

Beorn

Gandalf leads them to the house of Beorn. Beorn is a half-man, half-bear creature who has a great wooden house in the middle of the woods outside Mirkwood. Gandalf takes the dwarves to Beorn's house a few at a time, so as not to startle him. He tells Beorn the story of their adventure in the mountain. Gandalf's story amuses Beorn greatly because he despises goblins, who are enemies of nature.

Beorn offers the company much-needed food and lodging. He also does some scouting and finds that the Wargs and goblins have put together an attack party in order to find the dwarves and wizard that killed their leader, the Great Goblin. To evade this attack party, Beorn recommends that the group take the northern pass (the elf path) through Mirkwood, which will bring them near the Lonely Mountain. This choice will throw the goblins off the company's trail and allow them to bypass the dangerous southern pass. The northern pass is not entirely safe either, so Beorn repeatedly warns his guests never to stray from the path.

Beorn provides the group with food and ponies to carry them to the gate at the path's start. From there, however, they must return the ponies and travel on foot.

From Sparknotes.com

[...] the centre of the whole sequence is Beorn.

He is in a way the least invented character in the book. His name is an Old English word for « man », which meant originally « bear », so that naturally enough he is a were-bear, who changes shape, or « skin » as Gandalf calls it, every night. He has a very close analogue in Bothvarr Bjarki (= little bear), a hero from the Norse saga Hrolfr Kraki, and another in Beowulf himself, whose name is commonly explained as Beowulf = bees wolf = honey eater = bear, and who breaks swords, rips off arms and cracks ribs with ursine power and clumsiness. Beorn keeps bees too, is surly in disposition; not to be trusted after dark; and "appalling when he is angry ». The dwarves and Bilbo see both sides of him, but perceive them as one.

from The Road to Middle-Earth:
How J. R. R. Tolkien Created a New Mythology
by Tom Shippey (1992).

Beowulf is an Old English epic poem consisting of 3,182 alliterative lines. It is one of the most important works of Old English literature. The date of composition is a matter of contention among scholars; the only certain dating pertains to the manuscript, which was produced between 975 and 1025. The author was an anonymous Anglo-Saxon poet, referred to by scholars as the "Beowulf poet".

The story is set in Scandinavia. Beowulf, a hero of the Geats, comes to the aid of Hrothgar, the king of the Danes, whose mead hall in Heorot has been under attack by a monster known as Grendel. After Beowulf slays him, Grendel's mother attacks the hall and is then also defeated. Victorious, Beowulf goes home to Geatland (Götaland in modern Sweden) and later becomes king of the Geats. After a period of fifty years has passed, Beowulf defeats a dragon, but is mortally wounded in the battle. After his death, his attendants cremate his body and erect a tower on a headland in his memory.

The full story survives in the manuscript known as the Nowell Codex. It has no title in the original manuscript, but has become known by the name of the story's protagonist.

from Wikipedia.org