Saving Lives in Africa through Business Format Franchising

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Crisis in the Developing World

• Approximately **30,000 children die each day**, 2/3 of them because they lack access to high quality medical care and essential drugs that often cost less than a cup of coffee.

• A short list of **preventable and treatable diseases** accounts for approximately 70% of childhood illness and death.

Photo courtesy of Scott Davis

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Many Lack Access to Essential Drugs

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Some Have Substandard Access

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Many Live Too Far From Help
Some Have Drugs but Need Help to Use Them Properly
Whole Countries Have Large Amounts of Substandard Drugs that Don’t Work
The HealthStore Three Point Test

1. *Does it maintain standards?*
   - What is not standardized
     - cannot consistently deliver the quality standards necessary to effective treatment
   - Cannot be replicated

2. *Is it scalable?*
   - What cannot be replicated cannot be scaled
   - What cannot be scaled cannot deliver solutions to large populations

3. *Does it achieve economies of scale?*
   - What cannot be scaled cannot achieve economies of scale

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From ExxonMobile, to Marriott, to Dunkin’ Donuts, franchise organizations

- Standardize the business format and operations to ensure consistent quality throughout their networks
- Scale geometrically to thousands of locations serving millions of people each year
- Achieve economies of scale so that the larger they grow the lower the cost to serve each person

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In 2000, The HealthStore Foundation® launched the CFW network, a branded business format franchise system of clinics and drug shops.

CFW is a pioneering application of the franchise model that has proven successful when applied in hundreds of industries throughout the world.

The CFW network in Kenya has grown to 82 clinics and drug shops plus owned and operated by Kenyan nurses and health workers in rural Kenya plus 3 “company owned” clinics in Rwanda.
The CFW Business Format and Operations

- A standardized franchise system with training and compliance programs
- Assists franchisees to perform consistently
- Regulates all important functions in the operation of a clinic (especially quality)
- The CFW brand
- Rented storefronts
- Limited menus of authorized services and products
- Easily accessible to patients and customers

www.healthstore.org
# Lifesaving Results

![CFW Clinics Logo](image)

## Summary Statistics--Kenya

<table>
<thead>
<tr>
<th>Category</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total patients and customers</td>
<td>554,009</td>
</tr>
<tr>
<td>In Store</td>
<td>370,873</td>
</tr>
<tr>
<td>Outreach</td>
<td>183,136</td>
</tr>
</tbody>
</table>

## Prevalent Diseases Addressed

<table>
<thead>
<tr>
<th>Disease</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaria Treated</td>
<td>42,394</td>
</tr>
<tr>
<td>Respiratory Infections Treated</td>
<td>65,805</td>
</tr>
<tr>
<td>Worms and Deworming</td>
<td>45,587</td>
</tr>
<tr>
<td>Diarrheal Disease/Vomiting</td>
<td>10,356</td>
</tr>
<tr>
<td>Bednets Sold</td>
<td>2,201</td>
</tr>
</tbody>
</table>

[www.healthstore.org](http://www.healthstore.org)
70% of illness and death is caused by a short list of easy-to-treat diseases and maternal and child health problems.

By treating these cases at CFW clinics in the communities where people live, patients do not go on to consume resources of higher level healthcare providers.

So more capacity is available to treat other patients with more complex healthcare problems (e.g. diabetes, AIDS, cancer).

No investment is required to create this additional treatment capacity.

Healthcare access is improved not only where CFW clinics are located but also in other locations from which patients are diverted.
International Vision

Tens of thousands of CFW clinics throughout sub-Saharan Africa serving hundreds of millions of patients and customers each year. Current portfolio of international opportunities:

- **Kenya**: Currently restructuring our operation in Kenya to receive social venture capital investments to fuel growth towards breakeven.

- **Rwanda**: Recent commitment by a major multinational company to grow CFW network in Rwanda from 3 to 60 clinics over three years.

- **Ghana**: World Cocoa Foundation has funded an assessment of the Ghanaian market; HealthStore intends to launch a CFW network in Ghana through a partner organization.

- **Ethiopia**: HealthStore recently completed an assessment of the Ethiopian market.

- **Nigeria**: A major multinational corporation has expressed interest in participating to fund a CFW clinic network in Nigeria.

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The HealthStore Foundation (above country) is funded by grants and contributions to perform the following mission-critical functions:

- **Guiding the Mission:** Ensuring that at all times and everywhere that everything done under the CFW brand is consistent with our original Mission, Vision, and Code of Ethics.

- **Establishing and Maintaining CFW Brand Standards:** Ensuring quality consistency, scalability, and economies of scale throughout CFW branded provider networks.

- **Organizing Strategic partnerships:** Teaming with other organizations who share our mission and values always marshalling know-how and resources to achieve our mission.

- **Developing Innovations:** Inventing solutions to the toughest problems and integrating them into our franchise operating system (e.g. 3rd party payment system, electronic data collection platform, health insurance, etc.)
The HealthStore Foundation’s Role
(Continued)

• **Raising Funds and Capital:** Seeking out and partnering with philanthropists, investor groups, foundation, corporations and others interested in providing contributions and financing to CFW branded ventures throughout Africa

  • Charitable contributions to fund The HealthStore Foundation®, its Pan-African development work, its innovations, and its new country launches

  • Social venture capital to finance network expansion in Kenya and Beyond
How You Can Help

Please consider a contribution towards HealthStore’s current $250,000 fund drive.

www.healthstore.org
World-class CEO brings 29 years of experience leading pharmaceutical distribution businesses in Africa. Until May 2008 was VP for Sub-Saharan Africa for GlaxoSmithKline; began leading The HealthStore Foundation® in July 2008.

Board of Directors and Management Team with combined total of approx. 100 years of franchising experience and 100 years of developing world healthcare experience.
Partners and Supporters

- Acumen Fund
- Anbinder Family Foundation
- Brainstorm Design
- Bridgeway Foundation
- Chiron Foundation
- David Weekley Family Foundation
- Eleos Foundation
- ExxonMobil Foundation
- Flora Family Foundation
- Goldsmith Foundation
- Global Fund
- Hot Dish Advertising
- International Finance Corporation
- Kaiser Permanente
- Mark Gordon Family Foundation
- Michael Seid & Associates
- Mulago Foundation
- Oswald Family Foundation
- Postnet
- Procter & Gamble
- Rockefeller Foundation
- Rotary International
- USAID
- Virgin Unite
Emmy-Award-Winning PBS Documentary:
http://www.pbs.org/now/shows/321/index.html
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To donate, send a check to the address above, or donate online by credit card at www.healthstore.org/donate.html
Thanks for Listening

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