

Frank: Let me start by just asking you, you've heard a lot today about ending poverty and the interrelation of the private sector and the public sector, and that's really what we're here to talk about, but we're also here to talk about innovation. Innovation is, by definition, something that is new, something that can scale, we hope, and something that can be institutionalized or after a while, it's not really an innovation anymore.

Oliver Bell, let's start with you and Microsoft. You got a number of initiatives. Your 4Afrika Initiative works with USAID and others to help train African small businesses, medium enterprises, and others. Can you talk about what was the genesis of the partnership, how the partnership works, what it really is all about?

Oliver: Yes. I've been in Microsoft now about 20 years, and I spent most of that time working with what we call our developing markets, which are a combination of both CSR, corporate social responsibility work but also commercially how we develop those markets. The 4Afrika Initiative is probably the first time that I've seen those two sides of the business really come very closer together.

There's three elements to the 4Afrika. How do we get the right devices in the hands of people in the continent? How do we work with local organizations to build the right content to use in those devices? Then how do we provide access to the [crosstalk 00:52:38]?

Frank: What are the devices? The devices ...

Oliver: Devices are mobile phone handsets. An interesting thing about the evolution is if you look at the price of technology generally. There is this thing in technology called Moore's law. Moore's law says that every 18 months, the price of a piece of technology half in price or you do twice as much with it.

Frank: My version of Moore's law is there's just always more.

Oliver: There's always more. "More's law." But what Moore's law also gets us today is the point where the cost of a piece of a handset, a telephone handset that would ship in North America is highly relevant to large parts of Africa, large parts of Asia. We can finally begin to look at shipping the same technology into developing worlds to be able to ship into the developed and the rest of the Western world. For us, that creates significant opportunity to innovate around local specific needs but also to put very powerful technology in the hands of people on those continents.

The three parts are devices, putting those in the hands. Second is working with 10,000 local partners, 200,000 developers to get the right content built. Then the final bit is around this partnership with USAID around access.

In the access, we're working with a technology called TV white space Wi-Fi, if anybody wants to be in, that we'll talk about the details afterwards. But the partnership with USAID is really recognizing innovation in the U.S. comes from many different places. One of those places is the FCC, who got a very innovative forward-looking way of managing radio spectrum across the North American continent.

What we've done with the partnership with USAID is to help connect the FCC with regulators across the African continent to understand how to implement those same spectrum regulation policies in that part of the world, which allows us to take this TV white space technology, which is a very powerful Wi-Fi technology; it allows us to cover a 350-400-kilometer circle to that continent at a very low price. The partnership with USAID is about innovation around regulation.

Frank: Is this that you couldn't do this without USAID or USAID leverages you even more? What do they actually bring to the table?

Oliver: They bring the FCC and the FCC's regulation around radio spectrum.

Frank: You couldn't do that on your own?

Oliver: It will be very hard for us to do it without that strong partnership with government. You look at having that conversation with the government of Kenya or the Tanzanian government, and to have a government-to-government conversation enable the right environment for us then to follow with the technology is a very powerful thing.

Frank: Geralyn, let me turn to you next. I was really interested in reading about the range of projects that Merck is involved with, a number of them, and actually, all of them that I was reviewing, again, involving these partnerships. Talk about some of them, the scope, and touch on what they're doing.

Geralyn: Sure. We've had a really long tradition in the company of working with a range of partners, the government and private sector, for-profit, and nonprofit. One of our oldest programs we really think of, I think, as the grandfather program of these public-private partnerships is the Mectizan Donation Program, now in its 26th year, launched in the mid-'80s. It's a really good example, I think, of some of the benefits of these collaborations because we recognize when we invented this drug Mectizan, which prevents river blindness, that we had a great drug. We had no idea how to get it to the people that needed it. We had a pledge to donate the drug for free to as many people as necessary for as long as necessary, but frankly, we didn't know how to do it. We had to partner with governments. We had to partner with great partners like the World Bank and the World Health Organization and a number of NGOs to get the drug to the people that need it.

There was real interest in efficiency, working with folks that know things that you don't, and also effectiveness because 26 years later, the program has been a tremendous success, so much so that we now talk about a global elimination agenda for this disease.

Frank: How many people do you think you've gotten to with this over the years? Any idea?

Geralyn: Oh, absolutely. Millions. It's about 140 million treatments a year are distributed across a very wide range of countries in Africa and Latin America.

Frank: And what are ... I'm sorry.

Geralyn: And I think the real result is this disease has actually been eliminated in some countries.

Frank: What have been the most valuable partnerships, government partnerships that you had?

Geralyn: I don't want to call at any one specific government because what has really helped is all of the partners together, the multilateral organizations that have tremendous expertise and tremendous power to work with a range of governments but also the NGOs and the governments on the ground and their commitment. I think as a partner, one of the critical success factors in these partnerships is also not only knowing what you don't know but knowing when to step back, and what the governments and the folks on the ground have done for us.

We adopted a model called Community-Driven Treatment, and we provide the drug, and they decide [crosstalk 00:57:28]

Frank: This is what I was going to ask. I was going to ask you, before I move on to the next person, "innovations in smart power" it says, and we talk about it. This program has been around for 26 years.

Geralyn: Yup.

Frank: You got a project, product. You want to sell it. You need governments to help do it. But what's innovative? What's new? What's different about these partnerships that's allowing for a more effective distribution regime?

Geralyn: I think when the program was launched, the idea of this collaboration and the idea of really bringing in the community and letting the community decide what is the best way to get this treatment to people that need it was very innovative. We can say now, "Well, of course that's how you should do it," but that wasn't the understanding 20 years ago.

I think over the last several years, the world of development has changed so much, and corporate engagement and development has really evolved. Some of our latest partnerships, like Saving Mothers, Giving Life, which is a new partnership launched last year with the U.S. government, again, very, very innovative and building on some of the strengths of their respective partners.

Frank: Karl Hofmann, Mr. Ambassador.

Karl: Karl.

Frank: Karl, Ambassador Karl.

Karl: Mr. Frank.

Frank: It works. At PSI, a lot of your work involves with partnering with governments, which you did as ambassador, is to try to bring people together when you're in country. Talk about some of what your goals are, what PSI is doing, what your objectives are in all of this.

Karl: Development work does involve working with governments in the developing world, as your question indicates, but my organization, PSI, 40-something years ago, realized that there was tremendous power in reaching poor and vulnerable people by working with and through the private sector. We use social marketing to influence the behavior of key target audiences and change that behavior in ways that are beneficial for individuals and families and communities and societies.

Marketing is a very powerful tool. We're all subjected to it everyday. Social marketing is about using the power of that marketing, often working with the private sector, to reach and change the behavior of a target population. That would be with products or services health-related in our case, or with behavior change communication. We do that in about 67 countries around the world, working in family planning and reproductive health, malaria and HIV prevention, child survival, and increasingly in noncommunicable diseases.

Frank: What's an example of an innovation in these partnerships that's worked?

Karl: It's really interesting. I'm sitting here next to Microsoft. Microsoft is, one might say, at the apogee of innovation, technological innovation, and we're going to see some examples, Liz showed us some examples earlier, of fantastic new technology things. But a lot of what we do, and I think Geralyn referred to this, in development is about the last mile, the last yard. It's the delivery piece. It's more about process innovation. You can have the most fantastic product, but if you can't get it into the hands of the mother who needs it, if you can't get it into the

community that's the most remote in the country, you won't be able to sell the development challenge.

When we look at innovation, I think it's much more about how do we improve the supply chain? Not very sexy stuff but really important, in fact, in reaching the people you're trying to reach.

Frank: Hugh Welsh, I can't wait to see the props here because I know that something ... free samples or something are soon to spread.

Hugh: I hear you.

Frank: DSM has joined Partners in Food Solutions together with Bühler, Cargill, General Mills, TechnoServe, USAID. Talk about the smart power mix and how this partnership is working for food security and to improve and extend access around the world.

Hugh: I'm not ready to give up the game show theme yet, so ...

Frank: Go for it. You want my job as ...

Hugh: No, no, no, no. Show of hands, how many people have ever heard of DSM? That's real progress for me. That's about 1%.

Frank: For those of you in the front row who weren't looking back, I think there were three hands that went up in the room.

Hugh: That's real progress because usually there is no one. Yet all of you use all of our products everyday. We make all of the chemicals, the pharmaceuticals, but I'm here today to talk about nutrition. DSM has a \$6-billion nutrition company. We're the world's largest nutrition company, and that's what leads us to these public-private partnerships. Partners in Food Solutions is just one, and it's innovation in a different way.

I'll talk a little bit later hopefully about product innovation, but Partners in Food Solutions is really about new business model innovation. For decades, we've seen the transfer of materials, the transfer of money to the developing world to try to help. The Partners in Food Solutions is really about the transfer of knowledge. Through that transfer of knowledge, trying to create sustainable development and ultimately markets for our companies. We use our employee base as volunteers. They're technical experts in nutrition, in engineering, in process manufacturing. Through Skype, through TechnoServe on the ground in Africa, they can help local food processors improve their facilities, increase their output, qualify to sell to the aid agencies, like WFP or USAID, and ultimately serve as a place where the smallholder farmers in the area can bring their products and have them mill processed and returned to the community.

We see a real virtual circle through this partnership, which, in many respects, is a private-private partnership, because we've recognized that there is a lot of challenge in dealing with the government and with the aid agencies in doing something other than either material transfer or monetary transfer.

Frank: When you talk about "transfer of knowledge," could you dive into that a little bit? What exactly are you getting at there?

Hugh: What we found through our work in Southeast Asia and in Africa is that there is a thirst for know-how, and we have that know-how in our Western companies. We have experts in nutritional science. We have experts in process technology, experts in engineering, experts in health and safety. They can work through digital photography, through Skype, as I said, sitting at their desks in Switzerland or in the United States or in China and talk to the local food processors in Africa and explain to them, "You need a new heat pump. You need a new autoclave," very simple things that can help increase their productivity 30%, can help deal with some of the waste they confront, and most importantly, help them qualify for the relatively high standards that you might find with AID or with WFP or with others to sell to them.

We want these folks to process locally grown crops to sell to the community or sell to the AID agencies, where today, most of those staple crops come from the United States or from Europe.

Frank: Let me ask all of you to give your assessment on something. For a long time, we've heard about corporate social responsibility. Of course, there's been foreign aid. The terminology is changing. Question is how much is it changing the actual fundamentals of what is you're doing and how you're tackling it? Is this just a variation on corporate responsibility, or is this something new and different?

Hugh: New and different.

Frank: Go ahead.

Hugh: I can only speak for DSM, but we really don't do philanthropy. We don't do corporate social responsibility. This is our business. We look at macro trends in the world, with an increasing urban population, growth of cities in Africa, aging population in the West, massively growing global population, and we see that there is a huge issue but also opportunity with providing appropriate nutrition to folks.

Frank: How is it doing for ROI? What does it do to the bottom line?

Hugh: It's fantastic. It's embedded in all of our businesses, and it's a key business strategy.

Frank: And how is the business doing?

Hugh: Business is doing great. What's really driving it is our metrics in these areas are tied to our executive [crosstalk 01:05:16]

Frank: Where are your big growth areas around?

Hugh: China, Africa, India, Brazil.

Karl: I would say, Frank, as a nonprofit, for years, I think we would have been embracing corporate social responsibility, CSR, and CSR has done a lot of fantastic things to help a lot of people. But really, when you look at sustainability of that engagement, I like to say I would much rather move it out of CSR and into somebody's P&L. You want someone in the corporate hierarchy to be responsible for success in a way that is a winning proposition for the company as well as for NGO partners or the development marketplace where they're working.

Corporate social responsibility, I think, has its place and did great things, but what we really need to be aiming for are these shared value propositions. We have a lot of experience working with Merck, and Merck is very much about doing that, looking for that. I think Merck's NGO partners are also interested in that.

Geralyn: It's funny. I think one of the things that's changed is that we used to feel shy, like it was somehow inappropriate to talk about corporate benefit from these programs. But I think we all recognize now that for the sake of sustainability, we want there to be some shared value out of these programs.

Karl: True.

Geralyn: And to give a couple of concrete examples, I think we learn a lot as an organization about new markets, about health care systems, about providers and delivery systems so we get incredible organizational learning out of these programs. They help engage our employees. Engagement of these kinds of programs are part of why especially young people come to work at Merck and stay at Merck.

Then thirdly, we are a very highly regulated industry that depends on trust of regulators, of patients, of health care providers, and these really visible manifestations of our corporate values help build that trust. I think that maybe there is an analogy there with the U.S. government and some of the U.S. government programs as well.

Frank: Let me push back with your game a little bit. Is that real? Is that a talking point, or do you really have your younger employees say, "I joined Merck to change the world, and therefore, I want to do this, and this makes me feel better. I'm going to stay at the company longer, and we'll all live happily ever after?"

Geralyn: That is absolutely real. [Crosstalk 01:07:38]

Hugh: Right now, we have ... we didn't set this up.

Geralyn: No.

Hugh: Right now, PSI has the second cohort of Merck fellows, I call them "marketing ninjas," working for a three-month stint within PSI, helping us improve our social franchising business. They are super engaged, very interested in the bottom of the pyramid work that we do. We learn a lot from them because they're marketing experts. They get, I hope, energy and jazz from being with us out at the far end of the pharmaceutical supply chain and learning what their potential future market is like. It's a really exciting synergy for us.

Frank: Oliver?

Oliver: Case in point, I joined the company at 24 years old almost 20 years ago as part of a sales operation. I rapidly learned this is a company that can drive dramatic change through all sorts and parts of the world. I spent seven of those years living in Asia doing that work on the ground with countries. You can see the difference day by day. I originally thought I'd stay with the company two years. Twenty years later, I'm still here, so I think it's very real.

Frank: What's really interesting too, and this has changed with young people, it's also changed with government, and it's changed for a variety of reasons, this notion about talking about ROI, return on investment. In the context of smart power and in the context of where your tax dollars are going, in the context of lobbying either for resources or for partnerships, it's almost like there is a cultural shift with this notion of return on investment.

Oliver: I think if you look at the investments, look at certainly my own industry, look at the CSR investments over the last 15, 10 years or so, and you can see projects that work, projects that fail, they're hard to measure, they're hard to govern. If you can leave behind a sustainable industry, a sustainable market around that particular project, it's going to succeed. People are invested locally in its success, and it's going to work.

Frank: Let me ask you about Africa, because we heard the World Bank director not too long ago talking about the African growth model. How does your company's

work in Africa, for example, fit into your global business strategy and your bottom line strategy?

Oliver: If you look at the 4Afrika project specifically, this is the first time I think we've looked in that continent through exactly the same lens and metrics as we look at the rest of our business.

Frank: Really?

Oliver: We measure ...

Frank: When you say "the first time," within the last year or two years, five years?

Oliver: We've been doing business there for a long time, but it's partners and charity and donations. Some of it [crosstalk 01:09:52]

Frank: It's really changing.

Oliver: I think in the last four or five years, it's really become the same metrics and lens as the rest of our business.

Frank: Because there is so much growth or why?

Oliver: You've seen computer science grant. The grant is going to begin to come at universities, so we can measure the number of developers in the environment. We can measure the number of ISPs and partners who are on the African continent doing work around our company with our technology. We can see the revenue metrics and the business behind it becoming real at the time. We can do the same things there and implement the same programs on that continent we get in North America or Western Europe. It's only in the last three or four years [crosstalk 01:10:19].

Frank: Mr. Ambassador.

Hugh: Mr. Moderator. Even though ...

Frank: You have a much better title.

Hugh: Even though earlier I was embracing the CSR to P&L move and I agree the whole conversation around ROI is really exciting in our space, but let me just sound a note of caution maybe. We know how demanding shareholders can be. They expect positive rates of return always, and they expect quarterly results. It's good for government, and particularly the development conversation, to be informed by that and progressively to move in that direction.

But I think we all recognize we're working in an area where there is a need for subsidy. Development is not a linear process. There are mistakes. There are needs to learn and experiment along the way. To some degree, when the public purse gets ... fundamentally, I think this is a positive development, but we have to be cautious. When the public purse gets very focused on those private sector metrics and doesn't accept the need for failure or the need for learning or the need for a very long time horizon, then we may be ...

Frank: [Crosstalk 01:11:35]

Hugh: ... despite ourselves, cutting off some of the progress that we made.

Frank: A worthy warning. In the next couple of minutes, I'd like to invite anybody in the audience to go to the microphones and ask a question of our panelists. Before that though, Hugh, I'm really so curious as to what you've got on the table here and what the story is behind.

Hugh: This is another type of innovation. Look, we're going to stick with that game show theme. Who knows what this is? This is the World Food Programme red cup. This is what the World Food Programme uses in all its school feeding programs throughout the world. They give children some staple food, rice, porridge, maize in this red cup. DSM has a partnership with the World Food Programme going for many years now. The innovation there is really product innovation. Although this red cup may be filled with enough in caloric terms, it's never filled with enough in nutritional terms.

What we've done, in partnership with the World Food Programme, is use our nutritional scientists to come up with these little things we call MixMe sachets. This would include all of the necessary vitamins and minerals to sustain health, which can then be used at a point of use in the red cup. This is another form of innovation that we would know nothing about as a Western nutrition company if we hadn't spent time in World Food Programme feeding camps and learn what they need and the way that they need it.

Coming back to the point about recruiting and retaining the most talented people in our industry, these are the types of things that enable us to do that. It's employees being able to volunteer from their desk with something like Partners in Food Solutions, but even more powerful when we can send employees to work with the World Food Programme in Kenya and Bangladesh and Indonesia. There's three weeks to three years to learn about these new markets, to learn about the new ways of doing business.

Frank: Here, you'll find the same thing with your younger employees, that they want to be doing this sort of thing? They want to be ...

Hugh: They don't want to work just for a paycheck. I'd like to say affectionately, DSM stands for "Do Something Meaningful," and that really draws young people in. They want to make a contribution to the world they live in beyond just earning a paycheck, buying a house. It's a strong pull.

Frank: Questions from the mic? I don't see anybody up. I'll keep going while you make your way to the mic. There is another person over there going to the mic. If you could give us your name and a quick question, go ahead. Go ahead, ma'am. Why don't you get us started?

David: OK. My name is ...

Frank: Oh there you are. I'm sorry. You're in the dark.

David: ... David Litt from Chapel Hill. I'd like to give you a problem and see how you are all addressing it or will be addressing it in the future. That is the issue of growing populations toward urban centers on coast lines and increasing significant extreme weather events and their impact on those urbanized coastalized populations from New Jersey to New Guinea.

Frank: Anybody want to dive into that? Sorry.

Karl: I can't resist. We heard Jim Kim talk about the overriding importance of climate change and what to do with that, how we need to address that. My organization isn't primarily focused on that mission, but we certainly are focused and our primordial mission is about helping the 200-plus million women in the world who want access to modern contraception get it so that they can plan the size and the spacing and the timing of their families.

There have been tremendous stories in the access to modern contraception around the world, reducing fertility, reducing family size, benefits to child mortality, and so forth. But there is still, there are still tens of millions of women who want modern contraception and don't have access to it. That really, Frank, makes the difference between what happens to the planet over the next 80 years. Either we go to nine billion and stabilize and come back down, or we go to 15 billion and keep going north by 2100, 15 billion. That all rests on whether we are able to respond to the needs of women who are seeking to control their fertility but don't have the modern means to do so.

That doesn't answer the question about what to do about urbanization or coastal lands, but it does have to do with how we create a more sustainable situation on the planet.

Frank: Any of our other panelists want to touch on that before we go to the next question?

Hugh: Urbanization creates some very interesting challenges because you have folks who are no longer able to operate in a sustenance banner, so they're going to want more protein. Protein is very expensive to grow on a caloric basis, extremely expensive. They have more processed foods. They're going to have more nutritional insecurity as a consequence. I think we need to come up with new ways to develop cost-effective protein, be it from the sea or elsewhere, and new ways of delivering nutritional fortification to folks in a greatly urbanized area.

Now on the climate change part, my company's global headquarters is in The Netherlands. It's something then we're watching very closely because we're already underwater. That's going to require some really innovative thinking on how to deal with the issue. I know there's always a lot of conversation around the alternative fuels, the CAFE standards here in the United States, but I think we need to have more conversation on how to address the inevitable. In The Netherlands, we do that by building more dikes.

In New Jersey, that's where I'm from, we have to start thinking about it because we seem to have 100-year storm on an annual basis.

Frank: The big thing is you have the luxury of being able to afford to build the dikes and think about the ...

Hugh: Correct.

Frank: ... the activities involved with adaptation. In many of these countries, those resources are not there, and you have millions, tens of millions, hundreds of millions of people who are living in very exposed areas in coastlines and elsewhere, so this is going to become a very, very important issue very fast [crosstalk 01:17:38]

Hugh: They're going to migrate.

Frank: They will move. Absolutely. Absolutely. Next question please.

Jill: Good afternoon. Jill Christianson from the National Education Association. First off, great appreciation for USGLC in always bringing many, many thinkers of many different perspectives into the room. Let's talk about long-term investment that may not have the immediate ROI, and that's education. As we invest, what we know is we have evidence specifically with girls but beyond as far as the value of education, specifically starting with basic education and going beyond just secondary education before we can have scientists and folks that work with Merck and Microsoft. I'd like to hear from you, if we can, about the common good, why in fact we might want to consider and do more specifically to the basic education level. Thanks.

Frank: Geralyn, you want to start that off?

Geralyn: I think it's a, I'd say, tremendously important topic, and support for education and health, to my mind, really go hand in hand. There has been a lot of evidence around the success of school-based health programs promoting girls' education and healthy families.

One of our newest initiatives, we announced last year a half billion-dollar initiative around maternal mortality because we know that when a mother dies in childbirth, her children are substantially more likely not to get an education. If they survive, it's very difficult for them to get educated and ultimately contribute to the community. I agree with what you said that education is absolutely interwoven into everything that we've been talking about.

Frank: Karl, let me draw on your ambassadorial experience here. Who invests in education in these countries?

Karl: The U.S. government used to do a lot, does less now than it did in the past. The World Bank, obviously, is a big funder of international education programs. But faith-based organizations, religious institutions, the private sector does a lot in education around the world. Is it good? Is it high quality? Maybe, maybe not, could be better. I agree that education is fundamentally important. It's like nutrition. At the earliest stages of life, nutrition makes a huge difference in terms of cognitive ability and the ability to succeed in a modern educational system, so it's all linked.

Frank: Let's try to keep it moving and get some more questions on the floor. Sir?

Carl: Hi, I'm Carl Sangree with Millennium Challenge Corporation. Since I'm the guy who is meant to be working with companies and other investors in our projects, I think I'll ask you the question what is the U.S. government not doing that it should do to make these partnerships work better? What's the gap?

Frank: They're all diving.

Geralyn: I don't want to address it in terms of what the gap, but I will say what I think is particularly important. I think partnerships with the U.S. government work best when the leadership is very clear and U.S. government speaks with one voice so a partner can always know who we're dealing with. Partnerships work best when there is flexibility on both sides. As I look across many of our partnerships, one of the things that marks all of them is the fact that they evolve over time, and the partners need to learn, need to adjust, need to adapt. If one is overly rigid, the partnership does tend to bog down.

I think the U.S. government is a tremendous partner. It shows tremendous leadership, but I would say those two things are particularly important to keep in mind.

Frank: Oliver, what matters most in these partnerships?

Oliver: I'd echo that, and I know it's about very clear goals up and down the organizations. If I talk about the TV white space example that we've been working on with USAID, it's a global broadband initiative that the part of U.S.A. have very clear goals around broadband deployment, Internet availability and what it does to the world, and that aligns 100% with what we are trying to achieve as an industry, and it allows us to partner very effectively together.

Frank: Clarity, expectations.

Karl: I would say I'd bet the U.S. government, for whatever flaws we could identify, is probably better than any other government at nurturing public-private conversations in the development context.

Geralyn: Yes.

Karl: My sense is the U.S. government does pretty well at it. [Crosstalk 01:22:04]

Hugh: I know some in this room may disagree with me, but we had some very disappointing action on Friday when Food Aid Reform got voted down. To me, that would be some of the fundamental change that we need for the private sector to work better with government, is maybe some development in thinking, development in policy that would free the hands of some of the folks in the agencies to work more closely and more effectively with the private sector in doing development around the world.

Frank: We need those kids from Bill's class to come to Washington and talk a little common sense. Let's go to the middle aisle.

Amy: My name is Amy Coughenour. I'm with NCBA CLUSA. I really appreciate the level of thoughtfulness that were in these conversations, so thank you. Karl, I really loved what you said about process innovation. I'd love to hear your ideas about how do we market that longer term, the process, the longer term unsexy part of sustainability? I'd love to hear some inputs also from our private sector partners. How do we market that?

Karl: I think that's a good question, and I would defer to my more learned colleagues here, but the private sector does this all the ... the private sector, I have to assume, is thrilled when there is a 2% increase in efficiency in the global supply chain that affects you. These are huge market-moving initiatives. Even though it is oftentimes not flashy or unsexy, this is really important blocking and tackling

work to improve the cost effectiveness and efficiency of what we're doing to save people's lives around the world. We can learn a lot from the private sector.

Oliver: I open with this comment of for partnerships to work correctly, for the small power idea to work effectively, you got to look very carefully where the innovations are coming from that are really going to have a positive effect on what the final outcome is that you're trying to build, in our case, TV white space Wi-Fi, FCC and the innovation they have around just radio spectrum policy. It's probably not exciting, but it's able to change the world in a way that we connect the world together.

Frank: I'm afraid we have time for just one more question. Let me make yours the last. Go ahead.

Malcolm: Thank you. My name is Malcolm Clyburn. My question is for Mr. Welsh. How does DSM go about identifying those new markets that you said you do your business in? To add to that, how could you get other corporate contemporary more interested in investing in those markets that might be seen dangerous?

Hugh: We look for places where there is a need that we can fill. It's no different than basic business. You find a need then you fill it. There are parts of the developing world that have a chronic need for nutritional fortification, supplementation. Through the WHO, through the UN, they help us find these places, and then we work with local partners, be it TechnoServe or be it through the World Food Programme, to find the best path to deliver the knowledge and the materials that we have.

In certain parts of the world, I'm going to give some very specific examples quickly because I know we don't have much time, in Southeast Asia, the staple food crop is rice, so we're not going to use MixMe sachets to deliver micro-nutrients necessarily in Southeast Asia. What we do is we come up with a new way to make a rice kernel through extrusion that includes all the vitamins and minerals and you blend it with the rest of the rice. It's finding that need and then using our technology, our innovation to fill it.

Frank: All right. We started with a game show motif. We're going to end it that way. Time now for the lightning round. You got to be fast because the clock is quickly ticking down on us. In fact, it's ticked down on us. But we've been talking about some of the innovations that you've identified in smart power innovations and public-private partnerships to date. I want you to each, in the lightning round, indicate an innovation you would like to see, something that hasn't happened yet that you think should happen or can happen to bring what you've started, what everybody in this room wants to scale. All right? An innovation of the future. And I'm not talking about the colony on Mars. We won't go quite that far yet. Keep us down here on Earth, in the developing world where smart power

actually matters. Innovations you're looking for. Mr. Ambassador, we'll start with you.

Karl: I would say improvements in contraception technology so that we can more easily access those who want it and need it, and an embrace of the global business model that the private sector uses to deliver value even in the development and developing context. Global network.

Frank: Oliver Bell.

Oliver: I'm all up to what you think. Dr. Kim, I think very valuably, talked about the importance of power and energy. There's a lot of work to be done in that space, battery, solar, getting power out to rural areas all over the world, so I think there is a lot of innovation that will come there in the next five [crosstalk 01:26:49]

Frank: Innovation in energy and then distributing that energy?

Oliver: Innovation in energy and distribution. Then the second one is continued work around computing in making computers more available in terms of size, price, interface for areas that are just [inaudible 01:27:01].

Frank: Geralyn Ritter.

Geralyn: I would say a greater focus on collaboration not just with the public sector in developing countries but with the for-profit private sector in developing countries. I think there is a lot of potential in terms of sustainability in terms of those kinds of collaborations that has not been fully explored.

Frank: Hugh.

Hugh: A general acceptance across all stakeholder communities that doing well and doing good are not mutually exclusive. And then very specifically, some real genuine work on warm-water aquaculture.

Frank: Terrific. I think it's been a very interesting conversation. Just a quick note, before I thank our panelists and you give them a round of applause to show your appreciation, at the close, at the close of this session, you're going to take a little break and all, but we'd like to make a pitch for you to be back in your seats promptly at 3:45 to hear about the president's trip to Africa. I think he'll be here ... no, somebody else would be here to explain that to you. But you won't want to miss it, so be in your seats at 3:45. Please join me in thanking our group here today for a very insightful and interesting conversation. Thanks to you all.

[Applause]