



Vision entrepreneurs: helping the poor to get back to work

Eyeglasses have been around for at least 800 years. Yet hundreds of millions of people in the developing world still suffer poor vision, degrading their ability to learn and work, which affects their livelihood.

Four hundred million people could have their lives transformed today -- if they could get hold of simple non-prescription glasses which are found in stores for \$20-30, enabling them to carry on working as tailors, weavers, goldsmiths and farmers. However, for those who earn less than four dollars a day, these glasses are out of reach and with presbyopia, where the eye progressively loses its ability to focus as age sets in, they soon won't be able to work.

"This is a ridiculous set of circumstances where optical firms are all fighting for the tip of the pyramid while millions of people lose their livelihoods and dignity because they have no access to affordable eyeglasses," Jordan Kassalow told INSEAD Knowledge. "To me it's a market failure."

Kassalow, an optometrist, set out on a mission eight years ago to fill the gap and correct the failure.

Life-changing moment

During his first year in optometry school, Kassalow went on a trip to rural Mexico to provide eyecare services to some 2,000 people who suffer from vision problems.

He saw a seven-year old boy who couldn't see at all and was using Braille. "He suffered the burden of

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blindness: besides being unable to see, blind people are ostracised in society as they are considered 'bad luck,'" Kassalow recalls.

Being a freshman, he asked his professor to review the boy's condition with him. As it turned out, the boy was not blind, just profoundly near-sighted. The team had brought with them eyeglasses of varying degrees and he was asked to get the one with the strongest lens for the boy.

"As the boy aligned his eyes to the lenses, I saw his face light up as he experienced the joy of being able to see. That moment transformed both our lives," he says. "I wanted to be able to recreate moments like this. It got me on track."

Back in Boston, their data showed that, of the 2,000 people they saw over five days, 1,400 or 70 per cent needed glasses. "Of the 70 per cent, half of them needed simple magnifying-type eye glasses that came in five ready-made strengths. That means 30 per cent of all we did was just a consumer product," Kassalow says.

He went on eight more training trips but was dissatisfied with the strategy. He wanted to find a sustainable model.

To this end, Kassalow volunteered to spend one year at the Aravind Eye Hospital in India, one of the most creative ophthalmology models serving the poor.

Scojo Foundation

In 2001, Kassalow and Scott Berrie, a businessman, founded Scojo Foundation providing people at the base of the pyramid with affordable reading glasses.

“George Soros gave us \$50,000 to test ideas,” says Kassalow. “We partnered Helen Keller International and a six-month pilot programme was launched in Andhra Pradesh, India in collaboration with LV Prasad Eye Institute and SHARE, a microfinance institution.” It then expanded operations into El Salvador the following year, followed by Guatemala and Bangladesh in 2006.

At the same time, the two entrepreneurs founded Scojo New York to supply stylish, mid-range eyeglasses to stores like Saks Fifth Avenue, Neiman Marcus and Barneys. Five per cent of the revenue went to Scojo Foundation.

Five years later, Scojo New York was sold and Scojo Foundation was renamed VisionSpring in 2008.

How the model evolved

The VisionSpring model works by selecting local community members to become Vision Entrepreneurs (VEs).

“We train them in basic eye screenings for presbyopia and other vision-related problems, and provide them with a ‘Business in a Bag’ containing the materials, stocks, and information they need to run a business,” explains Kassalow.

VisionSpring started with 18 VEs. Of the 18 women, only six made money.

“We learned two lessons with the pilot project: it’s difficult to start and sustain a business selling only one product. And even if it’s doing well, it’s difficult to scale,” Kassalow adds.

So accessories were added such as cases to keep glasses in, cords for the eyeglasses, as well as sunglasses “to protect their eyes from ultraviolet light and look cool.”

“We currently have 3,000 VEs but with 400 million people in dire need of affordable eyeglasses, we need to scale much faster than this,” he argues.

Achieving the vision

VisionSpring began to identify organisations to leverage their existing network. In 2006,

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VisionSpring launched a franchise partnership with BRAC (Bangladesh Rural Advancement Committee) the world’s largest non-governmental organisation with a budget of \$800 million.

“BRAC has 85,000 women selling simple healthcare products such as band aid, contraceptives and sanitary napkins and we asked BRAC if they would add eyeglasses,” says Kassalow. “They tested (this) on 50 women and then 500 women and it worked. Six months ago we signed a memo of understanding to scale (up) in Bangladesh, allowing all the 85,000 women to sell eyeglasses over the next 10 years.”

VisionSpring has also partnered other organisations such as Freedom from Hunger in Ghana, India’s SEWA (Self Employed Women’s Association), Cause for Hope in Nicaragua and Fundacion Paraguaya in Paraguay in order to increase scale.

“With this strategy, we hope to have 30,000 VEs in three years’ time,” Kassalow says.

Funding challenges

To build an organisation, says Kassalow, three things are needed: an idea, capital and people. “The idea wasn’t difficult. But to attract people to fund the idea and to get people excited and be committed to the idea has been a constant challenge in spite of recognition from organisations such as the Draper Richards and Skoll Foundations and the Clinton Global Initiative.”

In September 2008, VisionSpring launched a prospectus to raise five million dollars. However, with the economic slowdown, they’ve only managed to raise three million.

In addressing market failure, we need to create a sustainable business, says Kassalow. The business deals in low-lying fruit. It’s not complicated: people need glasses to see in order to work and eye doctors are not threatened. But it’s time consuming and labour intensive. The margins are low and the environment is difficult.

“The timeline is going to be too long. The need is huge and it’s going to take too long for it to work,” argues Kassalow. “That’s why for now we need to turn to philanthropy.”

The operating budget of VisionSpring is two million dollars. That figure is somewhat deceiving though as some of its work falls on the books of partners, says Kassalow. Currently 20 per cent is covered by sales and 80 per cent by donations. “Our goal is to achieve 50 per cent through sales over the next three to five years and cover our costs in five to 10 years.

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