

# Business and the Commons in Austria

Panel Contribution by Roland Alton-Scheidl  
at the Wizards-of-OS 4 conference, Berlin 2006

Making business with the commons could be seen as a contradiction in itself. I am presenting four cases, which provide evidence for the need of services related to the commons, without sapping its generic idea. Ethical considerations of such businesses conclude this contribution.

## **Ecological Electricity Bourse**

Luckily, in the alps we have huge water resources and many sunny days in areas above the fog level. People here are motivated to produce electrical energy with small size hydroelectric power stations or solar panels, but the maintainance or the investment costs can hardly compete with cheap electricity from nuclear power plants.

In Vorarlberg, the most western county of Austria, the private producers of electrical energy have gathered in the association AEEV [1], which successfully negotiated a contract with the regional electricity network company [2]. The 170 partners, which produce 87 TWh per year, can now sell their ecological energy through the regional line network. Consumers are able to subscribe to a specific producer's power by paying an additional cent per kilowatt. The network company charges the add-on fee and redistributes it to the producers.

The business model of the Ecological Electricity Bourse including the model contracts have been put under a Creative Commons license in January 2006 [3]. Since then, other regions have contacted AEEV and asked for support to implement the model as well. With additional funding support, AEEV gets a new office in Alberschwende in January 2007 and can employ a secretary for administrative issues.

## **mediabiz magazine**

My blog in November 2005 [4] was about the launch of okto.tv, a community based TV station in Vienna, for which we organised lobbying events since 2000. mediabiz, an Austrian magazine for AV professionals, reported about the rise of private and Internet based TV stations in Austria in March 2006. I was astonished, that my blog text about okto.tv was pasted into the report with only minor modifications. I notified the publishers [5] that they had violated the Creative Commons license terms in two ways: not respecting the attribution to the author and for not applying share-alike. As I asked for a financial compensation, they reacted immediately. Finally, we agreed that all future issues of the magazine are being put under a Creative Commons license and that they will be reporting about the license model. Which they did, starting with the summer 2006 issue.

## **Registered Commons**

Authors and re-mixers need trust when publishing in the Internet, even when applying Creative Commons licenses. Registered Commons [6] provides a permanent link to the work, the chosen license and a digital timestamp. No matter if it's photography, poetry, a series of blog entries or an open source software project: Now anybody can have secure evidence about the author's permission for re-using it. We had presented that service in Berlin at the WOS4 conference together with Lawrence Lesig and Heather Ford.

This service gives evidence, that value added service providing is not limited to commercial services. Basic registration service is free, whereas the business model relies on professional users' requirements for bulk registration, APIs and consulting.

The idealistic goals of the open culture movement have been reflected when deciding for the organisational structure, that provides the service. We came up with a public-private partnership, which is organised as a co-op organisation. This brings us to the next business model, which we think is appropriate for any business dealing with the commons.

## **OSalliance**

We have seen various constellations for making business in the OSS sector. Many programming experts and maintainers of open source software sell their know-how per hour. Others are creating packages and distribute them, developing a marketing vehicle for full-service contracts. At Linuxwochen 06 we have

seen quite a number of companies, putting the configuration tools in a proprietary shell and charging license fees per seat.

Open source developers either never issue an invoice or try to survive as micro or small enterprises. The development of networks has grown from informal regional Linux user groups to lobbying organisations at the chamber of commerce. But co-operation in bigger projects is often perceived as awkward or ends up in a nightmare, both for the suppliers and the customers. The open source sector needs to develop co-operative business structures to become competitive. Such organisations must be based on a statute, a management board and a controlling board. Shared ownership by the SME's and the one-person-enterprises and democratic decision making is essential for a good identification with their own business network.

We had set up such a co-operation in 2003 and integrated R&D projects from PUBLIC VOICE Lab. OSalliance.com [7] is now active in the Austrian and Swiss market, providing solutions for migration, Open Source databases, Content Management or Voice-over-IP.

## **Ethics of the Commons Business**

The commons need to be managed and protected. e.g. against license misuse. Professional services built on open content or open source give access to markets, which are dominated by the "all-rights-reserved" players.

When building business on the back of the commons, we also need to take into account the potential hegemony of open

culture. Toni Prug [8] has criticised the Creative Commons as pirates. They continue the free trade hegemony, with well known drawbacks for less developed countries. We need to take such criticism serious.

I suggest that making business with the commons should be

1) non-profit oriented (any surplus must always go back to the commons)

2) co-owned by commoners involved in the business

3) strategy controlled by democratic structures

4) following corporate social responsibility principles

Business with the commons must be developed with care. We are learning with each business case and need to refine the business principles in the future.

#### Notes

[1] Arbeitsgemeinschaft Erneuerbare Energie Vorarlberg (AEEV)

[2] VKW, Vorarlberger Kraftwerke AG, <http://www.vkw.at/>

[3] <http://de.wikipedia.org/wiki/%C3%96kostromb%C3%B6rse>

[4] <http://www.roland.alton.at/rolog/okto>

[5] <http://www.roland.alton.at/rolog/plagiarism>

[6] <https://www.registeredcommons.org/>

[7] <http://www.OSalliance.com>

[8] <http://publication.nodel.org/The-Mirrors-Gonna-Steal-Your-Soul>