Solving Problems through Capital Markets

Jim Sorenson Case Study
The ImPact is a membership network of family enterprises (family offices, foundations, and businesses) that are committed to making investments with measurable social impact. The ImPact provides families with the knowledge and network they need to make more impact investments more effectively, and uses sophisticated technology for data aggregation, analysis, and reporting to shift the narrative of impact investing from one of inputs (dollars committed) to outcomes (impact created). Our purpose is to improve the probability and pace of solving social problems by increasing the flow of capital to investments generating measurable social impact.
JIM SORENSON: A CASE STUDY IN IMPACT INVESTING

Jim Sorenson is a successful entrepreneur, business executive, investor, and philanthropist. He is a pioneer impact investor and plays a leadership role in building the impact investing field worldwide. Jim believes impact investing is a powerful method for scaling solutions to local and global challenges, and for creating significant economic value. Jim makes impact investments with his personal capital, out of the endowments of his foundations (in the form of mission-related investments), and uses grantmaking capital from his foundations to make program-related investments (or PRIs).

This case study will focus on Jim’s PRIs as they constitute the majority of the impact investments he makes. Jim uses PRIs as a tool to fill critical market gaps and catalyze financing for scalable innovations with the potential to improve livelihoods of poor and marginalized people. While every family is unique, ImPact members like Jim Sorenson have experiences that can provide for shared learning. Through understanding the decision points and outcomes of Jim Sorenson’s work, other families can make more informed decisions as they develop and implement their own impact investing programs.

Introduction

Jim Sorenson’s life experiences have taught him that businesses can innovate to solve problems at scale. Early-stage impact enterprises need investors that can stomach the risk to help them achieve commercial viability; Jim uses program-related investments to fund these companies in their early stages until they are able to obtain sufficient commercial funding. Impact investors willing to experiment with new kinds of financial structures can unlock new sources of capital to scale evidence-based social innovations. As the impact investing marketplace continues to evolve rapidly, its success depends on a healthy, developed ecosystem. Jim is committed to building that ecosystem.

Laying the Foundation for Impact Investing: Humility, Business Success, and Impact in Disguise

Jim learned at a young age from his father and mother, James LeVoy and Beverley Taylor Sorenson, how to work hard, build businesses, and to have compassion for the poor. Jim’s father grew up during the Great Depression, the son of two impoverished teenagers in Idaho. James LeVoy’s work ethic and salesmanship helped his family to persevere through economic hardship and his industriousness grew into a career of entrepreneurship.

James LeVoy, and later his son Jim, took an opportunistic approach to business: looking across industries and markets for promising businesses, buying small, and growing companies steadily toward success. This nimble and creative approach led James LeVoy to build an eclectic portfolio of businesses that included lingerie manufacturing, real estate, and medical device companies. Beverley, Jim’s mother, was known in the family and community as a tireless caretaker with a deep sense of empathy for those in need. James LeVoy’s entrepreneurial successes and Beverley’s compassion instilled in their oldest son, Jim, the lifelong mission to help people in need help themselves through scalable, market-based means.

Jim took to heart the lessons of his childhood and worked tirelessly to earn leadership positions in the family business. The
Sorenson's proactively pursued investments in new markets and were able to see business opportunities in previously non-commercial fields—a skill that Jim would later put to work in his impact investing career.

In 1984, as a result of federal regulation that favored private research companies over nonprofit research facilities, James Levoy purchased the not-for-profit Utah Biomedical Test Laboratory (UBTL) and turned it into a for-profit research entity. UBTL—later renamed Deseret Research—was a biomedical and analytical laboratory that performed medical device testing and analyzed soil, water, and air for harmful contaminants. Jim stepped into the position of president and CEO of Deseret Research at age 33, the year it was acquired by his family.

Deseret Research's analytical chemistry division was eventually organized into a separate company called DataChem, with Jim as chairman and CEO. With the rise in demand for environmental testing services, DataChem was well-positioned to grow. The lab grew quickly year after year both in physical size as well as in net worth. By 2008, Jim had led the company to a six-fold increase in value since it was first purchased in 1984.

In 1986, after the success of DataChem, Jim joined a group formed by the Utah Governor's office to identify commercializable technologies at Utah state universities. The group's primary objective was to invest in research projects that could be grown into private companies that would create jobs and economic growth in Utah.

One such program was a particular video compression technology under development in a Utah State University engineering lab. The compression software enabled the transmission of video files over low bandwidths. The technology was a decade in the making and initially intended for use by the Department of Defense and NASA. With the internet rapidly evolving at the time, Jim saw many potential online applications for the technology and decided to license and build commercial applications for the software through his company, Sorenson Media.

The company's initial focus was developing mass market video conferencing solutions over the internet. After a decade of development and tens of millions of dollars in investment, the company was primed for commercial success just as the dot com bubble burst in early 2002. Suddenly, Jim was leading a company that had a monthly burn rate of $1 million and whose market demand had evaporated. Jim himself describes the company at that point as being in nearly $80 million in debt and "on its last breath."

Jim's brother-in-law, Jon Hodson, who worked for Jim at the company, was born profoundly deaf. As Jim was weighing painful decisions about the future of Sorenson Media, Jon approached him about a new technology that was being tested for the deaf community called Video Relay Service (VRS). Up to this point, profoundly deaf individuals relied on an archaic system of relaying typed messages...
Jim’s experience with Sorenson Communications demonstrated that solving problems for neglected markets could create enormous profit plus impact at scale. After the sale of Sorenson Communications, Jim identified another neglected market: the American West. Together with several seasoned private equity professionals, Jim founded the private equity fund Sorenson Capital Partners to invest in entrepreneurs in the far west of the United States. The success of this fund helped further solidify Jim’s conviction that underserved markets are fertile ground for investment.

**Capital Markets and Business: Bringing Societal Solutions to Scale**

In the early 2000s, Jim took a step back. He had scaled an impactful business. He had also seen how strategically financing entrepreneurs in an underfinanced market could create economic development. Jim’s belief in the power of business to help solve problems in sustainable, scalable ways led him to think about how business models could be used to improve the lives of the poor and the emerging middle class around the world.

Jim was not alone in this conviction. In 2000, a group of philanthropists had established Unitus Action Groups to provide grants and technical assistance to nonprofit microfinance institutions (MFIs). Just a few years earlier, Muhammad Yunus, founder of Grameen Bank in Bangladesh, had won the Nobel Peace Prize for pioneering the concepts of microcredit.
impact investing activity:

1. Investing in early-stage enterprises that lack access to commercial capital
2. Investing in creative financial structures that unlock greater flows of capital to scalable social innovations
3. Building a vibrant impact investing ecosystem

As Jim began to make impact investments, he saw that businesses developing products or services to improve the lives of the poor and disadvantaged often struggle to attract early-stage investment. Conventional investors often determine that these businesses are too risky to be worthy of investment. Investors may cite a variety of significant risk factors: a company’s customer base may not be a dependable source of payment for services; the company may operate in regions without reliable infrastructure such as electricity or running water; or the business may be developing new business models or technologies. For those reasons and others, most conventional investors question the returns a company will generate or conclude that the risks outweigh the potential reward.

Without access to investment capital, many early-stage enterprises are never able to reach commercial viability: they drift or perish in what is often called the “pioneer gap.” In this pioneer gap, Jim saw an opportunity.

Jim recognized that certain companies that fell into the pioneer gap had significant potential to create commercial value by addressing social and environmental challenges at scale. What these companies needed was the right kind of capital—capital that could patiently endure the risks inherent to the operations of early-stage companies in developing markets.

Jim determined that program-related
investments (PRIs) could be the right tool to fill the gap in funding for young high-impact businesses. In 2012, Jim began making PRIs in enterprises that demonstrate a successful business model capable of reaching an underserved population at scale.

PRIs are investments made by foundations that count toward the mandatory annual charitable distribution of USA-based foundations. Capital used to make PRIs would otherwise be distributed as grants. PRIs may generate financial return, but this return is then added to the foundation’s required charitable distribution amount the year it is received. Financial return cannot be a significant purpose of a PRI. In effect, PRIs are financially riskless investments for a foundation.

Though very few foundations have used PRIs to invest in early-stage companies, Jim recognized that they could be the right tool to help investment-starved impact enterprises grow and demonstrate commercial viability.

Jim makes PRIs to early-stage enterprises developing products or services that improve livelihoods for people in poor or marginalized markets. The markets these companies serve are large and growing; Jim targets companies whose financial performance and impact are mutually reinforcing. The impact these companies create should scale proportionally with the growth of the business. If and when these companies succeed, there may be little to no trade-off between financial performance and social impact.

Jim looks for what he terms the “bleeding edge” of impact, where companies have the potential to create extraordinary impact and outperform financially. He focuses his PRIs on companies at a stage in which they have demonstrated a strong business model and some sustainable revenue generation but do not yet have the sufficient track record or the scale to attract commercial investment. Jim’s ultimate goal is to provide funding to companies until they can raise sufficient capital from commercial markets. Jim’s PRI dollars are a limited resource; once an enterprise can attract conventional investment, it has overcome the pioneer gap and Jim invests elsewhere.

Jim learned early in his career that successful companies, conventional or impactful, share the same key elements of success: a strong management team, quality product, clear fit in a large market, and strong operations. In 2013, Jim invested in Copia, a Kenyan e-commerce company, because it displayed strength in these areas. While commercial investors expressed interest in the company, none were willing to risk an early-stage investment. Jim has invested in Copia over three funding rounds based on his team’s rigorous investment analysis that showed

**Copia** is an e-commerce company that sells consumer products through local kiosks and small shops across Kenya. Customers who come to a kiosk can choose from over 2,000 products from the Copia catalogue on a tablet or mobile-based application. Customers can pay either in a lump-sum or in installments as part of a “layaway plan.” The kiosk or shop owner then pays Copia for the goods. Copia delivers the purchase to the kiosk within 48 hours for peri-urban locations and within a week for rural locations. Once the customer receives the order, the shopkeeper is paid a small commission by Copia. Copia’s e-commerce app provides disconnected communities the opportunity to purchase the goods they need and provides a supplemental source of income for shop-owners. The operating model accommodates the fact that most of the customers do not have official home addresses and local customers are accustomed to using the kiosk or shop for other needs.
that the company was commercially viable, operationally scalable, and that its growth would improve the livelihoods of its customers. Since Jim’s initial investment, the business has quadrupled in value.

Successful impact enterprises scale their social impact proportionally with the growth of their business. Jim has learned that scalable impact enterprises must have in-depth knowledge of their customers and a clear and realistic vision for how the product or service the company is developing solves a real problem in the lives of their customers. Though companies may develop high-quality products that meet customer needs, they will only achieve their desired impact if those products are truly affordable to customers at the base of the pyramid.

Jim made an early-stage investment in Simpa Networks, for example, an enterprise that sells solar power systems to households and shops in rural India. Simpa’s goal was to create access to clean energy for poor families. To assess the company’s ability to achieve true livelihood acceleration at scale, Jim needed to determine whether the business could reach their target customers at an appropriate price point. Jim and his team came to the conclusion that Simpa’s business could reach an underserved population with an accessible, scalable solution—and they were right. Simpa Networks are now in 80,000 homes and trying to expand to 800,000 homes in the coming year.

**Investing with Creative and Collaborative Financial Structures to Unlock Greater Capital Flows**

In addition to filling the pioneer gap, a second pillar of Jim’s impact investment strategy is to use PRIs within creative or collaborative financing structures that can catalyze greater capital flows to problem-solving projects or enterprises.

Pay-for-success programs (also known as “social impact bonds”) are one example of an innovative financing structure designed to unlock private capital to fund social innovation. In a pay-for-success program, private investors contribute upfront capital to fund the implementation of a promising intervention by a dedicated service provider (often a nonprofit organization). If the intervention is proven to be successful within a given time period (as determined by a third-party evaluator), the participating government agencies pay the private funders a fixed rate of return on their investment. The initial investors only receive a financial return if the intervention succeeds, and the degree of financial return they receive may be tied to the effectiveness of the intervention. If the program fails, the initial funders lose their money; the more the program succeeds, the better return those same funders receive.

**Simpa Networks** is an impact enterprise that uses a pay-as-you-go strategy to provide solar energy to families and small businesses in villages in Uttar Pradesh, India. Simpa customers pay a small down payment for the installation of a photovoltaic cell system. The typical cell system Simpa uses can power two or three lights and a fan. Customers then pay in advance for a certain amount of energy. To purchase more increments of electricity, customers can pay via their mobile phone or with a Simpa merchant, according to their own financial capability. Each payment a customer makes to Simpa counts toward the total price of the photovoltaic cell system. Once a customer has fully paid for the system—or pays the remaining balance outright—they own the device and have access to unlimited clean energy without any further payment. Simpa customers who complete the entire payment cycle typically do so in two to three years.

Jim has learned that impact enterprises must have in-depth knowledge of their customers and have a clear realistic vision for how the product or service the company is developing solves a real problem in the lives of their customers.
In effect, the government only pays for the intervention if it is successful—hence the name “pay-for-success.”

In 2013, Jim made a $500,000 PRI into a pay-for-success program in New York State that aimed to reduce the rate of formerly incarcerated people returning to prison. At the time when the effort was announced, 41 percent of formerly incarcerated individuals returned to prison within three years following their release. With an annual cost of incarceration at $60,000 per prisoner and an average re-incarceration date of 460 days following release, the state and federal governments sought to improve community health, public safety, and save taxpayer money by scaling the implementation of certain employment re-entry programs that had proven to be effective in reducing recidivism.

Because pay-for-success programs are new and untested, the financial structure of the investments often include philanthropic capital to reduce the risk taken on by commercial investors. Philanthropic investors may take a first loss position in the investment, accept a lower rate of return, or allow a preferred return to other participants in order to help engage commercial investors. In this case, the Rockefeller Foundation made a first-loss guarantee that lowered the risk and raised the return expectation for other investors who would not have invested if the terms were different.

2017 is the final year of the program’s four-year implementation phase. Following the completion of this phase, the outcomes created by the program’s interventions will be measured and validated, triggering potential financial return to Jim and the program’s other investors.

**Building a Vibrant Impact Investing Ecosystem to Sustain a Robust Impact Investing Market**

Jim’s impact investments are only part of his impact investing work; he recognizes...
Jim is working to reduce these barriers to market entry directly through the works of the Center. Jim himself often hires the Center to source investments and conduct due diligence for his own PRIs.

The Sorenson Impact Center trains students to manage every step in the process of making and managing impact investments. The Center grew out of a student-staffed venture fund (the University Venture Fund) at the University of Utah that Jim helped to launch in 2002. In 2010, Jim along with other local investors, the University of Utah, and Brigham Young University started the University Impact Fund (UIF) with a focus specifically on impact enterprises.

Jim endowed the Sorenson Impact Center at the University of Utah in 2013 to formalize the operations of the UIF and increase programmatic capacity, and invest in the expansion of the center. One of Jim’s motivations in funding the Sorenson Impact Center is to train the next generation of impact investing professionals—students who participate earn scholarship money, gain valuable hands-on experience, and professional training by helping to underwrite actual venture investments.

that building a robust impact investment market requires a healthy supporting ecosystem. Impact investors, just like conventional investors, depend on the work of researchers, advisors, wealth managers, entrepreneurs, industry experts, and others in order to make well-informed, successful investments. Jim is a leader in the development of that ecosystem.

Jim founded and endowed the Sorenson Impact Center at the University of Utah to help lower the barrier to entry for families and other investors interested in making impact investments. Families and others who have the personal desire to make mission-driven investments often say how challenging it can be to source investments that aim to produce both impact and financial returns. When and where mission-driven investors can find those opportunities, their teams may lack the training to rigorously analyze an investment’s potential impact alongside its financial profile. Families interested in early-stage direct investments may find that the cost of performing due diligence on companies in international markets to be unreasonable relative to the size of the investment.

One of Jim’s motivations in funding the Sorenson Impact Center is to train the next generation of impact investing professionals—students who gain early, practical investment experience often go on to careers both in traditional finance and impact investing.
learning by doing: building a comprehensive PRI strategy

Jim began making one-off, opportunistic PRI investments into early-stage high-impact enterprises in 2012. Now that Jim has established himself as a leading impact investor and ecosystem builder, he is working to formalize his impact investment process.

Jim’s opportunism in making PRIs across geographies and industries mirrors his life-long opportunism in business. Jim’s experiences in business have taught him how to spot promising commercial opportunities in new or previously non-commercial markets. Jim began making impact investments on a case-by-case basis using the same rigor of assessment he employed when considering investments in conventional businesses. Building directly from past business experience and creatively utilizing philanthropic capital allowed Jim to “learn by doing” with minimal financial risk.

Jim also depended on an experienced group of professionals who made up his investment committee as well as knowledgeable, industrious staff to help guide the process.

What began as an opportunistic, informal process is now evolving into a comprehensive PRI program. Today, Jim deploys PRIs out of both his foundations: the Sorenson Impact Foundation and the James Lee Sorenson Family Foundation. His PRI portfolio is managed, as of November 2016, by a dedicated member of his staff who has extensive experience in private equity and impact investing. So far, Jim has made 26 PRIs, generally 6-10 each year, with an average investment size of $250,000 to $500,000. 21 of Jim’s PRIs have been direct investments into companies; five of his PRIs are into funds.

Jim and his team have a five-phase process for making PRIs:

phase 1: initial screen

Jim sources investment opportunities through several pipelines: Jim himself, members of his team, the Sorenson Impact Center at the University of Utah, and each of his foundations.

Jim’s team performs initial screens on investment opportunities by asking two basic questions: does this opportunity satisfy the IRS requirements for a PRI; and would this investment provide capital to an enterprise that will improve the lives of disadvantaged people? If an opportunity satisfies those two conditions from a cursory look, it progresses to phase two.

Phase 2: deep dive into IRS parameters

In the second phase, Jim's team closely considers the three legal requirements of a PRI. A PRI must be 1) in pursuit of a foundation's charitable purpose; 2) may not be made primarily for financial gain; and 3) cannot be used to fund political or lobbying efforts. The PRI team reviews the investment opportunity and writes a complete
and sends it to the investment committee for review. If the investment committee approves the investment, it continues to a final phase before the investment is made.

Phase 3: Due Diligence

Jim and his team have two due diligence stages for PRIs and much of the due diligence is conducted at the Sorenson Impact Center at the University of Utah. During stage one, staff assess the risks of the investment and the potential issues that might arise in the investment achieving either its financial or impact targets. If the investment passes muster in this first due diligence screen, it is subject to a more robust analysis.

The second stage of analysis resembles most conventional investment due diligence processes. Staff at the Sorenson Impact Center model the investment through different economic scenarios, conduct robust market research, and write an extensive analysis on the company’s business model and management team. The Sorenson Impact Center compiles the research packet for each opportunity and sends it to the investment committee for review. If the investment committee approves the investment, it continues to a final phase before the investment is made.

Phase 4: Legal and Investment

The foundation’s legal team writes the final terms of the investment, and the investment is made.

Phase 5: Monitoring, Mentorship, and Support

Jim’s team is working to establish a structured process for Jim, his network, and the students at the Impact Center to provide support and resources to companies that receive PRIs from Jim.

Other families may consider using PRIs as an entree into impact investing and an opportunity to learn from their own experiences, and the experience of other foundations. As Jim’s example shows, making impact investments in markets or industries (or using processes) with which they have past experience can afford families the opportunity to learn from a place of familiarity.
Drawing on the experience of other foundations who are already making PRIs can help new impact investors overcome the significant operational complexity of PRI-making. Learning by doing can provide families with the know-how they may not be able to gain any other way. Jim’s experiences show that developing an impact investment strategy is an iterative process—families clarify and improve their processes as they gain experience.

**Looking Ahead**

Jim continues to seek opportunities to do well and do good. He says that his biggest wish is that he would have been aware of the notion of impact investing earlier in his career. Beyond his own PRI strategy, Jim is looking for opportunities to use the rest of his investment resources to generate financial, social, and environmental returns. In part it is his own desire to make investments that expect to earn risk-adjusted, market rates of return that has highlighted for him the need for more capable intermediaries in the space.

Jim’s current focus, and the work he sees deserving an increasing amount of his time and attention, is building up intermediaries that ease the process of finding and making impact investments for asset owners. The impact investing sector, as Jim sees it, is starved for capable intermediaries with strong track records. Jim is committed to using a portion of his catalytic capital as well as his mentorship and business know-how to develop the intermediaries that can take the impact investing market to scale.

What’s next for Jim? He now sees an increasing need for conventional financial advisors and large financial institutions to get up the learning curve on impact investing and is beginning to develop a strategy to make that happen. Stay tuned.

**Key Takeaways**

Jim Sorenson’s experiences provide several insights for other families interested in making impact investments.

1. **Build on past experience.**

   Traditional investments in markets or industries where a family has previous experience can provide an on-ramp to impact investing. Just as Jim began by looking for opportunities to make impact investments using the same approaches that he employed when looking for conventional investment opportunities, families interested in impact need not start from scratch.

2. **Think big.**

   The scale and scope of challenges facing our communities and our planet exceed the philanthropic capital dedicated to solving them. Businesses that can operate sustainably and at scale to address issues such as climate change, affordable housing, or healthcare have the potential to generate tremendous impact alongside financial return. Sorenson Communications, Unitus Equity Fund, and later Copia and Simpa Networks demonstrate that families can and should think big when it comes to impact investing.

3. **Mind the gap.**

   Impact investors can provide essential financing to early-stage high-impact enterprises that lack access to conventional investment markets. Jim’s PRI portfolio is full of businesses whose growth would not have been possible but for Jim’s market-filling investment. Family foundations can provide this kind of financing using PRIs at relatively low financial risk to their own portfolios.
4. **Impact and rigor go together.**

Impact investors need not compromise the rigor of investment analysis when considering impact investments. Investors should carefully assess a company’s operating team, the quality of their product, and its fit within the intended market, paying special attention to the dynamics by which a company’s intended impact scales alongside business success. Families investing in companies that serve poor and marginalized communities should scrutinize a prospective investee’s ability to profitably deliver products or services at truly accessible price points to their target market. Companies that fail to create truly accessible products risk decoupling their financial viability from the impact they intend to create.

5. **Get creative.**

Creative and collaborative financial structures can unlock larger, previously untapped sources of capital for high-impact programs and businesses. Pay-for-success programs, like the one Jim invested in New York State, and other tiered investment structures catalyze multiple times the investment size that an individual impact investor can offer. These projects may prove to be powerful tools for addressing large-scale problems that are of direct concern and significant cost to state and local governments.

6. **Build a good support system.**

Lowering the barrier to entry for other families looking to make impact investments is a powerful way to bring growth to the sector. Jim puts his time and money into building the infrastructure of the impact investing ecosystem, in particular through the Sorenson Impact Center. Capable, experienced intermediaries play a leadership role in helping new funds get off the ground. Investors who support the development of those intermediaries can amplify their field-building impact by sharing their experiences with other families.
## APPENDIX A:
### Example Investments

#### SIMPA NETWORKS

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Copia is an e-commerce company that sells consumer products through local kiosks and small shops across Kenya. Customers who come to a kiosk can choose from over 2,000 products from the Copia catalogue on a tablet or mobile-based application. Customers can pay either in a lump-sum or in installments as part of a “layaway plan.” The kiosk or shop owner then pays Copia for the goods. Copia delivers the purchase to the kiosk within 48 hours for peri-urban locations and within a week for rural locations. Once the customer receives the order, the shopkeeper is paid a small commission by Copia. Copia’s e-commerce app provides disconnected communities the opportunity to purchase the goods they need and provides a supplemental source of income for shop-owners. The operating model accommodates the fact that most of the customers do not have official home addresses and local customers are accustomed to using the kiosk or shop for other needs.
### NEW YORK STATE RECIDIVISM PAY-FOR-SUCCESS PROGRAM

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<th>ASSET CLASS</th>
<th>SECTOR</th>
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<td>Base of Pyramid Services</td>
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<td>Diversified</td>
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</tbody>
</table>

In 2013, New York State launched a pay-for-success program ("Social Impact Bond") to reduce prison recidivism rates. In this program, managed by Social Finance, private investors provided $13.2 million upfront capital to a nonprofit to fund employment services to 2,000 formerly incarcerated individuals. Following the completion of the program implementation period in 2017, the State of New York will provide a return to investors based on the efficacy of the program in reducing recidivism among participants. The Rockefeller Foundation has provided a first-loss guarantee to reduce risk to the private investors.
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Endnotes

1 This figure is difficult to estimate. The American Academy of Audiology estimated that in 2009 there were more than 34 million Americans with hearing loss).

2 To read more about the pioneer gap, see this article:

3 For more information on this social impact bond, see: http://www.payforsuccess.org/sites/default/files/pfsfactsheet_0314.pdf.

4 Simpa Networks may generate significant financial return to its investors. But most conventional investors would deem an early-stage investment in the company excessively risky. Because Jim invested via a PRI there is no financial downside to the potential failure of the investment.