
Social Profit Network

Jim Fruchterman

Chairman & CEO, Benetech

Jim Fruchterman describes his nonprofit company as “technology serving humanity.” Benetech harnesses and distributes the power of technology for social benefit. Jim’s methodology is simple: determine a social need, then unleash market forces to address it.

Benetech, a nonprofit company, serves as an incubator for a multitude of early-stage enterprises by providing seed capital for market and technical feasibility studies and developing the infrastructure needed to launch viable projects.

Benetech focuses on solving issues around disability, bridging the digital divide, education, literacy, human rights, employment of the disadvantaged, and the prevention of suffering. Technology can easily be applied to solve many of these issues, but because such projects normally offer lower market potential than many other technology ventures, they are often ignored by both inventors and investors. Benetech has turned this gap into a strategic niche.

Once a gap—and related project—is identified, the Benetech team begins developing a comprehensive business plan. They then look for the most efficient methods of producing and distributing the solution at hand. Benetech is a firm believer in engaging disadvantaged communities in the design, funding, and project implementation processes. Each Benetech project is designed to deliver a high social return on investment—and often a solid financial return on investment as well.

www.benetech.org

Background:

- Worked as a rocket scientist
- Received the Schwab Social Entrepreneur of the Year award in 2003
- Earned degrees in engineering and applied physics from the California Institute of Technology
- Served on two U.S. Federal Advisory Committees
- Co-founded and serves as director and CFO for RAF Technology Inc., a leader in the optical character recognition (OCR) industry. RAF’s proprietary software is used by the U.S. Postal Service to route billions of pieces of mail each year.
- Founded Calera Recognition Systems in 1982, which is now part of the leading OCR manufacturer enabling computers to read virtually any kind of printed text
- Founded Arkenstone, a social enterprise that produced reading machines for the blind using Calera technology and has delivered reading tools to more than 35,000 people in 60 countries in a dozen languages
- Founded Benetech with funds gained from the sale of Arkenstone, with the intention of creating multiple technology companies that serve humanity.



Jim's work with SPN:

Jim worked closely with SPN as he founded and established Benetech. In the last few years, Benetech has launched several successful projects and has more in the pipeline.

The Martus Human Rights Bulletin System

Martus (Greek for "witness") enables users to enter, encrypt, and securely store reports of human rights abuses, improving public accessibility to human rights information, helping to ensure that violations are recorded and those responsible can be held accountable. The system is far exceeding its business plan in attracting funding from international human rights groups and private funders.

The situation in Sri Lanka demonstrates how Martus is being used by countries all over the world. Since 1983 the Sri Lankan government has fought three wars with the Liberation Tigers of Tamil Eelam (LTTE) in the north and east of the island. In the late 1980s the LTTE fought a separate war with Indian peacekeeping forces while the government suppressed a violent insurrectionist movement in the south of the island. Each of these conflicts has been characterized by widespread human rights violations, with over 60,000 people killed, and many more injured or subjected to other human rights abuses.

When the Sri Lankan government and the LTTE signed a bilateral ceasefire agreement in February 2002, efforts to accurately account for human rights violations were needed immediately.

Multiple human rights organizations throughout Sri Lanka are now using Martus. For example, the Human Rights Commission (HRC) has 11 offices throughout



Martus is improving accessibility of human rights information, helping to ensure that violations will be recorded and those responsible can be held accountable.

“After being involved in the initial brainstorm for the design of the software, I am happy that Martus is living up to its promise, allowing Consortium of Humanitarian Agencies to secure and share sensitive human rights information. I am training our regional offices as fast as I can so that everyone at the NGO that I work for has access to this program that will help us help others.”

—Lakmali Dasanayake
CHA, Sri Lanka

Sri Lanka. Before Martus, the HRC had historically relied on faxes, mail, in-person meetings, and paper files to communicate between offices and to collect, transmit, and secure its data. With Martus, it is now much faster and simpler for the HRC to:

- Engage directly with government agencies on behalf of victims
- Support human rights applications filed before the Supreme Court of Sri Lanka
- Investigate and publish reports on human rights incidents
- Prepare and submit reports directly to the President for tabling before Parliament

Field office staff in the north and east now use Martus to create text bulletins on human rights abuses, save and encrypt the bulletins on their computers, and transmit the encrypted bulletins through dial-up Internet connections to a remote backup server. The human rights monitoring unit at the HRC main office can now:



- Retrieve, search, and review the bulletins
- Monitor the human rights situation in the north and east
- Prepare situation briefings and other monitoring, analytical reports, and news bulletins

The HRC also uses Martus to monitor media coverage of the human rights situation in the north and east, and prepare periodic and issue-specific reports.

www.martus.org

The Human Rights Data Analysis Group (HRDAG)

HRDAG is the world's leading human rights statistics group, helping human rights advocates around the globe build evidence-based arguments and obtain justice. Its efforts include:

Process and analysis of secret police documents in Chad

Hissène Habré's rule over the former French colony of Chad from 1982 to 1990 was marked by numerous allegations of systematic torture and crimes against humanity.

Since July 2002 HRDAG has been working with Human Rights Watch to analyze thousands of discovered documents that belonged to the secret police. The documents contain detailed accounts of the interrogations, movements, and deaths of prisoners, as well as information on the internal functioning of the secret police.

Hissène Habré is expected to be tried in the near future at international courts in Belgium. The HRDAG database will enable victims' families and survivors in Chad to access information contained

in the documents to ensure that accurate evidence is brought to the courts. The database will also contribute to the Chadian historical memory about the Habré period.

Investigating and documenting human rights abuses in East Timor

In 1975, as the Portuguese colonial administration in Timor weakened, the Indonesian government launched a massive invasion of the eastern part of the small, divided island. The resulting Indonesian occupation of Timor resulted in disappearances, torture, forced displacement, and extra-judicial killings through 1999. Between 50,000 and 200,000 people died.

In July 2001 the U.N. Transitional Authority in East Timor established the Commission for Reception, Truth, and Reconciliation (CAVR, by its Portuguese acronym). CAVR is an independent authority whose mandate is to inquire into human rights abuses committed by all sides between April 1974 and December 1999 and to facilitate reconciliation and justice for less serious offenses.

From CAVR's inception, HRDAG field consultants have advised the commission on information management processes and assisted in the creation of three datasets—a testimony repository, a census, and a mortality survey. These datasets will integrate quantitative methods into CAVR's broader truth-seeking activities. After analyzing deaths reported across all three systems, HRDAG will estimate total deaths and create a substantial body of documentary evidence to support the commission's arguments.

HRDAG is currently working on similar assignments in Colombia, Sierra Leone, Sri Lanka, and other countries.

www.hrdag.org



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www.bookshare.org

Benetech is currently incubating a large number of new projects, developing business plans, and building alliances with technology companies to create new social enterprises.

The Landmine Detector Project

Benetech is adapting existing detection technologies to create cutting-edge landmine detection systems. Initiatives developed by this project will reduce, by a factor of three, the currently projected 1,000-year time frame for clearing the world's villages and farmlands of this devastating hazard and significant barrier to development, producing tremendous social and economic returns on investment.

ALL-Link

The quality of life of for a person with a disability is dramatically improved with the ability to read. Together with one of the nation's leading experts in literacy

and adaptive technology for people with disabilities, Benetech has developed literacy learning software that helps non-teachers teach reading to teenagers and adults who have fallen through the cracks of the system. ALL-Link is the first electronic educational tool for beginning readers with disabilities that incorporates the cornerstones of literacy instruction: reading comprehension, word study, word fluency, and writing.

NaviTalker

NaviTalker combines standard cell phone technology with new e911 location ability, creating a talking navigation solution for the visually impaired and those unable to read. NaviTalker utilizes technology patented by Jim while at Arkenstone. In addition, Benetech plans to turn a cell phone with a camera into an inexpensive portable reading machine.

SPN and Jim

- SPN has been involved with establishing Benetech from its inception and provides ongoing coaching to bring Jim's projects to new markets
- SPN was deeply engaged in developing strategies for structuring Benetech with the Arkenstone proceeds, enabling Benetech to expand into multiple social enterprises
- SPN hired a leading coach to help Jim on fundraising techniques and provided connections to funders
- SPN provided seed and sustenance capital at key junctures in Benetech's growth
- SPN connected Jim to a speaking coach to give him more impact on the speaking circuit
- Jim continues to play an active role in developing SPN and brought David Green to SPN