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My Take: The Al Revolution in Law

Technology, Privacy, and eCommerce



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To start, I want to be transparent and assure you all that I, Adrian Goss, am in fact writing this message to you. While there are many benefits associated with AI-generated content, I thought it best to discuss its challenges and opportunities without the benefit of its assistance (to avoid any biases!).

All joking aside, artificial intelligence has been, and will continue to be, a part of our daily working lives. Advances in technology often make our lives easier, be it at work or at home, and as lawyers we know all too well issues often come along with that ease. Today, the use of ChatGPT — Generative Pre-trained Transformer — text is what everyone is talking about. This isn't surprising, given reports that over 100 million consumers used the technology tool in the first months following its November 2022 introduction. There's much it can do, including pass the bar exam! What makes ChatGPT so different, and what should the lawyers in the room know about it?

What is ChatGPT?

Recent_<u>Docket</u> articles have explored ChatGPT, its potential uses within the <u>legal department</u>, and the <u>challenges</u> it could bring to our organizations. The authors of "<u>ChatGPT and AI Applications for Inhouse Lawyers</u>" state GPT and other AI-powered tools are becoming "increasingly prevalent" in the legal industry, with our colleagues frequently trying to balance the pros of streamlined practices and efficiencies with the potential pitfalls and limitations associated with implementing new technologies into their organizations.

Are you using ChatGPT or considering it? Is there a place for generative text in your legal department — should there be? I'd like to hear what your organizations are doing. You can reach me at chair@acc.com.

Explaining exactly <u>what ChatGPT</u> is and how it works isn't the focus of this message, but, in very basic terms, the technology uses large amounts of data to generate predictive text that reads like you or I wrote it. In other words, the output is conversational; its response is based on what the user puts into it.

Therefore, my generated text can be completely different than your generated text, even if we are researching the same topic or entering similar queries. So, had I used the technology to write a message about the threats of artificial intelligence, entering in the words "Draft a 600-word article outlining the legal threats of AI," and published it in the *Docket*, did I really write it? Do I "own" it?

Threats and opportunities

The made-up scenario above indicated one opportunity this type of technology can create — the saving of valuable time. Many of us work in smaller legal departments and could benefit from a tool that could streamline a process or even act as an assistant (for example, using this technology to generate customer service-related responses on websites).

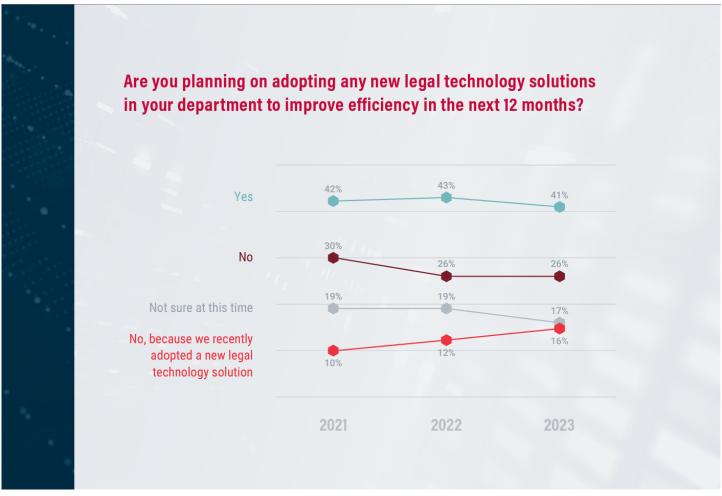
That said, the advent of ChatGPT has brought up several questions, including those around copyright and ownership, privacy, and, of course, ethics. Similar questions have generally existed around AI, but this feels different, and the popularity of ChatGPT means we need to be extra vigilant about its use and any emerging regulations or recommendations pertaining to it. Again, one such area of confusion involves ownership and copyright protections.

A recent <u>Law.com</u> article said that while ownership of content produced this way is hard to determine, many users are not too concerned, with the US Copyright Office having said that Al-generated work with "sufficient human authorship of its content might support a copyright claim." Still, some organizations are limiting its use due to a potential inability to protect the content created. Then, there are those ethical issues to consider, as well as issues around cybersecurity that exist with any technological advancement introduced into our companies. How do we determine if the pros of adding this, or any new Al, to our departments outweighs the cons?

Findings from ACC's 2023 CLO Survey

While I can't advise you on the specifics of your organizations' needs, I do understand that many of us face similar challenges as leaders of our legal departments and advisers to the business. As the world grapples with this latest technological advance, ACC is working to provide us all with the information and education we need to make decisions for our in-house legal teams and organizations.

One resource that always illuminates trends from legal department leaders is the annual survey of CLOs and GCs. According to the <u>2023 Chief Legal Officers Survey</u>, investing in new legal technology is top-of-mind, with the survey finding that 41 percent of CLOs plan on investing in new legal technology solutions in 2023. Further, while top areas of investment include contract (67 percent) and document (34 percent) management, workflow tools accounted for 30 percent. Could ChatGPT, or something similar, be one of those tools?



Source: 2023 ACC CLO Survey

Perhaps, but the survey also found that cybersecurity, regulatory compliance, and data privacy continue to rank as the most important issues to the business, with at least 20 percent of CLOs confirming they oversee these areas, in addition to ethics, risk, government affairs, and ESG.

As the person in the room entrusted with identifying potential risks — while also being open to the opportunities and improved efficiencies such tools could bring — having insight into what your peers are considering and planning is extremely helpful. More than 892 chief legal officers and general counsel, spanning 20 industries and 35 countries, participated in this survey. Download the 2023 report, which provides data-driven insights for our day-to-day work.

ACC resources can help manage your organization's Al

While you're weighing the good, the bad, and the in-between of implementing AI tools like ChatGPT for your organization, check out related global resources and recent on-topic programming from your in-house bar.

For example, this resource looks at the European Union Intellectual Property Office's study of AI and IP laws and the "double-edged sword" of AI and IP protection and infringement. Recent and ondemand programming includes the two-part series from the Women in the House (WITH) Network. The programs, AI and Ethics: What Corporate Counsel Need to Know and AI and Ethics Part 2: Implementing Artificial Intelligence into Corporate Legal Functions, explore four key areas of AI and ethics — transparency, justice and fairness, responsibility and accountability, and privacy, as well as the challenges and ethical considerations facing legal and human resources teams considering the

use of Al.

Another program, <u>European Commission Proposed Al Rules Make Big Waves for In-house Legal Departments</u>, includes a panel of diverse Al experts providing updates about the current state of the proposed rules surrounding Al in the region, while also offering tips to prepare your team for Al compliance.

There's even programming on the topic planned for this year's <u>Annual Meeting</u>, to be held Oct. 22-25 in San Antonio, TX. This isn't an exhaustive list of resources, online and in-person programming, but the above offers a great place to start — as is your in-house network here at ACC. I encourage you to visit <u>ACC Forums</u> and pose your questions and offer insights related to AI, ChatGPT, and anything else crossing your desk. As you can imagine, the <u>conversation on ChatGPT</u> is in full swing, with threads discussing its use in contracts and interviews, and what should be included in company policies regarding it.

Artificial intelligence is here to stay, and the tools that are created from it will continue to make their way into our daily lives. Time is an expensive and limited commodity, and technology often allows us to save a bit more of it. An efficient workplace is always a good thing, as is cutting costs and identifying ways to improve inefficiencies. That said, implementing new technologies comes with risks, especially something like ChatGPT — a tool that could bring many benefits to our organizations but whose use and protections are still being figured out. Then again, isn't that true of any emerging technology?

Disclaimer: The information in any resource in this website should not be construed as legal advice or as a legal opinion on specific facts, and should not be considered representing the views of its authors, its sponsors, and/or ACC. These resources are not intended as a definitive statement on the subject addressed. Rather, they are intended to serve as a tool providing practical guidance and references for the busy in-house practitioner and other readers.

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Adrian Goss is General Counsel of Bauer Media, Australia's largest magazine and digital publisher. Goss was previously legal counsel for listed Australian film and television production company, Beyond International, and, prior to that, worked in law firms in Australia and the United States. During his 20 years of practice as a lawyer, Adrian has focused on corporate and commercial matters as they affect the media and entertainment industries.

He is a former National President of ACC Australia and currently sits on the ACC Board.