

Kickstarter makes social good part of business model

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New York City-based Kickstarter launched in early 2009 as an online venue where creative projects seek financial backing from people who pledge funds, usually with the promise of a reward related to the endeavor being backed

Crowd-funding platform Kickstarter on Monday officially made social good part of its business model by changing its US corporate status.

Kickstarter changed from a standard for-[profit](#) structure to being a

public benefit corporation (PBC) that is out to make money but bound to take into account the effects of business decisions on society as well as on share holders, according to the founders.

"Companies that believe there are more important goals than maximizing shareholder value have been at odds with the expectation that for-profit companies must exist ultimately for profit above all," Kickstarter founders said in an online post.

"Radically, positive impact on society becomes part of a Benefit Corporation's legally defined goals."

Less than a percent of US companies have opted for PBC status, among them Patagonia and This American Life, according to Kickstarter.

"We believe that can and will change in the coming years," the founders said.

"More and more voices are rejecting [business](#) as usual, and the pursuit of profit above all."

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Kickstarter will donate five percent of its annual net profit to organizations and arts education programs battling inequality, according to the founders.

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