

All-Party Parliamentary Group for Intellectual Property Meeting Note APPG for IP AGM and Meeting with the IPO Wednesday 13th March, 5:15pm – 6:15pm In-person meeting, Select Committee Room 18, Upper Committee Corridor

Meeting chair:

Pete Wishart MP (SNP)

Guest Speakers

- Adam Williams, CEO, Intellectual Property Office (IPO)
- Chris Mills, Director of Rights Policy & Enforcement, IPO
- Ben Llewellyn-Jones, Director of International and Business Policy, IPO

Parliamentary Attendees

- Pete Wishart MP (SNP)
- Rt Hon Sir John Whittingdale OBE MP (Conservative)
- Earl of Devon (Crossbench)
- Lord Lucas (Conservative)
- Lord Foster of Bath (Lib Dem)
- Viscount Waverley (Crossbench)

Other attendees

- Daniel Guthrie, Director General, Alliance for IP
- Francesca Thorogood, Policy and Public Affairs Executive, Alliance for IP
- Greta Isola, Pete Wishart MP's Parliamentary Researcher
- Adam Thomas, Director, Luther Pendragon, Secretariat for the APPG
- Jonny Girling, Senior Consultant, Luther Pendragon, Secretariat for the APPG
- Ben McCarthy, Consultant, Luther Pendragon, Secretariat for the APPG
- C.15 industry representatives.

Meeting overview:

AGM

At the beginning of the session, the APPG held its Annual General Meeting to confirm the Chair and officers for 2024 / 2025. In compliance with the new APPG rules, exactly 4 officers were elected. The four elected officers are below:

- Chair: Pete Wishart MP (SNP)
- Vice Chair: Rt Hon Sir John Whittingdale OBE MP (Conservative)
- Vice Chair: Ruth Jones MP (Labour)
- Vice Chair: Lord Clement-Jones (Liberal Democrat)

The Chair then opened the public meeting and invited the IPO to make some short opening remarks, followed by questions and discussion.

Text and Data Mining



- The IPO acknowledged the disappointment in the lack of consensus on a voluntary code of
 practice but maintained that they found the roundtable process valuable in revealing
 challenges and giving participants insights into different concerns.
- The IPO stressed that the objective of Ministers was to plan out a set of next steps that are
 constructive and useful, and added that Ministers appreciate that there are both cultural
 and economic issues at stake within this debate. However, they added that there are
 jurisdictional issues to think about and a layer of complexity added by large language models
 or processes that are trained in other jurisdictions and then used in the UK, for example.
- The APPG Chair emphasised the importance of a high-level statement from the Government, outlining that in order for AI companies to use rightsholders' content, consent and licensing from rightsholders is needed, as per the law.
- The IPO stated that Ministers were concerned about making a standalone statement in isolation without considering all other views and the impact of such a statement.
- Dan Guthrie noted that the Alliance for IP's view is that the current law is clear regarding the enforcement rights of rightsholders but that the infringement is now happening on such a large scale as a result of the LLMs. He questioned why introducing licensing arrangements would curtail the development of Al.
- On jurisdiction, the IPO stated that the EU is a helpful comparison for text and data mining, given it's a significant trading bloc in an adjacent market. The EU's approach has been to create an "opt-out"; the IPO feels the practical implementation has not yet been proven.
 The IPO commented that the UK should therefore maintain a more flexible approach with Ministers setting a 'direction of travel' with further detail then to be worked out.
- The IPO observed that even if LLMs are learning overseas, if they are being employed in the UK and earning revenue from copyright infringement, then there is a compelling case for a course of action.

Designs Review

• The IPO announced they had made progress with the Designs Review work and are developing policy proposals with a proposed consultation later this year, with proposals set to be presented to Ministers early in the next Parliament.

Exhaustion

• The IPO acknowledged the desire for a conclusive answer, but noted that Ministers are still reviewing options and were therefore unable to provide a definitive timeline for when the decision on the UK's exhaustion regime will be made.

Trade & CPTPP

- When it comes to trade, the IPO stated that the DBT agenda is incredibly ambitious and forward-learning and the IPO is continuing to press for the best deal it can regarding IP chapters.
- Lord Foster questioned the IPO on the ramifications of Clause 5 of the Trade (CPTPP) Bill that
 would extend access to royalties to any musician in any territory, whether or not the UK has
 a trade agreement with them, or whether or not they have reciprocal rights.
- There were also questions regarding the timing of the Government's consultation on the
 <u>extension of public performance rights to foreign nationals</u> (closed on 22 March 2024), given
 that the outcomes of this are unlikely to be known before the Bill completes its legislative
 scrutiny.



- He also questioned them on why the Government had already laid a Statutory Instrument
 under the Negative procedure (which has no substantive parliamentary debate) <u>The</u>
 <u>Copyright and Performances (Application to Other Countries) (Amendment) Order 2024</u> –
 which would give effect to these provisions again before the outcomes of the Bill and
 consultation are known.
- Other questions included the timing of the consultation and the impact this would have on separate Free Trade Agreements that are in place with Australia and Japan, in which the IP Chapters in these deals were not changed in the same way.
- The IPO answered that it was not unusual to use legislation to 'tidy up' other defects in the law and that the process of acceding to the CPTPP Agreement had identified a defect within the UK's international IP obligations that needed to be rectified.
- The IPO set out that they believed two separate issues had become conflated: 1. The need for a Bill to implement the requirements of the CPTPP Agreement and 2. The consultation on how revenues are allocated to performers. Ideally these would have operated on different timelines, but the IPO stated that the Bill had dictated the timing.
- They went on to explain that the SI allows performers of different countries to come into or out of the scope of the legislation and that this needed to be in place for when the Trade (CPTPP) Bill gains Royal Assent. They stated that dependent on the outcomes of the consultation, a second SI may be needed to implement the decision.
- When asked by Lord Foster if the outcome of this would be that the UK could be in a situation of conceding rights to non-CPTPP members, such as the US, without any reciprocal benefits for the UK, the IPO responded that this was one of a number of possible of outcomes identified within the consultation.
- The IPO also confirmed that that there is no intention to amend other agreements such as Australia and New Zealand and in terms of the interaction with CPTPP, whatever agreement had the higher standard would apply.