Anthropic's copyright settlement hints at future of AI lawsuits

Article

The news: AI firm **Anthropic** reached a settlement with several music publishers including **Universal Music Group** (UMG) in a 2023 lawsuit over its alleged use of copyrighted lyrics to train AI models.

As part of the deal, Anthropic must use existing protections to train future models and create a process for music publishers to report copyright infringement.

Zooming out: The partial settlement marks one of the first conclusions to a major dispute over AI models and copyright infringement and could provide a blueprint for resolving others.
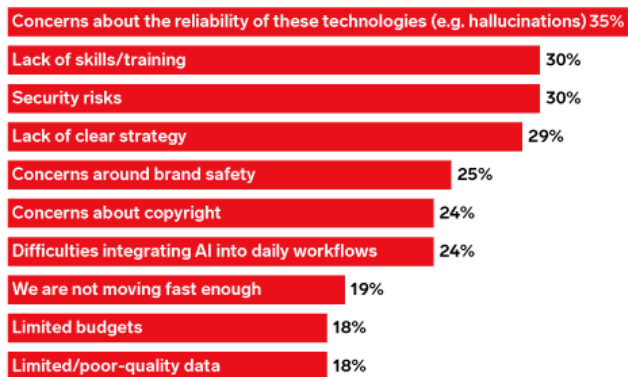
- Music publishers have been especially persistent opponents of AI. UMG had a [monthslong feud with TikTok in 2024](#) over issues including its use of AI-generated music and lack of AI protections for artists. The company also signed an agreement with **Meta** to institute protections for musicians.

- Perhaps the most notable conflict over AI and copyright is taking place in the news industry, where **The New York Times** has [sued **OpenAI** over copyright infringement](#). To avoid similar outcomes with other publishers and to gain more training material for its language models, OpenAI has signed content licensing deals with publications like **Future** (and with [our parent company](#), **Axel Springer**).

Why it matters: Anthropic's partial settlement is a sign that plaintiffs in AI copyright cases may accept settlements that give them access to the AI training process in exchange for the use of their materials, rather than pursuing lengthy legal battles with uncertain outcomes.

- As legal disputes over AI copyright begin to gain some clarity, advertiser adoption of generative AI is likely to increase. Use of AI is already commonplace in advertising, but AI creative features offered by major ad platforms like **Google** and **Meta** could give advertisers pause due to uncertainties around their training material.

- In the meantime, however, Google has offered to cover any lawsuits over copyright infringement that advertisers are subject to after using its tools.

Challenges to the Company's Use of Generative AI in Marketing Over the Next 2 Years According to Brand Marketers Worldwide, Oct 2024

% of respondents

Challenge	%
Concerns about the reliability of these technologies (e.g. hallucinations)	35%
Lack of skills/training	30%
Security risks	30%
Lack of clear strategy	29%
Concerns around brand safety	25%
Concerns about copyright	24%
Difficulties integrating AI into daily workflows	24%
We are not moving fast enough	19%
Limited budgets	18%
Limited/poor-quality data	18%

Note: n=586; top 3 responses
Source: Econsultancy, "The Future of Marketing," Dec 6, 2024

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