

**All-Party Parliamentary Group for Intellectual Property Meeting Note**  
**APPG for IP meeting: AI, Exhaustion and CPTPP**  
**Tuesday 21<sup>st</sup> November, 5:15pm – 6:00pm**  
**Room N, Portcullis House**

**Meeting chair:**

- Pete Wishart MP (SNP)

**Parliamentary Attendees**

- Pete Wishart MP (SNP)
- Deidre Brock MP (SNP)
- Lord Lucas (Conservative)
- Earl of Devon (Crossbench)
- Office of Sarah Olney MP (Lib Dem)
- Office of Lord Clement-Jones (Lib Dem)

**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
- Nyla Guilford, Lord Clement Jones' Parliamentary Researcher
- Meg Harding, Sarah Olney MP's Parliamentary Assistant
- Adam Thomas, Director, Luther Pendragon, Secretariat for the APPG
- Ben McCarthy, Consultant, Luther Pendragon, Secretariat for the APPG
- Harriet Reeve, Graduate Trainee, Luther Pendragon, Secretariat for the APPG
- C.20 representatives from the creative sectors attending online

**Meeting Notes**

**Text and Data Mining proposals**

Large language models and the development of a Code of Practice

- The Chair of the APPG, Pete Wishart MP, began by summarising the key issues from the recent IPO roundtables including the fact that some of the large language models believe that they can ingest content without seeking consent or licensing.
- Director of the Alliance for IP, Dan Guthrie, outlined that he thought the IPO's Code of Practice might be published early next year. He highlighted that the Government has recognised that the recent AI Safety Summit did not deal with many of the issues relating to IP.
- Dan Guthrie said he still hoped that the Government might publish a high level statement, which sets out that in order to use rightsholders' creative works, consent and licensing from rightsholders was needed, as per the law.

Transparency

- The Earl of Devon pointed out the IBM AI model called Watsonx, has been advertising in the US, promoting its commitment to transparency and setting out what the large language model is trained on.

- Dan Guthrie highlighted that the EU AI Act legislation, although not finalised, does have transparency measures that will require large language models to disclose what they have ingested.
- He also commented that the Alliance are monitoring cases across the EU and the US, including the Universal Music Nashville case against Anthropic as well as other cases in California involving authors and the Getty case, and will keep people updated on the results of these cases.

## **Exhaustion**

### Exhaustion regime

- Dan Guthrie provided an overview of the statutory instruments on exhaustion and copyright which were passed through the House of Lords on 20 November.
- The statutory instrument on exhaustion reintroduced the existing Exhaustion regime, however Dan highlighted it should not be seen as a signal that the Government has made a final decision on the Exhaustion regime.
- Dan stressed it was a good opportunity to raise the importance of the stability of maintaining the existing system and thanked Lord Clement-Jones (Lib Dem), Earl of Clancarty (CB) and Lord Stevenson, the Labour frontbench spokesperson, for their important contributions in favour of keeping the current regime.
- Dan stated that the Commons Delegated Legislation Committee would take place the next day on 22 November and that the Alliance had sent briefings to members on the committee.
- The final decision on the future Exhaustion regime is likely to be made in the first quarter of 2024.
- If the final decision is to keep the current regime, then no further legislation or any parliamentary process will be required.
- Dan also commented that the life sciences and pharma sectors were asking for a national exhaustion regime.

### Export / Import Businesses

- The Earl of Devon raised whether there is anyone monitoring the impact of the status quo on export / import businesses.
- Dan stated there is no real data on this, given the system has not changed. Whilst it is not reciprocated in the EU, which may mean there may be some issues for these businesses, particularly licensing issues, the Alliance is not hearing of any major disruption.
- Dan mentioned that one of the issues raised in the debate in the Lords on the SI was the possible implication if the EU expands and includes Turkey, Ukraine or other countries, resulting in the status quo changing over time.

## **CPTPP Bill**

### Performance Royalties

- Dan summarised that the CPTPP Bill - currently going through the Lords - is designed to change parts of UK law that are required for the UK to accede to the CPTPP trading bloc.
- Clause 5 of the Bill states that if the UK is joining the CPTPP, musicians and producers in CPTPP countries would have a broader range of performance rights. He also highlighted that these rights would be extended to a broader range of countries.

- Dan highlighted that the Alliance will undertake some further work with Peers in advance of the Committee Stage, which sits on 7<sup>th</sup> and 14<sup>th</sup> December.

#### **Next year**

- Dan confirmed that the Government will review design laws in the first half of next year.
- Furthermore, he went through the range of new trade negotiations, including Turkey and South Korea, which will take place next year.
- The Earl of Devon mentioned that there has been discussion that there may be a trade MOU with California in the new year, recognising legal qualifications and sharing technology, with trade being a focus.
- Dan confirmed that the Alliance for IP will be hosting a Winter Reception (Tuesday 23<sup>rd</sup> January) and Summer Reception (Wednesday 10<sup>th</sup> July) as well as lunches throughout the year.
- It was also explained that work was being undertaken to ensure the Group was compliant with the new rules governing APPGs.

**MEETING CLOSED 6PM**