

EXECUTIVE SUMMARY

Lack of Infrastructure Drives Poverty in Nigeria

Nigeria is a resource-rich country, especially in petroleum, which contributes 20% of annual GDP. However, the gains from petroleum sales are concentrated in the cities, while the majority of the population lives in rural villages. In addition, 90% of the population lives on less than \$2 per day, 51% of the population lives without a sanitary water supply, and the majority of the population are malnourished and suffer from diseases related to poor nutrition and the HIV/AIDS pandemic. With two-thirds of all roads unpaved and only 3.25% of Nigerians having access to telephones, the problem is evident: poor technological and physical infrastructure. This is the source of the problem of poverty that Riders for Health is hoping to combat.

Riders Creates Simple Solution to Transportation Problem

Riders began when U.S. Grand Prix motorcyclist and Riders Founder Barry Coleman took a philanthropic trip to Africa to examine problems with the World Health Organization's transport systems. He found that a large number of bikes, which were considered "irreparably damaged," only required small and inexpensive repairs. The solution to this problem was the creation of an organization that trains, maintains, and educates villagers, as well as healthcare workers, about how to appropriately use their bikes.

Strict Metric Systems Ensure Long-Term Success

While Riders is first and foremost a philanthropic organization, it uses very strict metric systems to ensure sustainability and long-term success. The Transport Resource Management system (TRM) is integral to this success. This system helps manage three facets: people, vehicles, and money. Riders has established a school, the International Academy of Vehicle Management, to train locals and healthcare workers on basic maintenance of bikes and safe driving practices. This training carries over into the management of vehicles. Riders follows a rigid parts replacement system, which has resulted in near zero breakdowns. This system substantially limits unpredicted costs. As a result, Riders can charge a fixed cost-per-kilometer at an affordable rate, allowing Riders to operate at a long-term breakeven level.

Future Efforts Require Fundraising

All of Riders' programs currently in place are self-sustaining and require no external funding. However in order to expand and create new programs in different countries, Riders requires charitable donations from individuals and organizations. Riders has also established the Day of Champions, an annual motorcycle race that raises money through admissions and auctions. As Riders' business model has been proven successful, it has begun to receive large grants from foundations, such as the Skoll Foundation and the Schwab Foundation.

New Capital Sources Promote Expansion of Services

While Riders has proven tremendously successful in alleviating poverty for all of the countries in which it has worked, its impact is still limited due to a lack of funding. Riders must now search for new ways to raise capital. The organization hopes to create financial products that offer returns to the individuals who invest in them. Riders believes that it can significantly improve the

lives of more than ten million people in Africa, but to do this, the company must access new sources of capital and expand revenues from existing ones.