Case Number 2103.0

First Respond: The Challenges of Marketing Social Mission in China

Introduction

Lu Le was someone who was known for always being prepared. In 2011, when he participated in the 6th Gobi Challenge, a grueling 250 km footrace in the Gobi Desert, there was a warning of dust storms and Lu Le knew his team needed to change their original plan from participating leisurely to operating in an "emergency mode." Yet, many of his teammates resisted preparing for a possible emergency situation. Later, when they encountered a serious dust storm, many other teams' camps were blown away, but Lu Le and his teammates' camp survived the disaster. Lu Le grew up in Shanghai and went to college in Japan, majoring in Internet Public Policy. While in college, he became an extreme sports enthusiast, enjoying activities such as rock climbing, skiing, SCUBA diving and sailing. As part of his training for these sports he attended a variety of safety and first aid programs, which stressed the importance of safety education. Later, while an EMBA student at China Europe International Business School (CEIBS), he partnered with other classmates to start an organization to provide emergency services for marathons.

In 2011, an alumni of CEIBS passed away from cardiac arrest while competing in a race in Shenzhen to prepare for that year's Gobi Challenge, and in the same year, another alumni of CEIBS passed away in the school gym. He believed that these and many other premature deaths in China were avoidable: "Most Chinese individuals are ignorant in lifesaving skills and there is also a serious shortage of first aid public facilities."¹ Spurred by both his background and these experiences, Lu Le founded First Respond to help China and its citizens develop emergency services in a scientific way and more generally promote trust between strangers. The mission of First Respond was to "empower businesses and individuals to provide first aid with confidence and to make China a safer place by promoting 'Mutual Aid' as the new Chinese social norm." Currently, First Respond delivers first aid training, services, and solutions to both businesses and individuals in the private and public sectors, and is also an in-race first aid service provider. The company aims to empower businesses and individuals to have the right knowledge and skills to provide first aid, so no life is left unsaved.

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In June 2016 First Respond became mainland China's first Certified B Corporation. First Respond has also been named as one of the finalists in the Kunpeng Social Enterprise Accelerator Program organized by JP Morgan and the China-based Non-Profit Incubator (NPI), and was officially accredited as a Certified Social Enterprise by the China Charity Fair Organizing Committee in 2015.

Despite its early successes and impact, First Respond has also faced a number of challenges. One of these is related to the perception of the organization's identity. Many stakeholders have not understood the concept of a "social enterprise" or the definition of a B-Corp which has created obstacles when marketing products. Also potential clients frequently don't want to deliver first aid services because in China, trying to treat someone in an emergency situation may lead to legal liability. Looking forward, First Respond's success hinges on how to communicate with target markets and relevant stakeholders to educate them on the nature of social enterprise and how it differs from NGOs.

First Aid in China

The pre-hospital emergency medical system (EMS) in China was at an early stage of development in 2015 and there was very low public awareness of the importance of first aid. Based on information from the Beijing Health Bureau, only 0.2% of Beijing residents had first aid, CPR^a and/or AED^b knowledge² (Exhibit 1), a profoundly low rate compared to 25% in the US, 45% in Sweden, 50% in Australia, and 20% in Singapore.³ Furthermore, the position of emergency medical technicians (EMTs) or paramedics did not exist in China and often dedicated physicians worked as pre-hospital personnel.

While there were at least 300 Emergency Centers in China, more than 200 of these were in major cities, and the remaining were distributed across small towns in rural areas. More than 60% of the Chinese population lived in rural areas, where the pre-hospital EMS system was especially weak. Due to heavy traffic or long distance, it often took a long time for ambulances to get the patients. For example, it took an average of 16 minutes for ambulances to get to patients in Beijing while in New York the median response times for emergency medical service in life threatening situations was 6.7 minutes.⁴ As of 2017, more than 2 million people in China died from accidents and 500,000 died from sudden cardiac arrest. 15% of those deaths

^a Cardiopulmonary resuscitation, commonly known as CPR, is an emergency procedure that combines chest compression often with artificial ventilation in an effort to manually preserve brain function until further measures can be taken to restore blood circulation and breathing in a person who is in cardiac arrest.

^b An Automated External Defibrillator is a portable electronic device that automatically diagnoses the life-threatening cardiac arrhythmias of ventricular fibrillation and ventricular tachycardia in a patient. It is able to treat them through defibrillation, the application of an electrical shock which stops the arrhythmia, allowing the heart to re-establish an effective rhythm.

occurred in public places. The rescue success rate of patients with sudden cardiac arrest was closely related to the timing of response. The single greatest factor affecting survival from sudden cardiac arrest was the time interval from cardiac arrest to defibrillation; each minute of delay in initiating defibrillation after sudden cardiac arrest led to a 10% decrease in the survival rate.⁵ In China, the survival rate of people suffering from sudden cardiac arrests was less than 1%.

In Western countries, it is common to place AEDs in places where people gather, like schools and shopping malls. Sometimes it is legally required. For instance, in the state of Oregon, buildings such as shopping malls, large retail stores, office buildings, and transportation terminals are required to have AEDs if they are greater than 50,000 square feet and have at least 25 people during business hours.⁶ In China, AEDs are rare and people are not familiar with how to use them. In 2008, in preparation for the Olympics, dozens of AEDs were placed in the Beijing Capital International Airport, yet people have since experienced sudden death in the airport and the AEDs have never been used.

The Development of First Respond

When Lu Le put forward the idea of founding a social enterprise focused on first aid to his CEIBS classmates, most were not optimistic, saying – "even the government can't do this well, how can you?" A few friends encouraged him to stick to his mission, and Lu Le confidently proceeded because he believed that what he was doing was right for society.

At the very beginning, First Respond was only a small team and everyone had to pitch in for what was needed at the time, in areas ranging from marketing to event operations. A small bookstore allowed First Respond to provide training in their basement space and initially they could only handle safety services for one event in a week. At the 2013 Shanghai marathon, First Respond only covered 10 kilometers of the course with 50 volunteers. At that time, while First Respond promoted the need for professional marathon event operations to race organizers, only those with an international background or who had problems in their locations would endeavor to systematically eliminate event risks.

In 2015, First Respond saved a marathon runner who had gone into sudden cardiac arrest in the Wuxi Marathon, which gained media attention in marathon circles. As a result, runners increasingly introduced First Respond to event organizers. The Chinese Marathon Association, China's primary marathon organizing body, raised medical standards in an attempt to eliminate risk of premature death from sudden cardiac arrest. The new medical standards included that there be first aid equipment and professional medical staff at the start, end and along the whole route to ensure the injured would be delivered to the designated medical institutions in the shortest time (see details in Exhibit 2). In 2015, First Respond moved into a new office as part of the government's support of social enterprises and NGOs. As they expanded, they focused on product development, and expanding their operational capability. For instance, they developed an app-based "SOS" service for race events. By clicking one button, an instant message was sent to the command center to enable them to route first-aid devices and dispatch the nearest ambulance and closest volunteers. As of 2017, First Respond had expanded to 29 cities, supported more than 200 events, and developed the capability to manage six to ten race events in one day. Along the way, they accumulated medical records, event information, and incident types used to establish a more accurate prevention model for future event support. Geographically, they would like expand to cover more races in western China and currently they are working with real estate companies to support "SOS" services in large buildings in urban areas.

One of First Respond's goals was developing Paramedics/EMTs in China. This was done by actively establishing international partnerships with organizations that could supply vocational courses for this career. First Respond used the UK system as its benchmark, and also learned from a US company in the field, American Medical Response (AMR). In 2015, another CEIBS graduate Min Ko, an English speaker, joined the team and took charge of international affairs in order to further develop global partnerships. Because other countries' EMT systems were not well suited for China where there were no EMT training systems, limited numbers of doctors, and low paying salaries, First Respond aimed to create a new standard for EMTs in China that relied on creative IT solutions and citizens trained in first-aid. First Respond believed one large market for EMT training was recently discharged soldiers looking for new careers. Professional firefighters were another potential market.

First Respond viewed its competitive advantage was in developing advanced IT and operations solutions. As of 2017 they had applied for 48 patents (see Exhibit 3) including "SOS request information processing," "Intelligent rescue route" and "City regional safety indexing." These software and service models have been the key components of their event incident command system support, helping First Respond to make quick decisions during emergency situations. Also, their operational model has been to develop national best practices based on international standards allowing them to provide more effective and efficient services than other locally-focused competitors.

First Respond has also collaborated with partners to carry out philanthropic projects. For example, in partnership with Adream.org, a non-profit organization established in 2007 to address inequalities in China's education sector, First Respond has provided safety training to 100,000 elementary students and 1,000 school teachers. Inspired by the United Nations Development Programme, and in partnership with a leading manufacturer of unmanned aerial vehicles, First Respond also achieved the first pilot training to test the potential application of this technology in rescue missions.

As of early 2017, there were more than 40 employees working in First Respond across eight departments. (See Exhibit 4 for the organization chart and Exhibit 5 for profiles of senior management.)

Products and Services

First Respond currently has three business divisions.

Training (Exhibit 6) is the fundamental component of First Respond's entire business having created a course customized for delivery in China addressing a number of unique emergency situations. Perhaps most critical are liability issues - in some instances rescuers can be sued if they harm the victim during rescue. Other unique circumstances include children drowning in rural areas and adults using the wrong methods to rescue them.

The courses of First Respond are specifically designed to give the trainees opportunities to demonstrate and practice high-quality CPR on adults while developing leadership and teamwork skills through simulations. A key component of the training is how to deal with local, social and legal issues. Good Samaritan Laws only exist in Shanghai, Hangzhou and Shenzhen. Therefore, when helpers provide first aid, CPR, and use AEDs on strangers in China, they must protect themselves by securing witnesses and proof of what occurred to avoid any legal problems after the fact.

The different customer segments served include individuals, families, enterprises and schools. The individual customers are runners, sports enthusiasts, and parents. There are nine different training courses for different customers (see details in Exhibit 7). First Respond also creates training materials to help students better understand the concept of first aid and how to call an emergency number. The courses are usually 4 to 8 hours depending on the customers' requirements.

First Respond is an authorized American Heart Association (AHA) training site. The differences between AHA training and First Respond training are that AHA training is more focused on the skill itself and First Respond training is about how to use the skills in China's unique environment. They use cartoons (Exhibit 8) and games to popularize the concept of first aid and help learners understand its importance.

Corporate solutions include tailored packages including AED deployment, safety protocol consultation, and training to help corporations embed "safety awareness" as part of their corporate cultures. First Respond argues that it is necessary to install AEDs at corporate sites because when it comes to life and death situations, the survival rate using an AED and CPR is 90%, but only 40%-60% if only doing CPR alone.⁷ Furthermore, to

achieve this rate of success, high-quality CPR is necessary which is difficult to achieve as people get tired and stressed in real-life situations. The price of the AED provided by First Respond is 19,000 RMB which is less expensive than similar models provided by competitors.

First Respond embeds its social mission into its products and solutions so that the corporations buying them are required to provide the service to the public or share their AEDs to the community. For example, there is a team called Ali Captain in Alibaba, and First Respond trained this team to not only provide first aid support within the company but also to various race events including the Shanghai Marathon. There is also a team from a state-owned enterprise in Nanjing that has not only provided service in their own company, but developed an emergency support system in their community. Some trainees have provided first aid to their local community, and even saved some people during their own time. For example, in October 2016, there was a Tencent employee who received First Respond training and saved a person from drowning in Shenzhen, which spread quickly through social media.

Event Management. First Respond collaborates with sports companies and local government authorities during the event planning phase of competitions so they can help them better understand the event risks including: how far the course is from hospitals; how fast they can get vehicles to rest points; quality of local support infrastructure (sometimes in remote areas, the event organizers have to use helicopters); anticipated weather; number of runners; and prevention through coordinating with other local partners such as the police and 120 ambulance physicians.

First Respond's services include not only the execution of the event but also establishing the IT system, recruiting volunteers, preparing equipment and on-site support. The First Respond's IT system includes a Mobile App and a central command system with GPS. Users can install the Mobile App by searching "sos919" from the Apple App Store or from Google Play. The functionality of "sos919" includes viewing SOS alerts, sending an SOS alert and starting a live stream video in five seconds.

The required number of medical staff and volunteers varies from race to race, depending on the size of an event and the length of the course, as well as the expected number of casualties (see details in Exhibit 9 for Road Race Medical Support guidelines for races with 10,000-15,000 participants).⁸ Race events in China are increasingly popular; while there were only 12 race events in 2010, there were over 200 in 2016 (see Exhibit 10). As of December 31, 2016, First Respond had trained more than 90,000 people, provided first aid services at 196 marathons (Exhibit 11), covered 790,080 runners, involved 9,580 volunteers, saved 11 lives (cardiac arrest) and had a 100% success rate of saving people suffering from cardiac arrest.

First Respond uses 150 volunteers on average for marathons, while for the 2016 Shanghai International

Marathon and 2017 Wuxi Marathon, there were 480 volunteers and 280 volunteers, respectively. The volunteers come from different sources, one group is the runners - "Rescue Runners" – who run and also provide first aid services. The second are the enterprise customers whose aim is to provide training and establish the SOS system in enterprises. In order to expand their CSR impact, First Respond invites them to provide these services to the public. Other sources of volunteers are schools and doctors. In international marathons like the Shanghai International Marathon, there are enough volunteers. But for small events with only a few thousands runners, sometimes it is difficult to find the volunteers and in such cases First Respond provides volunteers bicycles to be able to cover more ground.

Corporate and Governmental Clients

As of 2017, First Respond had provided emergency safety services to more than 100 corporate clients (Exhibit 12) and other partners (Exhibit 13), which accounted for 40%-50% of their total revenue. As First Respond was growing this business, Lu Le tapped his CEIBS connections. For example, one current client met Lu Le in a CEIBS class where he gave a public safety lecture. In addition, many corporations that have had employees pass away or an executive die from sudden accident have contacted First Respond directly.

When approaching clients, First Respond stresses how while first aid is not a necessary skill for employees' daily work, it is a useful skill to have in the workforce to maintain a high level of workplace safety. For example, at Alibaba, in addition to providing on-site training, First Respond implemented a campaign to recruit employee first responders within the organization, establish an Alibaba first responder volunteer team, and implement a safety protocol system for their business complexes nationwide. A CEO of a commercial real estate firm, who took first aid training as part of his CEIBS EMBA, installed AEDs in the firm's office buildings in 11 cities and allowed employees to take First Respond training to provide safety service for clients in their office buildings in order to differentiate their properties in the real estate market in China and to provide additional value to their stakeholders. Furthermore, they also have opened their AED for public use, so if someone near their office building mith First Respond to develop a set of standards for safety and security for office buildings in China. Amap, Baidu Map and Tencent Map all partner with First Respond to provide AED location services so users can find the nearest AED. Also, many large international companies such as Nike and Adidas sponsor marathons in China, needing safety operations support. While initially, they hired First Respond for event safety operations, they subsequently have ended up purchasing further services such as corporate training and first aid solutions.

In 2017, the Shanghai Government began installing AEDs in Shanghai subway stations and additionally contracted with First Respond to provide safety training. Now Shanghai has more than 1,000 AEDs in public

places and expects to reach 1,500 by the end of 2017.

Marketing and Communications

There are four full-time employees in the First Respond marketing team, and they are in charge of marketing, government relations, public relations, business development, brand strategy and volunteer services. As a start-up with limited financial resources, First Respond doesn't secure a fixed budget for "marketing" and they try to form partnerships with stakeholders in order to cooperatively market their products and services. First Respond believes that good products will sell by themselves, and many volunteers use word-of-mouth marketing to promote First Respond. In terms of attracting corporate clients, they rely on the CEIBS network and references from existing partners including Alibaba and Shanghai Tower.

First Respond also develops community-based activities (Exhibit 14) to bring people together and uses these activities as an entry point to further understand what the company does and therefore potentially purchase further products and services. First Respond works with governments to help government-based associations promote the concept of first aid. First Respond also uses internet applications such as Wechat and Live streaming platforms to promote the importance of first aid education. In October, 2016, there was a government event in First Respond's office where they conducted online CPR training via Tencent's QQ Space garnering half a million views. Furthermore, First Respond has engaged a wide range of media to take part in first aid activities to help spread the word about their work and mission. For instance, YiCai, a highly regarded financial news arm of Shanghai Media Group (SMG) is a strategic media partner of First Respond and the Shanghai TV Documentary Channel, and online platforms Sina and Tencent have all provided support to First Respond, donating advertisement slots and stars' time. For instance, the Shanghai TV Documentary Channel produced a thirty-minute documentary on First Respond which was widely shared with the number of clicks exceeding 50 million. Reeducating the public is a particular challenge faced by the marketing team because of false news stories and reports about first aid that have been publicized by governments and the media.

Competitors

First Respond faces a number of competitors in China. The Red Cross Society of China also conducts training, and some local rescue teams such as Blue Sky Rescue also provide similar services. Since 2005, the Red Cross Society of China has organized more than one thousand training programs for first aid skills, covering tens of thousands people. The Blue Sky Rescue team was launched in 2007 as an NGO for outdoor distress rescue by a number of publicly minded outdoor sports enthusiasts. After the Wenchuan earthquake in 2008, the team has gradually grown to include a number of types of rescue operations, including: mountain rescue, natural disasters and accidents rescue, urban rescue, water rescue and air rescue. The Blue Sky Rescue

Headquarters was established to cooperate closely with government departments to carry out public rescue services and safety knowledge training and popularization. In 2013, China Red Cross Blue Sky Rescue Team was established based on the collaboration between the Red Cross Society of China and Blue Sky Rescue.

Investors

Tencent made an early investment in First Respond in 2015, when Yifei Mu, the Chief Investment Officer of Tencent heard that one of his ex-colleagues was inspired by the mission of the organization. After Mu participated in first aid training, he recognized the importance of First Respond's mission and thought if they could mobilize social resources to save more people's lives it would have significant social impact. Also when Mu went on a business trip to the U.S. and saw AEDs in buildings at Stanford and Northwestern University, he realized that there were no AEDs at Tencent's headquarters. When Mu reported the First Respond case to the Tencent Investment Committee, they came to agreement to invest in five minutes.

Social Enterprises in China

As of early 2017 there are about 662,000 social organizations officially registered with the Ministry of Civil Affairs of the People's Republic of China (Exhibit 15). China has traditionally had a "dual administration system" for NGOs, which means that if an NGO wants a legal identity, it needs to get approval from two departments to provide registration and auditing. While the Ministry of Civil Affairs of the People's Republic of China administers registration issues, NGOs have to find an operation administrative department that is relevant to their field. For example, in addition to being registered in the Ministry of Civil Affairs of the People's Republic of China, the China Children and Teenagers' Fund, is also administered by the All-China Women's Federation. Researchers estimate that there are more than 2 million additional unregistered NGOs.⁹ The recent Charity Law of the People's Republic of China passed in March 2016 cancelled the dual administration system, offering a greater chance for unregistered NGOs to get legal status.

Recent economic and technology developments have popularized concepts such as social enterprise, social ventures, social innovation, venture philanthropy, impact investment, hybrid entities, B Corps and social business. For instance, the concept of social enterprise was initially brought to China by the British Council. British Council China launched a Social Enterprise Programme (2009-2016), which was aimed to leverage UK expertise and opportunities to train Chinese social entrepreneurs. The program finished in March 2016 and has trained more than 3,200 Chinese social entrepreneurs, facilitating 37 million RMB of social investments to 117 social enterprises.¹⁰ As of May 2017, there were four B Corps in China, including First Respond, Singbee, Gung Ho! Pizza, and People's Architecture Office. Despite recent growth, the social enterprise sector in China faces many challenges. Currently, "social enterprise" is not a legally recognized business entity in China. And the idea of a B Corporation, a U.S.-based certification program for social businesses, is still relatively unknown. Further, there is a lack of professional skills and the leaders of social enterprises have minimal or no experience in running a mission-driven businesses. Additionally, because of low pay, the sector is plagued with high turnover. Fundraising is also a challenge – for instance, as of 2016, the total amount of donations in China was almost 100 billion RMB, accounting for only 0.01% of GDP far below 2.2% of GDP in the U.S., and only 40% of the donations in China are from individuals, far below 70% in the U.S.

To support the growth of the sector, many universities have established research and teaching centres including the Centre for Civil Society Studies at Peking University, Guanghua-Yintai Centre for Philanthropy and Social Impact at Peking University, the China Institute for Philanthropy and Social Innovation at Renmin University of China, the China Philanthropy Research Institute at Beijing Normal University, the Institute for Philanthropy at Tsinghua University, and the Centre on Philanthropy at Sun Yat-Sen University.

Further Challenges

Obstacles of Selling AEDs and Training Services

Liability is the biggest reason clients hesitate when purchasing an AED and First Respond services. Shopping malls, banks and hotels are liable for injuries on their property and they don't want to provide these safety services which may ironically increase their risk of a lawsuit. For example, in a well-known case in 2012, Mr. Cao saw Ms. Chen fall off her bicycle, and kindly approached her, moved the bicycle away and helped her get up. But Ms. Chen sued him for knocking her down. However, the court discovered a surveillance video that proved the innocence of Mr. Cao. In another example, a young boy had his hand trapped in an escalator at a shopping mall and despite much effort the shopping mall staff was unable to dislodge it and had to call the escalator company to help. The parents sued the shopping mall and the judge found that although the staff of the shopping mall took a variety of first aid measures, they didn't use the correct techniques, and so the shopping mall had responsibility for the boy's injuries as a result of the rescue attempt.

The price of 19,000 RMB for an AED is expensive and since First Respond is not well known, many Chinese companies are skeptical about whether they will provide quality services. For corporate clients, First Respond does provide a complementary half-an-hour pre-course, which includes information on the safety situation in China, why First Respond is offering this service and what services packages include. First Respond advocates that having employees learn first aid will change office culture and make the work place more harmonious, because the employees will see colleagues as potential life savers rather than competitors.

Difficulties of Communicating Social Mission

First Respond initially tried to market itself as a social enterprise. However, it discovered that clients were not interested in their social mission; they just wanted to find services or solutions. Because of a lack of knowledge about social enterprise, most Chinese clients have perceived First Respond as an NGO or philanthropic organization, and expect cheap and potentially lower quality products and services. For example, in 2016 First Respond met with a well-known venture capital firm that was interested in investing, but the investor did not understand the concept of a social enterprise and perceived First Respond as a non-profit organization. This resulted in a decline to proceed further since they couldn't see the financial opportunity in investing in such a company. Furthermore, one potential customer persistently asked for a discount on the training First Respond has had to invest significant time and effort to discuss the concept of a social enterprise and how First Respond differs from conventional businesses in both their pursuit for profit and creation of social value.

Starting in February 2016, the founders and management team decided to reposition their product sales. They realized they had placed too much emphasis on the social mission instead of the quality of products and services given the lack of knowledge about the value of social entrepreneurship and social enterprises in China.

Potential Ways to Scale Up

Although First Respond has built partnerships with the AHA, schools, corporate clients, non-profit organizations and other foundations, as of yet it lacks a strong relationship with governments. Recently, significant progress was made towards building a strong partnership with the Pudong district in Shanghai who had initiated activities to promote public awareness of first aid through an AED map project and a series of "Citizen Heroes" event, which included learning about conducting fire drills and car accident rescue techniques. They also included a role play game where contestants performed CPR and competed based on their knowledge of first-aid. In November 2016, Shanghai adopted Regulations for Emergency Medical Services and planned to add 25 first aid sub-stations by 2017 and 44 new emergency sub-stations by 2020.

One avenue for First Respond to expand is globally. Event operation services are not only limited to just providing first aid training and in-race first aid volunteers, but have created a complete incident command system which consists of a voluntary network, telecommunication system, and hardware and software developed by their own product management and IT teams. Moreover, their voluntary network consists of professional doctors and nurses, and they partner with the AAEMS (Asia Association of EMS) working closely with chief medical officers of race events (NYC Marathon, Berlin Marathon, Tokyo Marathon) throughout the globe to maintain their system to an up-to-date, global standard. Finally, their marathon safety operation services could expand to include "event operations," meaning other sport events, concerts, conventions and exhibitions. Over the long run, they aim to implement the system in a public setting to reach the entire Chinese population, enabling them to help themselves and others on a platform provided by First Respond or the government.

Exhibit 1: AED¹¹



Exhibit 2: Medical Rescue Guidance for Chinese Marathons and Related Sport¹²

	Points	Golden Tournament	Silver	Copper
		Standards	Tournament	Tournament
			Standards	Standards
Medical Rescue	5	Targeted medical rescue	Have a medical	Have a medical
		system	rescue system	rescue system
	5	Medical staff, facilities and	Medical staff is	Medical staff is
		medicines are adequately	well equipped,	well equipped
		equipped	equipped with	
			basic facilities and	
			medicines	
	3	Strong abilities to handle		
		emergencies timely and		
		properly		
	3	Medical reports are timely		
		and accurate		

Exhibit 3: First Respond's Patents

Technical field	Technical branch	Importance level
Internet and software related	Information processing of	***
	calling and requesting	
	Determine the rescue routes	
X	intelligently	
	Event protection related	
	Urban Area Safety Index	
Graphical User Interface	Classic interface of user calling	*
Rescue equipment related	UAV related rescue equipment	**
	Intensive Care vehicles related	*
	rescue equipment	
	Medical modified vehicles	**
	rescue equipment	
Others	Internet+ emergency supplies **	
	Internet+ first-aid training	
	Teaching aids for first-aid	
	training	



Exhibit 5: The Core Management Team of First Respond¹⁴

Lu Le CEO/Founder. Lu Le received his BA from Keio University and EMBA from CEIBS in 2009. In January 2001, Lu Le cofounded a technical and testing service company called BII Group, which is a public service platform for internet infrastructure with a focus on IPv6, Domain Name System (DNS), software-defined networks (SDN) and Internet of Energy.

Yiming Lu Chief Medical Officer. Yiming Lu received his French ICU professional diploma in 1992 and clinical toxicology specialist certification in 1995. He is the vice president of the China Association of Emergency Physicians, president of the Shanghai Association of Emergency Physicians, vice chairman of Chinese Medical Association First Aid and Recovery Professional Committee, Chief physician, Professor and PhD Tutor in Shanghai Jiaotong University School of Medicine Ruijin Hospital and the chairman of the institute of Marathon Sports Medicine.

Cathy Wen CFO/Cofounder. Cathy Wen received her BA from Southwest Minzu University in 1996 and EMBA from CEIBS in 2011. She is a Canadian Certified Public Accountant, and she has twenty years of experience in enterprise financial operation and investment, financing and M&A. She had served as Deputy Financial Controller of the New World Group and CFO of the Da Ling APP company which is a mobile e-commerce platform.

Robin Lu COO. Robin Lu received a BS in Computer Science from Shanghai Jiaotong University in 2001 and an MBA from CEIBS in 2012. He has sixteen years of experience in the IT and Finance industries, and has previously has worked as an engineer at Capital One, and IT operations manager at DOW Chemical.

Rainy Zhang Marketing/PR Director. Rainy received her bachelor's degree from Shanghai Normal University and graduated from CEIBS as an EMBA in 2015, and previously worked in traditional business industries as the PR professional. In July, 2016, Rainy formally joined in First Respond to take lead of the marketing team.

Min Ko International Affairs Director. Min Ko received a BA in hospitality management from the University of Nevada, Las Vegas and an MBA from CEIBS in 2016. She has work experience in the US, China, and South Korea in hospitality management and global HR development.

Ying Cao CTO. Ying Cao received a BS in Computer Science from Fudan University. He has twelve years of experience in the IT and internet industry, and previously worked as a software engineer for IBM and senior R&D manager for 3M.

Lisha Ye Online Products Manager. Lisha Ye received a BS in software from Nanjing University and M.Phil in computer science from Hong Kong University of Science and Technology. She has five years of experience in product operations and previously has served as a senior product manager in Tencent.



Exhibit 6: Photo of First Respond Training Course¹⁵

Exhibit 7: List of Training Courses

Exhibit 7: List of	Training Courses					
Courses	Outline	Target	Duration	Objectives	Certification	Price(RMB)
First Aid Foundation Course	Learning basic first aid skills and knowledge, the importance of CPR and use of AED through classroom-based setting	All adults	90 min	Learn the basic first aid knowledge and skills; Lean the common mistakes of first aid; Learn how to perform CPR and the use of AED		200
AHA Heartsaver [®] First Aid CPR AED Course	Learning first aid basics; Adult CPR and AED use with learning materials and course guideline provided by AHA. This course is taught by AHA Certified Instructors.	All adults	8 hours	Learn different steps of the Chain of Survival; Learn when someone needs CPR; Learn to perform high-quality CPR; Learn to use AED; Learn how to perform first aid skills	AHA Certificate	800
AHA Heartsaver® CPR AED Course	Learning Adult CPR and AED use with learning materials and course guideline provided by AHA. This course is taught by AHA Certified Instructors.	All adults	2 hours	Learn different steps of the Chain of Survival; Learn when someone needs CPR; Learn to perform high-quality CPR; Learn to use AED	AHA Certificate	400
First Respond® First Responder Course		All adults	3-4 hours	Learn different steps of the Chain of Survival; Demonstrate the basic life-saving skills through given simulations; Learn how to respond to emergencies in China; Develop leadership skills and teamwork ability	First Respond® Certificate; Emergency rescue liability insurance by Ping-An Insurance	800
First Respond®		All adults	6 hours	Learn different steps of the Chain of Survival;	First Respond®	1200

HKS Case Program

First Responder			Learn when someone needs CPR; Learn to	Certificate; AHA	
Advanced			perform high quality CPR; Learn to use AED;	Heartsaver [®] CPR AED	
Course			Demonstrate the skills through given	Certificate;	
			simulations; Learn how to respond to	Emergency rescue	
			emergencies in China; Develop leadership skills	liability insurance by	
			and teamwork ability	Ping-An Insurance	
First Respond® In-Race First Responder Course	All adults	4-5 hours	Learn the component of high-quality CPR for adult; Learn the Chain of Survival; Learn how to provide basic first aid skills on road races	First Respond® In-Race First Responder Certificate	800
First Respond® In-Race First Responder Advanced Course	All adults with basic life-saving skills and knowledge	7 hours	Learn the component of high-quality CPR for adults, children and infants; Learn the AHA Chain of Survival for pre-hospital provider; Learn relief of foreign-body airway obstruction for adults and infants; Learn how to provide basic life supporting skills on road races	First Respond® In-Race First Responder Certificate; AHA BLS Certificate (TBD)	1200

Exhibit 8: First Aid Cartoons¹⁶



First Aid for Choking

First Aid for Cardiac arrest

(Choking)

(1) Call for help

(2) Wrap around victim's waist with your right fist just above the person's belly button and hold the left hand against the abdomen.

(3) Give a quick upward and inward thrust until the object or food is forced out.

Wrong Methods:

Trying to unblock the airway by drinking water.

Slap the victim's back.

Eating glutinous food to unclog the airway.

Immediately giving mouth to mouth resuscitation.



Aiyo!

First Responder: Quick! Lie down and don't move!

Victim: But... I... forgot.. to save the file.....

文件还现 (1) Immediately stop work and lay the 保有 victim on a flat surface.

> First Responder: Hello, 120 (9-1-1 in China)? We have a dead man in the room! Victim: What? I'm not dead yet!

(2) Call for help by dialing 120 and

accompany the victim until help arrives.



First Responder: Don't die, my friend! You still haven't finished your document yet!!!!

(3) If the victim is unconscious and not breathing, immediately start CPR.

Wrong Methods:

Firmly holding the victim's upper lip.
Punch the victim's chest with a fist.

Road Race Medical Support-Guidelines	5K	10K	Half Marathon	Full Marathon
10,000-15,000 participants				
Medical Coverage at the Start				
Volunteer Medical Tent/Station	1	1	1	1
American Life Care (ALC) Ambulance	2	2	2	2
Proceed out/mobile medical teams of 2	5	5	5	5
Course Medical Coverage				
Medical Tents* w AED's	0	1 to 2	Every other mile	Every other mile
EMS Bike Teams w AED's	8 to 10	4 Teams of 2	10	14
EMS Medical Gators w AED's	1 to 2	6	6	6
ALC Ambulances	3	3	5	6 to 8
Basic Life Support (BLS) Ambulance	2	1	2	4
Medical Sweep/Sag bus	1	1	1	1 to 2
Proceed out/mobile medical teams of 2	0	To support tent	1 for every tent	2 teams per tent
Finish Area Medical Coverage				
Pre-finish coverage/before finish line	4 teams of 2	4 teams of 2	6 teams of 2	6 teams of 2
Immediate finish line	20	20	20 to 25	20 to 30 MV ³
EMS at Immediate Finish Line w AED	ALC support	ALC support	ALS ⁴ support	ALS support
Medical Tent/Tents	1	1	1	1
EMS Medical Gators	4	4	4	6
Proceed out/mobile medical teams of 2	2	2	6 teams of 2	10 plus
*Post Finish Line Coverage	10 MV	10 MV	Same	10 plus
*Family Meeting/food area	Yes	Yes	4 teams of 2	4 teams of 2
*Baggage Pick up	Yes	Yes	Yes	4 teams of 2
EMS to support medical tents w 12 lead monitors	1	1	Yes/EMT-P	EMT-P
*ALC Ambulances	2	2	2	4
*BLS Ambulance	1	1	1	2

Exhibit 9: Road Race Medical Support- Guidelines: 10,000-15,000 participants¹⁷

*will depend on if the course is a point to point or a loop course.

Note: numbers and suggested coverage locations can vary based on weather conditions

³ Medical Volunteers

⁴ Advanced Life Support

HKS Case Program



Exhibit 10: The Number of Marathons in China from 2007 to 2016¹⁸

Exhibit 11: Photos of Field First Aid¹⁹



Exhibit 12: Key Clients and Industry Breakdown²⁰



Exhibit 13: Key Partners of First Respond²¹



Exhibit 14: Community Based Marketing Activities²²





Exhibit 15: The Number of Social Organizations in China, 1995 to 2015²³

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¹¹ Image courtesy of Frist Respond.

¹² Official Website of Chinese Athletic Association, *Medical Rescue Guidance for Chinese Marathons and Related Sports*, August 4, 2017, retrieved from <u>http://www.athletics.org.cn/marathon/tzgg/2015-01-29/464341.html</u>.

¹⁴ Courtesy of First Respond.

¹⁵ Image courtesy of First Respond.

¹⁶ Image courtesy of First Respond.

¹⁷ Loughhorough University & the Matthew Good Foundation, *IIRM (International Institute for Race Medicine) Medical Care Manual.*

¹⁸ Official Website of Chinese Athletic Association, *Chinese Marathon*, August 4, 2017, retrieved from

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¹⁹ Images courtesy of First Respond.

¹ Phone interview with Lu Le, February 15, 2017. All further quotes from Le, unless otherwise attributed, are from this interview.

¹³ Courtesy of First Respond.

²⁰ Images courtesy of First Respond.

²¹ Image courtesy of First Respond.

²² Image courtesy of First Respond.

²³ Ministry of Civil Affairs of People's Republic of China, *Social Service Development Statistical Bulletin*, August 4, 2017, retrieved from <u>http://www.mca.gov.cn/article/sj/tjgb/</u>.