

All-Party Parliamentary Group for Intellectual Property IP and AI

Date: Tuesday 6th July

Time: 17:00-18:00

Attendees: Pete Wishart MP, Baroness Neville-Rolfe, Lord Clement-Jones, Lord Foster of Bath

Issues covered:

- **The application of artificial intelligence across IP rich businesses**
- **AI as a source for growth and innovation for IP rich businesses**
- **Government response to Call for Views on AI and IP**

Speakers

- **Mark Endemano**, CEO of move.ai
- **Jeremy Lilley**, UK Government Affairs Manager at RELX
- **Dan Guthrie**, Director General of the Alliance for Intellectual Property - Provided the Group's officers and members with an update on key developments in IP policy

Context of the meeting

As part of the continuing programme of meetings to mark British IP Day, the Group received an update briefing from two experts in order to develop its understanding of the practical relationship between AI and IP. The Group heard from two IP-rich businesses on how they are engaging with AI.

Typically, the debate surrounding technology and IP rights can frame AI and IP in conflict with each other and be seen as mutually exclusive. However, as the Group heard, AI and IP can and do coexist comfortably and can complement one another.

Given research is being undertaken by the IPO over whether there needs to be reform of the IP laws in order to allow growth of AI technologies, the perspective of those practically involved is particularly pertinent and useful.

AI in VR content creation

- Mark Endemano, CEO of move.ai, began his presentation by explaining move.ai's vision of democratising content creation to enable immersive experiences in virtual worlds. move.ai seeks to deliver the fastest and best 3D animation using next-generation tools such as artificial intelligence and computer vision in order to support a wide set of applications across media and entertainment sectors.
- Motion Capture (MoCap) and special affect technologies are being used in a variety of sectors. They are traditionally used in film, television and video gaming. Motion capture also has application in the digital world. Digital fashion shows are also becoming increasingly mainstream, as are digital humans in customer service roles. These developments were spurred on by the pandemic, but growth looks set to continue in the coming years.
- Without AI, this technology is reserved for those with huge budgets and sophisticated technical capabilities. Tracking systems typically require complex camera systems, specialised technicians, high capex, extensive data clean up, uncomfortable and restrictive suits, and

separate systems for hand movements. These solutions take considerable time, effort and cost. Only the largest content creation studios have been able to produce 3D animation with natural human motion.

- move.ai is a cloud-based Motion Capture platform, accessible to content creators via their desktops. This platform requires 4 to 8 simple action cameras and provides separate object tracking; high quality capture and animation output; and finger-level detail.
- The technology has particular applications in sport, allowing the tracking of individual players within a team. This data can then be used by coaches to create a catered training program.
- This technology reduces costs and complexity with increased speed and quality for motion capture and 3D animation and can scale from student productions through to independent video games and AAA studios.
- IP rights underpin the business and its technology, which is protected by a pending patent. IP is tracked within the source code of the service. move.ai is licensed as a 'platform as a service', meaning everything the studio creates is the studio's intellectual property.
- AI is crucial within this technology, but it forms only one layer of an overall creative stack that together form a commercial product.

AI in decision-making technologies

- Jeremy Lilley, UK Government Affairs Manager at RELX, began by outlining how RELX uses AI and machine learning to provide information-based analytics for businesses across a range of sectors to improve their decision-making. The technology is being used to help scientists make new discoveries and healthcare professionals develop more effective treatments.
- Jeremy said that many may know RELX's business, Elsevier, a digital academic publisher, including publications such as The Lancet. It has a variety of uses, including digesting the huge volume of Covid-19 research, surfacing the most relevant to aid scientists and identifying and preventing fraudulent transactions.
- RELX is a significant consumer and developer of AI technology, investing over £1 billion per year in the latest products and employing over 8000 technologists.
- AI is crucial in RELX's mission to improve decision-making of companies.

The relationship between AI and IP

- Endemano and Lilley both argued that AI and IP are not mutually exclusive, and that both are actually complementary. Endemano explained how his customers rely on IP rights to monetise the content they create using his AI-enabled platform. Creatives therefore need their own IP framework to ensure the creative cycle continues.
- Endemano concluded by speaking about how it would be a mistake to believe that weakening the IP regime is necessary to help grow AI enabled businesses.
- Lilley agreed, pointing out that, while AI relies on access to data, this data needs to be of good quality, which in turn requires a rigorous IP framework. This is particularly vital in the high-risk areas in which RELX operates where decisions can affect lives, namely in healthcare and

science. Removing copyright would risk the information in these training databases deteriorating, potentially resulting in, for example, the AI decisions in a clinical drug trial being based on incorrect, or even faked, science.

- Lilley highlighted how existing restrictions are not holding back AI growth development in the UK. The UK has a reputation as one of the most advanced countries for AI development, and therefore there are no fundamental problems with the current regime.
- The typical argument for greater text and data mining (TDM) exemptions is that copyright is putting up a barrier to organisations accessing data. However, the only barrier that actually exists is a cost barrier, which is mitigated through a system of licencing agreements and exemptions for non-commercial research institutions.
- AI requires the world to train on, and specific information to learn best, but it is easy for start-ups and smaller businesses to get licencing for training databases. Licencing systems are constantly evolving to keep up with the growing scale of the digital economy. Now there are a variety of different licencing options, facilitating access to content by AI machines. As the Alliance pointed out, there is no evidence of a case in which a licence has been refused on principle.
- Rights holders should be able to recoup the value from their investments and protect their copyright and prevent other organisations from appropriating the value of their investments while avoiding development costs.

The IPO and AI

- The Alliance for IP provided an updated on the IPO's response to the call for views *Artificial intelligence and intellectual property*.¹
- The IPO is looking at AI and IP in terms of output and input. Regarding output, it is too soon to tell the impact. For inputs, there is no evidence of refusing licences.
- A body of research is being undertaken by the IPO to look further into these issues, probably in the form of a consultation about broadening Text and Data Mining Exemptions.

Recommendations

- The Group agrees that IP and AI are not mutually exclusive and that there is no need to alter the existing IP framework with TDM exemptions.
- The current licencing system operates well and enables businesses to grow and new technologies to be developed.

For more information please contact:

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¹ <https://www.gov.uk/government/consultations/artificial-intelligence-and-intellectual-property-call-for-views#history>