

## **Intellectual Property Office Consultation: Artificial Intelligence and IP: Copyright & Patents**

Response from the Coalition for a Digital Economy (Coadec)

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### **ABOUT COADEC**

Coadec is an independent advocacy group that serves as the policy voice for Britain's technology-led startups and scaleups. Coadec was founded in 2010 by [REDACTED], Editor-at-Large of technology news publisher TechCrunch, and [REDACTED] Executive Chairman and Co-Founder of online investment platform Seedrs.

Coadec works across a broad range of policy areas that matter the most to startups and scaleups: Access to Talent, Access to Finance & Technology Regulation. We represent the startup community on the Government's Digital Economy Council, and the UK on the Board of the international organisation Allied for Startups.

Coadec is delighted to respond to this consultation and to engage further if required. This submission is based on feedback from startups, investors and wider members of the tech ecosystem.

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### **Text & Data Mining**

Coadec endorses Option 3, extending the current TDM exception for any use, but with a rights-holder opt-out.

Timely and easy access to the right data sets is critical to the development of AI. Restrictive and unclear copyright law can disproportionately increase costs and confer unfair advantages on established incumbents.

Coadec's most recent survey of UK AI startups confirmed that accessing the right data was one of the most significant challenges. 52% of founders cited the availability of datasets as a major barrier for their company's growth over the next five years.

When the owners' of databases are difficult to determine, or if the databases themselves are made up of millions of different rights-holders, the cost of obtaining licenses - in time and money - can often be prohibitive for a startup or scale up. This often leads to startups and scale ups being restricted to accessing cheaper, low-quality and incomplete or public data. This risks their AI innovations being biased and inefficient.

In addition, the current situation has incentivised many startups and scale ups to be taciturn on the methods employed to train their algorithms in case they expose themselves to legal action.

The IPO's proposed Option 3 should help break down common barriers to startup AI innovation and increase transparency in the AI sector while enabling rights holders to continue to capture the value of their work. This should also give the UK a significant competitive advantage over both the US' and EU's regimes.

## **Patent Inventorship**

Coadec does not yet have a fixed position as we still see the landscape developing rapidly. However, in addition to the unwelcome scenarios laid out in the IPO's consultation, we are concerned by the risk of two additional scenarios that we think risk damaging the UK's innovation ecosystem:

- If using AI to accelerate invention in any way impairs or inhibits human claims to patents we think there is a serious risk this could impede innovation.
- If the developers of an AI system used to accelerate invention are given a claim on the resulting invention's patent, we are concerned this risks disproportionately complicating a licensing and patents regime with the result that it dampens innovation.

## **Respondent Information**

██████████ Head of Regulation at Coadec and responding on behalf of Coadec. I am happy to be contacted to discuss our response on ██████████