

## CASE STUDY



### Challenges

■ Ensure a smooth transition to a new development in Corporate Law, the Benefit Corporation, while protecting shareholder interests and keeping liabilities to a minimum.

### Solutions

■ ■ Use a statutory approach to conversion of the Company and work one-on-one with executive management to implement and execute on the mission alignment.

## Changing the Landscape

**B Corps are for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.**

Salt Palm Development Inc., is a real estate company located in St. Petersburg that specializes in sustainable smart luxury homes.

In 2017, the Company decided to double down on its sustainability efforts by making

As one of the few law offices in Florida that provide benefit corporation and certification, we were uniquely qualified to help Salt Palm achieve their goals. We assisted with pre-formation logistics, review of their current policies and procedures, as well as advising on their Articles of

**FOCUS ON YOUR MISSION,  
AND WE WILL FINISH THE REST.**

-responsibility a part of its Corporate DNA. This meant that the company would consider its stakeholders, community, employees, and the environment when making business decisions as well as accounting for profit.

Incorporation and Benefit Corporation Bylaws. Within four months we achieved our objectives of converting Salt Palm into a Benefit Corporation and getting them independently certified as a B-Corp.

By switching over to a Benefit Corporation, Salt Palm can now attract investors and talented employees while staying true to their morals and business mission. They have earned their reputation as a socially-conscious company, and a leader in better business practices for forward-thinking entrepreneurs who care about and reinvest in the communities that they work with.

"The B Corp movement is one of the most important of our lifetime, built on the simple fact that business impacts and serves more than just shareholders—it has an equal responsibility to the community and to the planet."

— Rose Marcario, CEO of Patagonia

**Certified**



**Corporation**

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# Why B-Corps Matter

## Result



Our client is now leading the way as the first real estate Benefit Corporation in Florida. Their newfound status has allowed them to give back to the Tampa Bay area by reinvesting their profits into community beautification projects and acting as a champion for sustainable business practices.

## Goals



1. Ease of Transition - Transition from an LLC to a Benefit Corporation without hassle.
2. Guided Approach - Work collaboratively with executive management to understand how to best apply sustainable policies in a corporate environment
3. Reduce Risk - Strong focus on reducing liability and mitigating risk during and after transition period.

## Background



A benefit corporation is a relatively new type of corporate structure available to businesses in Florida. It is a for-profit corporate entity designed for businesses that operate in a way that benefits the public. Any business whose mission is to have a positive impact on workers, the community and the environment can apply to be a benefit corporation.

Most aspects of running a benefit corporation are the same as a for-profit corporation. However, a benefit corporation has higher standards when it comes to its purpose, accountability and transparency.

Starting a benefit corporation in Florida is very similar to start a C Corporation or S Corporation.

**Benefit corporations and Certified B Corps** have a great deal in common. Both structures have been developed for businesses interested in making a positive contribution to society. The main difference is that B Corp is a certification offered by a non-governmental organization named B Lab, while a Benefit Corporation is a legal entity created by the state.

Any business can apply to become a certified B corp, regardless of their state or country of incorporation. Benefit corporations are only available in certain states within the United States. At this point, benefit corporations can be created by companies based in 33 states and the District of Columbia. Businesses were able to form benefit corporations in Florida after the Florida Business Corporations Act, Part III (Fla. Stat. Ann. §§ 607.601 to- .613) became effective on July 1, 2014.

**YOUR DEDICATION  
TO SUSTAINABILITY  
IS OUR PASSION**



-Kalpesh Patel, FL Patel Law PLLC

## The Benefit.

**Businesses will be a force for good, leading in better practices that help our community, environment, and employees.**