



What's Social Enterprise got to do with It?

James E. Woulfe

860.560.9120 | jwoulfe@socialenterprisetrust.org

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3 Take-aways



- What is Social Enterprise?
- What is a Benefit Corporation?
- What is reSET?

What is Social Enterprise?



- A question that has still yet to be definitively answered.
- Has different definitions depending upon who you speak to.

What is Social Enterprise?



Social Enterprise is:

- A business structured to solve a social or environmental problem.

Social Entrepreneurs are:

- In business for profit, but ***profits are not the end goal.***
- People who use the ***power of business*** to create a positive social or environmental impact in their communities.

What Makes Social Entrepreneurs Different?



Social Entrepreneurs balance a triple-bottom line.

Four Models of Social Enterprise



- Revenue/Profit % Model
- Beneficial Product/Service Model
- Hiring Model
- Blended Model

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Revenue/Profit % Model



A business that donates a percentage of its revenue or profits to a 501(c)3 organization.

There is a broad spectrum:

- Patagonia donates 1% of revenues
- The Walker Group donates one third of profits
- Happy Life Coffee donates 100% of net profits

Beneficial Product/Service



The product or service offered by the social enterprise creates an inherent positive social or environmental impact.

- Soccket



Employment Model



Social enterprises that hire from underserved communities, and/or communities with high levels of unemployment.

- Billings Forge



Blended Model



Almost all social enterprises employ blended models to maximize their social and/or environmental impact:

- Greyston Bakery



From Concept to Concrete



What is a benefit corporation?

How is it different from a social enterprise?

What is a Benefit Corporation?



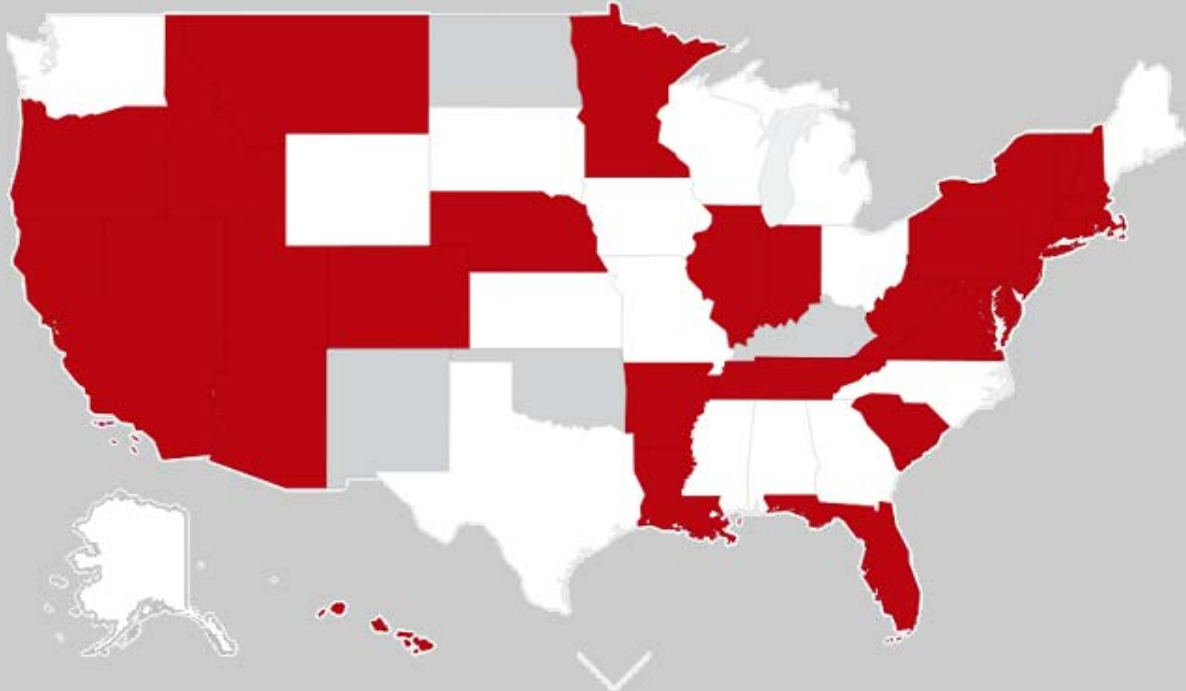
A new type of corporation crafted
specifically for social entrepreneurs

A Trend Sweeping the Country



State by State Status of Legislation

31 Laws Passed **5** Working on it



How It works



- Directors must consider stakeholders besides shareholders.
- Benefit corps must use a third-party standard to assess their social & environmental impact.
- Benefit corps must issue an annual benefit report describing their social & environmental impact.
- In CT only, a business is allowed to lock in its status as a benefit corp in perpetuity using a “Legacy Preservation Provision.”

Connecticut Benefit Corp FAQ



- Is it a Corporation? **YES.**
- Can an LLC be a benefit corporation? **NO.**
- Does electing to be a Benefit Corp affect tax status? **NO.**
- Do Benefit Corporations have to be certified? **NO.**

Examples of Benefit Corporations



reSET is...



- *Social Enterprise Trust Inc.* (reSET for short), a 501(c)3 nonprofit organization
- *Mission:* to advance the social enterprise sector
- *Strategic goals:* to be the “go-to” place for impact entrepreneurs, to make Hartford the impact city, and Connecticut the social enterprise state.

What we do.



Programs,
Services &
Resources



Community

Investment

Advocacy

What we have accomplished



- Directly supported the development of 73 early-stage businesses, associated with 50 jobs since Jan. 2013.
- Provided programs, resources or services to 150+ entrepreneurs, including 850 hours of mentoring since Jan. 2013
- Successfully advocated for passage of the new CT Benefit Corporation statute.

What's Next?



- Making CT “*The Social Enterprise State!*”
 - Building ties between social enterprises, helping to build a support network
 - Assisting & educating key stakeholders and businesses about social enterprise
 - Developing new policies to help social enterprise flourish in Connecticut

What does this mean for you?



- Social enterprise means new pathways to help drive economic development in your cities & towns
 - A new ally and resource for your team.
 - Alternatives to non-profit organizations.
 - New entry point for “encore entrepreneurs.”

Questions?