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In This Issue

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AI **Update**

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New lawsuits accuse major AI developers of using copyrighted content to train their models, including claims that Nvidia secretly scraped millions of protected YouTube videos to build its Cosmos video model and Runway AI purportedly bypassed YouTube's download protections to gather training data for its generative systems. In these California federal courts cases, plaintiffs argue the companies ignored copyright rules and platform terms of service and commercially benefited from the unauthorized data. They now face proposed class actions seeking damages, dataset destruction and representation of affected creators and authors across the United States.

Meanwhile, recent court decisions delivered mixed outcomes for OpenAI. In a federal New York copyright case, a federal judge blocked an order requiring the company to disclose internal attorney communications about deleted training datasets, ruling that OpenAI had not waived the attorney-client privilege and its explanations for deleting Books1 and Books2 did not put its legal advice "at issue." In a separate case from the Northern District of California, another judge issued a preliminary injunction barring OpenAI from using the term "cameo" for a Sora video-generation feature, finding that Cameo is likely to prevail on its trademark claim given evidence of consumer confusion and potential reputational harm linked to Sora-generated deepfakes. Meanwhile, also in the Northern District of California, xAI's lawsuit alleging that OpenAI induced employees to steal trade secrets was dismissed, with the judge concluding that the claims lacked detail and did not show that any confidential xAI materials were used at OpenAI or that the company encouraged wrongdoing.

On the regulatory side, the Association for Diagnostics & Laboratory Medicine (ADLM) warned that AI systems used in laboratory medicine risk reinforcing health inequities if trained on biased or inconsistent data, urging federal regulators to update oversight to ensure safety, effectiveness and fairness. At the same time, the CLEAR Act, a bipartisan Senate bill, seeks greater transparency in GenAI training by requiring companies to publicly disclose copyrighted materials used in model datasets, with fines for noncompliance. Elsewhere, the National Institute of Standards and Technology (NIST) launched an initiative to promote secure, interoperable autonomous AI agents by developing industry-led standards, open-source protocols and research on authentication, aiming to ensure trustworthy integration of AI agents across digital systems and inviting public feedback through future guidelines and listening sessions.

These and other stories appear below.

Sydney E. Allen
Senior Managing Associate

AI **in Business**

Napster relaunches as AI music platform

Under new ownership, Napster relaunched its app to focus entirely on AI-generated music and podcasts, eliminating its traditional record-label catalog. The platform now offers AI-generated content tailored to every genre, mood and personal preference, leveraging real-time creation tools. CEO John Acunto stated that Napster is moving away from relationships with major labels, criticizing them for suppressing content and data ownership. Napster is involved in ongoing lawsuits about royalties owed to Sony Music and SoundExchange.

Source: Musically

New AI model from MGB could predict dementia risk and more

Researchers at Mass General Brigham have developed BrainIAC, a self-supervised AI model trained on over 49,000 brain MRI scans. This foundational model uses key health indicators to accurately predict neurological health outcomes, such as dementia risk, brain cancer survival, and other diseases, even when training data is limited. BrainIAC identifies key features from MRI datasets and is adaptable to other healthcare applications, potentially improving care in settings where annotated medical data is scarce. This technology demonstrates how AI can enhance patient care and treatment options by extracting insights from diverse and limited datasets, addressing challenges in access to care and supporting the development of new diagnostic tools.

Source: Healthcare IT News

Amazon's AI push aims to streamline Hollywood

Amazon is developing new AI tools aimed at accelerating and streamlining the production of movies and TV shows. Led by veteran executive Albert Cheng at Amazon MGM Studio, the initiative seeks to cut costs and enhance the creative process in entertainment. Amazon will launch a closed beta program in March, inviting industry partners to test these AI tools, with results expected by May. The move comes amid industry concerns that AI could lead to job losses and fundamentally change Hollywood's landscape, raising questions about the impact of AI on creative roles and intellectual property in the entertainment sector.

Source: Reuters (sub. req.)

Study finds AI stethoscope doubles detection of serious valve disease

A recent prospective study published in the European Heart Journal Digital Health found that an AI-enabled digital stethoscope significantly improved the detection of moderate-to-severe valvular heart disease (VHD) by primary care providers compared to standard stethoscopes. The AI system achieved a sensitivity of 92.3% for detecting audible VHD, versus 46.2% for standard care, and identified twice as many previously undiagnosed cases. While specificity was slightly lower, the findings suggest AI-assisted auscultation could serve as a valuable screening adjunct, potentially enabling earlier intervention and improved patient outcomes.

Source: News Medical Life Sciences

AI in Business (cont'd)

MSD and Mayo Clinic partner on AI-powered drug discovery

The collaboration grants MSD (known as Merck & Co in the U.S. and Canada) access to the Mayo Clinic Platform, which includes deidentified laboratory results, medical imaging, clinical notes, molecular data, registries and biorepositories, along with advanced AI and analytics tools. The partnership aims to enhance disease understanding, improve target identification and accelerate early development decisions by integrating high-quality clinical data and AI-enabled insights. The alliance is expected to speed up the development of new therapies and improve patient outcomes, while also highlighting the importance of data privacy and security in the use of AI for healthcare and life sciences applications.

Source: Pharma Phorum

YouTube brings conversational AI to smart TVs and streaming devices

YouTube expanded its conversational AI feature to smart TVs, gaming consoles and streaming devices, allowing users to interact with AI directly on their television screens. The tool allows viewers to ask questions about the content they are watching, such as details about a song or recipe, without pausing or leaving the app. The AI assistant provides suggested questions and instant answers, supporting English, Hindi, Spanish, Portuguese and Korean.

Source: TechCrunch

Carlo Lipson
Associate

AI **Litigation & Regulation**

LITIGATION

Company claims Google's "Gemini" expansion violates trademark in Florida lawsuit

P2B Trading sued Google in the Middle District of Florida, alleging the tech giant's expanding use of the "Gemini" name will destroy P2B's brand and violate its decades-old trademark. P2B, a longtime seller of Gemini-branded audio equipment, has held rights to the Gemini mark for speakers and other audio products since 1998 and says Google's plan to release a Gemini-branded home speaker in 2026 directly conflicts with its core market. The company argues Google's massive market power, combined with its rebranding and integration of Gemini into hardware like earbuds, will create widespread consumer confusion. P2B also claims Google previously assured it would not use the name on audio equipment and later reversed course. The lawsuit seeks to stop Google from using the Gemini name, cancel its trademarks, and recover profits and damages.

Source: Law 360 (sub. req.)

Lawsuit filed in Northern District of California alleges Nvidia illegally scraped YouTube videos for AI training

A new lawsuit claims that Nvidia covertly harvested millions of YouTube videos to train its foundational AI video model, Cosmos. The plaintiff podcaster alleges the company bypassed YouTube's technical protections and terms of service, which prohibit scraping and bulk downloading. The suit also says Nvidia engineers discussed large-scale data gathering in internal Slack channels and developed workarounds to extract video "clips" without creator consent. These datasets reportedly formed the basis for Cosmos and supported other Nvidia products, giving the company strong commercial incentives to acquire massive amounts of content. The podcaster seeks to represent all U.S. YouTube creators whose videos were allegedly scraped.

Source: Law 360 (sub. req.)

New York federal court overturns order requiring OpenAI to disclose attorney communications

A New York federal judge blocked an order that would have required OpenAI to hand over internal communications with its in-house attorneys about deleted training datasets. The court ruled that OpenAI did not waive attorney-client privilege, rejecting findings that the company's statements about deleting datasets "due to non-use" revealed legal advice. The judge also disagreed that OpenAI's denial of willful copyright infringement placed its state of mind "at issue," noting that simply denying allegations is not the same as using legal advice to assert good-faith conduct. The decision reverses a prior ruling that OpenAI must disclose 2022 communications about the deletion of datasets and references to the shadow library LibGen. The broader case involves claims that OpenAI and Microsoft trained AI models on copyrighted works without permission, but the judge concluded sanctions for alleged shifting positions on privilege were unwarranted.

Source: Law 360 (sub. req.)

AI Litigation & Regulation (cont'd)

Engrain accuses Beans.ai of copying maps to launch rival product in Colorado lawsuit

A mapping technology company claims a former potential partner replicated thousands of its property maps to fast-track a competing product. Engrain alleges that Beans.ai leveraged access granted during a brief partnership effort to reverse engineer its detailed unit maps and develop the free WebWidget tool, despite anti-copying restrictions. According to the complaint filed in the district court of Colorado, Beans aggressively marketed WebWidget, even sending promotions to Engrain itself in 2025. Engrain also asserts a major industry partner began adopting Beans' free immersive maps, prompting several customer cancellations. The company points to identical layout quirks and duplicated GPS errors as evidence that Beans mimicked its flagship SightMap product. Beans.ai's co-founder denies wrongdoing, calling the lawsuit a reaction to his company's recent growth and emphasizing that Beans uses AI—not manual processes—to generate maps. The suit includes claims of copyright infringement, breach of contract, unjust enrichment and vicarious infringement.

Source: Law 360 (sub. req.)

Northern California court blocks OpenAI from using "cameo" in Sora video feature

A Northern California federal judge issued a preliminary injunction preventing OpenAI from using the term "cameo" to describe a feature in its Sora video generator. The court determined that the usage threatens the reputation and goodwill of the celebrity video platform Cameo. OpenAI argued the term was descriptive, but the court rejected that defense, instead citing the strength of Cameo's brand, extensive media presence, and evidence of actual consumer confusion, including misdirected messages, incorrect social media tagging and assumptions that the two companies were partnered. The judge also noted that Sora generated deepfakes of public figures could harm Cameo's association with authentic celebrity interactions.

Source: Law 360 (sub. req.)

Lawsuit filed in California federal court challenges AI training practices at Runway AI

A YouTube creator has filed a proposed class action alleging that Runway AI unlawfully accessed and downloaded YouTube videos to train its GenAI models. The complaint claims the company bypassed platform protections that prevent downloading, violating YouTube's terms of service and ignoring copyright restrictions. Instead of seeking permission or paying creators, Runway AI allegedly scraped video files to improve its commercial AI products. The Central District of California suit brought claims under the Digital Millennium Copyright Act, California's Unfair Competition Law and unjust enrichment. This case adds to a growing wave of lawsuits accusing AI developers of using copyrighted material without authorization to train their systems.

Source: Law 360 (sub. req.)

California federal judge dismisses xAI's trade secret claims

A Northern District of California federal judge threw out xAI's lawsuit accusing OpenAI of inducing employees to steal trade secrets. The judge noted that while several departing employees kept xAI source code or confidential materials on personal devices, the complaint's claims were too vague and unsupported to assert they used that information at OpenAI or that OpenAI encouraged any theft. Only one accused employee joined OpenAI, and another's attempted access to xAI documents was blocked. Other former staffers were not alleged to have taken or used confidential data at all. The judge concluded that xAI failed to show misconduct by OpenAI itself, despite the timing of multiple departures and communications with a recruiter.

Source: Law 360 (sub. req.)

AI Litigation & Regulation (cont'd)

REGULATION

ADLM warns of AI bias risks

The Association for Diagnostics & Laboratory Medicine issued a statement highlighting the risks associated with the use of AI in laboratory medicine, particularly for historically marginalized patient populations. The statement urges Congress and federal agencies to update laboratory regulations and implement policies to ensure AI clinical systems are both safe and effective. While AI has the potential to enhance diagnostic accuracy, improve laboratory efficiency, and enable more precise data-driven clinical decision-making, concerns remain about AI models perpetuating societal biases if trained on limited or inconsistent data. These biases can lead to misclassification of diseases, health inequities and underestimation of risk in marginalized groups, thus underscoring the need for responsible oversight and consistent data standards.

Source: PR Newswire

CLEAR Act seeks greater transparency in AI training

A bipartisan Senate proposal would require technology companies to publicly disclose the copyrighted materials they use to train GenAI models. The CLEAR Act, introduced by Senators Adam Schiff and John Curtis, aims to protect creators while allowing innovation to continue responsibly. The bill mandates companies to submit detailed summaries of copyrighted works included in training datasets to the U.S. Copyright Office, which would maintain a public database of these disclosures. Noncompliance would trigger fines of at least $5,000 per undisclosed instance. Creative industry groups, including musicians', writers' and artists' unions, strongly support the measure as a path toward greater transparency and fair compensation.

Source: Law 360 (sub. req.)

NIST launches initiative to advance secure interoperable standards for autonomous AI agents

As AI increasingly handles tasks such as coding, email management and online transactions, NIST launched a new initiative to support the secure and interoperable development of autonomous AI agents. The program focuses on preventing fragmentation by promoting consistent technical guidelines and smooth integration with existing infrastructure for AI agents to interact reliably across digital systems. This collaboration with federal partners and the National Science Foundation will guide efforts across three pillars: global leadership in standards, community-driven protocol development and research into secure authentication and authorization. NIST plans to release additional guidelines and solicit public feedback through RFIs, listening sessions and sector-specific discussions to encourage confident adoption across industries.

Source: NIST

Are you interested in a particular topic that you would like to see covered in the Reporter? If so, please let us know.

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