

FOREGROUND / **NOW**

A PATH TOWARD PURPOSE



ABOVE
Keith Bowers, FASLA,
founded Biohabitats
in 1982.

BIOHABITATS STEPS FORWARD AS A NONPROFIT TRUST.

BY TIMOTHY A. SCHULER

In September 2022, Yvon Chouinard, the founder of the outdoor apparel company Patagonia, announced that he and his family had given up their ownership stake in the company—valued at about \$3 billion—and transferred it to a nonprofit trust that would ensure that all future profits were directed toward protecting the planet. Keith Bowers, FASLA, the founder of Biohabitats, took note of this news with a mix of admiration and annoyance. Though he had long looked up to Patagonia and understood the momentous nature of Chouinard's decision, he was irritated that the company had beaten Biohabitats to the punch.

"I was bummed because we had been working on our perpetual purpose trust for a year and a half,"

Bowers recalls. "But then I sat back and thought about it, and I thought, they've been my hero company for a long time. If they're doing it, I must be on the right path." Seven months later, in April 2023, Biohabitats announced that ownership of the landscape architecture, engineering, and ecological restoration firm had been transferred from the company's 30-some private shareholders to the Biohabitats Purpose Trust.

An early pioneer in the field of applied ecology, Bowers had begun to contemplate retirement and wondered how to ensure that the company's culture of financial transparency and environmental stewardship would continue. "I get probably two or three emails or calls a week from private equity,

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from bigger landscape architecture firms, saying they want to acquire Biohabitats," Bowers says. "And it's flattering, but every time I look at them, they don't have the same values that we do."

After exploring a bevy of options—an employee stock ownership plan, cooperative ownership, a buyout from the company's other shareholders—Bowers and the other shareholders settled on a perpetual purpose trust. In this model, a company cannot be bought or sold, and the sole beneficiary of a company's profits is the company's purpose, as articulated by the trust. For Biohabitats, that purpose is to "restore nature, protect and conserve biodiversity, [and] inspire love for wild places," as well as to maintain profitability to sustain the company's work. "Instead of having investors or shareholders that say, 'I want dividends out of this company,' profits can be redistributed to the stakeholders. For us, that's every team member at Biohabitats," Bowers says.

A trust is still run by people, of course, but in Biohabitats's case its governance is unique. The Biohabitats Purpose Trust will be overseen by the newly established Trust Earth Stewardship Com-

mittee, the majority of whose seats will be filled by Biohabitats employees, with several seats optionally filled by individuals outside the company. In the final seat sits Nature with a capital N. "We said, nature has to have a seat at the table because that's what we're all about," Bowers says. Practically speaking, nature too has to be represented by a person, and that person, for now, is Bowers. But the seat is set up so that it can be occupied by multiple people, who are in turn supported by a multidisciplinary advisory board, which is currently being assembled. (The seat will still receive only a single vote on the committee.)

Bowers, who plans to remain active in the company for the time being, acknowledges that this is all a big experiment. Based on his research and conversations with other practitioners, Biohabitats is the first U.S. landscape architecture office to transition to a perpetual purpose trust or to attempt to put nature in a formal leadership position. He hopes it will not be the last. "One of the ideas is, how do we change capital?" Bowers says. "The trust is [our way] of trying to begin changing that idea of concentrating shareholder wealth and growth for growth's sake." ●

LARRY CANNER