

Eyebonds Q&A

Mike Clark 23 April 2019

*As part of **The Social Innovations Journal's** special series, "**The Social Innovations Finances Series,**" Social Innovations Partners' President Mike Clark interviewed leading bank analyst Karen Shaw Petrou to discuss her vision for the eradication of blindness and vision impairment through Eye Bonds and the future potential of this new fiscal instrument to partner groundbreaking research with needed financial support to change the future of health care.*

Q: What are Eye Bonds? Can you explain the concept, how they are structured, etc.

A: Eye Bonds would be new financial instruments authorized by new law to provide a limited federal guarantee to make it possible for institutional investors to fund projects, speeding treatments and cures for blindness. The legislation creates a five-year, \$1 billion pilot to test this new construct and, if it works for blindness, pioneer a new way to speed treatments and cures across the spectrum of disease and disability.

Q: Why are they needed? How did you come to this solution?

A: Eye Bonds and, more broadly, the Bio Bonds we hope

come next, are needed because, quite simply, disease and disability are an urgent human and social-welfare problem that has yet to be advanced via innovative funding. There is now a deep, long “valley of death” between federal and philanthropic funding for basic research and the late-stage trials that prove whether a drug or device is safe and effective. All too much great science gets lost in this valley, delaying or even blocking treatments that would ease suffering, prolong life, and enhance independent living.

Q: What will help to make Eye Bond a reality? Our series is called IF (Innovation Finance). Finish this sentence: If (blank) happens, then Eye Bonds will become a reality (could be legislation, investment, etc.)...

A: Eye Bonds will be a reality if authorizing legislation is enhanced into law. Bipartisan legislation to do so is being introduced in the House and must then move through passage on the House floor and Senate consideration. President Trump would then need to sign it into law. At each of these steps, advocacy from patients, families, foundations, the financial industry, and public will make an amazing difference making this happen.

Q: If Eye Bonds are successful...what will that look like? What will the social impact be? Could this instrument be applied to other research fields?

A: If Eye Bonds are successful, scientists tell us that the \$1 billion of additional funding may be enough to cure blindness in a decade. That would be awesome enough. However, successful Eye Bonds will craft a new financial instrument useful across an array of disease and disabilities. As a result, quick action on many problems would result.

For more information on the future of Eye Bonds and the full interview [listen to the podcast here](#).