



Comments of Tracey Armstrong, President and CEO

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For AI systems to flourish, they need to be built on the best available content. Around the world, publishers, collecting societies, and creators make rights for such high-quality content available for these AI systems through licensing.

CCC, a long-time member of IFRRO, includes AI rights in several license offerings, including our corporate annual copyright license, addressing internal-only uses and an AI systems training license covering uses external to the licensee's organization.

High quality content is created by human beings. Experts, innovators, creators and artists all create high quality content which powers economies globally, as does technological advancements including AI. For example, in the U.S., core copyright industries add \$2.09 trillion dollars of value to GDP, accounting for 7.66% of the entire U.S. economy.

Artificial Intelligence offers significant opportunities for advancement across industries. The U.S. AI market size accounts for \$146 billion and is expected to reach around \$851 billion by 2034.

As AI continues to advance, tech companies are purchasing enormous amounts of energy, requiring massive infrastructure investment. These same companies are purchasing computing chips, driving exponential growth in this sector. They are also using immense amounts of content, cultural and scientific works, created by entrepreneurs, and small and medium sized enterprises. They pay for power, pay for chips, they should also pay for content.

Proper marketplace mechanisms that value and compensate copyright holders are essential. Without them, we risk undermining the very ecosystem that produces the high-quality content essential for training effective AI systems.

Through each wave of digital transformation - from the emergence of the internet to digital publishing platforms, and now to AI we have successfully faced the same fundamental challenge: how to balance technological advancement and copyright. Each time, under the existing legal framework, market-based licensing has powered the evolution.

How do we embrace AI and copyright?

We must continue to enable the development of powerful, reliable and responsible AI systems with market-based licensing solutions that support the use of copyrighted content in these systems as they evolve.

At CCC we start with efficient, opt-in collective licenses. Across the industry, rightsholders provide AI developers with access to copyrighted content under license on mutually agreed terms so that AI systems can be responsibly built, trained and trusted to produce reliable results.

At CCC, we harmonize rights across rightsholders in collective licenses to make it easy for companies to focus on innovation and competition, instead of worrying about copyright infringement and related risks.

Copyrighted materials are the fuel for powerful AI systems. The highest quality AI outputs depend on the highest quality inputs, and those inputs are the result of human creativity and expertise that merits compensation.

The quality of outputs depends directly on the quality of inputs - and this fundamental principle applies even more critically to AI innovation. Incentives for human expression and expertise ultimately benefit society and the future of AI itself.

This principle has taken on new urgency with nearly 40 copyright lawsuits against AI developers. The fact-specific nature of fair use defenses, which are not available in most countries - but are in the U.S., will likely yield conflicting decisions, while global operations require navigating diverse copyright regimes with different standards. In the face of this complexity, licensing represents the most pragmatic approach for respecting copyright holder's rights while enabling innovation.

This pragmatic approach is precisely why, at CCC, we've focused on developing voluntary licensing solutions that foster innovation while respecting copyright. Our licenses strike the essential balance: providing organizations with legal clarity while ensuring copyright holders are fairly compensated. Our licenses address internal and external use of copyrighted content in AI systems, including training and fine-tuning AI.

We have added AI rights to our existing collective licenses for internal-only use by companies and recently announced a new voluntary collective license addressing AI system training. Our collective licenses are voluntary, opt-in, and non-exclusive.

The increase in direct licensing agreements between copyright holders and users, taken together with collective licenses, including from Collective Management Organizations in the IFRRO membership, demonstrate a functioning market – illustrating that copyright and AI can co-exist and progress successfully together without changes to copyright law.

In the “2025 Copyrighted Content Usage Trends” study by Outsell, we learned that while AI adoption has reached as high as 97% in some industries, just 77% of respondents know their organization’s copyright policy and only 62% realize it applies to AI when using third-party content.

In McKinsey’s 2025 Superagency AI report, we learned that only 52% of business leaders are worried about IP infringement. Most don’t use benchmarks – and when they do (in less than 40% of cases) they focus on operational and performance measures such as cost, precision, and latency rather than ethical and compliance concerns. Only 17% of C-suite leaders who benchmark attached any importance to measuring fairness, bias, transparency, privacy, and regulatory issues – including IP.

CCC has hosted dozens of AI Forums which included attendees from a range of industry sectors including biopharma, medical device, consumer goods and other manufacturers, chemical, and food companies.

High-quality content remains vitally important, and companies recognize this as well as the need to license it appropriately. Companies want efficient, uniform licensing solutions that cover their internal business uses of content. They asked CCC to help them license content for AI systems as we have supported them in licensing for decades, for internal use with a consistent set of rights across publishers.

Companies reported that use-case based licensing for specific AI, machine learning and text mining projects is unsustainable. It is a significant burden to obtain rights on a rightsholder-by-rightsholder basis, and challenging when the terms are inconsistent. Companies reported that in many cases they need to iterate on a project and that sometimes resulted in them having to go back to the rightsholder because the license was so narrowly written that the new approach was not covered.

Importantly, they told us they understand that the training of these models and the use of AI technologies trained with copyrighted content requires licenses. They recognize and respect the value of high-quality content, and they want to be able to use it in a compliant and efficient way.

Examples of activities covered under the CCC license include machine learning tasks such as training AI applications, as well as natural language processing

tasks such as analysis and summarization, tagging and enrichment, and text mining – all only for the customer’s internal use.

CCC also recently announced a new AI Systems Training License for existing and prospective customers, including AI systems providers and organizations developing AI-powered applications.

This voluntary, non-exclusive collective license is designed to aid organizations that want to comply with copyright laws for the use of third-party content to train AI systems as well as the external use and certain outputs from trained models.

While many AI companies are arguing fair use in dozens of lawsuits, these lawsuits are in their initial stages and it will be years until these cases are resolved. In the meantime, there is no guarantee that the defendants will prevail. In addition, AI systems cross borders and when use of copyrighted content crosses borders, different legal systems apply, creating more complexity, friction, and risk for companies.

On its own or as a complement to strategic direct licensing deals, the AI Systems Training License provides organizations with a consistent set of rights across a broad and growing repertory of works and provides royalties to rightsholders as compensation for the use of their works.

To ensure that AI’s transformative potential is realized, we need to advance a pro-copyright and pro-AI agenda in the markets that they empower today, with market-based licensing solutions powering responsible AI.

The most sustainable path forward is market-based solutions that compensate creators while enabling AI innovation - not forcing a choice between the two. Success is a future where AI innovation and copyright are complementary strengths.

Licensing is the bridge toward that future.

Tracey Armstrong is the President and Chief Executive Officer of Copyright Clearance Center (CCC). Since becoming CEO in 2007, she has led CCC through a period of tremendous growth and innovation. Armstrong works with publishers, authors, universities, businesses, and industry associations around the world to address copyright issues and establish alliances.

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