Transcript

Mark introducing the speaker – (Elisabeth Rhyne**)**
Elisabeth Rhyne, who's joining us tonight, is one of the most prominent and prolific thinkers on the evolution of microfinance. Her perspective is informed by two decades of work as a leading practitioner and policy maker in the field, including eight years working on the ground in Kenya and Mozambique. And of course, she's the former director of USAIDs microenterprise development program and she's currently Director of the Center for Financial Inclusion at ACCION. In this latest book she covers and probes so many of the topics that the Microfinance Club of New York has tried to explore through its events over the past year including: new entrants to the field, innovations, investments, retail investing, and developments in regulation - it really covers the gamut. She has really helped to bring about the mainstream acceptance of profitable financial services for the poor. So, please welcome Elisabeth Rhyne**.**

(Elisabeth Rhyne Speaks)
Thank you Mark. I noticed it was really hard to hear over on that side of the room. So let me ask, can you hear me well enough, is it clear? Great!! Thank you all for coming. I am really amazed at the standing room crowd. That's really exciting. Before I start, I just want to introduce some colleagues because I have great colleague support tonight from **ACCION's** staff,

(ACCION Staff Introduced by Elisabeth Rhyne)
Acting CEO - Cathy Quins,
Josh Goldstein
Sherbet Connors,
Conner Comitra
Stabin Altrue from **ACCION's** staff … who are all here tonight. So, it's really nice to be here with that kind of support. And we even have two board members;

Board members:
Tara Kenny – Deutsche Bank
Nancy Truite who was the chair of ACCION board for many years… thank you for being here!

(Elisabeth Rhyne explains the purpose of writing this book and the book contents)

I would like to start talking about book by asking one question. Since you all are knowledgeable about Microfinance already, you may know the answer. The question is; What financial institution, that works at the base of the pyramid serving low income people; after only 5 yrs of operation; had 8 million outstanding loans, 8 million savings accounts and 10 million insurance policies and was the biggest distributor of remittance payments in its country?

You think about it. Don't answer yet. I will come back to this. But, the reason I am starting with this is because I think the numbers that I just read to you are very challenging for those of us who are working in microfinance. If you look at this; they really open up the question of scale-reaching scale in microfinance. And when you start to think about the fact that the actual answer to this is one of the private sector companies profiled in the book, then you have to wonder about the role of commercial sector in bringing about the financial inclusion**.** So, what I am going to do tonight is tell you the stories of several of the institutions that we profiled in this book. And then I am going to make some reflections on these examples.

But first what I want to do is step back to the origins of the book and talk a little bit about what we are trying to accomplish with it. How many of you remember; that 2005 was the year of microcredit, or the year of micro-conferences?

And one of the outcomes of the year of micro credit was the establishment of a high level policy group at the UN called the UN Advisors Group on Inclusive Financial Sectors**.** ACCION was represented by Maria Eutero on that group and there were a number of both private sector companies, government. officials and microfinance leaders in the group.

ACCION participated in what was a smaller group of folks from the private sector and the idea emerged from them that they should be spending their time looking at what should be the role of the private sector in financial inclusion and how you could attract the private sector to get more involved. So, we started the project. Visa, who was part of the group, came in with some financing that helped us do the research that led to the book. We started to think about ways to attract the private sector. First, we thought, demonstrate the market opportunity. We covered some of this in the book; it's not a very extensive portion, but there is a little bit there. I think that on a global basis the market opportunity is reflected by the fact that the bottom of the pyramid is a four billion person market with five trillion dollars of spending power around the world. When you start to look at the penetration of financial services within this arena, you see the numbers being very great. We've just been doing some work in Mexico, and Mexico is certainly not at the bottom of the ranking in terms of financial inclusion, it's somewhere in the middle. But in Mexico only 37% of households have a formal savings account and only ten to twenty percent have credit. So the market is there. People pay for financial services because they really make a difference in their lives. So there's a revenue pooling waiting. Ok, there's a market opportunity. But you have to believe that it actually can be done. The best way to believe that it can be done is by looking at real life cases of organizations that have done it. That's why the book is really founded on 16 case studies. And these are real life case studies of businesses, private sector businesses who have become involved in inclusive finance and whose examples are mature enough so that you could make a judgment about their success in one or other dimensions.

The dimensions that we are considering here are success on scale, success on product innovation, or a success on impact. So our case studies comprise three international banks, four regional and national banks, two retailers, two technology companies and two telecoms companies.

What do we need to do to attract the private sector? We need to help them understand what kinds of questions they need to ask and what do they need to know. So let's think about providing a road map for thinking through the strategic questions. And so the 1st half of the book is really focused on developing that road map looking at issues like how is the low-income market special? What do you need to know about them? What are the risk issues? What are the product design issues? ….

Ok… so that sort describes our treatment of the private sector in the book. But a sub-text or a sub-goal was to move from microfinance to financial inclusion. Unfortunately, financial inclusion is not part of the title of the book because now microfinance has finally become well enough known that the publishers insisted that microfinance be part of the title; which you know if you told me ten years ago, I would have been totally amazed.

But what we really wanted to look at was the movement from a mono-product enterprise development credit based microfinance industry to full financial inclusion. What did that mean? It means several things. One being, full range of financial services. We are talking about a full suite of services, that's what people need. They don't just need enterprise credit.

And we are talking about doing more than counting heads in terms of defining inclusion, and not only a full suite of financial services but delivered in a way that really works for people: convenient, affordable and with products that are well designed for what people need. And that also implies a wider range of providers including both social sector and profit sector providers.

So, as we worked on the book we discovered also that we had a lot to say about social responsibility in business. And so, I will come back to that but that's one of the things we ended up spending a lot of time talking and thinking about.

And we also discovered that what we were finding out had a lot of implications for microfinance. So, since you'll are a microfinance focused audience, I'll kind of come back to that….So, let me get on with the stories.

Any guesses as to who the mystery institution was? and you can't look at the book.
Its 8 million loans, 8 million savings, 10 million insurance….?
(Elisabeth asks the audience to answer her earlier question. The one she had asked in Audio Lip 1 and had allowed them the time to think for the answer. A man in the audience offers to answer the question) **Elisabeth Acknowledges:** Yes?

A Man in the audience: I'll just take a guess. Citigroup?

Elisabeth: Citigroup? No. I wouldn't call Citigroup directly a base of the pyramid financial institution although it does have some of the things in that direction.

Another man in audience: What about Compartamos
Elisabeth: No, Compartamos has approximately 1 .5 million clients so it's not nearly that big.

(Discussion between few men and a lady in the audience to get to the answer; the lady makes a guess that the company maybe somewhere in India ...)

Elisabeth: No, it's Banco Azteca of Mexico. So, for those of you who are not familiar with it; I see, some people know Banco Azetca already but not all of you do.

Banco Azetca is a commercial bank that was founded by Grupo Electra. Grupo Electra being essentially the Walmart of Mexico; it's a totally commercial operation. And the background is that Grupo Electra had about a 1000 stores in Mexico and Central America. It started giving in-store credit to people who are purchasing its products to help them finance the purchases of the product. Now we just mentioned that for a low-income person, the type of product that needs to be financed are different from the kinds of products that higher income probe. You know, you might really stumble at the cost of a coffee maker where someone who is higher up…. that's probably not a good example, but anyway couldn't think of a better one at the moment. The point is that even things that we would think of as a relatively small purchases need financing. So, anyway, Groupo Electra was busy doing that and decided that, it observed that there was a big gap in financial services among clientele and it began a sought a banking license and created Banco Azetca. It now claims that only 10% of its loans are actually in-store purchase loans the rest have gone way beyond that function and has a very diversified set of loan products at this point. So, we ask, why was Banco Azetca able to become so large so fast? In fact it is so large that you could say it is the largest microfinance institution in the world.

Except that I bet that there are some of you who would like to say that it is not a microfinance institution. So we have to deal with that in a second.

But really the numbers are big. So how did it get big? First of all, you could come up with these answers pretty quickly but it piggybacked on the existing distribution network that it had through its stores. So, that made it very cheap comparatively speaking to get the services out of the door. And beyond just the physical infrastructure that it had, it had client relationships. It had existing customers - millions of existing customers. It was known to all those customers and it had IT systems that were very good at taking that client data and slicing it and dicing it to really get information about what those client's patterns of spending etc. were like and use that data to be able to design its products.

So, I think that when you look at what Banco Azetca achieved, you really have to come to grips with the fact that there's challenges you didn't think about scale in a different way, in a different level. If I was a bank and especially Mexican bank thinking about

Bank Azetca, one thing I would think is it's interesting that the disruptive force in the market at this level in this market segment was not a bank, it was a retailer. And it only moved into banking. So, but the driving force came from a retailer.

And I guess for microfinance the question is – Oh! (In fact I have heard this argument since I have started to talk about this book as people say….)

Oh! But Bank Azetca is not a bank. I mean they are not a microfinance institution. They just do consumer lending!! And I say; well, maybe that's what they started with but if you look at them now it's way beyond consumer lending. And if you look at where they are going to be going over the next 10 yrs, it's going to continue to push down into the untapped market that we mentioned in Mexico. So, it's a challenge for microfinance….

The next company is another non-bank change maker. And that's Vodafone. That's profiled in the book with its subsidiary Safaricom in Kenya. It created M-PESA, PESA being Swahili for money so it's mobile money. I want to describe the value of mobile money for people living in Kenya. But I have to go next door to Uganda because I had an experience once of going up to the mountains in Uganda where there was coffee being raised. And up in those villages, talking to coffee farmers, they said there was absolutely no way to do any financial services up there in their village. And in order to transact they had to come down off the mountain to a provincial town, which is where they got paid for the coffee that they produced. So, then they had to take the cash back up to their house in the mountains and there was one road. And everybody knows that the travelers on that road had a likelihood of carrying a lot of money - so they were really sitting ducks.

So, when you think about how important the ability to move money around from one place to another is for those people; then you (just bring that next door to Kenya), you can see why the M-PESA product really struck pay dirt once it got started and Vodafone was able to develop 5 million users in only 2 years. So, that's more than the number of bank accounts in Kenya I have been told.

Now one thing, I think the message for banks is sort of the same one as thicker one. The movers and shakers in this bottom of pyramid financial services in market are not the banks. They are coming from other places. They are coming from retailers.

But for microfinance, one other, just little story to tell is that when Vodafone started doing this, it did its pilot project with Faulu. Faulu Kenya, is a microfinance institution in Kenya that uses group lending and it was what M-PESA originally offered in its pilot service was inability to repay your loans using your cell phone and what happened was that people stopped going to the weekly group meetings because they were able to pay their loans without going to the group meetings and Faulu said "Oh my Gosh! That can't be the group meetings or the core of what we are all about." and so it cancelled its participation.

I understand why Faulu cancelled its participation. But I think it's very interesting to think about what does that say about partnerships between the private and microfinance sectors? What does it say about the flexibility about the microfinance sectors to respond to the emerging situation?

(Elisabeth moves on to talking about the 3rd story)
OK the 3rd one is ICICI that I want to talk about. First it's a great lesson in the sense that it is a mainstream bank made strategic decisions about how to get involved in microfinance. And in doing so, it really engineered the take-off of microfinance in India. The key strategic choice that ICICI made was to go wholesale rather than retail. To recognize that even though it was the biggest private sector bank in India with many many branches, its comparative advantage was not to serve the low-income market directly and so it created the partnership model whereby it financed microfinance institutions. The partnership model really was an arrangement where microfinance institutions were essentially servicing agents for ICICI; which then was making the loans directly to the client. But from the client's point of view it still looked like they were getting their loans from their local MFI. The only thing was different was the loan documents that was somewhat different. But legally it was ICICI lending.

Now through the partnership model and also through some securitization deals they were well on the way to reaching their goal of putting a billion dollars into microfinance in India. But along the way they discovered that the microfinance industry was too small. They weren't enough good MFI's with enough growth potentials, and so they also started using more of their CSR arm to invest in helping to build the capacity of the sector. They invested in FINO which was a payment systems company and they invested in parading research capacity as well among many other seminal initiatives within the industry.

So, that's a look at a bank that has a business strategy and that is also using its philanthropic arm to support the business strategy but in a way that really is legitimately philanthropic.

However, all that came to an end because of policy and regulatory issues, 'know your customer' issues. The Central Bank of India, the RBI, got nervous about the partnership model and ICICI withdrew from it.

So, I guess the question here for microfinance is – Was ICICI a good partner? -- Yes and No probably. It certainly made the sector grow faster. Many of the microfinance institutions involved thought that ICICI was a little bit too bullying, might use that word may be, but you cannot deny the depth of the change that it was able to bring about.

So those are the 3 stories…. **(Elisabeth concludes with the takeaways from the 3 stories)**

And let me just reflect briefly on a couple of things that I'd take away from that. Some of which I have already mentioned.

One – being that banks are not necessarily the key movers here. But the real game changers are going to be those kinds of business that already have connections to the clients. And those institutions will step in because there are clients in the financing and because of the existing relationship they are well positioned to do so and probably because they are less regulated and the banks have less freedom to move because of the severity of the regulation.

A Second key finding that we haven't talked that much about - but we could talk about it if you want in the question time - is that really to rescale we need innovation to reduce cost using technology and there are several cases and chapters that really focus on that. One of which is the case of Visa and its government payments. Using Visa cards to make payments of government benefits, welfare benefits which really is a triple win. It's great for the government because it's cheaper and more secure. It's good for clients, also more secure and it allows the banks to become involved in reaching the set off clients that they hadn't reached before. So, that's a terrific business model.

Another key finding just has to do with the importance of partnering and how well positioned microfinance institutions are to do that kind of partnering if they know, if they figure out how to do it or if they are willing to. And the reason that partnering is so essential is because there are very few Banco Azetcas. And if you look at most of the institutions, or most of the businesses, that you would think of that might get involved in low-income finance; they don't have all the attributes. They might have the financial resources but not the relationship with clients, or maybe the relationship with clients but not the distribution channel or whatever. And that means that most of these business models to really achieve scale and really solve the financial inclusion problem are going to have to be involved in partnering.

Finally I want to step back and reflect a little bit about what I take away as the performance of the private sector so far in reaching into inclusive finance.

I see a lot of positives, they have… the private businesses can bring technology, financial resources, distribution networks, information and the ability to operate with scale. And that's why I think that it is so important for them to be involved.

But there are a couple of drawbacks. The biggest one, one of the biggest ones is; they don't understand the informal sector very well or the low income sector and tend to think of the low income sector as the same as the middle income sector; only worse. And they need to understand the differences - the fact that you would treat this sector different from a product design and delivery point of view. Many of them have consumer protection vulnerabilities that I think would give many of us in the room a little bit of unease about them. And I think some of the criticisms that Bank Azetca has brought on itself have to deal with that.

But I think the biggest issue for me is the issue of short-term vs. long-term market building. And what I see is, and may be the ICICI case is a good case of that, is that it's often difficult to really maintain commitment overtime and we see a lot of entry and exit.

So, it's only those that really make low income finance a mainstream part of their business model that you can really count on to be permanently in the market. And I think that the shallow commitment reflects in part and issue that focus more on short-term profit and so that if it takes longer than expected, the patience wears out. I think that businesses need to be viewing this as a long-term market building because the clients who are in that 4 billion at bottom of the pyramid are the market of the future.

There are a couple of implications for microfinance. It's clear that game changing innovations are on the way already and microfinance needs to respond vigorously to them.

Another point that I really think is important is that MFI's really are still the gold standard for double bottom line financial institutions and they are the ones who really do have the permanent long term commitment. Its serving that group is what they are all about. And we will, as we move forward into more private sector involvement, we need the example of those kind of institutions to be steadfast in serving the sector.

That's what I have to say about the book. But before I leave you I want to put in one word about the campaign for client protection in microfinance. I mentioned client protection a couple of times and it's clearly in the wake of the financial sector melt down. We are recognizing importance of client protection and I would just invite you all to take a look at the website of the campaign for client protection. Look at what it's about and consider endorsing it. But really what it is all about is trying to put client protection front in center in the way that the microfinance industry does business - make it part of the DNA of the industry.

I'll stop there and invite comments and questions from all of you. **(Elisabeth completes her speech and audience claps)**

Elisabeth continues to say;

I don't know how much time we have for that but…. And Oh! I am told that they are recording this but there isn't a microphone. So, you have to shout… **(Elisabeth and audience laugh)**

(Question and Answers session begins. Lady from the audience asks a question)

<u>Question 1</u>

Lady: I was wondering if….

Elisabeth interrupts: And can you say who you are?

Lady: My name is Cher. I am based in New York. I was wondering if you could share with us stories about how the central banks are responding to the challenge. It sounds like you are saying that the movers and shakers are retailers and non-bank institutions. I am wondering if you've noticed any response from central banks.

Elisabeth: Well, I think the biggest issue on the score of central banks responding to people coming in to the financial sector from outside; I think the biggest issue has been with the telecoms companies. One of the reasons there are only a couple of countries where microfinance money transfers through cell phones is because there are only some countries that have been willing to give the telecoms companies the go ahead to experiment. Many of the other countries are requiring telecoms money transfers to be linked much more closely with a bank. So then you have this partnership problem of the telecoms company and the bank having to figure out how to work together. The banks have so far not been all that interested in cell phone banking. Then you also have the issue that the central bank regulates the financial system and telecoms are regulated by another regulator.

<u>Question 2</u>

Man: My name is Peter Burgess. I am reminded that you were talking about this that credit card in the United States was not invented by banks. It was invented by Sears. The Sears card was far more important than Visa until quite recently. I have a question. Is anybody thinking about and measuring the value that these different institutions are putting on the ground at the bottom of the pyramid. Seems to me that this is really serious thing to look at.

Elisabeth: You are right. It's a serious issue; it's a very important issue. I would say that... I mean I have always been, I tend to get beat up for this but I have always been an advocate of the market test which suggests that if people are coming back for more, telling their friends, repaying their loans, they are getting value. And I think that that really is a very important test. Beyond that, we have a lot of attempts to measure impact. They are all fraught with methodology difficulties or else they are very very narrow. So, I think it's a very hard problem to solve but I think you are right that it continues to be kind of a thorn in the side of the whole microfinance issue that we can't say anything more clearly about exactly what's the result. I would just also though say that if you look at the value that financial services are to people at the next level up in terms of…. Or even yourself, you know what would your life be like without financial services. For me that kind of comparison suggests that there is a pretty important role for financial services.

<u>Question 3</u>

Man: Hi! I am Srini. Looking for microfinance career. So, my question is do you see evidence of microfinance institutions partnering with agencies who are actually doing capacity building at the ground level so that they are in a better situation to get work on more opportunities and use financial services more. So, do you see any evidence of that?

Elisabeth: There are lots of different examples of microfinance institutions partnering or kind of referring clients back and forth to training institutions and enterprise development organizations. I think that the training and enterprise development is a field that has not progressed as fast and as far and so there's sort of often kind of lopsidedness between the 100,000 client MFI and the capacity to really reach people of many of the training institutes. But there are lots of training institutes out there and they have a role to play. I think one of the areas that's really hot right now is clearly financial education. People in the developing world are realizing that if you are going to be providing a wider range of services, especially services that people have not received before - like insurance - that financial education may play an important role there.

<u>Question 4</u>

Man: Hi! I am Ronny Nathan. Have you seen much of a trend in terms of microfinance been used as a part of integrated rural development as apposed to stand alone service?

Elisabeth: I see that there are some efforts in that direction …. just to tell you some of the history of ACCION. When it first got started back in the early 70's, first got started working in microfinance, it was doing a more integrated approach where it was requiring training before giving a loan. So you had to go through a training program. And one of the big insights that made it possible for ACCION's work in microfinance to really takeoff was the insight that people were good clients without the training and the training didn't increase repayment rate, clients didn't like it because it was a hassle you know. What they really wanted was to get the loan and it also cost a lot of money so it made the programs non-viable financially. And it distracted the institution from figuring out how to do lending well. And so it was only when they jettisoned that completely and said people already know how to do what they do so let's just you know support that. And then it took off. Now I think we have moved very strongly in the; what's called the minimalist direction over the years. And now I think that there is more openness, now that the task of really figuring out how to do the financial services has… there's so much progress there that it is possible to go back more now and say what are the other needs and so now we have a lot more experimentation on some of the issues of what I think of is micro **and**… so microfinance and energy, microfinance and housing, microfinance and water.. uh.. so that brings in the broader development agenda.

Mark: The microphone magically appeared …. I think we have time for a couple of more questions.

Elisabeth: Oh! A microphone!!! I thought you said a microfinance appeared. A microphone appeared…!! **(Audience laughs)**

<u>Question 5</u>

Lady: Suzanne Chaffin. Microfinance consultant; I just wanted to highlight one of the issue you raised at the beginning of your presentation. Which was; now that we have shift philosophically in our outlook in terms of looking at the base of the pyramid; base vs. bottom. As a market opportunity vs. looking at poor people, as either we can't make a profit from them or it would immoral; then at least to a much greater success and also as demonstration affect we've seen a success of private sector. I was actually in Mexico when Electra had their IPO and they are a white goods or electronic goods store that's was what you were looking for and there was payment on installment for washing machine, TVs, washers, dryers etc. so normally one might think poor people can't afford these things but they could if they have a proper financial instruments and tools. And so what I like about your book and everything that you are discussing and the model is simply that the private sector thinks about the bottom line and that's a driver. So, let's make it work as opposed to having some moral considerations about how we ought to treat poor people which are condescending etc.

Elisabeth: I think that the potential of the drive for the bottom line to increase efficiency in the business model is really important. Just more on the philosophical level...you know one of the things that's always for me motivated microfinance was the idea that microfinance as apposed to some other development approaches treated people as the agents of their own development and I think that fits in well with a private sector approach.

Elisabeth: This is like... Do I start the buzzer, I mean whoever has the buzzer can ask the question or something?

<u>Question 6</u>

Man: Jacob Haar from Minlam Asset Management; I just wanted to address something that I though you mentioned but perhaps you could expand on which is; you've talked about instances of growth, explosive growth. Bank Azteca also the Indian market generally. But I am wondering if you think we are in a position to really judge how prudent that growth was or really successful because from what I understand Bank Azteca had higher arrears than other institutions in the same market. And thinking about as microfinance institutions broadly defined - have experienced this explosive growth how they can manage that process responsibly and make sure that in the end the quality that portfolios maintained and they are able to then deliver the service as well.

Elisabeth: Well explosive growth is always scary and some people really do it well and some people do it badly. And sometimes it is hard to tell who is going to be in which category but just one thing about Bank Azteca is I think that one of the reasons that its arrears are higher than microfinance is because it is working with a consumer lending type of a model which is always been a model that tolerated a high delinquency level and in fact coming from a more developed model; you saw the consumer lenders in Latin America would typically just after 30 days of nonpayment mail out a notice that says

'Your loan is late.' And you know the microfinance institutions would have been at the person's door the next day after they have missed their payment. So, one of the reasons that the consumer lenders could do that is because they charge late fees that really kind of meant that they were quite happy as long as their loan eventually got repaid. Anyway, it's a different paradigm of how you manage loan portfolio and tolerance for delinquency is of the things. But I think your bigger point is really important that especially what we have been through, explosive growth is scary and we now see that in a few countries there is so much competition going that there is real danger of overheating those markets with over indebtedness.

Question 7

Lady: Hello, My name is Rebecca. I was just wondering if you could speak to your knowledge with microfinance institutions partnering with hospitals or clinics in these communities they have had exposure to in order to help gain access to more people.

Elisabeth: I don't have any direct experience with that. I've read that there is actually a couple of cases discussed in the book very briefly about that in India; where - because of the rules governing insurance, there's been a lot more experimentation on microinsurance in India; including partnering with local healthcare providers. I am not the most knowledgeable about that. I think all this is really cool but I haven't seen that in the mainstream of microfinance yet.

Question 8

Lady : Hi! I this is going back to the point you made answering the prior question; I know that Grameen Bank has extended the time period when loans are allowed to go into arrears. *(was very low and unclear. Could not understand the question)* How may the loans be restructured?

Elisabeth: Well! We would also call that restructuring and restructuring is something that needs to be undertaken extremely carefully and so you know it's not a no no to restructure but it has to be handled very very carefully and it has to have provision input against it when you start restructuring loans and provisioning at a much higher level and never restructured loans. And it needs to be used very judiciously.

Lady (further clarifies): Well! My question was more about how was it been used? If it was it really practically used…

Elisabeth: Well I think that institutions. I mean speaking for the institutions that ACCION has worked with which are generally regulated financial institutions. They would have to follow those kinds of careful tracking and provisioning because the regulators would be asking them to do that. And so I think at least in those institutions that I am most familiar with, restructuring is used but it's used carefully and transparently; the rules are to transparently show it and provision.

(Mark announces time up for the question and answer round)

Elisabeth speaks to Mark and audience in general: Can I have another question?

(Audience claps)

Elisabeth: I don't want to end on a question about restructuring. But…. It's ok…. (Laughs)

Mark: Well! I think Elisabeth you will join us for a few more minutes and you all please help yourself to the remaining refreshments and of course please check out the bookstand at the exit.