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Dear Supporters,

2018 transformed EarthEnable from a fledgling start-up to a professionally run organization. We made an active choice to slow down growth in 2018, after realizing that we were outgrowing our systems in 2017. Despite our 2018 strategy being to “slow down to speed up”, absolutely nothing about this year felt slow. We knew there was a lot to do to create the systems and processes we needed to reach our impact ambitions, and we went for it.

So, we slowed down [quickly] to speed up [quickly]! We got our systems and processes in place to ensure growth looks like a well-oiled machine instead of a constant fire-fight of all-nighters. This included ushering in a new business model that reduced our prices by 30%, redesigning our CRM, restructuring our sales organization, hiring a senior management team (in Rwanda and Uganda), designing our impact evaluation, creating a Quality Assurance department, revamping our mason training, launching an internal fellowship called “Future Leaders” for our junior stars, paring down our overhead structure in our new district, decentralizing decision making, and establishing relationships with the Government of Rwanda, including signing an MOU to floor the poorest Rwandan households.

Enter 2019!

Having systematically tackled each system one by one, we are confident in our ability to tackle our ambitious goals for 2019. We cannot wait to get into what we see as a very big year. We have committed to doing things quite differently, as you’ll read in the pages of this report. I am personally most excited about:

- District Autonomy: decentralizing huge amounts of decisions down to the districts, who know best how to serve our customers and how to adapt the business model to meet their needs.
- Marketing Campaigns: launching a variety of promotions to test what works best to encourage take-up.
- Geographic expansion: scaling to 4 new districts in partnership with the government.

Thank you for your continued support. We can’t wait to serve more customers than ever before in 2019.

Gaya
KEY METRICS
858 Families served

137 Active Masons trained

60 Active Sales reps

48 Sectors operating in

54% of families reporting health impact in the first month
WHAT WE DID IN 2018
Improving every aspect of our business model

Distribution Model

In December 2017, we took a field visit to One Acre Fund and went to a distribution day where we saw how they rented trucks to deliver to a whole village in one spot, rather than deliver last mile. This inspired us to test a new business model which we call “clustering”. The idea is that customers can buy a floor for full price if they buy an individual contract, or get a 30% discount if they buy with a cluster of houses in their village (which enables us to make one drop of materials directly from the quarry instead of needing to have a full supply chain to move heavy material from quarry to depot, depot to shop, and shop to household).
Sales Model

We partnered with Whitten Roy Partnership to revamp our sales organization to be much more about building a long-term relationship with the customer than about making a one-time transaction. This included training our sales team in having more effective sales conversations, and on tracking activities and outcomes more effectively.
Mason Training Model

We spent three months revamping our mason training curriculum, rather than the ad-hoc apprenticeship model that we were previously using. This will enable us to partner with other institutions, replicate the same quality of training elsewhere, and therefore to scale our impact.
Partnering with the Rwandan Government for Impact

In January 2018, the Government of Rwanda expressed significant interest in scaling up our product across the country.

We hosted several senior government officials who were impressed by our product and our impact.

- Former Minister of Infrastructure
- Minister of Agriculture
- Minister of Infrastructure
- Director General of Territory Administration of the Ministry of Local Government
- Director General of Rwanda Housing Authority
- Minister for Cabinet Affairs

We are thrilled to have signed an MOU with the Ministry of Local Government to provide flooring to Rwandans under the poverty line in collaboration with District Governments.
Getting the pieces in place to scale

Quality Assurance

We decided that we needed a Quality Assurance department in 2018 given how fast we planned to scale and how many masons would be working with us. We got lots of advice for how to do this well, hired in the team, and got to work. Our customer satisfaction started increasing almost immediately. The Quality Assurance team identifies areas for improvement in each district, which then immediately get follow up support from the headquarters team to be fixed.
Systems

We had a great partnership with Vera Solutions to redesign our Salesforce system. When we started talking to them, they lovingly told us that we had “the worst system architecture they’d seen” - which was actually a bit of a relief to hear! It used to take us several days to pull and merge our operational data to analyze it, hindering our ability to make data-driven decisions. This revamp, funded by USAID’s Development Innovations Ventures, has taken nearly a year to design, build, and transition from the old system, but will make our entire operation function much more easily and enable our information to flow seamlessly.
Team

After having eight Manager positions open for months, and seeing a similar challenge for several of our peer organizations, we launched an internal fellowship called “The Future Leaders of EarthEnable”. We have a company of incredible young superstars and the point of the program is to turbo-charge them into managers. After 6 months of the program, 3 of the 4 were promoted, and 2 into Manager positions we’d been trying to fill.

We started to build a senior management team, hiring our Uganda Managing Director, Uganda Operations Manager, Rwandan Financial Controller, several Rwandan District Managers, and a Director of Sales and Marketing.

We also scaled to a new district where we experimented with a team that has significantly less overhead staff than our current districts, and instead an elevated field team, which will enable profitability much faster.
In 2019, we are looking forward to a couple significant milestones:

Decentralizing decisions to the district teams

In 2018, we hired District Managers to better align the operations and sales departments in each district. Recognizing that we had become too bureaucratic by making decisions from the top down, we decided to instead push the decision making to the districts. In 2019, District Managers will have significant autonomy to experiment and operate in whatever way is best for them, subject to specific guard rails that EarthEnable would not allow.

Evaluating our impact

In partnership with University of California, Berkeley and Innovations for Poverty Action, we will be launching a randomized controlled trial. This study has three parts: first, to assess and analyze the biological pathways through which dirt floors make people sick, second, to analyze pricing and take-up given various interventions, and third, to evaluate health outcomes of a floored group and an unfloored group, before, and after the flooring.

Market research

In 2019 we are planning to conduct a lot of market research to better understand the price elasticity for demand for our product, and finally try to sell a differentiated product to two market segments by adding color. We will be randomizing pricing for various customers to determine the true willingness to pay.
CUSTOMER TESTIMONIALS
Customer Name: Monique NIMUGIRE

I had a cement floor. There were many cracks in the house. The cracks could not allow us to clean the house, and the time we could manage to clean the house looked as if we did not clean. Then we decided to change to a Tube Heza floor. We got news regarding Tube Heza floors from my neighbor. After observing how beautiful and strong my neighbor’s floor was, I then decided to change from a cement floor to a Tube Heza floor. I had no money to do the entire house, so I decided to do the dining room. I have a plan to floor the remaining rooms when I get money.

“After one year, my floor is strong and people get surprised to see how strong it is” – Monique Nimugire

I don’t regret to have a Tube Heza floor.

Customer Name: Serevien Gakundiye

I am a father of 7 children. I knew about Tube Heza from the model floors that were built in my neighborhood. We had a dirt floor in the house. We had too much dust in the house. Our clothes could get dirty, and we could not afford washing them every time they got dirty. Furthermore, the Tube Heza floor is cheap so people do not have to spend more to have a floor. Those are the main reasons as to why we decided to have a Tube Heza floor.

“Now that I have a clean floor, everything looks good in the house. I am proud to live in a clean house.” – Serevien Gakundiye

I am proud to live in a clean house.

Customer Name: Athanasie Mukaruhinda

I have two daughters and one with a 3-year-old kid, all them living the house. My house has three rooms so I could not afford having to floor the entire house. Therefore, I decided to floor the room where the kid sleeps. This is because in that specific room, we had no bed. Therefore, we could place the mattress on the dirt for the kid and her mother to sleep. They could not get cough and we had to wash bedsheets very often in a week. A Tube Heza has been a solution to all those challenges.

“I now do not have to worry about my granddaughter getting a cough or washing bedsheets several times.” – Athanasie Mukaruhinda

I believe that one day I get money to floor the remaining rooms.

Customer Name: Claudette Mukangoga

I first heard about Tube Heza from my neighbors. Tube Heza did model house floors for people my neighborhood, which is why I knew about the floors and Tube Heza. I then decided to first do three rooms to see how good Tube Heza floor is.

Then “After realizing how good the floor is, I decided to do the remaining rooms of my house.” – Claudette Mukangoga

Briefly, Tube Heza floor is strong though at the beginning it might have some issues like dents or cracks but we get people from Tube Heza who help us fix the issues with free of charge. Many people pass by my house asking about people who did the floor in my house, and have to ask them to call 2460 in case they’re interested in having a Tube Heza floor.
FINANCIALS

Total 2018 Revenue
$1,119,386

Total 2018 Expenses
$827,418
DONORS

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VOLUNTEERS

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Kim Geesink
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