Meeting note: Joint Meeting on Text and Data Mining APPG for IP / APPG for Music / APPG for Publishing / APPG for Writers / APPG for Visual Arts / APPG for Media

Wednesday, 22 January 2025, 2:15pm - 3:15pm

House of Lords Committee Room 3A

Meeting chairs:

- Rt Hon Sir John Whittingdale OBE MP (Conservative) Chair of APPG for Intellectual Property
- Pete Wishart MP (SNP) Co-Chair of APPG for Music

Speakers

- Daniel Guthrie, Director General, Alliance for Intellectual Property
- Reema Selhi, Head of Policy and International, Design and Artists Copyright Society (DACS)
- Dan Conway, CEO, Publishers Association/Catriona Stevenson, Deputy CEO, Publishers Association
- Tom Kiehl, CEO of UK Music
- Barbara Hayes, CEO of Author' Licensing and Collecting Society (ALCS)

Members of Parliament in attendance

- Dawn Butler MP, Brent East (Labour) Vice-Chair of the APPG for Al
- James Frith MP, Bury North (Labour)
- Patrick Hurley MP, Southport (Labour)
- Pete Wishart MP, Perth and Kinross-shire (SNP) Vice-Chair of APPG for Music, APPG for IP, APPG for Writers
- Polly Billington MP, East Thanet (Labour) Member of the APPG for Art, Craft and Design in Education
- Rt Hon Sir John Whittingdale OBE MP, Maldon (Conservative) Chair of APPG for Intellectual Property, Vice-Chair of the APPG for Writers
- Sharon Hodgson MP, Washington and Gateshead South (Labour) Officer of the APPG for Art, Craft and Design in Education

Peers in attendance

- Parliamentary representative for The Baroness Bonham-Carter of Yarnbury (Liberal Democrat) – Member of the APPG for IP, Co-Chair of the APPG for Media
- The Baroness Bowles of Berkhamsted (Liberal Democrats) Member of the APPG for IP
- The Baroness Kidron OBE (Crossbench), Deputy Chair of the APPG for Digital Regulation and Responsibility
- The Earl of Clancarty (Crossbench) Member of the APPG for IP, Co-Chair APPG for Art, Craft and Design in Education
- The Earl of Devon (Crossbench) Member of the APPG for IP
- The Lord Black of Brentwood (Conservative) Member of the APPG for IP
- The Lord Clement-Jones CBE (Liberal Democrat) Vice-Chair of the APPG for IP and Co-Chair of the APPG for AI, Vice-Chair of the APPG for Digital Regulation and Responsibility
- The Lord Freyberg (Crossbench) Member of the APPG for IP
- The Lord Stevenson of Balmacara (Labour) Member of the APPG for IP
- The Lord Watts (Labour)
- The Rt Hon. The Lord Foster of Bath (Liberal Democrat) Member of the APPG for IP

Online attendees

Online, we had 81 attendees from the IP-rich sectors. Organisations included:

Alliance for Intellectual Property, Anti Copying in Design, Anti-Counterfeiting Group, Arena Racing Company, Association of Photographers, Author' Licensing and Collecting Society, Bauer Media, BPI, British Association of Picture Libraries and Agencies, British Brands Group, British Copyright Council, British Museum, British Toy and Hobby Association, Chartered Institute of Patent Attorneys, Creators' Rights Alliance, Chanel, Curtis Brown, David Higham Associates, Design and Artists Copyright Society, Disney, EFL, Entertainment Retailers Association, Felicity Bryan Associates, Film Distributors' Association, 560media, Genius Sports, Getty Images, Global Media and Entertainment, Kounoupias IP, Motion Picture Association, News Media Association, Open Plan Law, PACT, Supreme Songs, Premier League, Professional Publishers Association, PRS for Music, Publishers Association, Publishers' Licensing Services, RCW Literary Agency, Screenskills, Sony, Taylor Wessing, The British Association of Screen Entertainment, Ukie, University of Cambridge.

Background

- The UK Government's <u>'Copyright and Artificial Intelligence' consultation</u> proposes a significant change to text and data mining (TDM) practices for AI development.
- The main proposal is to introduce a new exception to copyright law for TDM, subject to rightsholders opting out or reserving their rights, with the purpose of advancing AI training.
- This joint-APPG meeting gave parliamentarians the opportunity to hear from representatives from the creative industries and IP-rich sectors about the potential impact of these potential changes to text and data mining policy on rightsholders across a range of sectors.

Discussion on the consultation

Transparency

- Under Government plans, Al firms could be required to keep detailed records of what they are utilising, and this was broadly supported by the creative industry sectors.
- Rightsholders would then be able to request those records within a defined time-period, i.e., similar to a subject access request (UK Data Protection Act 2018).
- The Publishers Association pointed out that in publishing, there are *already* big licensing deals being done whereby transparent tech firms and the creative industries are coming together and sharing growth potential.
- Parliamentarians suggested that it is in tech businesses' interests to use a transparent, auditable AI model to service them so they can be sure that the AI model is not going to be subject to a challenge later down the line and put them at risk of inadvertent copyright infringement.
- It was suggested by ALCS that the two most realistic policy ambitions are: a
 commercial market which allows the IP-rich sector to select what data they want to be
 utilised, and a transparency policy that compels AI firms to be transparent about what
 is being ingested.

Action: The Publishers Association said APPGs and sector representatives need to think further about transparency enforceability mechanisms.

Communicating the human spirit around creativity and IP

- Some MPs suggested that responses to the consultation should demonstrate the opposition and the negative consequences of accepting a system which gives such deference to the use of AI over and above the existence of the human creator.
- Parliamentarians agreed to emphasise that this is an issue of integrity human creators
 contribute something deeply valuable to our society, not just to our economy, and it
 is fair to protect their right to earn something from it.
- It was highlighted that creative content is often deeply personal, but a TDM exception (as proposed) does not treat it as such.
- However, it was added that this point should not be communicated at the expense of our growth arguments – the creative industries/IP-rich sectors should win both the 'head' and 'heart' arguments on this.

Action: It was suggested that support from responsible AI companies would be powerful advocates on behalf of the IP-rich sectors in favour of opt-in.

Risks of the Government's preferred TDM option for the APPGs

The opt-out proposal

- DACS stressed that it is **unreasonable** to expect individuals to notify hundreds, if not thousands, of AI service providers not to use their work.
- ALCS argued that an opt-out is unsuitably binary some creatives may permit licencing
 for research purposes but not want to see their works used for generated content that will
 flood their own market.
- DACS highlighted that it will be near-impossible for creators to keep track of **downstream scraping** of their work.
- UK Music suggested that **opt-out take-up in the EU is low** due to poor knowledge, failure to execute successfully or deciding the admin burden is too high.
- Opt-out is not respected one US study found that 88% of companies fail to respect user opt-out preferences¹; why should we expect any different with AI firms?

The shortcomings of the EU TDM policies

- The EU policy is **out of step** with the widespread use of generative AI today.
- UK Music said there is a **lack of clarity** about what constitutes an opt-out, making it practically unworkable one German court ruled that a statement on a website T&Cs can be considered a sufficient opt-out for TDM (in the <u>case</u> of LAION e.v. vs. Kneschke in 2024)

There does not seem to be a solution for reversing historic TDM

- UK Music explained that effective removal of training data requires a model to be retrained, the opt-out to be implemented, and the material to be extracted.
- This would be very expensive (in computer costs and energy costs).

¹ 'Dirty Data, Broken AI – the hidden threat derailing your competitive edge', Ketch, <u>Dirty Data, Broken AI</u> [2025 Data Privacy Study]

Deepfakes and synthetic images

- Parliamentarians highlighted the impact of a TDM exception on deepfakes an
 expanded exception could lead to the increased availability of training data for deep fake
 creation.
- It was suggested that colleagues have a strong interest in these issues, so participants should consider alluding to the impact of TDM on deepfakes and synthetic images in their various consultation submissions.

The possible knock-on effects on the IP-rich sector

- UK creative professionals are world-leading, and the creative industries are a gold mine for the UK economy (generating c.£124 billion to UK GVA per annum), yet creators face being forced to lose their IP without adequate protection.
- With UK visual artists already struggling (earning a median £12,500 per year², according to DACS), **poor TDM safeguards could force many out of the industry altogether.**

Agreed meeting action points

- 1. MPs to make speeches in Commons general <u>debate on the creative industries</u> on **27 January 2025**
- 2. Peers to speak during <u>debate on the Data (Use and Access) Bill</u>, and vote favourably on Baroness Kidron's amendments, **28 January 2025**
- **3.** Peers to make contributions during Lord Foster's <u>debate on the consultation's rights</u> reservation model on **30 January 2025**
- **4.** Peers to make contributions to the Lord's debate on the <u>creative industries' contribution to the Government's growth mission</u>, **6 February 2025**
- **5.** Membership organisations to **write to MPs and Lords** ahead of debates to express their views on the Government's TDM proposals
- 6. MPs to sign Rt Hon Sir John Whittingdale's Westminster Hall debate application form
- 7. Parliamentarians to sign the joint letter to Minister Chris Bryant MP and Minister Feryal Clark MP
- **8.** Membership organisations to equip parliamentarians with data to build the **economic case for growth**, which Ministers keep asking for
- **9.** Parliamentarians to consider **writing to Caroline Dinenage MP** to ask for a bigger CMS Committee inquiry into TDM

² The UK Visual Artists' Earnings and Contracts Report 2024, DACS, <u>Artists' Earnings Report by the University of Glasgow and DACS - DACS</u>