

B Corp Makes Good Business Sense

Hanson Bridgett has long been a visionary in promoting social and environmental change. That innovative spirit is what led them to become the first law firm certified as a [B Corporation](#) and a leading advocate for what has now become a global social movement.

The California law firm is one of the founding members of B Corporation, a business model created in 2006 that enables companies to include a social as well as financial agenda in their legal structure. Under this blueprint, [Certified B Corporations](#), also known as B Corps, operate for the benefit of not only shareholders, but also employees, clients, communities, the environment, and other stakeholders.

More than a dozen years later, what began with 15 companies flexing their business influence for the greater good has now grown to more than 3,700 businesses worldwide. Hanson Bridgett has helped spur momentum by spearheading critical legislation for Benefit Corporations and assisting other companies seeking B Corp certification.

“People view us as a firm of integrity, of positive values,” said [Jonathan Storper](#), a firm Partner and Founder of its sustainable business and impact investing practice. “We believe we have a duty as lawyers to improve the social fabric. It’s our culture.”

A Smooth Transition to B Corp

In many ways, Hanson Bridgett’s certification as a B Corp was part of a natural progression. The majority of the firm’s clients create a positive social or environmental impact. Many serve the public, such as transportation agencies, hospitals, and others in the healthcare industry. Others include an organic food business that hires former inmates and a family-owned dairy company that supports local organic farmers.

As part of the firm’s agenda in promoting diversity, we were early supporters of the California Minority Counsel Program and the Leadership Council on Legal Diversity.

Given the firm’s background, it was a good match when a group of entrepreneurs approached the firm about joining a



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groundbreaking initiative known as the B Corp movement. The nonprofit, B Lab, certifies companies that meet stringent standards on public transparency and social and environmental performance – similar to products being independently verified, such as organic foods and Fair Trade coffee.

Legislation Protecting Companies

In its nascent stages, companies were certified strictly on a voluntary basis. In 2011, Hanson Bridgett was a driving force in the passage of California legislation authorizing a new corporate form called Benefit Corporations to include a social mandate in their mission which protects them from lawsuits in pursuing those goals.

“We realized that the voluntary nature of the B Corp certification was not enough to legally protect the mission. Benefit Corporations solved that by requiring all the performance goals of a B Corp plus legal accountability,” said Storper, who co-chaired the legal committee that drafted the law.

Once California set a precedent, Delaware passed similar legislation the following year. Since then, 36 other states and several countries, including Italy, Puerto Rico, Colombia, Ecuador, and British Columbia, Canada, have passed their own versions of Benefit Corporation laws.

High Standards and a Leadership Role

With B Lab’s certification process, Hanson Bridgett has maintained its high standards by incorporating a thorough review of its operations to ensure that they are benefiting all stakeholders – employees, clients, the environment, and communities, among others. That value-driven system has enabled the firm to not only succeed but also assume a leadership role in a competitive industry.

The firm also has integrated providing legal counsel to Benefit Corporations. To assist their clients, Hanson Bridgett has developed a unique “start-up” package of legal documents for those seeking to become Benefit Corporations under California or Delaware law. And, if the clients choose, the firm can also help guide them in becoming a Certified B Corp through B Lab.

Storper said the firm is committed to providing legal services to those companies and individuals trying to help others.

“It’s important for us to be a leader in the community,” Storper said. “That role includes espousing certain positive social values. It’s how we do business. Being a B Corp and assisting both B Corps and Benefit Corporations are ways we can help businesses become better.”

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