AI Copyright Lawsuit

Why in news?

The New York Times (NYT) filed a lawsuit against OpenAI and Microsoft for using its copyrighted work to train and generate Artificial Intelligence products.

Why NYT filed allegation against AI firms?

- **Use of copyrighted materials**- NYT claims that Open AI and Microsoft are free-riding on its journalism, stealing its audience.
- It argues that Open AI and Microsoft's use is not transformative or fair, and that it harms the potential market for its work.
- They use NYT's copies to train their large language models (LLMs), including ChatGPT and **Copilot**.
- **Loss of revenue**- AI firms are reproducing articles by passing paywalls using a browsing plugin.
- **Loss of autonomy**- The copyrighted news articles, in-depth investigations, opinions etc., are being used unlawfully to create AI products that jeopardize its ability to deliver that service.
- **Unfair competition**- Chatbots like ChatGPT and Bing Chat could harm NYT's business by using its content to create competing products that discourage users from visiting its website.
- **Misinformation**- The problem with LLMs is that they produce *false or inaccurate information* by fabricating the content which is called as hallucination in AI.
- **Lack of market**- Misinformation harms the reputation and trustworthiness of the newspaper which undermines the quality and value of journalism, as it makes it harder for people to distinguish between true and false information.

To know about copyright infringement click here

Generative AI
• It refers to the capability of *AI-enabled machines* to use existing text, audio files, or images to create new content. • It is powered by foundation models (large AI models) that can multi-task and perform out-of-the-box tasks, including summarization, Question and Answer etc., • It produces new outputs that are similar to the data it was trained on. • The repetitive processes automated in generative AI includes digital image correction and digital audio correction.

What is OpenAI's legal stance?

- **Fair use**-They may claim that using NYT's articles to train their AI products is a fair use of copyrighted material.

- **Fair use factors**- Fair use depends on four factors, such as
  - Purpose and character of use,
  - Nature of the work,
  - The amount used, and
  - The effect on the market.
- **Transformative use-** Purpose and character of use factor is crucial as it considers whether OpenAI's use is transformative, meaning it adds something new or different to the original work.
- However, this may be challenged by the fact that the LLM does not retain the original data, but only learns from it.

Steps taken by India for copyright infringement
• **Copyright Act, 1957**- Protects original literary, dramatic, musical, artistic works and cinematograph films from unauthorized uses. • The Act offers remedies for copyright infringement (*civil or criminal* in nature), depending on the severity and intent of the infringement. • It includes injunctions to stop further infringement, monetary damages to compensate the copyright owner, and an account of profits to ensure that the infringer does not benefit financially from their wrongful actions. • It involve penalties such as imprisonment and fines, primarily for cases of intentional and commercial infringement. • **Copyright (Amendment) Rules 2021-** It aims to bring the copyrights in line with other relevant laws and ensures accountability and transparency in the collection and distribution of royalties. • Copyright Act 1957 specifies exception with respect to computer programme namely - Making copies for protection - Obtaining essential information - Testing and studying - Non-commercial copying

What lies ahead?

- The complaint is the ***1st AI copyright lawsuit*** within the news ecosystem, arguing that the generative AI models threaten the publication's business model and compromise the credibility.
- The lawsuit could have significant impact on the future of generative AI and intellectual property, as it raises questions about the value and meaning of creativity and art in the age of AI.
- A new legal framework is required as existing laws may not adequately address the issues of authorship and ownership of works created by AI, which uses copyrighted material as training data.

Reference

The Hindu- NYT's copyright lawsuit



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