

# Intellectual Property Litigation, Protection and Prosecution

The IP and Trade Secret attorneys at Houston Harbaugh, P.C., have extensive courtroom, jury trial, non-jury trial and tribunal experience representing industrial, financial, individual and business clients in IP counseling, infringement litigation, trade secret protection and misappropriation litigation, and the overall creation and protection of intellectual property rights.

# Al Music Generators in the Crosshairs: A Battle for the Soul of Copyright

By Acacia B. Perko on July 10, 2024

UMG Recordings, Capitol Records, Sony Music et al. v. Uncharted Labs, Inc. d/b/a Udio.com

The music industry has fired its opening salvo in what could be a landmark battle over artificial intelligence and copyright. Major labels Capitol Records and Sony Music Entertainment launched copyright infringement lawsuits against generative AI music companies Udio and Suno, accusing them of "willful copyright infringement on an almost unimaginable scale."

At stake is the future of how we create, own, and interact with music in the age of AI. In their **copyright lawsuit**, the labels allege that Udio and Suno have built their services by copying "decades' worth of the world's most popular sound recordings" – a claim the AI startups vehemently deny.

# The Labels' Case: Protecting Decades of Investment

The labels argue they have spent decades discovering, developing, and promoting human artists. These investments in talent and creativity are the lifeblood of the music industry. By allegedly copying vast swaths of copyrighted recordings, the AI companies undermine the incentive for labels to support new artists and music. The labels are seeking declarations that the AI songgenerators infringed their copyrighted recordings, that the AI companies won't use their copyrighted recordings in the future, and damages for the infringements that have already occurred.

## The AI Startups' Defense: Innovation Over Imitation

Udio's leaders claim their technology is designed to generate new musical ideas, not reproduce copyrighted works. They argue they have implemented filters to prevent their model from mimicking protected content. This raises the question: Can AI create truly original music, or does it always build on what came before?

### A Broader Battle Looming

This legal fight is just the beginning and the first in which music companies have sued AI companies for actual songs, as opposed to written lyrics. Generative AI is transforming industries from visual art to literature. Other AI companies face similar copyright infringement suits from **voice over actors**, the **New York Times**, and a number of **prominent authors**. The outcome of these cases will set crucial precedents for how we balance innovation with protecting creators' rights in the AI era.

### The Way Forward: Licensing and Collaboration?

The labels' attorneys suggest a path forward: voluntary licensing deals, like those the industry has embraced with emerging technologies before. But will this be enough in a world where AI can generate music at unprecedented scale and speed? The music industry, AI startups, and lawmakers must navigate these questions to ensure both innovation and fair compensation for creators.

The Stakes: Who Will Shape the Music of Tomorrow?

AI-related threats such as deepfakes and voice cloning continue to attract significant (and legal) scrutiny. Just months ago, more than 200 artists, including Stevie Wonder, Robert Smith, Billie Eilish, Nicki Minaj, R.E.M., Smokey Robinson, and the estates of Bob Marley and Frank Sinatra, signed an **open letter** submitted by the Artist Rights Alliance non-profit, calling on artificial intelligence tech companies, developers, platforms, and digital music services to stop using AI to "infringe upon and devalue the rights of human artists." from warning against the predatory use of AI in music. The letter, while acknowledging the creative possibilities of the AI tech, addresses some of the threats to human artistry, such as using preexisting work to train AI models – without permissions – in an attempt to replace artists and therefore "dilute the royalty pools that are paid out to the artists." This latest copyright lawsuit by Capitol Records and Sony Music Entertainment brings that challenge to a head. At the heart of this battle is a question: Will human creativity, backed by the investment of labels, continue to shape our musical landscape, or will AI-generated music become the norm?

The answer will impact not just the music industry, but how we experience and interact with music as fans. The outcome of these lawsuits will be just the opening note in a much larger symphony of legal, ethical, and technological questions that will define the future of creativity in the age of AI.

Plaintiffs UMG Recordings, Inc. ("UMG") and Capitol Records, LLC ("Capitol," and collectively with UMG, "Universal"); Sony Music Entertainment ("SME"), Arista Music, and Arista Records LLC ("Arista Records," and collectively with Arista Music and SME, "Sony"); Atlantic Recording Corporation ("Atlantic"), Rhino Entertainment Company ("Rhino"), Warner Music Inc. ("WMI"), Warner Music International Services Limited ("WMISL"), Warner Records Inc., Warner Records LLC, and Warner Records/SIRE Ventures LLC ("WR/SIRE," and collectively with Atlantic, Rhino, WMI, WMISL, Warner Records Inc., and Warner Records LLC, "Warner," and together with Universal and Sony, "Plaintiffs")