



Conversation with Pelkins Ajanoh

: Entrepreneurship and value creation in Cameroon via Agritech by Pelkins Ajanoh-a Cameroon and Harvard Entrepreneur

5/13 @7PM EST, 5/14 @8AM KST

<Video: No bounds to how much we can think>

You can check out this video here: <https://www.youtube.com/watch?v=TgiFecs6q1c>

<Pelkins' story sharing by questioning>

Q. How did you grow up in Cameroon?

Two big things had influence on my life.

1. Cameroon=Diversity: Over 300 ethnic groups, each one has unique language → Being surrounded by different cultures brought global interest

2. Family: Dad was a principal of an elementary school(lost dad when young) and he helped me with math and school work. / Mom is a business woman and she taught how to interact with people, community service and volunteering.

People in MIT are really interested in solving problem → From dad's side, it kept pushing doing intellectual things / From mom's side, it helped how I can use knowledge and create impact from community

All comes from internship at General Motors where I invented new technology → Now, I felt like I really can do something. Then, why not solve problems? So I started to solve problems in Cameroon where over 80% of population are involved in agriculture that contributes to GDP and impact lives → co-founders and friends helped me a lot because it's about their own lives

Q. As the president of MIT Africa Group, how did that influence/impact when you navigate Cassvita?

Before moving to the US, I only lived in Cameroon. In the US, I was surrounded by people who want to make difference.

First thing I started was 'Africa Learning Circle' which is the meeting held every Thursday, where we discuss issues about different countries. Here, friends from Ghana, Nigeria and Kenya shared very similar stories, so we were sure agriculture is the validation for making difference.



How further Africa Learning Circle has gone to be now: 3 companies sponsored out of that group, raised 2million dollars fundraising total

Biggest lesson from this group: 'Never underestimate small beginnings'

Q. In the process of applying and getting into dual degree program, what were the resources you were provided from Harvard?

1) Harvard = pipeline to the goal you want to achieve (Harvard itself is not the ultimate goal)

It's not about getting into Harvard to do something but it's about I'm doing these things to change something and Harvard will help it.

2) Resource that Harvard provides

- Innovation Lab: Mentors(Community Entrepreneurs)
- Harvard Business specific entrepreneurship
- MS MBA: share successful stories & failures

Q. How was it like leaving the US and going back to the country(Cameroon) and start business? How you resolved and mitigated?

I was shocked how the environment as well as you changed.

1) Speed: In America, we get delivery from Amazon in two days but in Cameroon, no. Also, administrative process takes days to be done

2) Young age: People didn't consider us serious. → Solution: Finding allies & Getting local people to be part of the team → create solid organization

Q. Africa has both sides-darkness(starvation, climate change, lack of infrastructure and education etc) and possibility to prosper(human resources, agriculture, culture etc) . What do you think is more important-eliminating darkness or invest to the possibility?

They aren't mutually exclusive.

Do both 1. Manufacturing(ex. agriculture) and 2. Lift logging(getting technologies from 0 to some amount)

The priority is pressured issues like poverty and climate change, and then other technologies that can lift log.



Q. What was the most valuable mistake in the course of your entrepreneurship life?

Biggest mistake: not thinking big, thinking short-term (Reason: 1.No experience, 2.Timid)

Make sure you evaluate whatever chance you get before you make decision.

Q. Your future plan as an entrepreneur?

Graduating next year(2022) → business for the next 4~5 years → some other businesses → try something else

Sell business to someone else and see if it still works and start new business

Q. Why did you choose Harvard?

1. Wanted to come back to Cambridge after undergrad(MIT)

2. Wanted to try something else in Boston

What made Harvard stand out:

1. 2+2 program: I could get into MBA program as a senior in college. Low risk: if it fails, you can return to undergraduate

2. Same year, applied MS/MBA program: First scored student is admitted to get into the program.

Q. I'm from Kenya. I want to talk about raising capital from investors that are not very well aligned to the context of Cameroon and how the business environment looks like. What is opportunity to explore capital from local investors in Cameroon verses exploring abroad like in US markets for instance?

Local investing ecosystem is very nascent, young, underdeveloped-Most people invest in global business like NY, USA.

Local invest in Cameroon still has ties to Western organizations. For instance, European Union Fund has investment manager, management firm in Cameroon but it's managing assets from larger, external fund. → Actual local VCs run and started by locals or local NGOs are not as big of a thing in Cameroon.

In Nigeria, the space seems to be growing, but it's still not there.

So, getting fund externally is the only option we have. Really hope we have other options.

+ Opportunity of growing up in this(local) country and study in the US makes you understand the



local context and actually speak with US investors and understand what they are looking for.

Q. About the implication 'ownership' from foreign investment. For example, Cameroonians and African folks can own conceptually, but then if he has funds flowing from foreign countries, how much of the business can really be attributed to African people verses foreign investors that we don't have context. Can they really claim ownership?

I really wish there were solid alternative.

- You can find impact money, impact investors. Ex) 0% interest loan. Loan doesn't have ownership. But it will be small amount of money.
- Aligning your finance model & business model. Ex) If business model has value on people's lives, you should find money that aligns with that.

There are some ownership loss over time – At this point, it's really up to the entrepreneur to negotiate different facets of the term sheets like what the components of they are, how you are able to lever that.

You should understand what your liquidation preferences are, what your voting rights and board seats are, what ownership control, what kinds of things owners could ally to founders.

[Sharing from the questioner]

Thought of some creative ways as Perkins said.

Since you are in CPG, 'Unilever & Ben and Jerry' example. –Ben and Jerry sold to Unilever but sort of negotiated: Unilever will take control of the company, but they had to remain committed to the social justice.

Q. What do you think is the most important when you start business?

If I were to pick one, I think "start with 'why businesses fail', 'What makes businesses fail'" to avoid.

If you are growing an idea that's big enough, and you're persistent and diligent and attract right people over time, capitals are going to come.

It is important to understand market research(what's the size of market, how big is the idea, how sustainable is it)

Think about three part framework

1) What are some switching costs involved in this idea?



2) How can you benefit from economical scale?

3) What are your unique economics, does that really make sense at a fundamental level

Q. Through your Cassvita journey, how did you balance between focusing on building a good product and the extraneous things like branding, advertising, things like that? About prioritizing

It think it depends on the business. Different businesses require different percentages of that: Product vs Content generation(Marketing)

All of that falls into your GTM(Go To Market Strategy)

For us(Cassvita), we needed good product-highly differentiated, defensible. But because we are CPG, we also relied a lot on marketing, having great content out there, storytelling after creating the product

You can check out Pelkins' amazing works here: <https://cassvita.com>