# Former OpenAI employees support lawsuit to preserve nonprofit status



Twelve former employees of OpenAI have recently filed a legal brief in support of a lawsuit aimed at preserving the organisation's nonprofit status. This legal action is being led by co-founder Elon Musk, who is challenging the plans to transfer control of OpenAI to investors. Musk and the former employees warn that such a shift could compromise OpenAI's original mission to prioritise humanitarian goals over profit.

The group of former employees, who previously held significant positions within the company, argue that moving away from nonprofit governance would dilute the organisation's commitment to its core purpose. They have stated that the nonprofit structure has been instrumental in shaping OpenAI's strategic direction and attracting talent that is driven by its humanitarian vision.

In contrast, OpenAI maintains that transitioning from a nonprofit model is essential for securing the necessary investment to continue its development. The company asserts that a shift would enable it to benefit from growth while still adhering to its commitments to societal benefit.

The publication Tech in Asia notes that the debate over nonprofit-to-profit transitions underscores a fundamental tension within the field of artificial intelligence. The ongoing dispute at OpenAI illustrates the competing pressures between the need for capital investment and the demand for oversight that prioritises safety and ethical development.

OpenAI was founded in 2015 as a nonprofit organisation with a commitment from its founders, including Musk and CEO Sam Altman, to ensure that the advancement of AI serves humanity rather than corporate interests. However, in 2019, OpenAI adopted a hybrid structure, OpenAI LP, to attract funding while maintaining some nonprofit oversight, recognising that the resources required for developing advanced AI systems far exceed what could be generated through donations alone.

At the heart of the current legal battle lies the question of whether divesting the nonprofit's controlling stake would pose a "fundamental violation" of OpenAI's mission, a claim made by the former employees. They contrast this with OpenAI's position that such changes are imperative for generating the estimated $40 billion needed for future initiatives while still retaining a degree of oversight via the remaining nonprofit ownership stake.

Elon Musk's evolving stance presents a notable element in this discourse. Initially a staunch advocate for OpenAI's nonprofit model, Musk has previously contributed substantial funds to the organisation and highlighted existential risks associated with AI. However, OpenAI's countersuit suggests that Musk had at one point favoured a for-profit model, signalling a shift in his views on how best to govern powerful AI technologies.

This legal confrontation raises critical questions for the AI sector as a whole, particularly regarding the balance between profit motives and the indispensable need to prioritise humanity’s interests while developing ever more sophisticated technologies. The implications of this case could shape the future landscape of AI governance and the ongoing dialogue about the responsibilities of technological innovators.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://techcrunch.com/2025/04/11/ex-openai-staff-file-amicus-brief-opposing-the-companys-for-profit-transition/> - Corroborates the filing of an amicus brief by former OpenAI employees in support of Elon Musk's lawsuit, highlighting concerns about OpenAI's mission being compromised by a shift towards a for-profit structure.
* <https://cio.economictimes.indiatimes.com/news/corporate-news/group-of-ex-openai-employees-back-musks-lawsuit-to-halt-openai-restructure/120222716> - Supports the involvement of former OpenAI employees in Musk's lawsuit, emphasizing their role in opposing the company's shift away from nonprofit governance.
* <https://www.foxbusiness.com/technology/openai-countersues-elon-musk-claiming-he-has-tried-every-tool-available-harm-company> - Details OpenAI's countersuit against Elon Musk, claiming he is acting to harm the company through various tactics, which contrasts with Musk's efforts to preserve OpenAI's nonprofit status.
* <https://www.foxbusiness.com/technology/openai-countersues-elon-musk-claiming-he-has-tried-every-tool-available-harm-company> - Explains OpenAI's perspective that transitioning to a for-profit model is necessary for securing investments to continue AI development while still aligning with its humanitarian goals.
* <https://techcrunch.com/2025/04/11/ex-openai-staff-file-amicus-brief-opposing-the-companys-for-profit-transition/> - Provides context on OpenAI's founding as a nonprofit in 2015 and its later adoption of a hybrid structure in 2019, highlighting the complex balance between funding needs and mission integrity.