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Building a Sustainable Venture from the Ground Up: The Mountain Institute's Earth Brick Machine

In the spring of 2002, Elsie Walker of The Mountain Institute (TMI) visited a leading business school in the United States in search of an entrepreneurial, graduating MBA student. TMI, an international non-profit organization, wanted to investigate launching a for-profit entity to promote a machine for which it had recently received a patent. Using dirt as the main ingredient, this machine makes high-quality building blocks (or bricks) appropriate for construction of homes and other one- and two-story dwellings. Walker and TMI believed the machine was ideal for construction in developing countries, particularly for poor populations, who are often accustomed to using earth in home building. Relative to other technologies serving this market, TMI believed that its compressed earth block (CEB) machine was price competitive, allowed for low-cost construction, and was environmentally friendly.

Focused on environmental protection and community development, TMI hoped that someone with a business school education would be able to determine if these advantages and other market factors would support a for-profit venture. If so, a for-profit venture could be free of the need to constantly find new grant money and, perhaps, could be a better tool for fostering economic development for developing country populations, a key objective of TMI.

At the time of Walker's visit to the business school, TMI had been field-testing this technology in the Tibet Autonomous Region of China (Tibet) for more than two years. After successfully building two small guest cottages and training a number of Tibetan builders in the use of this technology, TMI was preparing to launch its CEB machine on a wider-scale in Tibet. This experience would represent the first real market test of TMI's specific machine design and approach.

Soon after Walker's visit, TMI hired graduating MBA student John Buffington. Specifically, Buffington was to assist with continuing Tibetan efforts, develop a business plan for further promotion of the machine in Tibet, and, most importantly, investigate global opportunities. Provided he maintained the support of TMI's staff and board of directors, it had been suggested that Buffington would be offered the lead for any new, formal initiative to promote this machine, whether it became a stand-alone for-profit or developed into a full-fledged program within the non-profit, an option that also offered certain advantages.

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