All His Children

Lynn Fritz made a fortune in the logistics business. Now he’s tackling the creaky mechanics of disaster relief.

BY KERRY A. DOLAN

Can you be entrepreneurial when it comes to charity? Lynn Fritz is putting up $4 million to test the idea. Two years ago he sold San Francisco-based Fritz Cos., a logistics company started by his father in 1933, to United Parcel Service for $437 million in stock ($157 million of which was his). The sale allowed Fritz, 61, to rethink a different logistics problem, disaster relief — how to deliver food, water and shelter quickly and efficiently — a process that’s chaotic, slow and cumbersome. His eponymous foundation is writing software that should allow organizations like the Red Cross to keep better tabs on such work.

His interest goes back at least four years. Following the August 1999 earthquake in Turkey, which killed 17,000 people, Fritz, had no immediate way to help the families of his employees who were based there. “It was just so frustrating,” he recalls.

On a trip to southern Africa last December Fritz saw how incremental improvement in the delivery of aid could change lives. In Lesotho, in a hillside village beset by famine, an old man named Elliot tugged at Fritz’s sleeve and took him to see his home, a tiny mud hut. The man cried tears of joy when Fritz arranged to get him a supply of candles. “He told me he hadn’t had light in two years,” Fritz says. At another village in Lesotho a logistical glitch prevented corn seeds donated by an aid organization from arriving in time for the planting season. “That meant ongoing famine.”

Fritz started with the world’s largest humanitarian aid group, the Geneva-based International Federation of Red Cross & Red Crescent Societies. Bernard Chomillier, IFRC’s head of logistics and resources, told him his organization lacked the means to track relief. So the Fritz Institute poured $1 million into a software program that launched in April at IFRC headquarters and is being rolled out at Red Cross and Red Crescent offices around the globe.

The new program could reduce, by perhaps half, the time required for what Fritz calls the “gunky” side of relief operations — largely administrative work. He likens the state of this work to that of commercial logistics in 1970, when he took over the customs-clearing firm from his dad. “Everything was done manually, and operations were fragmented,” he says. “These are still issues with many humanitarian aid organizations.”

Something as basic as creating a purchase order for, say, blankets, tents, meals and water for flood victims in Bangladesh can take up to two hours. Every agreement, item, code and vendor must be manually put into a Word form. With the new web-based software, creating a purchase order should take just a few minutes.

Then there’s the follow-up paperwork, like assessment reports for donors like the U.S. Agency for International Development. Such grant work can take up to ten days; the new software produces reports instantly.

How does the program work in stricken places like Sudan and Afghanistan, where warlords grab aid at gunpoint? It’s much more difficult, he concedes. “The biggest constraint on the system is access to communication. But if you have the smallest computers or devices, the software will work.” Meanwhile, he is helping the IFRC deploy the system this month in Iraq.