Social Enterprise: How Solar Sales Helps to Power Non-Profit

Students: Connor Scherer, Michael Voelker, Jibrail Sadava, Megan Slack
Professor: Nancy Bertaux of Xavier University
Econ 421 Environment, Economics, and Policy

What is OMID?
Farsi acronym that translates to “Satisfying day-to-day needs of the farmers”, OMID is a non-profit that works to improve the success of the nearly 85% of poor living in rural areas that make their living on small farms. They do this by selling SolarSheds and the PREP irrigation system. The PREP irrigation system is sold to farmers through loans while the SolarSheds are too expensive for the impoverished communities to afford. Our group is focusing on how SolerCool can support OMID with ColdSheds.

What is SolerCool?
SolerCool is a for-profit organization that manufactures ColdSheds. They have had success in selling the ColdSheds and wish to support OMID with the profits that they are currently producing.

Why a SolerCool ColdShed?
As much as 60% of crops are left to rot in the fields due to the lack of adequate storage facilities for low-income farmers. The ColdShed can keep up to 3 tons of crops fresh. This would allow for impoverished farmers to bring more food to market and increase their income, which could significantly improve their long-term financial situation.

What is Social Enterprise and how it connects to Ecological Economics?
Organizations that address a basic unmet need or solve a social problem through a market-driven approach.

Supports 3 main ecological economic goals:
- Just distribution: helping to pull people out of poverty
- Efficient allocation: getting resources to people who need them most
- Sustainable scale: increasing yield without increasing production

Why OMID should use Social Enterprise?
Using social enterprise will be mutually beneficial for both parties.
• OMID will be able to increase their outreach and help more small farmers escape poverty.
• SolerCool will increase brand awareness and grow their relationship with the communities that support them.

Our Proposition:
Based on already realized profits, SolerCool, Ltd. should utilize its income to give 5 ColdSheds to OMID’s cause each year. This number can be budgeted at beginning of each year and the number of Sheds altered based on annual profits. This number was derived by allocating 30% of SolerCool’s profits to OMID and 70% to reinvestment in the company. In addition, this donation should not exceed 25% of the total number of ColdSheds sold in order to maintain SolerCool’s control of the market. SolerCool’s donation will allow OMID to help more small farmers than ever before while not undercutting their position in the market.
Visit http://omid-usa.org/ for more information.