EUROPEAN LANGUAGE GRID

D7.9
Sustainability Plan (Final Version)

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AI	Artificial Intelligence
AISBL	Association internationale sans but lucratif
BMC	Business Model Canvas
CLARIN	Common Language Resources and Technology Infrastructure
EEA	European Economic Area
EEIG	European economic interest grouping
ELG	European Language Grid
ERIC	European Research Infrastructure Consortium
e.V.	eingetragener Verein (registered association)
gGmbH	gemeinnützige GmbH (not-for-profit private limited company)
GmbH	Gesellschaft mit beschränkter Haftung (private limited company)
LT	Language Technology
MDSM	Multilingual Digital Single Market
NCC	National Competence Centre
SCE	Societas cooperativa Europaea (European cooperative)
SE	Societas Europaea (European Public Limited Company)
SLA	Service Level Agreement
SME	Small and medium-sized enterprises
SPE	Societas privata Europaea (European private limited company)

Abstract

This deliverable, D7.9 "Sustainability Plan", is the second of two interconnected deliverables (D7.8 and D7.9) that focus upon the sustainability of the ELG project and platform. Deliverable D7.8 has reported on the progress made in Task 7.5 until June 2020. This document describes the status at the time of the end of the project and the upcoming steps towards the establishment of an ELG legal entity in the second half of 2022, after the project runtime has finished. It discusses the delta between the situation now and two years ago and it investigates whether the preliminary assumptions have proven to be correct and where they had to be adjusted. It is important to point out that the LT and AI landscape still has to be characterised as incredibly dynamic. Predictions of where the field is headed in post-Covid Europe are difficult. Also the establishment of the domain-specific data spaces that will be established by the European Commission from 2023 onwards – especially the Language Data Space – will most likely have an impact on the European LT community and the field as a whole.

1   Introduction

One of the challenges the ELG initiative aims to address is the fragmentation of the European Language Technology landscape, both with regard to industry and research.[1] ELG aims to bring together all stakeholders, currently scattered all over Europe, under the European Language Grid platform as a common umbrella. However, the efforts taken within the project can only be translated into a large-scale success if ELG continues to exist beyond the project runtime of 42 months. This is why it had already been foreseen in the ELG project proposal to develop a long-term sustainability plan during the project. Its centrepiece is the idea of establishing, in the second half of 2022, a dedicated ELG legal entity, which is meant to take over operations, maintenance, extension and governance of the European Language Grid platform as well as managing and helping to coordinate its community. Only with such a sustainable, long-term activity can the overarching goal of strengthening, harmonising and bringing together the European LT business and research community be met. In other words, the sustainability plan and the legal entity are mission-critical for the success of the project.

After a brief presentation of the long-term vision of ELG (Section 2), this chapter describes business and operation models that have been examined in order to assess if they are suitable for the ELG legal entity (Section 3). Not only shall the ELG platform and initiative continue to exist, we also want to expand its functionalities further in order to serve and adapt to evolving user needs even better and to fullfil ELG's mission for the European LT community. We explore a number of different dimensions with regard to the shaping of the ELG legal entity and put a special emphasis on the description of a set of products we specified that can be offered by the legal entity. At the same time, it is important to point out that the AI landscape – including LT – must still be characterised as highly dynamic. Precise predictions of where the field is headed in Europe in the next, say, five years are difficult to be made right now. It remains to be seen what the post-Covid market will look like, which breakthroughs will come next in AI and LT, what the impact of the various ongoing large-scale initiatives will be and how the LT/AI-related situation in the different European countries will develop in the future. This dynamic situation creates additional challenges when it comes to specifying the final shape of the ELG legal entity.

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[1] This deliverable is based on the chapter "Sustaining the European Language Grid: Towards the ELG Legal Entity", to be published in *European Language Grid: A Language Technology Platform for Multilingual Europe*. (Rehm, 2022, ed.; forthcoming).

2 Long-term Vision and Mission of ELG

Our vision and long-term goal is to establish ELG as the primary platform and marketplace for all commercial and non-commercial Language Technologies developed and offered by the European LT community. In order to achieve this, multiple prerequisites need to be in place, e.g., the ELG cloud platform must have very high availability and it must exhibit near real-time performance for individual services, legally safe service level agreements need to be prepared so that services can be applied in production environments, simple mechanisms for billing need to be available and technical support needs to be offered. Operating these and other components of the platform and initiative incurs various system-relevant costs. Also, trust in the platform and its reliability needs to be established in a transparent manner.

2.1 Mission of the European Language Grid

To achieve the goal of becoming the primary platform for European LTs, ELG follows its mission of creating impact beyond the platform itself:

- Grow a vibrant community and help coordinate all European LT activities: ELG is an initiative from the European LT community for the European LT community, including industry, innovation and research. ELG can only be successful if the whole community makes active use of the platform and contributes as well as uses data sets and services. ELG collaborates with many related projects, companies, research organisations and wider initiatives, most notably its sibling project European Language Equality (ELE), which is currently developing a strategic agenda and roadmap that specify how to achieve digital language equality in Europe by 2030. In the agenda developed by ELE, ELG functions as the main technology platform of the ELE Programme and the ELG catalogue so that the support of Europe's languages through technologies can be measured and monitored over time.
- Create and maintain a powerful, scalable and useful Language Technology platform: ELG's novel technological approach enables innovations and synergies between commercial and non-commercial LT providers, buyers and users. The unique ELG platform is based on the principle of encapsulating services in containers. This approach tackles and solves some of the issues of technical interoperability, which is a crucial obstacle on the way of cross-provider and cross-platform interoperability. ELG enables providers to deposit and deploy their services.
- Support the Multilingual Digital Single Market: ELG strengthens the commercial European LT landscape through the pan-European platform and marketplace. Offering powerful multilingual, cross-lingual and monolingual technologies, ELG aims to contribute to the emergence of a truly connected, language-crossing Multilingual Digital Single Market. European companies can showcase and offer their LTs to customers on the ELG marketplace.

2.2 Added Value for Stakeholders

The implementation of this mission in the form of the ELG platform provides added value for all stakeholders, e.g., ability to attract participants (i.e., customers, buyers, users, providers etc.), ability to create demand economies of scale, benefit of reduced time-to-market (especially from lab to market), standardised quality, ease of doing business and a 6. coherent ELG technology exploitation ecosystem.

Traditional, linear value chains are focused on a one-way process of value creation, e.g., raw materials are used and manufactured into products, which are then distributed and used by the consumer, until they are disposed

of. For ELG, we foresee a two- or multi-way value creation. As a digital platform, ELG will maintain an ecosystem of reciprocity. LT providers, LT consumers, ELG stakeholders and the whole ELG community help to generate two-way and reciprocal value as a result of the combination of resources of its participants, cost benefits (demand economies of scale) and network effects. As such, marketplace participants will create value by tapping into resources and capacities that they do not have to own themselves. In addition, marketplace participants will enjoy cost benefits and positive compound effects, arising from demand aggregation, from efficiencies in networks and from technological improvements on the demand side. Third, there is value within the network itself: growth via network effects will lead to market expansion for each of the members of the ecosystem. New participants (buyers and suppliers) enter the marketplace, because they are attracted to ELG by the growing number of participants who are also part of the network. That way, value is created in a reciprocal, multi-sided (almost infinite) way.[2]

2.3   Selection of the Type of Legal Entity

As discussed in Deliverable D7.8[3], there were a number of options under discussion with regard to the legal entity type to be chosen. The pro's and con's for the different types were described there as well as their their areas of operation in different countries and regions in Europe.

During the follow-up discussions in the "Task Force Legal Entity" in the ELG consortium, we came to the conclusion that it would not be beneficial for ELG to be under the pressure of being economically self-sustaining from the very beginning. The decision of becoming a not-for profit organisation had been discussed already in the predecessor deliverable. There was quite some agreement that the organisation form that provides us with the most flexibility with regard to governance structure and revenue models was the association (in Germany: *eingetragener Verein, e.V.*). In addition, this legal entity form has the advantage that it puts the community idea in the focus and has a largely democratic structure. After all, the mission was since the beginning of the initiative: The European Language Grid is an initiative *from* the community *for* the community. This idea is still valid and can be best reflected in an association.

3   Main Pillars of the Business and Operational Model

Given the large number of possible routes to evaluate as well as decisions to be made eventually, we stretched the consortium-internal discussion of the main pillars of the ELG legal entity's business and operational model over the whole project duration, initiating the consortium-wide discussion in late 2019, i.e., we started immediately after the implementation of the proof of concept of the ELG platform. The goal was to specify, in a step by step fashion, the main ingredients of the sustainability plan. Relevant intermediate results were presented in D7.8, at META-FORUM 2020, 2021 and 2022, as well as in a number of talks.

At the very start of the overall process we looked at the setup and models of various other organisations that might serve as potential blueprints for ELG or, the other way around, as examples of organisations that would not work for ELG. We paid special attention to the domain of Language Technology and related fields, to the aspect of community-driven organisations, to combining industry and research and to the relevance of Europe

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[2] See Deliverables D7.3 and D7.4
[3] D7.8 Sustainability plan (progress report)

as an overarching umbrella. All organisations we examined in more detail operate in the sphere of IT, LT or AI. Some of them have been created as spin-offs of research projects. With regard to their size and setup, though, these organisations are very diverse; the similarities with ELG in terms of their respective starting points and target groups also vary considerably. The organisations are: DBpedia Association[4], World Wide Web Consortium (W3C)[5], Industrial Data Spaces (IDS)[6], LT Innovate[7], OpenAIRE[8], CLARIN ERIC[9], Big Data Value Association (BDVA)[10], Translation Automation User Society (TAUS)[11], ELRA/ELDA[12] and GATE Cloud[13]. While discussing and learning more about these organisations – especially with regard to the type of legal entity they use, their membership as well as governance and fee structure, revenue streams etc. – we realised that despite some superficial similarities, none of them could serve as a direct model for the ELG legal entity, i.e., we are not aware of any organisation that could serve as an actual blueprint. However, we have been able to derive some important questions from this comparison that have informed the subsequent steps of the process.

The following section presents the main pillars of the legal entity according to the order in which we discussed and designed them.

3.1 Methodology and Relevant Input

In the overall process of designing the ELG legal entity, we initiated a discussion with the ELG consortium's SME partners, primarily to collect their expectations and demands towards a legal entity that operates and maintains the "primary platform for Language Technology in Europe". This discussion has been started in Year 1 of the project and has been taken up time and again. In the last year of ELG we organised a dedicated Task Force „Legal entity" that discussed various aspects of the legal entity and the sustainability plan on a monthly basis. The most important aspects of the considerations, especially from the SME perspective, can be summarised as follows:

Sales channel: ELG is, first and foremost, understood as a channel to promote and to sell the products and services offered by the SMEs. ELG should stir interest and convince potential customers to invest in European LT. This is also true for public administrations and governmental bodies, the European Institutions and NGOs with the general idea being that interested parties and stakeholders look at ELG first in their procurement processes for LT. It was suggested that, in the medium to long run, ELG should consider fulfilling or even establishing certain quality and security standards as well as some kind of quality seal.

Strategy and collaboration: Europe has strengths in certain areas and language combinations but new business opportunities can only be reached by joining forces and combining the offers with those of other European players. Missing or needed tools and services from others will help expand one's own set of tools and services. The SMEs expect ELG to help in this regard, i.e., identifying and closing strategic partnerships (also see "Interoperability").

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[4] https://www.dbpedia.org
[5] https://www.w3.org
[6] http://www.industrialdataspace.org
[7] https://lt-innovate.org
[8] https://www.openaire.eu
[9] https://www.clarin.eu
[10] https://www.bdva.eu
[11] https://www.taus.net
[12] http://www.elra.info
[13] https://cloud.gate.ac.uk

Buy-in from the whole community: According to the SME partners, ELG must be positioned in the right way with regard to other platforms and infrastructures, e.g., a controlled transition from META-SHARE to ELG should be achieved by also integrating those organisations who have participated in META-SHARE previously. Furthermore, ELG should be backed, i.e., supported and actively used, by national centres and institutions. In terms of the governance model, all stakeholders should be able to have their say, yet dominance must be avoided. ELG can also provide a channel so that the results of national and international funding programmes can be disseminated efficiently on an international level.

Information channel: The goal is for ELG to become the primary European platform for participants from academia, research institutions and commercial entities. Especially with regard to industry, the relevance, understanding and benefits of LT for companies of all sizes needs to be increased. ELG could function as a means to keep interested stakeholders informed by serving as an information source and matchmaker for buyers and suppliers alike[14].

Interoperability: Throughout Europe, there is a sizable number of other relevant platform and infrastructure initiatives including, among others, Gaia-X[15], the European AI-on-demand platform[16], EOSC[17] and NFDI[18]. The SMEs mentioned their expectation that ELG becomes part of this larger ecosystem of platforms around Artificial Intelligence, data economy, research data management and Open Science, i.e., that ELG should ideally be fully interoperable with these other infrastructures, eventually opening up additional markets. Furthermore, providers of LT need to understand what the requirements are to participate in ELG and why it is beneficial for them. ELG needs to be compatible with existing businesses and should not duplicate existing systems. Since various companies already operate their own or managed cloud platforms, platform interoperability should be ensured so that ELG complements existing or emerging clouds rather than appearing like competition. ELG should avoid creating the impression of being yet another collection of data and tools but rather emphasise the ability to combine services and resources from different companies. For this, however, full interoperability on the level of the actual tools and services, i.e., on the level of APIs, annotations, semantic descriptions, closed vocabularies etc. needs to be achieved (also see "Strategy and collaboration").

3.2   Key Aspects of the ELG Legal Entity

Informed by the SME partners' expectations and other desk research we performed, we started defining key aspects of the ELG legal entity. These have been boilded down to five main questions that served as a starting point for the decision which business model ELG should pursue. In D7.8, we discussed them thouroughly and, we have revisited these questions over the past months to see if the answers still hold:

Not-for-profit or for-profit organisation? There was a broad consensus in the consortium-internal discussions that the legal entity should be a not-for-profit organisation. This decision is rooted in the overall approach of ELG as an initiative from the European LT community for the European LT community. Moving into the for-profit direction would constitute a significant change of plan, effectively compromising the initiative's independence and ability to be perceived as neutral and non-competitive; this could also jeopardise the initiative's

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[14] On the marketplace approach, also see Deliverable D7.3 and D7.4

[15] https://gaia-x.eu

[16] https://www.ai4europe.eu

[17] https://eosc.eu

[18] https://www.nfdi.de

political standing with national and international administrations and funding agencies. In addition, the not-for-profit direction comes with additional benefits (e.g., in terms of taxation, more favourable funding conditions when participating in EU projects etc.).

Distributed team or central location? Due to the fact that the ELG consortium is already a distributed team and that the development of the platform and its technical infrastructure is spread across different European countries, the decision was made to keep this distributed setup and to build the team virtually rather than in one physical location. Current technical setups for remote work enable efficient virtual meetings and distributed teams are very common in business anyway. The changing work environments that evolved during the pandemic years in terms of remote working further reinforced this decision. The suggestion was made to position the legal entity's "headquarter" in the country where the majority of the costs are likely to be incurred, which, for the time being, will be the rented cloud infrastructure plus part of the personnel costs.

Start small or big? Given that developments in the AI/LT field and in Europe as a whole are very dynamic, the preparation of a detailed ten-year plan does not seem to be the right approach. Also, the developments around the emerging Language Data Space in Europe will impact size and positioning of ELG in the coming years. A large organisation with a rigid hierarchical structure is perceived to be an obstacle in our consortium-internal discussions. Instead, we favour a flexible and agile setup that can react quickly and efficiently to changes and new framework conditions. However, the organisation must be large enough to ensure that the existing infrastructure and platform can be maintained and extended in a meaningful way and so that growth is possible. We currently assume a headcount of 10-15 employees for Phase 3 (see Table 1).

Abrupt transition or soft launch? While the ELG EU project will end on 30 June 2022, various partners of the ELG consortium are involved in a number of new projects, in which the European Language Grid plays a certain role. Through these new projects, some of the costs of operating the cloud platform can be covered. This situation is ideal because it gives the consortium a bit more time and flexibility for completing the overall setup of the legal entity. Our goal is to establish the legal entity in the second half of 2022, performing a rather soft launch.

Membership organisation? There are good reasons for having a setup that includes a membership structure, especially for actively including the many members of the European LT community and also because membership fees can be considered a constant, reliable source income if the ELG legal entity is able to continuously provide added value. On the other hand, the membership fee needs to be reasonable to make sure that interested parties are not deterred from the very outset. The specifics about fees and membership requirements are still under discussion (see also Section 3.6).

3.3 Assessment of Operational Costs

Operating the ELG legal entity will create costs, that need to be covered, even if the organisation itself will be a not-for-profit one. While the key tangible outcome of the EU project, the implemented and populated cloud platform, is an important prerequisite for the legal entity, several additional components need to be put in place. Crucially, the legal entity needs a team and director to take care of operations, maintenance and further development of the platform, associated tools and the ELG community. The main cost items are as follows:

Staff Labour costs represent the largest share of the organisation's expenses. Even a minimal team includes employees for operations, development, marketing, support and management. It might not be necessary to

hire full-time employees for each of these areas right away but in order to run a successful organisation, a stable team is essential.

Cloud hosting To enable the legal entity to operate the ELG platform, a cloud infrastructure (including CPU, GPU, RAM, SSD and bandwidth) needs to be rented from a cloud service provider.

Overhead This refers to costs like rent of office space, hardware like workstations and printers, furniture, electricity, heating, etc. Even if remote and part-time work might reduce these costs because there is no need to rent larger office spaces, overhead still accounts for part of the fixed costs of the organisation.

Legal Especially in the ramp-up phase of an organisation, comprehensive and sound legal advice is crucial. The ELG legal entity will have to draw up and maintain model contracts and service level agreements for its products. Moreover, advice on GDPR, tax legislation and human resources issues is needed. The legal entity will not have the capacity for an inhouse legal expert, instead, legal services will be outsourced.

To facilitate future planning, a preliminary cost-structure has been develope, we prepared a preliminary and indicative draft of the estimated costs (Table 1). It illustrates the foreseen soft start of the legal entity, which is separated into three phases. The gradual soft launch is meant to go from a small team that is working part-time (Phase 1) to a team of 10-15 full-time employees (Phase 3).

Cost item	Phase 1 (start)	Phase 2 (ramp-up)	Phase 3 (stable)
Staff	5,000€	25,000€	100,000€
Cloud hosting	5,000€	10,000€	20,000€
Overhead	500€	2,500	7,500€
Legal	1,500€	2,500€	10,000€
Total	12,000€	40,000€	137,500€

Table 1: Estimated monthly costs in three phases (numbers are preliminary and indicative)

3.4　　　　Product Portfolio and Revenue Streams

Together with all partners of the ELG consortium we defined, in a process that included several iterations, a portfolio of products that the ELG legal entity can potentially offer. These products are targeted at members of the European LT community and also at stakeholders interested in using, implementing, integrating or purchasing European LT. The products are primarily foreseen as revenue streams for the ELG legal entity so that it is able to cover the fixed costs associated with operating the ELG legal entity and platform.

Such a structured portfolio of products, including associated fees, is necessary for eventually preparing the budget plan of the legal entity. In the following, we briefly describe the main categories of the ELG product portfolio; due to space restrictions we are unable to include all the details. The complete product portfolio can be found in Appendix A. Still, the list is not meant to be exhaustive but rather indicative of the overall plan and vision of the legal entity. It is also important to note that not all products will be offered right from the start but that the set of products will be expanded gradually over time.

3.4.1　　　　Product Category: Marketplace

Marketplace Commission ELG features a directory of all European LT developers and can enable a match-making process, i.e., ELG facilitates, for potential buyers or integrators of LT, the discovery of the right LT provider. In this product, ELG receives a commission from every contract generated through the marketplace (approx. 5-

10%). This product can be used by commercial LT developers to broaden their reach and to penetrate new markets, especially if the current is limited or if the developer is operating in a niche. On the demand side, we foresee this product to be used by larger organisations that want to buy LT or integrators that need a specific LT for a customer project. In order to participate in this marketplace, LT developer companies have to agree and to sign a marketplace participation framework agreement.

Public Request for Bids Model This product is a potential extension of the *marketplace commission* product: Customers can publicly and maybe anonymously post the need for a certain technology or resource or perhaps for an integration task and ask supplier companies for bids. Multiple LT developers and integrators can post their bids (not publicly) so that the organisation that posted the original request for bids can identify a cost-effective way to move forward. Posting the original request for bids would require a small fee to be paid. If a contract is established, the usual ELG marketplace fee applies on top of this.

3.4.2 Product Category: Consulting

Technical ELG Platform Consulting The ELG legal entity has enough expertise so that it can offer various types of technical consulting services, for example, regarding ELG, providing or using ELG services, combining services, training new models and making them available, i.e., services with a clear focus on the ELG platform, ecosystem and technical basis. This product is likely to be purchased by organisations that have a certain need for LT and that want to test and explore certain functionalities, models or tasks, but these organisations realise that they need some kind of help, e.g., implementation of prototypes, selection of technologies, evaluations etc. Using this product, organisations are able to make full use of the ELG platform and all its services. This product can be offered for a one-time fee or, for larger companies, also as part of a framework contract.

Conceptual ELG Community Consulting This product is similar to the one described above; it primarily makes use of the ELG team's in-depth knowledge of the ELG community, i.e., of the European LT developer or provider landscape. In that regard, the ELG team can support organisations with a certain need for a general or specific type of LT in finding the right technology provider. Customers interested in this type of product know that they have a certain need for LT but they are unsure about the concrete next steps, i.e., where and how to find the provider company.

LT Market Intelligence Report The ELG legal entity could exploit its in-depth knowledge of the European LT landscape and community and publish an annual or semi-annual market intelligence report about the European and maybe also global LT landscape including topics such as, among others, emerging trends, new players and rising stars, new projects and success stories. Such market analyses are highly relevant for a larger group of stakeholders including larger companies and enterprises (LT developers, LT users), non-governmental organisations, venture capital companies and others. These reports could be offered for a one-time fee or as packages that cover multiple reports with a slightly reduced fee.

3.4.3 Product Category: ELG APIs

ELG Power User Flatrate (for commercial users) Through this product, commercial customers get unlimited and unrestricted access to the ELG APIs of all integrated services and tools. This product targets companies of any type (SMEs, integrators, enterprises) that have to pay a small monthly or annual fee to be able to use it. This subscription product provides direct to all ELG APIs for experimentation and evaluation purposes, enabling fast comparisons and immediate results. It can also be used to develop smaller LT-driven applications by inte-

grating ELG APIs into existing systems. Like with many other products, any surplus generated through this product will be transferred to those LT developing companies that have provided the ELG-integrated services that were used in the relevant month, based on the proportionate number of API calls.

ELG Power User Flatrate (for academic users) Technically, this product is exactly like the first one but it targets academic users exclusively. The monthly or annual fee will be significantly lower than the fee of the power user flatrate for commercial users.

ELG Professional Flatrate Conceptually, this product is similar to the first one but the professional flatrate includes additional features and support services, e.g., faster tools, more compute resources, faster helpdesk support, workflow or pipeline functionality etc. The price of this product will be significantly higher than the pricer for the first product.

3.4.4 Product Category: LT-as-a-Service

LT-as-a-Service (for commercial users) This product targets commercial LT developers. Paying a certain fee, it enables them to host a limited number of LT tools or services within the ELG platform with guaranteed performance and availability. In order to be able to host more services or API endpoints in ELG, a different type of product needs to be purchased. This product is especially interesting for those companies that do not operate their own cloud infrastructures or that are eager to participate in the ELG initiative, i.e., ELG's LT-as-a-Service product can be seen as an alternative to renting cloud infrastructure. Another benefit of this product is that companies are able to extend their reach and to open up new markets, i.e., once again ELG can be used as an additional sales, promotion and distribution channel. This product can also be set up in multiple tiers, representing different maximum numbers of services and corresponding prices. While companies have to pay a certain fee for this product, the different ELG APIs products will generate revenue, from which the companies will benefit. In that regard, it is important to identify the right balance over time.

LT-as-a-Service (for academic users) Technically, this product is exactly like the previous one but it targets academic users exclusively. The monthly or annual fee will be significantly lower than the fee of the LT-as-a-Service product for commercial users. This product also targets research projects, for which ELG can function as a secondary or maybe even primary dissemination and exploitation channel for their research results. Like the ELG power user flatrate for academic users, we consider making this product available for free for academic users if and when the ELG legal entity has established stable revenue streams.

3.4.5 Product Category: Data-as-a-Service

Data-as-a-Service (for commercial users) This product is very similar to LT-as-a-Service but instead of focusing upon running services or tools, it only allows making datasets or other (static) resources available on ELG, again, with guaranteed availability. Like LT-as-a-Service, this is an entry level product and, thus, only allows hosting a limited number of datasets (or up to a certain amount of data) on ELG. In case of more demand on the side of the customer, a different type of product needs to be purchased. This product needs to be priced lower than the LT-as-a-Service product.

Data-as-a-Service (for academic users) Technically, this product is like the previous one but it targets academic users. The monthly or annual fee will be significantly lower than the fee of the Data-as-a-Service product for commercial users.

3.4.6 Product Category: Repository-as-a-Service, Platform-as-a-Service

Repository-as-a-Service, Platform-as-a-Service Using this product, customers can host whole LT platforms or repositories on ELG while the ELG team takes care of all technical aspects including branding, availability, back-ups etc. This product targets a variety of stakeholders including goverments and ministries (e.g., for hosting national LT platforms on ELG), smaller or larger companies, smaller research groups and also whole research centres. The idea behind the product is that setting up and operating a cloud with an LT repository requires a lot of effort and expertise, which can be fully avoided by purchasing the corresponding ELG product. While the branding of the respective hosted platform or repository can be adapted to the brand and logo of the respective customer on the user interface level, at the same time, all hosted services, tools and other resources are automatically also part of the 'wider' ELG cloud platform, which will automatically broaden their reach significantly. We currently foresee three different tiers of this product: one entry level tier for research groups, one for SMEs and research centres and one for national LT repositories.

3.4.7 Product Category: Events

Training Events and Tutorials In addition to the more technical products described above, training events and tutorials can be offered as products, especially for commercial customers. These can be, among others, general ELG-related training events (from half a day to multiple days) where the training relates to the ELG platform, using, providing and combining services etc. This type of event can be offered to organisations that have a need for certain LT and that want to be able to make the most of the ELG platform. This product is a pre-packaged and generic course, while those training events that involve customisation of content, tailoring the course to the respective customer and its specific needs, would be rather considered technical ELG platform consulting.

Annual Conference The annual ELG conference assembles the whole ELG community, including commercial and academic participants, related projects and initiatives etc., and also the ELG team. While the annual ELG conference organised by the ELG EU project has been free of charge, this model could change (e.g., registration fees, sponsorship packages, paid presentation slots, booths for a fee in the industry exhibition etc.).

3.4.8 Product Category: Marketing and Advertisements

Conference Sponsorship This product relates to typical conference sponsorship packages, which can be purchased by, typically, companies to position themselves as gold or platinum sponsors of the annual ELG conference. This product model is well established and accepted in industry and research but to be successful it requires the respective conference to be of very high relevance for its community.

Online Advertisements The ELG platform could offer a small part of its screen real estate for online advertisements that can be purchased, among others, by members of European LT community to position their products or services in a more targeted way on the ELG website, for example, when certain keywords or search terms are used. In terms of revenue generated, this product only makes sense if the website has a very high number of users. Furthermore, it remains to be discussed and seen if online ads are a welcome addition on the ELG website or if they are perceived as not appropriate.

Sponsored Content Similar to online advertisements, the idea behind this product is that customers can pay a small fee to get one or more of their products, services or resources or perhaps even their own organisation's or project's page in the ELG catalogue featured on the ELG website, clearly marked as "sponsored content" (for example, the first search result).

Merchandise The final product relates to ELG-branded merchandise, which could be sold online, for example, t-shirts, hats or pens with the ELG logo.

3.4.9 Miscellaneous

In addition to the actual products offered by the ELG legal entity, there are at least three other potential revenue streams or activities related to marketing the ELG products. These additional revenue streams cannot be considered products per se.

Foundations The ELG legal entity could approach one or more foundations with the request to grant financial support. In return, the foundations could position themselves as supporters of the ELG initiative.

Project Grants EU or national project grants are an obvious mechanism to support part of the ELG team and platform as well as its operation.

ELG Use Cases as Show Cases Together with larger enterprises and some of the commercial LT developer companies represented in ELG, interesting and relevant show cases as well as success stories can be published on the ELG website, which can function as marketing instruments and testimonials that demonstrate that ELG is an important and valuable activity.

3.5 Governance Structure

With the decision to register ELG as an association, we are also deciding for a membership framework. This means persons and organsiations can register and thus become a member of ELG. The membership comes with certain rights and duties that will be detailed in the statutes of the association and the rules of procedure. In addition, a membership fee is raised, which depends on the status and size of the organisation and is tiered accordingly. The association will have an Executive Board as well as an Advisiory Board. The Executive board represents the association judicially and extrajudicially and has the position of a legal representative. Board members are bound by the association's statutes and the rules of procedure which determine the organisational framework for meetings and assemblies. The rules of procedure are binding and cannot be negated or corrected by board members without consulting the general members assembly. It remains to be seen, whether alongside the Advisory Board, there will be other bodies installed, such as a panel of experts, a budget committee, or other working groups or task forces.

The most important goal remains for ELG to be a community activity and platform that serves community and represents its interests. The implementation of a democratic set-up such as the association structure seems particularly appropriate to achieve this goal.

3.6 Summary and Assessment

The ELG product portfolio is diverse and broad, it offers multiple different options of moving forward under the umbrella of the legal entity. As mentioned, we will not start with all products right away but only with a selection. Before we make the final selection, we will validate the products and their chance of being accepted by the European LT community with a number of experts from the field. As the most promising products we currently perceive the ELG APIs due to the enormous market for this product, the LT-as-a-Service products due to a high demand, the marketplace as well as the consulting product.

Additionally, we see a lot of potential in offering countries the technical infrastructure for the purpose of supporting national LT platforms. Especially for smaller countries or regions, it is challenging to develop and maintain an elaborate technical platform all by themselves. For these, having their *National LR/LT Repository* hosted as a service within ELG can be an attractive offer. For ELG, in return, this appears to be an interesting financial pillar to operate such platforms while charging an annual hosting fee.

Exploiting the ELG platform as the primary dissemination and exploitation channel for research projects is another product idea that has a lot of potential. It enables research projects to fully concentrate their resources on the actual research work without a need for developing complicated exploitation plans on their own because they can fully rely on ELG for this purpose. This approach can increase the general visibility of European research results significantly.

4 Towards a Legal Entity for the European Language Grid

In this deliverable we present the current state of planning of the ELG legal entity, which is foreseen to be established as an *eingetragener Verein, e.V.*, as a registered, not-for-profit association, in the second half of 2022. The legal entity will start small, with a soft launch, and is meant to be flexible and agile. The main pillars of this overall concept have been under development since late 2019 and cover most of the crucial aspects of the legal entity. In terms of financing, a mixed model is envisaged, driven by the product portfolio (see Section 3.4), that includes shared revenue streams through LT provider companies that use ELG as a sales channel and their customers who use ELG to find the right providers and suppliers as well as services.

One aspect that still needs to be specified in more detail is the inclusion and active involvement of the European LT community and the governance structure of the legal entity. As an initiative *from* the European LT community *for* the community, its involvement is crucial to create trust and transparency as well as to provide representation to academic and industrial European LT developers. The proper inclusion of the community in a representative manner will require a number of discussions and deliberations. Fortunately, with regard to an *e.V.*, these matters do not need to be fully resolved before establishing the organisation but can also be taken on board and revised through updates of its statutes.

Originally we had envisioned to establish the legal entity within the project runtime and to start with a 'bigger' approach than is currently foreseen. The aforementioned delay of a few months in establishing the entity does not pose a problem because the overall framework conditions have changed in the last 12 to 18 months.

Through recently started and publicly funded projects including ELE, OpenGPT-X, NFDI4DataScience and the upcoming EU project DataBri-X, which is about to start in October 2022, we are able to operate the ELG cloud platform and we can also perform some maintenance and other ELG-related work, including the extension of the ELG platform itself so that it is compatible with the emerging Gaia-X ecosystem. We have also been collaborating with the European AI on demand platform to ensure compatibility of our approaches in terms of semantically describing resources.

In fact, we see the delay as an advantage, which is, once again, due to the highly dynamic nature of the wider field. While it has been known that the European Commission is about to establish a number of data spaces from 2023 onwards, including a Language Data Space, the European Union wants to strengthen these data

spaces and other relevant activities in the digital area with their own type of legal entity. The European Digital Infrastructure Consortium (EDIC) is "a new instrument proposed by the European Commission to help speed up and simplify the setup and implementation of multi-country projects, where other existing legal frameworks may not be appropriate."[19] The transition into an EDIC could be one long-term scenario for the ELG platform and legal entity.

While the future is always difficult to predict, it is clear already now that over the past three years the interest in ELG has risen constantly and that the legal entity that will take over the initiative after the EU project has ended has very good starting conditions. The ELG brand has been established in the community and a considerable buy-in can be observed already now. However, to take advantage of this momentum, the marketplace, broker, dissemination, exploitation and participation model needs to be extremely simple and easy to grasp to make sure users understand and accept it and the platform needs to be as user-friendly and all-encompassing as possible in every regard, including the various levels of technical interoperability. Quality and security aspects play a crucial role and can become the unique selling proposition as opposed to providers of LT services from the US or Asia.

A.   Product Planning Sheet

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[19] https://ec.europa.eu/commission/presscorner/detail/en/QANDA_21_4631

B.   Presentation "ELG Legal Entity and Products", META-FORUM 2022

ELG: Goals and Objectives

- Establish ELG as the primary platform and marketplace for commercial and non-commercial LTs.
- Enable the European LT community to upload services and data sets into the ELG, to make them available, to deploy them and also to connect with, and make use of resources made available by others.
- Help establish the Multilingual Digital Single Market.

- To achieve the required scale, we need, among others: high availability and performance of the cloud platform; SLAs for (paid) services that are applied in real industrial settings; billing; support; maintenance and further development etc.

- *These characteristics create various non-trivial costs.*

ELG   META-FORUM 2022   3

Costs

- Cloud hosting (CPU, GPU, RAM, SSD) and bandwidth
- Team
    ◦ Operations
    ◦ Development
    ◦ Accounting
    ◦ Marketing, sales, communication
    ◦ Support (e.g., service helpdesk)
    ◦ Management
- Legal (SLAs, contracts, GDPR etc.)
- Misc. (rent, hardware, electricity etc.)

ELG   META-FORUM 2022   4

Towards a Sustainable European Language Grid

- Our goal for ELG is to be a sustainable, long-term activity.

- ELG is an initiative *from* the European LT community *for* the European LT community.

- Support through the EU project ELG and also the very limited resources available in ELE will end in a few weeks (30 June 2022).

- To be able to continue operating the ELG platform, we need to be able to cover the incurred costs on a long-term basis.

- The platform should also be able to evolve with changing needs by its users.

- Goal: *establish a legal entity including business and operations plan.*

ıı|ıl ELG   META-FORUM 2022   5

Expectations expressed by ELG's SME Partners

- **Sales channel:** ELG is understood as a channel to promote and sell products and services.
- **Strategy and collaboration:** Europe has strengths in certain areas and language combinations but new opportunities can only be reached by joining forces.
- **Buy-in from the whole community:** ELG must be positioned in the right way with regard to other infrastructures, e.g., a controlled transition from META-SHARE to ELG should be achieved. ELG should be supported and actively used, by national centres and institutions.
- **Information channel:** The relevance, understanding and benefits of LT for companies of all sizes needs to be increased. ELG could keep interested stakeholders informed.
- **Interoperability:** ELG should become part of the larger ecosystem of infrastructures around AI and data (AI-on-demand platform, Gaia-X, NFDI etc.), ideally ELG should be fully interoperable with these infrastructures. Furthermore, ELG needs to be compatible with existing businesses and should not duplicate existing systems.

ıı|ıl ELG   META-FORUM 2022   6

Key Aspects of the ELG Legal Entity

- **Not-for-profit** rather than a for-profit organisation – we have large consensus that ELG should be a not-for-profit organisation.

- **Distributed team** rather than one central location. The ELG team is already spread throughout Europe – we keep this distributed setup and will build the team virtually. The suggestion was made to position the headquarter in the country where the majority of the costs are likely to be incurred (at the moment, the cloud infrastructure).

- **Start small** rather than big – given that the developments in the AI/LT field and in Europe as a whole are very dynamic. We favour a flexible and agile setup that can react quickly and efficiently to changes and new framework conditions.

- **Soft launch** rather than an abrupt transition – through several new projects, in which ELG plays a certain role, we are in the comfortable position to be able to perform a soft launch, which also reduces the pressure.

- **Marketplace, broker, dissemination, exploitation, participation model must be *simple*.**

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Assessment of Monthly Operational Costs

Cost Item	Phase 1 (Start)	Phase 2 (Ramp-up)	Phase 3 (Stable)
Staff	2,500€	25,000€	100,000€
Cloud hosting	2,500€	10,000€	20,000€
Overhead	500€	2,500€	7,500€
Legal	–	2,500€	5,000€
Total	**5,500€**	**40,000€**	**132,500€**

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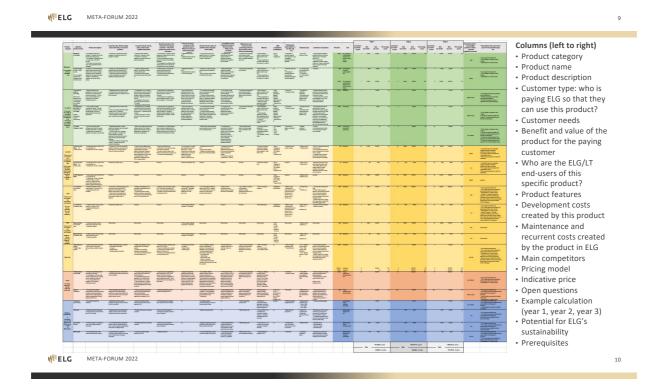
Product Portfolio

- Together with all ELG consortium partners we defined, in several iterations, a portfolio of products that the ELG legal entity can potentially offer.
- The products are targeted at members of the European LT community and also at stakeholders interested in using, implementing, integrating or purchasing European LT.
- The products are foreseen as revenue streams for the ELG legal entity so that it is able to cover the fixed costs associated with operating the ELG legal entity and platform.
- Product portfolio is necessary for preparing the overall budget plan of the legal entity.
- The following slide shows our main design and planning instrument.
- The slide after shows the main product categories. Details cannot be covered.

Columns (left to right)
- Product category
- Product name
- Product description
- Customer type: who is paying ELG so that they can use this product?
- Customer needs
- Benefit and value of the product for the paying customer
- Who are the ELG/LT end-users of this specific product?
- Product features
- Development costs created by this product
- Maintenance and recurrent costs created by the product in ELG
- Main competitors
- Pricing model
- Indicative price
- Open questions
- Example calculation (year 1, year 2, year 3)
- Potential for ELG's sustainability
- Prerequisites

Product Categories

- **Marketplace**
  - Marketplace Commission
  - Public Request for Bids Model
- **Consulting**
  - Technical ELG Platform Consulting
  - Conceptual ELG Community Consulting
  - LT Market Intelligence Report
- **ELG APIs**
  - ELG Power User Flatrate (for commercial users)
  - ELG Power User Flatrate (for academic users)
  - ELG Professional Flatrate
- **LT-as-a-Service**
  - LT-as-a-Service (for commercial users)
  - LT-as-a-Service (for academic users)
- **Data-as-a-Service**
  - Data-as-a-Service (for commercial users)
  - Data-as-a-Service (for academic users)

- **Repository-as-a-Service** as well as **Platform-as-a-Service**
- **Events**
  - Training Events and Tutorials
  - Annual Conference
- **Marketing and Advertisements**
  - Conference Sponsorship
  - Online Advertisements
  - Sponsored Content
  - Merchandise
- **Miscellaneous** *(additional revenue streams)*
  - Foundations
  - Project Grants
  - ELG Use Cases as Show Cases

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Product Portfolio: Summary and Assessment

- The ELG product portfolio is diverse & broad, it offers multiple options of moving forward.
- Not all products will be offered right from the start of the legal entity.
- Before we make the final selection, we will validate the products and their chance of being accepted by the European LT community with a number of experts from the field.
- We consider most promising: **ELG APIs** (due to the enormous market), **LT-as-a-Service** (due to high demand), the **Marketplace** as well as the **Consulting** product.
- We also see a lot of potential in offering countries the technical infrastructure for the purpose of supporting national LT platforms. Especially smaller countries could have their *National LR/LT Repository* hosted as a service within ELG.
- Exploiting ELG as the primary dissemination and exploitation channel for research projects is another product with a lot of potential. It enables projects to concentrate on the actual research work without a need for developing complicated exploitation plans.

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Legal Entity Type – Options

EUROPEAN
LANGUAGE
GRID

- We considered a number of different entity types.
- Each European country has its own set.
- There are also European legal entities (EEIG, SE, SCE etc.), none of which fit though.
- Basic options: a) for-profit company; b) non-profit company; c) association; d) foundation
- Crucial requirement: flexibility, agility and the ability to ramp up the operation of the legal entity in a careful way.
- We will establish a registered association in Germany (e.V., *eingetragener Verein*). This option does not require any initial capital and frees ELG from the pressure of having to generate income immediately. Since some of the staff members who will be active in ELG e.V. are based in Germany, it appears practical to set up the entity under German law.
- The legal entity will work in virtual teams primarily.

ﮞﺍ ELG   META-FORUM 2022   13

Summary and Next Steps

EUROPEAN
LANGUAGE
GRID

- Our ambition is for ELG to develop into the primary platform for LT in Europe.
- Most ingredients in place, we still need to work on the governance structure a bit more.
- ELG e.V. – *eingetragener Verein* (registered not-for-profit association under German law).
- Product portfolio enables a mixed financing model.
- Shared revenue streams – LT providers will benefit financially.
- Validate product specifications with external experts and stakeholders.
- Start small with a soft launch of ELG e.V. in Q3/Q4 2022.
- Soft launch possible because we're able to cover certain costs through new projects.
- EC will establish a *Language Data Space* – one possible scenario for ELG e.V. could be the transition into the corresponding European Digital Infrastructure Consortium (EDIC).

ﮞﺍ ELG   META-FORUM 2022   14

European Language Grid
European Language Equality

EUROPEAN
LANGUAGE
GRID

EUROPEAN
LANGUAGE
EQUALITY

Thank you!

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08/09-06-2022 META-FORUM 2022 – Joining the European Language Grid (hybrid conference)
http://www.european-language-grid.eu – http://european-language-equality.eu