

05. Organisation type

Choosing a structure in line with the values of the press and limiting liability

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Key issues

Having a legal form is not always necessary from day one – for example, [punctum books](#) grew organically and only started to consider issues such as governance or legal form once its brand became established. However, for many presses becoming legally established is a key early priority. Being legally established will often be needed to do business with other companies, to set up a bank account and, potentially, to limit the liability of individuals within the press.

It is possible to distinguish several broad types of organisational structure, including types with clearly distinct or mixed forms (e.g. a charitable company) ([Cookbook](#), p. 28). Most obviously, there are distinctions between not-for-profit organisations, in which surpluses are reinvested in the organisation's activities, and commercial, profit making companies. Many Open Access presses are, in line with the values that motivated their establishment, non-profits.

Whether a non-profit or a company, one key consideration for new publishers may be the potential benefits that can come with becoming an "incorporated" organisation. Incorporated organisations are usually registered with a national body, which allows the organisation to have its own, independent identity, separate from the individuals that run it. A key function served by incorporation is often to limit the liability of those that run the organisation. This may be important for many reasons – in relation to liability for employees' wellbeing, financial liability or to suppliers, for example. For publishers, this might also relate to the extent to which individuals running a press are themselves liable for the publisher's output.

The Cookbook (Section 3.10.1) has some tips useful in the German context, including costs of setting up a company. A helpful piece of advice for projects involving several countries is to compare regulations and requirements in the different relevant national contexts, as registering a company in one country might be easier and more affordable than in others.

Case studies

- [Mattering Press](#): In the UK, Mattering Press chose to become a Charitable Incorporated Organisation (CIO). This was in part because becoming a charity was in line with the press' values. But the particular appeal of the model was that it combined being a non-profit with incorporation. As Joe Deville, one of the Press' co-founder's put it "we didn't want to be personally liable for something that the press might produce. Even though, of course, we take care in what we produce we wanted to be protected" ([Jisc Interviews](#), Joe Deville). For Mattering Press, becoming a CIO was important enough for the Press to go through the lengthy process involved, including not only becoming incorporated but simultaneously applying to be registered as a Charity with the UK's charity commission. However, liability is just one consideration, as forms of incorporation taken may entail particular legal obligations regarding, for example, governance and taxation.
- [African Minds](#): Founder Francois Van Schalkwyk highlights the challenges that Open Access publishers can face when attempting to apply for charitable or non-profit status when still deriving revenue from sales, recalling "much tussling with the Receiver of Revenue [in South Africa] about the apparent contradiction between promoting universal access to knowledge while also selling books in the academic market" ([Business Models for OA Books](#)). The publisher was eventually approved as a public benefit organisation.

The table below also includes an overview of the organisation type chosen by a selection of smaller and academic publishers. It is based on a combination of information from Jisc interviews, Business Models for OA Books and direct correspondence.

Publisher	Organisation type	Location
African Minds	Not-for-profit trust; Public Benefit Organisation	South Africa
Language Science Press	Charitable Limited Company (<i>Gemeinnützige Unternehmergeellschaft</i>)	Germany
Mattering Press	Charitable Incorporated Organisation	UK
Mayfly Books	Unincorporated charity	UK
mediastudies.press	Non-profit Corporation	Pennsylvania, USA

meson press	Registered Cooperative (<i>Eingetragene Genossenschaft</i>)	Germany
Open Book Publishers	Non-profit Community Interest Company (Social Enterprise)	UK
punctum books	Non-profit Public Benefit Corporation	California, USA
White Horse Press	Limited Liability Partnership	UK

Questions to guide good practice

- Have you carefully assessed different organisational forms within and potentially beyond a particular national jurisdiction?
- Is your organisational form in line with your press' values?
- Does your organisational form enable your press to engage with other organisations and stakeholders in the manner it needs to?
- Have you considered questions of liability in relation to your organisational form?
- What are the implications of your organisational form for your press' governance?

Resources

- [Business Models for OA Books](#)
- [Governing Scholar-Led OA Book Publishers](#)