​​​**2023 Benefit Report of Berrett-Koehler**

**Publishers, Inc., and The Berrett-Koehler**

**Group, Inc.**

April 1, 2024

**INTRODUCTION**

In 2011, Berrett-Koehler Publishers became a Certified B Corporation, joining a movement that now includes nearly 8,000 Certified B Corporations in 96 countries (B Lab, 2024). To become a B Corp, Berrett-Koehler scored highly on what was then a 230-question Impact Assessment (which has since grown to more than 300 questions) and follow-up audit, certifying that we meet rigorous standards for corporate, social, and environmental performance. The company completed its most recent Impact Assessment in 2021 for its 2020 performance and underwent another audit of its assessment results in early 2022. The company is due for a new assessment and audit in 2025.

In October 2015, Berrett-Koehler was the first book publisher to go beyond B Corp certification to also become a California Benefit Corporation. Whereas B Corp certification is a voluntary process, becoming a Benefit Corporation puts the force of law behind Berrett-Koehler’s long-standing social mission, values, practices, and objectives.

A Benefit Corporation is legally obligated to achieve:

**1. Public Benefit.** As a Benefit Corporation, Berrett-Koehler must provide “general public benefit,” which the law says “means a material positive impact on society and the environment, taken as a whole.” And BK’s Articles of Incorporation now include BK’s mission and values as “specific public benefits” to which BK is legally committed: “connecting people and ideas to create a world that works for all and helping people promote positive change to advance quality, stewardship, partnership, sustainability, and diversity and inclusion in their lives, organizations, communities, and the world.”

**2. Impacts for Stakeholders.** BK’s founding concept—managing the company “for the benefit of all of our ‘stakeholder’ groups,” including “authors, customers, employees, suppliers and subcontractors, owners, and the society and environmental communities in which we live and work” (as stated in our very first catalog in 1992)—is now legally supported. Benefit Corporation status makes it the fiduciary duty of the BK Board of Directors (quoting again from the California law) to “consider the impacts of any action or proposed action upon all of the following”: shareholders, employees, customers, community and social considerations, the local and global environment, “short-term and long-term interests,” and “the ability of the Benefit Corporation to accomplish its general, and any specific, public benefit purpose.”

**3. Accountability.** Benefit Corporations must assess their overall corporate, social, and environmental performance on a yearly basis using an independent third-party standard. The Impact Assessment that BK passed to be certified as a B Corp—and that it retakes to be periodically recertified—qualifies as such a third-party standard. BK completes this Assessment every three years, which helps us advance BK’s corporate, social, and environmental performance and BK’s adherence to its mission and values. As of this writing in 2024, the company continues to be a certified B Corp in good standing.

**4. Transparency.** Finally, California Benefit Corporations must report their overall social and environmental performance to their shareholders and to the public in an annual benefit report. This is consistent with everything about how Berrett-Koehler wants to be in the world, but making it a legal obligation ensures that it actually happens each year.

**ELEMENTS OF BENEFIT REPORT**

The following narrative is Berrett-Koehler’s ninth annual Benefit Report in fulfillment of the requirements described above for California Benefit Corporations. It provides a description of the ways in which Berrett-Koehler pursued a general public benefit in 2023, the ways in which Berrett-Koehler pursued the specific public benefits described above, and information about the extent to which the general and specific public benefits were created.

The B Impact Report and the B Impact Assessment provide quantitative summaries of BK’s

performance during the most recent year in which we took the B Impact Assessment. The most current Impact Report can be found at this link:<https://www.bcorporation.net/en-us/find-a-b-corp/company/berrett-koehler-publishers/>

**BENEFIT REPORT NARRATIVE**

**General Impact**

Berrett-Koehler is an independent publisher dedicated to: connecting people and ideas to create a world that works for all. We refer to each book or product sold as a “unit of change” in this effort. We believe that the solutions to the world’s problems will come from all of us, working at three levels: in our organizations, in our society, and in our own personal lives. Our three main book agendas address these topic areas.

BK published 32 new titles or new editions in 2023. Our BK Business books (e.g., *The 5 Disciplines of Inclusive Organizations*) help people make their organizations more humane, democratic, diverse, and ethical. Our BK Currents books (e.g., *Breakthrough Community Change*) offer pathways to creating a more just, equitable, and sustainable society. Our BK Life books (e.g., *Believe-in-You Money)* help people create positive change in their personal and family lives and align their personal practices with their aspirations for a better world.

**Publishing and Marketing Programs**

The principal way that Berrett-Koehler pursued its general and specific public benefits in 2023 was through our book publishing programs. In 2023 Berrett-Koehler published 32 new print publications plus several companion products to books. All of our new books and new editions were published simultaneously in multiple formats: print, ebook, and audio. Berrett-Koehler also continued to market and sell its 900+ previously published books that are still in print. We sold over one million English-language print, ebook, audio, and other copies of these books in 2023.

We also pursued these public benefits by arranging for publication of our books in foreign languages around the world. Our total number of foreign translation rights deals in the company’s history is well over 3,500 in 60+ languages. And many millions of copies of these foreign-language editions of BK books have been sold, helping to further spread the ideas in the books around the world.

We also closed dozens of other subsidiary rights deals in 2023, including rights to summarize books, foreign language audiobook licenses, and film-option rights. The ideas in our books were also shared with tens of millions of additional people through media reviews and publicity about the books that appeared in hundreds of different print, radio, television, and social media. And our authors spoke about their books to hundreds of thousands of people at conferences, seminars, workshops, forums, and other events.

The ideas in our books also reached large additional audiences through the BK website and through our blog and other direct marketing programs that are discussed below.

**2023 Initiatives Expanding BK’s Impact**

**Online Training Programs**

BK faced a difficult decision in 2023 regarding its digital-media programs. Despite strong subscriber growth and massive engagement for 2023 events with bestselling authors like Sonya Renee Taylor and Lily Zheng, the company was unable to continue investing in these programs.

For many years we recorded online training events, courses, and summits and are proud to have pioneered an inclusive pricing model that made these programs accessible to everyone regardless of ability to pay.

**Audiobooks**

The audiobook program that we started in 2015 grew rapidly. By the end of 2017, the program was fully streamlined and we successfully published all of our new titles in three simultaneous formats: print, ebook, and audiobook. In 2023 we released approximately 15 new audiobook titles, bringing our catalog to 450+ audiobooks.

However, some of the economics in audio publishing shifted and BK sought a partner to share costs and administration of the program. In an exciting development, BK was able to secure partnership in late 2023 for its audiobook list with the world’s largest audiobook publisher, RB Media. This partnership will increase visibility and access for all new BK audiobook titles while reducing our overhead to provide this access.

BK has long partnered with the nonprofit Benetech to make all books available to those with visual or other disabilities, and special audio products are also available through this partnership.

**Partnerships**

The Berrett-Koehler Foundation deepens and expands the reach and impact of the BK mission—beyond publishing—by supporting diverse changemakers around the world in co-creating a world that works for all. The Berrett-Koehler Foundation is a 501(c)(3) public charity that has a separate legal structure, board, and operations from The Berrett-Koehler Group, Inc., but receives financial support from Berrett-Koehler Publishers as well as from numerous individual BK authors and other BK community members.

The Berrett-Koehler Authors Inc., which is a long-standing but independent partner of Berrett-Koehler Publishers, brought together many authors and other BK community members in 2023 for its annual (virtual) marketing workshop in the spring and hosted its in-person author retreat in October at Pendle Hill Retreat Center in Pennsylvania. The group is planning similar events in 2024. These events helped authors and their marketing teams increase their ability to take the messages of their publications out into the world, thereby increasing the impact of those messages. The “Co-op,” as it is commonly called, also supported new BK authors by connecting them with more experienced authors as mentors.

**Employee Benefits**

Berrett-Koehler is committed to supporting, engaging, and developing our employees through many means, including our open sharing of information, participative decision-making model, comprehensive employee benefits, and Employee Stock Ownership Plan. These have positively contributed to employee engagement and success within the organization. Berrett-Koehler has a transparent compensation structure and practices open-book management to give employees full access to our salary schedule as well as to complete company financial information.

**Diversity, Equity, Inclusion, and Justice**

Berrett-Koehler continues to prioritize increasing the number of women authors and authors of color we publish. Approximately two-thirds of our 2023 authors were women and/or people of color, or people with other marginalized or intersectional identities. This percentage is far above the averages in the areas in which we publish, including business book publishing.

It is worth noting that BK is a clear leader in the DEI book publishing space. Few publishers have as deep or varied a list on topics of antiracism, bias, and inclusion. Leading titles in 2023 include: *Decentering Whiteness in the Workplace*, *How to Have Antiracist Conversations*, *The Power of Latino Leadership*, *The Inclusive Language Field Guide*, and many more changeful titles.

Though we’ve made some progress with regard to ethnic/racial diversity in recent years, BK still has work to do to achieve greater diversity among our staff members. The percentage (28%) of BK staff who self-identified as people of color in a 2022 survey is roughly even with the low industry average reported in the most recent (2023) Lee & Low [Diversity Baseline Survey](https://blog.leeandlow.com/2020/01/28/2019diversitybaselinesurvey/). In other key demographics from 2023:

* Gender
  + Cisgender women: 56% at BK and 71% in industry
  + Cisgender men: 33% at BK and 21% in industry
  + Transgender: 0% at BK and <1% for transgender men and women in industry
  + Genderfluid/Nonbinary/Nonconforming/Genderqueer: 2% at BK and 4% in industry
* Sexual orientation
  + Straight/heterosexual: 78% at BK and 67% in industry
* Disability
  + 61% disabled at BK and 17% in industry

**Community Benefits**

Berrett-Koehler as a company believes in the power of volunteerism and strives to make space for all of our employees to give back to the community. To that end, we have a volunteer program that encourages employees to volunteer up to four hours of paid time per month, as well as one annual company-wide volunteer event.

Another way in which Berrett-Koehler serves the community-at-large is through our continuing partnerships with Benetech and Worldreader, two nonprofit organizations whose mission is to provide reading materials to underserved communities. In the case of Benetech, the entire Berrett-Koehler book catalog is made available to people with visual or reading disabilities through their BookShare program. In collaboration with Worldreader, selected Berrett-Koehler titles in the areas of life skills, career, and personal development are made available to young people (18-25 years old) in the Global South, to provide them with both inspiration and development.

**Environment Benefits**

BK continued to make environmentally sustainable paper purchasing a priority in 2023. The company has developed strong partnerships with North American print suppliers that can provide FSC-certified materials, including cover and dust-jacket paper, text paper, endsheets, and boards. Reaching a 100% FSC-certified print program is our primary goal; being able to have our books printed with FSC-certified materials that also contain at least some percentage of post-consumer waste material is our secondary goal. We inch closer to reaching these goals each year, but are constrained by available supply chains.

In an industry where environmentally compromised and uncertified paper and printing is generally sourced from Asian markets and shipped by container, BK continues to work hard to secure a more local supply chain with a lower carbon footprint and domestic employees. These policies resulted in the company paying a premium over printing in Asia, but also resulted in our having a far more responsible and accountable supply chain.

BK continued to show environmental stewardship in other policies, such as its choice of a LEED-certified office, office recycling and composting programs, and our work-at-home program to reduce employee commutes.

**Relationship Impact**

Berrett-Koehler employs the assistance of many people outside of our staff and we use our close relationships with our author community to expand our reach. One of the key distinctions that sets Berrett-Koehler apart from other publishers is the way in which we partner with our authors. Our authors are given the power to provide input during all phases of the book production process and they have the option to end their contractual agreement with Berrett-Koehler at any time. One of the most important aspects of the publishing process at Berrett-Koehler is the Author Day. This is a day that is entirely devoted to discussing all aspects of the publication process, including marketing, editorial, design, production, and publicity. All authors meet virtually on this day with BK staff who will be working with them on their book.

**New CEO**

CEO David Marshall retired from the company in December 2023 after more than 16 years of service to the company. The Berrett-Koehler board announced the appointment of Praveen Madan as the company’s new CEO; his term commenced in January of 2024. Praveen has a long career as an advocate and leader for independent bookstores and publishing, most recently as CEO of Kepler’s Books in Menlo Park; he successfully led [Kepler’s](https://www.keplers.com/keplers-news) from the brink of closure to becoming one of the most innovative and thriving bookstores in the country.

**Constraints on Impact**

The biggest constraints on Berrett-Koehler’s impact are the relatively small size of our staff (22 people) and modest size of the company (less than $10 million in annual revenues). Book publishing is an extraordinarily complex business, and simply keeping all the book-publishing processes functioning properly requires the full attention of our staff. Therefore, in order to achieve public benefits, we have to design the public benefits into the very nature of our products and business processes.

**B IMPACT REPORT AND ASSESSMENT**

Berrett-Koehler Publishers selected the B Impact Assessment (BIA) as the third-party standard to prepare our benefit report because it is the most widely used impact measurement and management tool in the world. It has been used by more than 50,000 businesses to measure, compare, and improve their overall social and environmental performance, as well as by an increasing number of investors, business associations, and government entities serious about understanding and benchmarking the impact of the companies in which they invest and with which they do business. The BIA is governed by the nonprofit B Lab and meets the statutory requirement that a third-party standard must be comprehensive, credible, transparent, and independent. More information about the BIA and B Lab is available at [bimpactassessment.net](https://bimpactassessment.net/).

Berrett-Koehler completed its latest B certification assessment in 2021, with a score of 80. While sufficient to receive B Corp recertification, this represented a considerable drop from the previous score of 95. The drop in score reflects many cost-cutting measures necessary in 2020 to weather the COVID-19 economic crisis, such as a temporary promotions freeze, suspension of employee bonuses, etc., all of which reduced our customary score. The company restored normal employee benefits and programs in 2021, but these restorations can't change the current certification based on the 2020 operations year measured in the assessment.

The median score for the thousands of companies taking the assessment is 55—and note that this universe of companies is already preselected to emphasize companies that are seeking to practice corporate, social, and environmental responsibility.

Passing certification even during a global pandemic is a worthy accomplishment, as B Lab, the sponsoring nonprofit, continually tightens its standards and criteria as a way to spur improvement. Not showing up in the summary report is BK’s successful accomplishment of the “Inclusive Economy Challenge,” by meeting three criteria for living wage creation, board diversity with respect to gender and stakeholder representation, and equitable pay for interns. Participation and registration in the challenge was voluntary. As the B Impact Assessment thoroughly measures company practices in four key areas (workers, environment, governance, community), it is an excellent overall snapshot of BK’s social responsibility.

BK’s 2021 B Impact Assessment provides answers to each of more than 300 questions measuring Berrett-Koehler’s impact on workers, community, customers, and the environment. This is our actual Impact Assessment that underlies our B Impact Report, and making this report public is a level of transparency much beyond what is required or standard practice.

We also signed the “B Corp Declaration of Interdependence.”

The third-party record of Berrett-Koehler’s current certification status can always be found here:

<https://www.bcorporation.net/en-us/find-a-b-corp/company/berrett-koehler-publishers/>

Our current B Corp certification is effective through 3/21/25.

**BOARD OF DIRECTORS STATEMENT**

Since its formation in 1992, Berrett-Koehler Publishers has operated under a stakeholder model, going beyond the traditional profitability measures of success to include consideration of the impact its business activity has on all its stakeholder groups. It has solicited involvement from those stakeholder groups in its decision-making model and daily operations at all levels of its extended community, from the readers of its publications to the composition of its Board of Directors. In 2011, The Berrett-Koehler Group, Inc., adopted the B Corp standards as an appropriate tool to measure its overall social and environmental performance. In 2021 (and thus in 2023 by extension), Berrett-Koehler achieved an overall rating sufficient to be re-certified as a Certified B Corp.

The Berrett-Koehler Board of Directors carefully reviewed the detailed 2021 B Corp Impact Assessment and Impact Report, and it is the opinion of the Board of Directors that the corporation met its obligation to actively pursue its general, and specific public benefit purposes as required under California Corporations Code Section 1462.

This is the ninth year BK has issued an Annual Benefit Report. Over the coming year, we will

continue to hone our assessment of material impact the corporation has on society and the

environment, with the goal of issuing comparative reports on the corporation’s performance.