

Certified



Corporation™

bcorporation.net

Become a B Corporation: The Business Case

the change we seek™

Current events present a unique opportunity for us collectively to redefine success in business.

One reason more than 300 leading businesses have joined the community of Certified B Corporations is that they want to influence the market beyond the success and the lifecycle of their individual businesses. These entrepreneurs want to be part of something bigger than themselves, but they also know that any decision also has to make business sense. After reading the below, we hope you will join us.

Becoming a B Corporation is a smart business decision that benefits your company:

- ✓ **Save money.** Take advantage of the growing number of partnerships which deliver immediate financial value. B Lab has saved B Corps \$1MM in *annually recurring savings* through more than 40 service partnerships (see significant discount on Salesforce.com and NetSuite and the rest at bcorporation.net/services). More than 50 B Corps are *more profitable* as a direct result of their certification – a couple of B Corps have >10:1 ROI on their certification fees.
- ✓ **Build infrastructure and recruit talent cost-effectively.** Scores of B Corps take advantage of the big B Corp discounts available through our more than 40 service partnerships to obtain or upgrade their CRM, ERP, or credit card processing systems. Yale business school offers loan forgiveness to alums that go to work for B Corps, giving B Corps a big edge recruiting talent.
- ✓ **Connect your executive team with peers** from mission-aligned companies. B Lab facilitates collaboration among B Corps to help raise money, share best practices in sustainability, marketing, finance, IT, HR, and reach target customers. B Corps participating in our first collective marketing effort reached more than 750,000 new target leads, increased web traffic by 45%, and half earned more in margin from incremental sales than they paid in certification fees.
- ✓ **Enhance brand equity.** Differentiate *your company, not just its products*, through third party validation that your company has met higher performance and legal standards. The most clear differentiation – and most sustainable competitive advantage – against larger competitors with bigger marketing budgets, is your company, not your products. Certification also helps generate press and add value in a potential capital raise or sale by mitigating brand risk.
- ✓ **Maintain mission** in up and down markets, now and post-succession. As a B Corporation, founders and other mission-driven minority shareholders can hold directors accountable to consider the impact of operating and liquidity decisions not only on shareholders, but on all stakeholders.

Becoming a B Corporation is an act of leadership that builds a new sector of the economy. As a community we are:

- ✓ **Creating a new class of corporation – the Benefit Corporation.** The community of B Corps is a business constituency for legislation creating a new class of corporation that creates a material positive impact on society and the environment and meets higher standards of accountability and transparency. In Spring 2010, Maryland and Vermont became the first states to enact Benefit Corporation legislation; seven additional states are on path for 2011.
- ✓ **Advancing tax incentives and procurement preferences for sustainable business.** The community of B Corps is catalyzing policy efforts at the local and federal level to provide incentives for certified sustainable business. The first tax break for B Corporations was signed into law in Philadelphia in late 2009. B Lab has been approached about this work by several other cities as well as agencies in the federal government including Commerce and the General Services Administration.
- ✓ **Accelerating growth of impact investing.** The community of B Corps is driving mission-aligned capital to businesses addressing the world's most challenging problems. The Obama Administration, Investors' Circle, and twenty private equity and venture capital funds representing approximately \$2 billion in assets, recently announced their support for B Lab's ratings work as a means of catalyzing the flow of investment capital to high impact enterprises in the developed and emerging markets.