



press clip

Charity begins with low overheads

Room to spend more on books

Lucille Keen

When chief executives of multinational businesses ask **John Wood** what they can do to help his charity, he asks them how many frequent flyer points they have.

"I've got a database of bankers who have put their hands in the air and said any time you need to travel, if I have the miles you can fly for free," Wood says.

"It's called the war on overheads."

The former Microsoft executive is pushing a new style of philanthropy and it seems to be working. His not-for-profit organisation **Room to Read**, focused on educating children, particularly girls, in the world's most under-developed societies, is turning over \$40 million a year.

Unlike many not-for-profit organisations, which lose up to 30 per cent of their donations on administration costs, Room to Read's aim is to keep overheads low.

Some companies, like Credit Suisse, offer his staff spare office space in cities where rent is exorbitant, he says.

"One of the unique things about our model is, when we work with corporates, we try to say we want financial support. That's obvious but we want to go beyond that and ask them to help us keep our overheads low.

"Hilton gives us 150 free room nights

a year ... Lenovo is giving us 600 new ThinkPads. Every laptop they give us means we can afford four more years' education for girls because we've cut that expense out of the system ... we're not all about shiny Range Rovers and bells and whistles, we're about books."

Wood came up with Room to Read after a trekking trip to Nepal in 1998, when he was Microsoft director of marketing for Australia and the Asia-Pacific. He noticed few books, if any, in the schools he visited. On his return, he asked friends and colleagues to donate unwanted books, and Room to Read was born.

Wood, co-chairman of the San Francisco-based organisation, has since opened more than 15,000 libraries, reaching 7.8 million children. Its focus is on literacy and gender equality in education. It works with communities and local governments in Asia and Africa to promote reading and help girls finish secondary school.

Wood says it would be foolish for him to encourage others to quit their jobs and join him, but he is encouraged by those who have joined Room to Read's fund-raising chapters.

In Australia, there are chapters in Sydney, Melbourne, Canberra, Brisbane and Perth. Its members include

Barclays Australia chief executive **Cynthia Whelan** and her husband, **Mike**, Virgin Blue former chief executive and co-founder **Brett Godfrey** and his wife, **Zahra**, and computer whiz and young **BRW** rich-lister **Mike Cannon Brookes** and his wife, **Annie**.

Wood says there is a trend for individuals who want to donate to link it to a big family occasion such as a wedding anniversary or to mark the birth of a child. "Individual donations are our greatest funding source, followed by fund-raising by our chapter staff [volunteers] and then corporates," he says.

Wood's charity model works on a co-investment strategy in which he encourages the local community to raise funds as well as taking donations.

"I think with charity, people think: 'Oh, I'll do a little bit here or I will volunteer on Monday night at the soup kitchen,' and that's good, people should do that," Wood says.

"But if you want to go and look at the systemic issue of the supply chain of poverty, you've really got to ask yourself, how can you actually prevent people from needing a soup kitchen or how can you help a country like Laos never need foreign aid again."

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John Wood ... 'We're not all about shiny Range Rovers and bells and whistles, we're about books.' PHOTO: LUIS ASCUI