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# Artificial Ingenuity: Navigating the Intellectual Property Maze in the Age of AI

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ABSTRACT: The progress of our society is determined mainly by the ability to generate new ideas and introduce novel inventions in the market. However, the rapid rise of AI sets a new wave of opportunities and challenges. The crucial role that Intellectual Property plays is promoting innovations by providing support and incentives. AI is changing the world very frequently by generating creative contents.

The advancement of AI technologies is reshaping the creation, management, and enforcement of IP assets, yet it also brings forth numerous legal and ethical dilemmas encompassing ownership, patentability, copyright infringement, data protection, and privacy. Through case studies, practical insights into these issues have been gleaned. However, there's an urgent call for policymakers and IP professionals to craft comprehensive legal and policy frameworks ensuring the responsible and ethical use of AI technologies.

AI stands poised to revolutionize the IP landscape, offering fresh opportunities for both owners and users of IP while simultaneously posing substantial challenges. Implementing best practices and innovative strategies for managing IP assets with AI-based systems could empower IP owners to secure a competitive edge in the market.

Further exploration of the ethical and legal aspects surrounding the ownership of AI-generated IP, especially within the framework of international IP laws and through case studies, is imperative. As AI progresses and alters the IP landscape, continuous research becomes pivotal to ensuring that IP laws and practices remain current and robust enough to effectively tackle the evolving challenges and opportunities brought forth by this transformative technology changing the world very frequently by generating creative contents.

### **Challenges and there solutions:**

#### Unraveling the Ownership Quandary: Intellectual Property Rights in AI-Generated Works

The challenge faced is that who owns the intellectual property rights to AI generated works. For example, when a AI system writes a poem then who owns the copyright to that song? The person who programmed the system, or the person created the AI, or the person who owns the data that the system was trained on. There exists a lot of

confusion which will lead to much litigation in the years to come.

The landscape of AI-generated intellectual property (IP) ownership is intricate and diverse across different countries. In the United States, patent law mandates that only natural persons can be considered inventors. As a result, AI systems, being non-natural entities, are ineligible for inventorship recognition. Consequently, the ownership of AI-generated IP typically falls to the individual or organization responsible for developing or owning the AI system.

### <u>Challenges and Uncertainties in Patent and Copyright Law: Navigating AI-Generated Works and</u> Intellectual Property Protection

The future of patent law is also not clear. Patents are designed to protect the inventions, but AI generated works can be patented or not is still a big question. The protection of intellectual property rights in the face of AI-enabled infringement is a big challenge. As AI system can be used to create counterfeit goods, automate copyright infringement process, and even generating fake news, this becomes difficult for creators to protect their work and to enforce their intellectual property rights.

The main issue which is faced by copyright is that it requires originality which is attributed to human authors. In the creative process of AI, without human involvement, copyright protection may not be possible. In the recent past, the Beijing court in China held that copyright protection is necessary for human production or creation, which may exclude AI as an author. The growth of AI is forcing us to rethink about the way we protect intellectual property.

Copyright laws vary greatly among countries and play a crucial role in determining ownership of AI-generated intellectual property (IP). In the United States, copyright law attributes ownership to the creator of the work, implying that those who develop the AI system would likely own the resulting AI-generated works. Conversely, in the European Union, while copyright law also grants ownership to the creator, it introduces the notion of "moral rights." These rights afford creators specific entitlements over their work, such as the right to be acknowledged as the author.

#### Addressing Transparency and Accountability Challenges in AI

Another challenge is making AI systems transparent and accountable. This means giving clear info to people about how their data is used and making sure AI decisions can be explained and checked. The lack of transparency and accountability in AI decisions worries people in areas like finance, healthcare, and law. Using AI in IP management might create new types of IP that need extra data protection. For instance, AI-made works might have secret or personal info, needing more protection. This also brings up big worries about data protection and privacy because of stricter laws. It's important to tackle these concerns early to use AI in a fair and legal way and respect people's privacy.

#### **Navigating the Global Patchwork: Diverse Regulations**

In contrast, the European Patent Convention (EPC) presents a more flexible approach. Unlike the US, the EPC does not explicitly require inventors to be natural persons. This creates the potential for AI systems to be recognized as inventors in patent applications. However, the implementation of this provision may vary among European countries, leading to differences in how AI-generated IP ownership is determined and protected.

Beyond the US and Europe, global variations in AI-generated IP regulations further complicate the landscape. Different countries have their own distinct rules regarding AI-generated IP, with some jurisdictions adopting flexible approaches akin to the EPC, while others align more closely with the US model. These variations significantly influence the ownership and protection of AI-generated IP in different regions.

Moreover, the rapid evolution of AI technology raises legal and ethical considerations. Existing IP laws face challenges in addressing issues of fairness, accountability, and incentivization in the context of AI-generated inventions. There are several cases where the conflict was seen, they were –

DABUS Case which highlights rejection of patent applications for AI-generated inventions and sparks debates on recognizing AI as inventors.

"Edmond de Belamy" Artwork Sale here raises questions about attributing ownership to AI-generated creations.

Policymakers and experts are actively engaged in developing balanced frameworks that accommodate the complexities of AI innovation while upholding ethical and societal values. Navigating the ownership of AI-generated IP necessitates a comprehensive understanding of the diverse legal, technological, and ethical landscapes across various countries.

#### AI's Evolution and Copyright Challenges in US and Australia

As AI does not have any legal individuality, currently it is not recognized as a holder of any right related to the intellectual property. The computer program which was once considered as a mere tool in the process of creation, with the emergence of advanced intelligence it is now assumed as a central role of making decisions itself.

The United States adheres to the principle that copyright protection is limited to works created by human beings, as supported by case law in 1991 where Feist Publications and Rural Telephone Service Company were two parties. It was held that copyright law will only protect "the fruits of intellectual labor" that are founded in the creative powers of the mind. The Australian court ruled that computer-generated works lacks human authorship and therefore they are ineligible for copyright protection. AI-generated works, like music for video games, may not have copyright protection, allowing their free and unrestricted use, which poses significant challenges for companies investing millions of amount in such systems.

Using AI in managing intellectual property (IP) involves handling lots of data, including personal and sensitive info. This raises worries about keeping data safe and private, especially with stricter privacy laws. One big challenge is making sure we collect and use personal data in the right way. AI systems must follow privacy laws,

which can be tricky and different depending on where you are. For example, in the European Union, the GDPR has strict rules, like getting clear permission from people, letting them see and delete their data, and keeping it secure.

There is a new dimension invention and inventor. To be considered an inventor, certain conditions must be met. In a specific case like Townsend v. Smith in the United States, the idea was that someone must have had a clear plan or vision before it can be called an invention. It means they had to think about it and have a solid idea in their mind before making it eal. Anything created without this prior thought can't be called an invention, and the person who made it wouldn't be rseen as an innovator. This shows how important it is to have a clear idea before creating something.

In the past, there was a rule called the "spark of enlightenment" requirement for patents. It said that an invention had to come from a clear idea or conception in the inventor's mind. But the US Congress decided this wasn't necessary anymore, especially if the invention added to scientific knowledge. They thought that how the idea came to the inventor's mind didn't matter as much. Nowadays, many AI algorithms, like AlphaGo and Watson, can come up with solutions based on lots of data. This makes sense because they contribute to research and development.

#### AI, Patent Law, and Data Privacy: Navigating Intellectual Property Challenges in the Digital Era

As the world undergoes digital transformation, intellectual property (IP) theft emerges as a significant challenge across various industries. However, the advent of artificial intelligence (AI) presents novel avenues for businesses to combat and mitigate IP theft. AI offers new opportunities to enhance detection and prevention measures against IP theft, as well as to strengthen the enforcement of IP rights for businesses, thereby bolstering overall protection of intellectual assets.

Some argue that computers should be recognized as inventors and given patent rights. They say it could motivate people to create new technology since they'll see the benefits. However, there's a problem because computers don't have legal identities like humans or companies. This means they can't be officially seen as inventors in most legal systems.

Patents are meant to protect creators and encourage them to keep inventing. But some worry that giving patents to AI systems could cause problems. Computers can't have opinions about how their inventions are used, which goes against the idea of intellectual property rights.

As AI becomes more common in managing intellectual property assets, concerns about data protection and privacy have intensified. The gathering, analysis, and retention of vast data quantities are integral to AI systems' operations, but this raises questions about safeguarding personal and sensitive information. Moreover, the integration of AI in IP asset management may lead to the emergence of new types of IP assets necessitating varying degrees of data protection.

## Navigating AI's Impact on Intellectual Property: A Comparative Analysis of Regulatory Approaches in the EU, US, China, and Japan

AI is also raising new question about the role of intellectual property where a machine is capable of creating and innovating. In 2022, the European Union Intellectual Property Office (EUIPO) released a study on the impact of Artificial Intelligence on the enforcement and infringement of copyright and designs. In this the author believes that new technologies represent a "double-edged sword," that can be effectively used to enforce and infringe on IP rights.

Understanding the policy and legal frameworks for AI and IP involves comparing approaches taken by different jurisdictions. Such a comparative analysis offers insights into the strengths and weaknesses of various approaches, aiding in the identification of areas for improvement.

For instance, the European Union (EU) has pursued a proactive stance by regulating AI and IP, exemplified by the 2020 White Paper on AI released by the European Commission. This paper outlines a framework aimed at fostering trust in AI, proposing a regulatory framework for its development and use.

In contrast, the United States has adopted a more hands-off approach, prioritizing innovation and minimizing barriers to AI development and utilization. While the U.S. Patent and Trademark Office (USPTO) has issued guidelines for examining AI-related patent applications, there are no specific regulations governing AI's use in IP.

Similarly, other jurisdictions have embraced distinct strategies. China, for instance, has issued guidelines on AI development, encompassing IP protection provisions, while Japan has established a task force to explore legal and policy aspects concerning AI and IP. Through comparative analysis of policy and legal frameworks, best practices can be identified, and areas for enhancement in addressing the challenges and opportunities of AI and IP can be pinpointed.

# Navigating the Ethical and Legal Dimensions of AI in Intellectual Property: Crafting Comprehensive Frameworks for Responsible Innovation

The advancement of AI technologies is reshaping the creation, management, and enforcement of IP assets, yet it also brings forth numerous legal and ethical dilemmas encompassing ownership, patentability, copyright infringement, data protection, and privacy. Through case studies, practical insights into these issues have been gleaned. However, there's an urgent call for policymakers and IP professionals to craft comprehensive legal and policy frameworks ensuring the responsible and ethical use of AI technologies.

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#### Striking a Balance between the Two

Some have argued that AI will eventually make IP obsolete, there will be no need of a human intellect as machine can create it all. Others have argued that AI will eventually make IP more important, as it will give new opportunities for innovation and creativity. It is important for us all to understand how to use these innovations in order to safeguard our sensitive data as well as to recognize our rights connected to it.

The relationship between IP and AI can be complex but balancing them both is what the need of the hour. We can balance both of them if we protect AI with IP. This will encourage innovation and investment in AI research and development. We can address ownership and licensing, when there is AI development by a team. This will ensure that contributors will get appropriate credit for the work. It is very important for us to consider ethical implications and ensure that AI is developed and used in an ethical and responsible manner. This way a balance can be created and a number of key trends and developments can be seen.

In conclusion, the intertwining of artificial intelligence (AI) and intellectual property (IP) presents a complex landscape fraught with challenges and opportunities. As AI continues to evolve, its impact on the creation, management, and enforcement of IP assets becomes increasingly significant. While some argue that AI may render IP obsolete, others contend that it will enhance the importance of IP by fostering innovation and creativity. To navigate this evolving landscape, policymakers and IP professionals must craft comprehensive legal and policy frameworks that ensure the responsible and ethical use of AI technologies. By striking a balance between protecting AI with IP, addressing ownership and licensing issues, and considering ethical implications, we can foster innovation while safeguarding sensitive data and recognizing our rights connected to it. As we progress, continuous research and adaptation are essential to ensure that IP laws and practices remain robust enough to effectively tackle the evolving challenges and opportunities presented by AI.

## <u>REFERENCE</u>

In today's digital age, where information is abundant yet often overwhelming, the role of credible references in articles is more vital than ever. For the completion of this article I have taken help from the following web pages-

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