



# GIVENET

## Geocentric Integrated Village Empowerment Networks



### Vision

GiveNet is a multi-faceted social enterprise which harness the power of millions of rural poor to achieve prosperity by training people in the communities to build highly profitable businesses. These communities will be empowered to transform polluted environments, establish a stronger position for selling harvested crops, and stimulate the local economy.

A well-considered and ambitious business strategy maps out a plan to double capitalization and the number of engaged communities each year, resulting in equally significant profit growth. The combination of social transformation and strong financial results constitutes a completely new paradigm of investment.

Principal David Dawes has partnered with Reagan Rodriguez and 5th Avenue Capital to present this humanitarian opportunity in India.



**GiveNet** has developed a unique new business model – Horizontal Vertical Integration (HVI) - which solves these challenges and enables unparalleled economic growth. Bigger projects generate more profits and have even stronger impact for local communities. The incredible experience of knowing that you are part



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**5th Avenue Capital**  
Private Funding from \$10M to \$2B



of a social enterprise which is delivering strong return on investment (ROI) while changing the world is truly life changing.

Galvanizing local communities to strengthen their position in the supply chain is a monumental effort. The goal is to first encourage 100% of the community to “buy local” for all the products which are produced locally, and then focus on attracting buyers from urban areas. This stimulates the local economy by retaining revenue, which subsequently

leads to year over year growth in local profits and net capitalization.



## Challenge

India's economy is growing at a tremendous pace. Yet, hundreds of millions of people are still living deprived of basic fundamentals – good food, affordable homes, and a meaningful source of income. Many communities within the country have been relegated to poverty.

The wealthier India becomes, the more pain seems to increase for the poor communities. Certain very effective government programs have certainly helped, and the rate of total poverty has gone down in recent years. But to truly open the door to prosperity for the poorest areas, a more comprehensive solution is needed.



## Solution



The core business strategy has six essential components.

1. GiveNet's model combines total horizontal integration with total vertical integration. This horizontal vertical integration (HVI) model drastically reduces the cost of production far below all competitors.
2. Velocity of capital is incredibly high with no inflation. This enables producers to make top-quality products and do so at highly competitive prices.
3. Our community members form a highly loyal customer base. This is because the top-quality products are produced locally and prices to members are unbeatably low.
4. Outsiders can also buy from GiveNet - in the mega bazaars or online. They pay a little more than full members but can still get optimum prices.
5. This creates a strong positive inflow of capital. Capitalization doubles each year.
6. “Buy Local” naturally encourages local cooperation. Everyone becomes a stakeholder.





# Competition

Across India's retail space, there are four competing business models.

Unorganized Retail	Organized Retail	Online Stores	Retail & Online
<ul style="list-style-type: none"> <li>• Traditional stores in India - bazaar - representing 88% of all transactions</li> <li>• Personalized service and good quality on unique items</li> <li>• Undercapitalized and limited stock</li> </ul>	<ul style="list-style-type: none"> <li>• Highly capitalized and much slicker in presentation</li> <li>• Prices are higher</li> <li>• Prominent in wealthy urban areas</li> <li>• Priced beyond reach for bottom 70% of the market</li> </ul>	<ul style="list-style-type: none"> <li>• Wave of the future with significant recent growth</li> <li>• High overhead and cost of returns causes flaw in the model</li> <li>• Currently less than 6% of all sales</li> </ul>	<ul style="list-style-type: none"> <li>• Combination of channels are more popular than purely online stores, with better margin</li> <li>• Resolve high cost of returns</li> <li>• Priced beyond reach for bottom 70% of the market</li> </ul>

# Plan

GiveNet will have some of the top trainers in the world who are experienced in dealing with rural community business development. This is of vital importance to GiveNet's continuing growth. Without village prosperity, there is no opportunity for profit and growth. There is really no choice. However, before beginning the analysis of this support system, we need to point out that the training and systems development pays for itself, as it makes it possible for local communities to take on a greater and greater role.

In partnership with local leaders in each sub-district, GiveNet will establish a development consortium for that community. These are called "Farmer & Producers Organizations" (FPO). The Indian government is encouraging the development of FPOs and providing significant funding for them. FPOs fit in well with GiveNet's business plan because it encourages local leadership to take the lead in building new businesses and maximizing job growth in the sub-district.





# Team

The leadership team represents a consortium of deep global experience spanning multiple decades. Backgrounds include traditional corporations, anthropology, community development, legal, green construction, public affairs, community empowerment, and social entrepreneurship. Together they bring a unique combination of knowledge and the passion to drive GiveNet forward.



**David Dawes**



**Ashraf Dada**  
Chief Financial Officer



**Christopher Danch**  
Chief Legal Officer



**Dr. Duncan Earle**  
Director of ESRI Training



**Gajanand Agarwal**  
Trainer in Construction



**Dr. Doric Earle**

# Milestones

Our competitors will all conclude that building a network of warehouses, value-added agricultural factories, and mega bazaars is expensive. GiveNet will adopt a step-by-step approach to minimize risk. Initially, the focus will be to minimize financial exposure. As the business expands, each step enables GiveNet to increase revenues and profitability, and systematically offers value to local communities. Local managers develop expertise and understanding of the business.



Trade produce



Contract farming



Hub



Factories



Micro-finance



Mega bazaar



Infrastructure





# Financials

An investment of \$150,000,000 would enable GiveNet to launch and expand at a strong pace, which would bring critical change to rural communities in India quickly while delivering significant financial returns.

Operating Statements	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue</b>					
Argo	16,174,542	16,174,542	16,174,542	16,174,542	16,174,542
Contract Marketing	0	32,314,542	32,314,542	32,314,542	32,314,542
Anchor Factories	0	0	34,013,500	34,013,500	34,013,500
Micro Finance	0	0	0	133,328,000	133,328,000
Bazaar	0	0	0	0	34,013,500
Online Store	0	0	0	0	301,967,000
<b>Net Income</b>	<b>16,174,542</b>	<b>48,489,083</b>	<b>82,502,583</b>	<b>215,830,583</b>	<b>551,811,083</b>
<b>Operating Expenses</b>					
Argo	1,806,004	1,956,004	2,121,004	2,302,504	2,502,154
Contract Marketing	0	2,086,004	2,236,004	2,401,004	2,582,504
Anchor Factories	0	0	3,072,000	3,222,000	3,387,000
Micro Finance	0	0	0	23,900,000	24,050,000
Bazaar	0	0	0	0	35,788,970
Online Store	0	0	0	0	1,500,000
<b>Total Operating Expenses</b>	<b>1,806,004</b>	<b>4,042,008</b>	<b>7,429,008</b>	<b>31,825,508</b>	<b>69,810,628</b>
<b>Pre-Tax Income</b>	<b>14,368,538</b>	<b>44,447,075</b>	<b>75,073,575</b>	<b>184,005,075</b>	<b>482,000,455</b>

# Conclusion



Mr. Dawes is seeking to raise \$150,000,000 through Angel Investors, or from mission-aligned private lenders and accredited investors. The pace and size of the capital raise will be managed carefully to ensure stability across the organization to the benefit of key stakeholders – clients, employees, and investors.

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