

**Creative Industries  
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Industry   
Insights Paper

# AI and Copyright

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## About the Industry Insights series

Creative PEC's Industry Champions network of practitioners and professionals provides the Centre with expert perspectives on the creative industries today. This Industry Insights paper seeks to represent and synthesise the key themes and diverse views from structured Industry Champion conversations, facilitated by Creative PEC. They are not intended to be exhaustive of the opinions expressed, or indeed imply that all Industry Champions agree on all points.

## About the Creative Industries Policy and Evidence Centre

The Creative Industries Policy and Evidence Centre (Creative PEC) supports growth of the UK's creative industries through providing independent and authoritative evidence and policy advice.

Led by Newcastle University, with the Royal Society of Arts (RSA) and funded by the UKRI via Arts and Humanities Research Council, Creative PEC comprises a core consortium of Newcastle University, Work Advance, the University of Sussex and the University of Sheffield.

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## Disclaimer

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## Summary

On 5<sup>th</sup> February 2025, the Creative PEC convened a roundtable of our Industry Champion network to discuss the main issues relating to AI and copyright and to get a sense of their reaction to the UK government's AI and Copyright consultation.

The consultation has gained significant attention, with the Intellectual Property Office [reportedly receiving](#) over 2,500 stakeholder responses at the time of writing. This 'Industry Insight' report summarises the main insights from the roundtable which was attended by 25 champions from a range of creative industries sub-sectors.

## Key takeaways

### Clarity and enforcement:

- Some Industry Champions challenged the assumption of the Government's Consultation that current UK law was unclear when it comes to the issue of using copyrighted material in training data.
- Champions saw little evidence that current copyright law is hindering AI sector growth or investment.

### Feasibility of an opt out:

- Some Industry Champions suggested practical and technical challenges may prevent an opt-out system that would work effectively.
- Existing tools for rights holders to exercise their rights are only partial and do not cover all generative AI platforms.
- The Government's AI strategy: Some raised concerns about the possible narrowness of the government's AI strategy, with a focus on generative models.
- Pursuing alternative strategies to AI growth and development may help the UK mark itself out as different to other countries.

### Alternative policy futures:

- Growth in the AI sector should be balanced with proactive measures to support creativity. Generative AI models are predicated on human creativity.
- The consultation offers the chance to start engaging with wider issues on AI and the creative industries in a more holistic way.

# 1. Context: the consultation

The Government's consultation aimed to clarify a perceived ambiguity as to how the advent of generative AI – relying on large datasets impacts on copyright. According to the government's consultation document, UK copyright law leads to ambiguities when it comes to the role of text and data mining (TDM) in developing data sets to train generative AI models such as ChatGPT or Stable Diffusion.

At the core of this is whether copying texts or images (or other copyrighted material) and extracting their data to train AI models constitutes breach of copyright. To address this issue, the Government proposed a preferred option of a TDM "exception" which allows AI firms to use copyrighted material to train their models for both commercial and non-commercial purposes, but with rights holders being able to reserve their rights (or "opt out") to prevent their work being used. This would also be accompanied by transparency conditions on AI developers to reveal the sources of their training material. Creative industries [campaign groups](#), [trade bodies](#) and [individual creators](#) voiced their concerns about the proposed changes to copyright law and opposing the government's preferred option of a TDM exception.

## 2. Industry Champion reaction to the consultation

### 2.1. Is it the case that UK copyright law is currently unclear?

Some Industry Champions questioned the assumption that existing UK copyright law was unclear with regards to how it interacts with TDM. One person made the point that copyright law *is* complicated, and that creators and license holders' ability to enforce copyright protections has long been a challenge. It remains the best, if imperfect, instrument for creators and license holders to both control and get remuneration for their work.

There was also a sense that there is a lack of evidence to suggest that existing copyright law was a barrier to increasing AI sector growth and inward investment, and that such a change would achieve intended economic returns, both for the AI sector and economy in general. The discussion also touched on the idea that introducing an opt out and transparency mechanism would rely a lot on trust to be effective—though of course, so does copyright enforcement in general even before any changes are made.

### 2.2. The feasibility of an opt out

One key point made by creative industries organisations throughout the consultation call for evidence was around the practicality of implementing an opt out. This point was reflected in discussion among our Industry Champions, who highlighted both the practical and technical difficulties inherent in developing something that would work for copyright

holders to enforce their rights. So, while existing platforms such as Spawning AI's *Do Not Train* registry might reveal whether a work is being used in a training data set, it only covers some generative AI training data sets.

Some also pointed to the perceived imbalance between large technology businesses and smaller creative firms and individual creators in being able to take legal action to enforce their rights. Others suggested that even within the creative industries there would be power disparity between how different organisations manage to reserve their rights, with larger labels or publishers having the resources to pursue what might be costly legal proceedings. For individual creators, freelancers and microbusinesses—which after all form a significant part of the sector—the picture may be very different.

A few Industry Champions questioned the feasibility an opt out in more fatalistic terms, believing (rightly or wrongly) that copyrighted work is already being used in generative AI models given the sheer volume of copyrighted material on the internet. Much of the current situation stemmed from a “scrape first, use later” attitude to large-scale data collection that had been part of Silicon Valley tech culture since the 1990s. The example of artist Greg Rutkowski was mentioned, who successfully managed to have his work [removed from Stable Diffusion](#) after it was scraped from ArtStation, but this is the tip of the iceberg in terms of work used. To underline the point, one Industry Champion searched [Have I Been Trained](#) during the session only to find their work listed.

### **2.3 All in on generative AI**

The topic of the government's approach to AI was raised, with some suggesting that the consultation was overly focused on generative AI in general (and Large Language Models in particular) as *the* key to unlocking growth, despite the fact that this is only one facet of what is a diverse technology. Some also questioned whether staking growth plans on AI development and productivity enhancement was backed with evidence, especially given that market leaders like Chat GPT are operating at a loss. One Industry Champion suggested that pursuit of narrow language models, potentially through licensing agreements, might be one way for the UK to take the lead in the sector, rather than trying to pursue the huge scale of US companies.

Others were keen to impress a key point: that the creative industries are a technologically literate sector, with key subsectors like screen and videogames being at the cutting edge of adoption. Approaching the question of AI's place in relation to the creative industries with this in mind was seen as important for cutting through some of the more polarising rhetoric.

### 3. What might the future look like instead?

The discussion touched on the challenge that the AI landscape is so fast moving, with Gen AI models only really becoming widely available since the start of the 2020s, that any legislative change risks being outdated before it is passed (as with the experience of the EU's AI Act).<sup>1</sup> Some reflected on the difficulty of having perspective in the midst of an extensive technological change and wondered whether the novelty may wear off as users figure out how Gen AI benefits them or not.

This also touched on another central theme that ran parallel to some of the wider discussion about the impact of AI on copyright specifically, namely problems with AI models themselves. Industry Champions voiced concerns about some of the inherent biases of AI models and the problem of discrimination being embedded in the technology, which is a particular challenge for the creative industries where the diversity of both creators and creative content remains low. In a similar vein, others observed that software is a product of its time, meaning that it inevitably ossifies cultural and stylistic mores in addition to any social biases. Other more general social worries appeared in the conversation as well, from the problem of poor quality or inaccurate content, to the significant environmental costs of powering the most advanced AI systems.

Industry Champions pointed to the opportunity that was surfaced by the current moment, with the consultation bringing into focus a whole range of issues beyond copyright that needed more considered engagement. Some argued that we should start thinking more holistically about the future and what we want to see for the creative industries and AI sector and working from there, rather than filtering everything through the question of economic growth. As one Champion put it, what is the growth imperative for an AI model to be able to produce work in my style? This also led to the point that you cannot talk about ingestion without talking about the outputs of Gen AI models; as the example of Greg Rutkowski has shown, the question of plagiarism in AI-generated content remains a live issue

One example of a provocation to start forcing the conversation in a new direction was to pose the question: if creatives were given the choice to share their work with AI companies, what does a good incentive look like? And what would we need to do to make the UK the best place to be creative, rather than the best place to do business as a tech company?

Industry Champions suggested there was a need to start considering how to disrupt policy narratives that are beginning to take hold. This gained a special potency in the context of the US government's close relationship with large technology companies and the subsequent way this is bound to shape policy around new tech.

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<sup>1</sup> The AI Act states that technology firms must comply with EU copyright law, while allowing for a TDM exception. However, [some have suggested](#) that existing EU copyright law only allows for TDM for more limited, private usage.

Some advocated for bolder policy in aid of creativity, perhaps by instituting a levy on tech firms operating in the UK in order to fund creative activity – perhaps in the skills and education sector. Given financial and structural pressures in the public realm, this might act to both plug the funding gap and stimulate creativity and the talent pipeline. In the context of the Consultation, this would also acknowledge that Gen AI models are dependent on access to human creativity. As one Champion put it: it's creativity that's making things happen.