

## A Marriage (...Um..Merger...) is Announced

03.10.16 | Linda J. Rosenthal, JD



One day, you'll read about some chapters of National Organization X breaking away. The next day, there will a press release about a happy merger of separate organizations Y and Z devoted to the same charitable cause.

These decisions to marry or divorce – philanthropically speaking, that is – often focus on the practical considerations of policy and strategic planning.

Of course, being lawyers, our worldview is a bit different. We walk down the street and see a car accident. Like other bystanders, our first thoughts are about the health and welfare of the victims, but invariably – and quickly – our minds float off into the land of “comparative negligence” and “uninsured motorist liability.”

So when we hear about charity groups making major changes, we start focusing on issues like “who owns the assets” and “which state’s law applies to govern the dissolution of a national organization.” If it’s a dissident group of members breaking off, we wonder “who gets to keep the corporate name and goodwill.”

You get the idea. We specialize in “issue identification”: trying to predict likely problems – whether or not they will materialize in the future.

### *The Consolidation of Two Ovarian Cancer Groups*

The recent announcement of the strategic merger of two organizations focused on the scourge of ovarian cancer caught our attention. There are features – (well, what we can glean from reading news reports and press releases) – that bode very well for this union.

On January 28, 2016, “two nonprofits dedicated to ovarian cancer announced a merger that they hope leads to a more efficient and effective combined organization.”

### Name

The organizations formerly known as “Ovarian Cancer Research Fund” and “Ovarian Cancer National Alliance” have formed the “Ovarian Cancer Research Fund Alliance.” It’s an easy combination of the two names – not unlike the hyphenated last names that were in vogue for yuppie couples some years ago. Nobody gets slighted.

We do wonder, of course, about whether there was some name confusion in earlier years; both were “Ovarian Cancer....” We’ve written before about the ugly lawsuits that can arise from allegations of infringing a corporate name and poaching the supporters and donations from each other. See, for instance, [here](#).

The new organization may also want to consider notifying present and past supporters of each group. They need to know of the name change if – for instance – they’ve made bequests in their wills. There could be some difficulty with a testamentary gift to Ovarian Cancer Research Fund if – in 2018 when the donor dies – no such organization exists anymore. Read more, [here](#).

### Too Much Stuff

This consolidation of ovarian cancer charities seems like a marriage made in heaven because each group had (and will continue to focus on) separate activities – in separate cities. “Staff and programs for each former organization remain the same”:

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*Based in New York City, OCRF is the larger organization, with 14 employees and revenue of more than \$9.3 million in 2013 .... Much of its program expense is funding research – \$7.4 million in 2013. It’s the largest charity funding ovarian cancer research in the United States. OCNA has seven employees and revenue of \$1.6 million, with program spending focused on education, awareness and advocacy. The Washington, D.C.-based OCNA is a patient support organization with more than 60 partner member organizations.*

It’s like a 30’s-something commuter-marriage couple; they have great jobs in separate cities. One partner can keep her shabby chic decor as well as all of her favorite kitchen appliances. The other partner can have his “man cave” with the ugly chair, center-stage, next to the beer keg. Couples moving in together have to decide whose coffee maker and toaster oven stay on the counter of the tiny galley kitchen; these ugly fights play out every day on HGTV. Here, each ovarian cancer group can keep its own stuff (read: leadership, staff, office leases, community contacts and reputation,

expertise and focus, etc.)

### Conclusion

Of course, only time will tell, but it has the marks of a good decision:

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*As separate groups supporting the same cause, we recognized that the organizations gaining the most ground against specific diseases were those that developed a 'one-stop shop' approach through research, advocacy, education and awareness. Highly effective organizations such as the Michael J. Fox Foundation for Parkinson's Research, Juvenile Diabetes Research Foundation, and American Lung.*