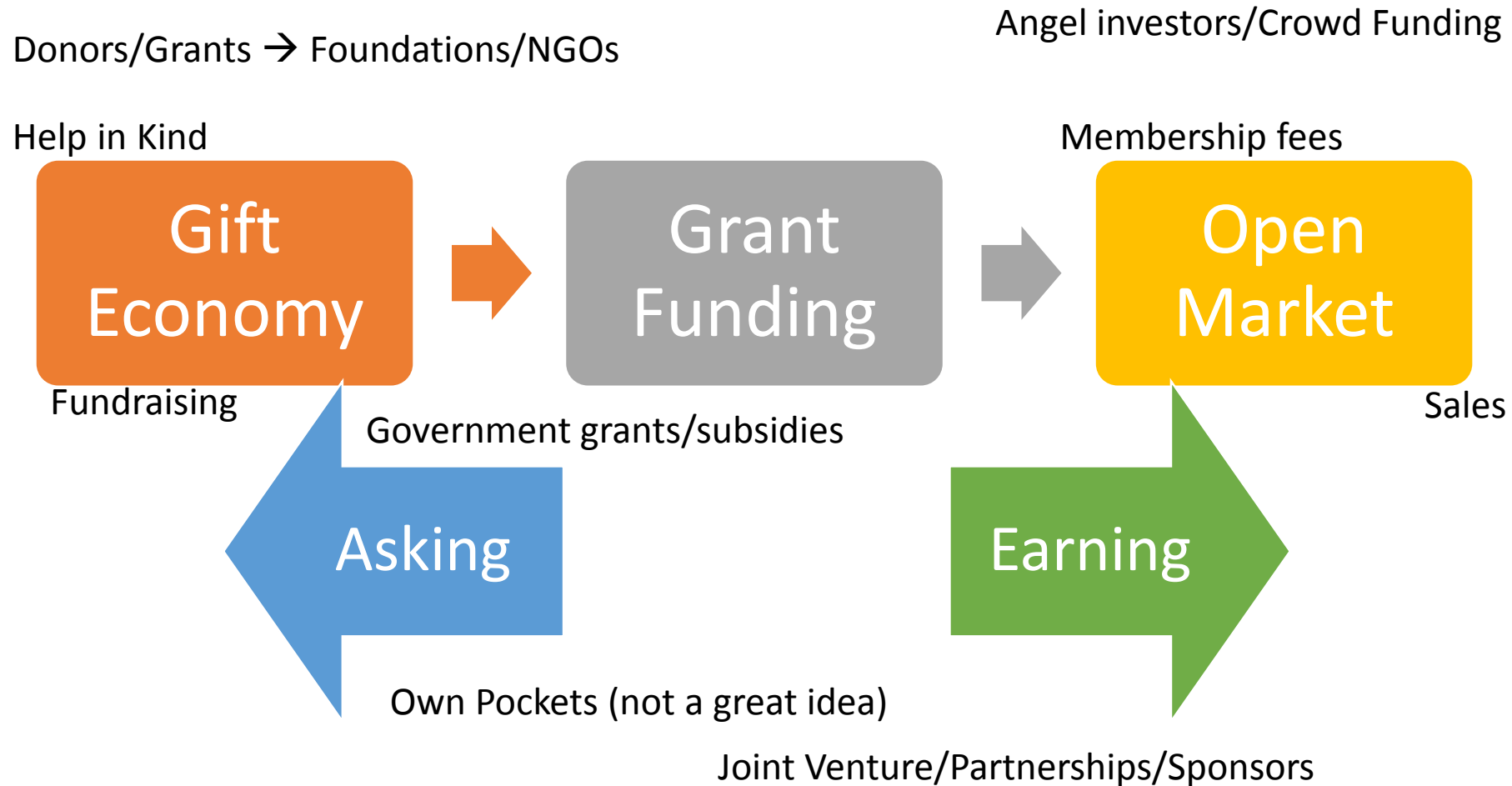


How to successfully prepare for the earliest stages of funding?

Use the Purpose to Impact canvas to create value propositions and business model that suit each stakeholder in the ecosystem

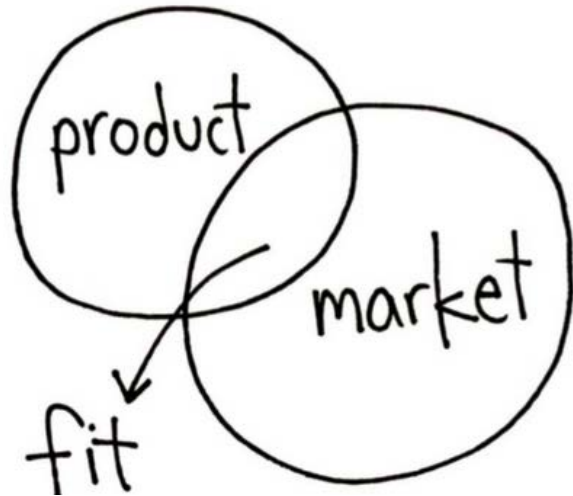
Prepare for the earliest stages of funding

Income Spectrum





START
With
WHY



- Private Foundations, donations/grants
- Government/NGO Grants
- Membership fees
- Fundraising, In Kind
- Sponsors
- Crowd Funding

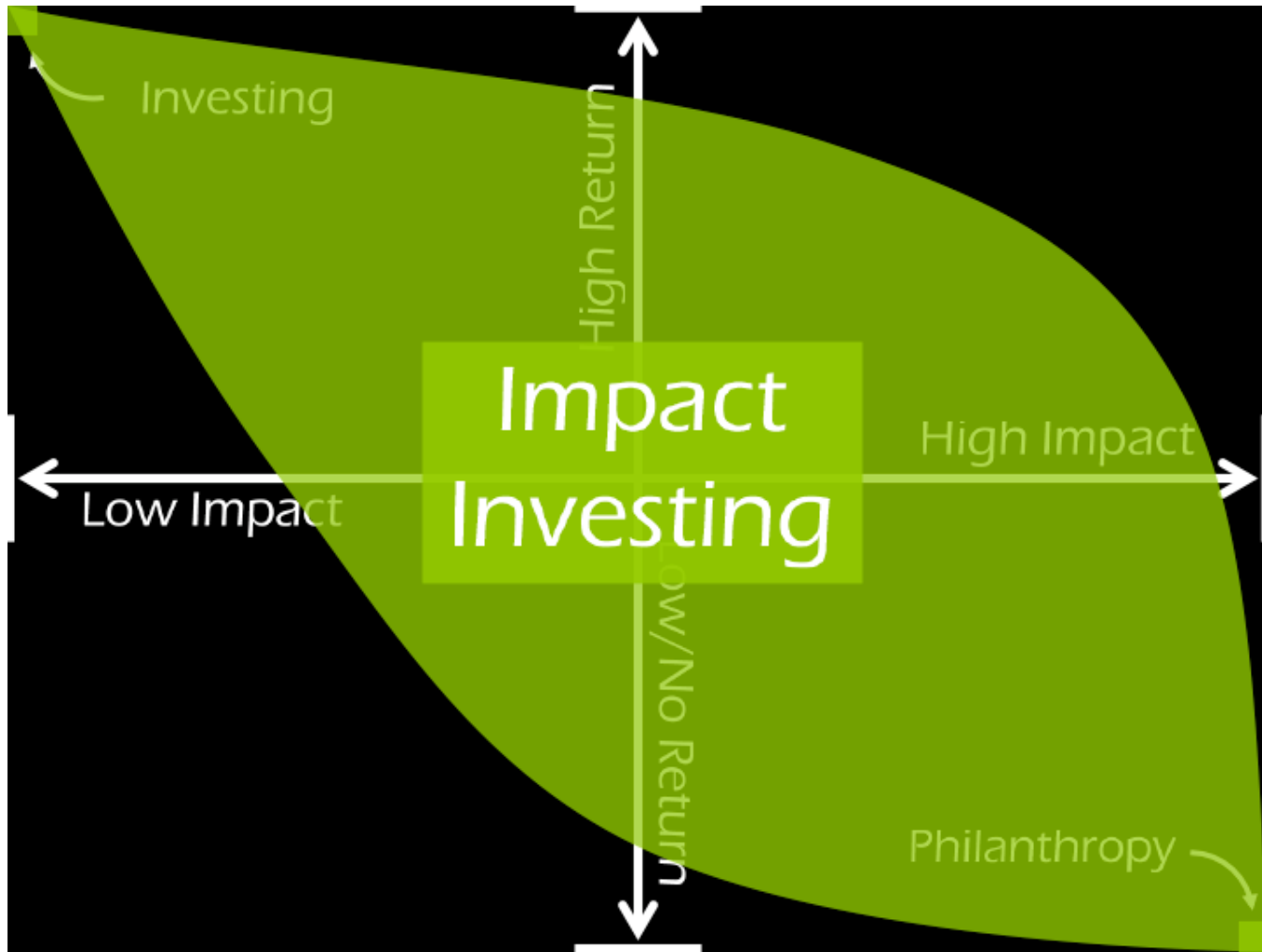
- Revenue from trade
- Crowd Funding
- Loans/Equity funding



Purpose to Impact combined with Product-market fit led to Impact Investing



Video: <https://www.youtube.com/watch?v=WBNAsvInERs>



- Impact investing creates and measures positive social impact as well as a financial return.
- Impact not just part of core business (e.g. selling solar cells) but additional, like Lucky Iron Fish, with a sustainable business model that scales.
- Financial return distinguishes impact investing from grant funding: want to jump start a profitable business.

This led to the term:
Impact investments



Investing in business as a force for
good

- Sir Richard Branson's Virgin Unite, MaRS Catalyst Fund
- First-round investments \$150,000-\$350,000
- Second-round, series A-stage investments two to three times first-round.

MaRS Catalyst Fund

Why would an impact
investor support Lucky
Iron Fish?
What would be the value
Proposition?

Block of iron



Happy fish 1.0 (beta fish)



Lucky Iron Fish™



Lucky Iron Fish

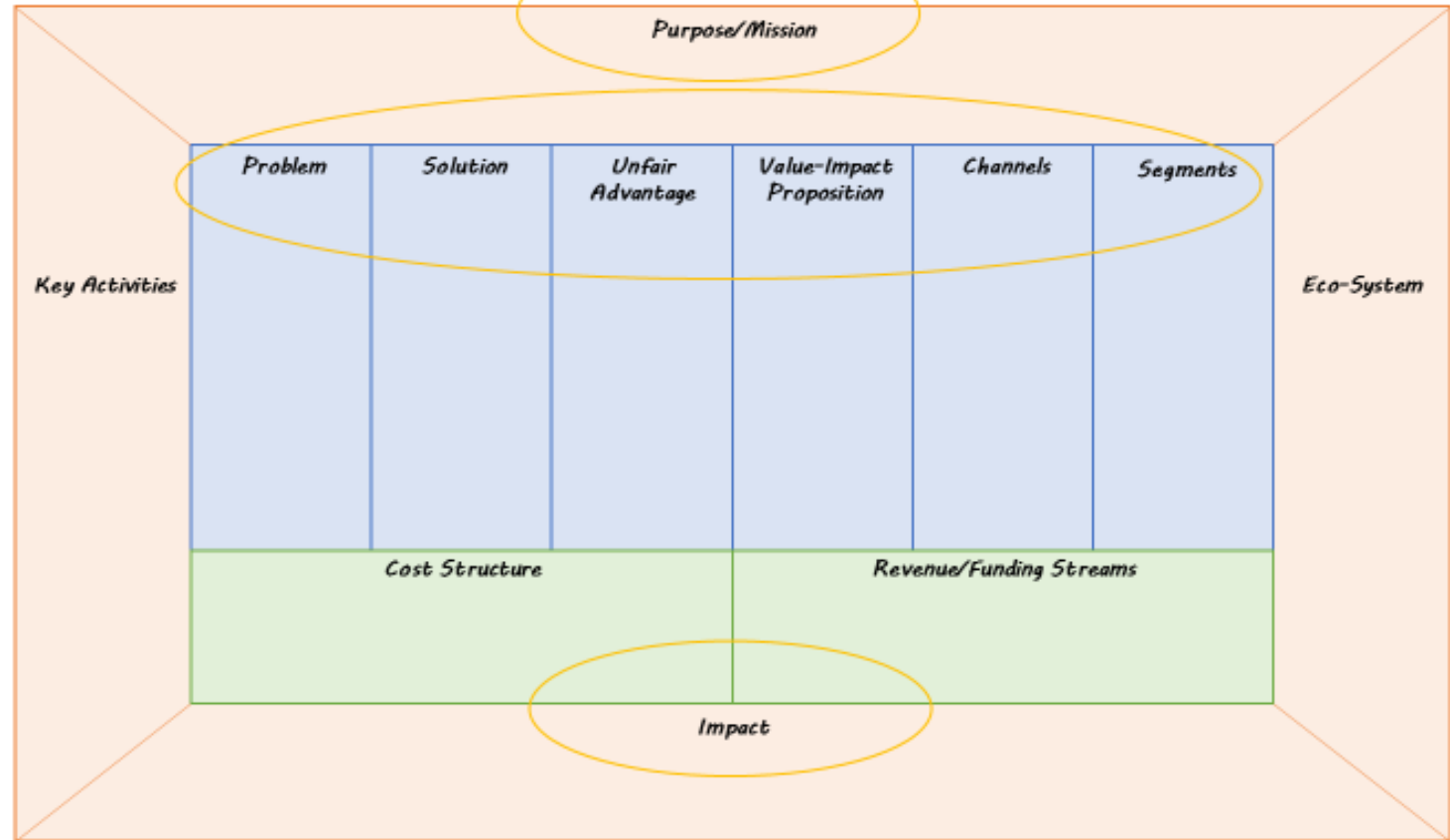
- C\$270,000 equity impact investors: financial returns alongside social benefits
- C\$1.6m in grants to help scale: Grand Challenges Canada; Guelph Innovation, Bill & Melinda Gates Foundation.
- C\$1m in sales 2016, profits reinvested into the company

As a small group work on a social enterprise (or idea) among you: What would be your value proposition for an impact investor?

Purpose to Impact
&
Product Market fit

*Purpose To Impact:
Product-Market Fit*

Project Name: _____
Date: _____ Iteration: _____



After Purpose to Impact canvas use `Sustainable Enterprise Canvas` to deliver and grow your SE

Purpose 'Why' of our venture				
Key partnerships Who are key partners? Who helps to deliver your value propositions?	Key activities What key activities are required to deliver the value propositions?	Value propositions What value (products/services) will be delivered to the customer/beneficiary/eco system stakeholders? Jobs to be done? Which problems/needs/wants will be solved/satisfied? How? Unfair competitive advantage?	Customer relationships What types of relationships will need to be established or maintained with customer segment/beneficiary/ ecosystem?	Customer segments (ecosystem stakeholders) For whom are we creating value? Who are our most important customers primarily attracted to our products/ services and who (tribes) primarily attracted to our purpose/ impact? Who are our beneficiaries? Who are our remaining ecosystem stakeholders?
	Key resources What key resources are required to deliver the value propositions?		Channels Which channels will be most appropriate & effective to reach customer/beneficiary segment and ecosystem?	
Financial Cost structure What are business cost related to trade and impact related cost? E.g. customer acquisition, distribution, people, etc. Which resources & activities are the most expensive, dependency? Percentage of financial cost related to social/environmental benefits compared to total costs?			Revenue & Funding streams How we make money/get funded; What are customer willing to pay for, and how would they prefer to pay? Percentage of revenue related to impact compared to overall revenue? How much does each revenue/funding stream contribute to the overall revenue?	
Impact Social or environmental Costs (e.g. triple bottom line) - Social or environmental Benefits (e.g, SROI)				

Thank
you!!!
...



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