

All-Party Parliamentary Group for Intellectual Property APPG for IP meeting with Minister Freeman to discuss the Government's Text and Data Mining proposals

<u>Tuesday 31st January, 16:00 – 17:00</u> <u>Room N, Portcullis House</u>

Meeting chair:

Rt Hon Sir John Whittingdale OBE MP, Chair of the APPG for IP

Guest speakers:

- George Freeman MP, Parliamentary Under-Secretary of State for Science, Research and Innovation and Minister responsible for Intellectual Property (IP) policy
- Chris Mills, Director of Rights Policy and Enforcement, Intellectual Property Office

Parliamentary Attendees

- Rt Hon Sir John Whittingdale OBE MP (Con, Maldon)
- Kevin Brennan MP (Labour, Cardiff West)
- Lord Clement-Jones CBE (Lib Dem) (Joined virtually)
- Earl of Devon (CB) (Joined virtually)
- Meg Harding Parliamentary Researcher for Sarah Olney MP (Lib Dem, Richmond Park)
- Nathaniel Tayler Parliamentary Assistant for Andrew Lewer MBE MP (Con, Northampton South)
- Parliamentary member of staff for Chi Onwurah MP (Labour, Newcastle Central, Shadow Minister for Science Research and Innovation)

Other attendees

- Dan Guthrie, Director General, Alliance for Intellectual Property
- Francesca Thorogood, Policy and Public Affairs Executive, Alliance for Intellectual Property
- Adam Thomas, Director, Luther Pendragon, Secretariat for the APPG
- Ben McCarthy, Consultant, Luther Pendragon, Secretariat for the APPG
- 25-30 representatives from the creative industries attended virtually.

Meeting notes

Opening remarks

- The Minister conceded that a wide range of creative industries are very concerned over the Government's original text and data mining proposals published in June 2022.
- The Minister stated he was looking to find the right balance between ensuring that the UK remains a global leader in AI and technology and supporting the UK's creative sectors.

Reason for proposals

- Minister Freeman questioned the IPO several times on the key issues that they had identified which had led them to recommend these proposals.
- In response, Chris Mills from the IPO, said that the proposals were created to help businesses searching for particular data sets. This involved two issues:



- The first, when data is already on the internet and available to access, but it can be unclear for businesses on how to obtain a licence to use that data. The IPO commented that navigating access to these licences can be a challenge as users may be seeking the permission of thousands of rightsholders to access the data to feed the TDM.
- The second is accessing data behind the paywall which the user is unable to directly access.
- In response, the Minister said he felt that there is no issue with accessing data behind the paywall as the user can contact the rightsholder directly and start negotiations to obtain a licence.
- Minister Freeman said he could understand that there is content out there which businesses don't know how to get permission to use as it may be from multiple people.
- The Minister asked the IPO for specific examples of where specific users have not been able to obtain licences, which would support these proposals being implemented.
- The IPO responded with the scenario of small business start-ups seeking specialist data sets, however was unable to provide the Minister with a specific example demonstrating the issues at hand.

Evidence presented for the original proposals

- The Minister accepted that the Government had made a misjudgement in not foreseeing the scale of the reaction and asked the IPO about the evidence behind the proposals.
- The IPO commented that the evidence in their consultation showed that the downside risk of the proposals was limited.
- Minister Freeman asked the IPO for any data and statistics on these issues. They were
 unable to provide any specific data. He also asked whether data existed on the views
 contained within the responses. The IPO said they would provide this to the Minister.
- The Minister asked if collecting societies have supported these proposals or called for change, and the IPO responded that they had not.
- The Minister stated it has become clear that the problem may not be as severe as the current solution suggested and the IPO agreed, saying that was why they are now reconsidering the original proposals.
- Dan also emphasised that the Alliance for IP and members who license data use would be very happy to discuss with the Minister and the IPO any specific examples or situations where users have not been able to find licences as well as the ways in which routes to licensing can be simplified or streamlined.

Consideration of alternative proposals

- The IPO raised the alternative proposal of adopting the TDM exception, with a rightsholder opt-out.
- Dan made the point that the opt-out option is likely to be impractical, pointing out that a
 photographer who may have thousands of photos on the internet would have to 'opt-out'
 thousands and thousands of individual pieces of work from the TDM exception. Dan
 highlighted that the opt-out option would therefore be highly resource intensive for lone
 operators to fully protect their rights, which the Minister took on board.
- Sir John also suggested an alternative 'opt-in' option, which would be clearer and fairer for rightsholders and requires further consideration.



Data Sets

- The Minister highlighted that the meeting with the APPG had demonstrated the importance
 of considering data sets on how much licensing is going on, how much content is being
 licensed and how much revenue is flowing. He asked the IPO if it had considered this kind of
 data or if the proposals were based more on anecdotal evidence.
- In response, the IPO said there are some data sets on licensing which they can share with the Minister, but this alone would give an incomplete picture of the market and that the proposals need to also be led by anecdotal conversations as well.

Actions going forward

- The Minister would like to thoroughly review the consultation responses together and hoped that it could be agreed where the status quo should be retained and where there may be cause to develop further proposals.
- The Minister emphasised that Minister Lopez and himself are very clear that last year's TDM proposals were inappropriate and they want to sit down and review it.
- He therefore committed that he and Minister Lopez will write a joint letter to the relevant stakeholders, setting out how the government proposes to achieve the right balance between AI development and the IP rights of creators particularly of SMEs, including the best data insights from the consultation that led to the proposals last year.
- The Minister said he came to meet with the APPG to signal that he wants to get the balance right between an economy that protects the IP interests of creatives and makes sure that the digital economy has the freedom to operate. He wanted to ensure that creative workers get a fair remuneration from businesses and people who use their work to make value from it, and accepted this was a genuine public policy and regulatory challenge for the UK.
- The Minister stressed he would shortly write to the APPG, setting out where we are now, the problem they were initially trying to solve and any updated plans going forward.