INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]

VOLUME 5 AND ISSUE 1 OF 2025

APIS – 3920 - 0001 *(and)* ISSN - 2583-2344

Published by

Institute of Legal Education

https://iledu.in

SHOULD COMPANIES BE ALLOWED TO PATENT AI-GENERATED CONTENT?

AUTHOR - MS RAKSHITA PANT, STUDENT AT SCHOOL OF LAW, CHRIST (DEEMED TO BE UNIVERSITY) LAVASA CAMPUS.

BEST CITATION - MS RAKSHITA PANT, SHOULD COMPANIES BE ALLOWED TO PATENT AI-GENERATED CONTENT?, *INDIAN JOURNAL OF LEGAL REVIEW (IJLR)*, 5 (1) OF 2025, PG. 134-136, APIS – 3920 – 0001 & ISSN - 2583-2344.

"The advance of AI is as transformative as the Industrial Revolution, and with great change comes the responsibility to reshape our legal and ethical frameworks to align with this new reality."

I. ABSTRACT

This research paper delves into the contentious issue of whether companies should be allowed to patent AI-generated content, presenting a compelling argument in favour of such rights. By analysing the legal, psychological, and economic dimensions of this debate, it is posited that permitting patents for AI-generated innovations would drive technological advancement, encourage investment, and remain consistent with established intellectual property principles. The paper further offers targeted recommendations to develop a robust legal framework capable of accommodating both human and AI contributions, thereby fostering sustainable progress in the realm of innovation.

Key Words - AI-Generated Content, Intellectual Property Rights, Patent Law, Innovation Policy.

II. WHAT IS ARTIFICIAL INTELLIGENCE?

Artificial Intelligence (AI) is a branch of computer science dedicated to creating systems capable of performing tasks that typically require human intelligence. These tasks range from natural language processing and decision-making to learning from data and problem-solving. AI systems rely on algorithms and vast datasets ***to simulate human cognitive processes***, enabling them to perform activities such as generating content, predicting outcomes, and automating workflows.

AI is categorized into three types- narrow AI, general AI, and superintelligent AI. Narrow AI, the most common, specializes in specific tasks, such as image recognition or language translation. General AI aspires to match human cognitive abilities, while superintelligent AI, a theoretical concept, would surpass human intelligence. As AI technologies advance, their influence on society grows, creating the need for adaptive policies and regulations.

III. AI'S GROWTH TO DATE

AI has rapidly evolved, becoming a transformative force across industries. Technologies like OpenAI's ChatGPT, Google's Bard, and Baidu's AI have showcased the potential of AI in generating human-like content, enhancing customer interactions, and automating routine tasks. AI's influence extends to healthcare, finance, and creative sectors, where it enables breakthroughs in drug discovery, financial forecasting, and digital art. The proliferation of machine learning models and natural language processing tools has cemented AI's role as a cornerstone of modern innovation, governments and private sectors worldwide have increased investments in AI research and development. For instance, the European Union's Horizon Europe program and the United States' National AI Initiative aim to strengthen AI ecosystems by funding groundbreaking projects. These investments underscore the growing recognition of AI as a

INDIAN JOURNAL OF LEGAL REVIEW [IJLR – IF SCORE – 7.58]
VOLUME 5 AND ISSUE 1 OF 2025
APIS – 3920 - 0001 *(and)* ISSN - 2583-2344
Published by
Institute of Legal Education
https://iledu.in

vital driver of economic growth and technological progress.

IV. ADVANTAGES OF GRANTING PATENT RIGHTS TO COMPANIES

(A) Legal Aspect- Granting patents for AI-generated innovations aligns with existing intellectual property frameworks, such as the ***Patents Act of 1970*** **Section [359]2.-** (ja) "inventive step" means a feature of an invention that involves technical advance **(Depends on prompts from user's end)** as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art. and the **European Patent Convention**. These frameworks prioritize the novelty, non-obviousness, and industrial applicability of inventions, irrespective of whether a human or AI system generated them. Jurisdictions like South Africa have already approved AI-related patents, signalling a global trend toward accepting AI contributions as patentable. By ensuring clear ownership, patents provide legal certainty and reduce disputes over AI-generated innovations. **Article 27 of the TRIPS Agreement** [360]mandates that patents be available for inventions in all technological fields, including those generated by AI. Recognizing companies as rightful owners of AI-created content respects this mandate while fostering legal clarity. Additionally, clear ownership helps protect companies from potential infringements and ensures they can monetize their innovations effectively. As per **Article 253, Constitution of India.** [361]– Gives Parliament the power to make laws to implement treaties, agreements, or conventions with other countries.

India is a party to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement. India signed the agreement in 1994 and became obligated to comply with it from January 1, 1995.

(B) Psychological Aspect- The assurance of intellectual property rights encourages companies to invest in AI research and development. Patents act as an incentive, reducing the risk of free-riding and ensuring that innovators reap the rewards of their investments. This security fosters creativity, motivating companies to push the boundaries of what AI can achieve. Furthermore, patent protection offers psychological assurance to inventors and stakeholders, reinforcing their commitment to long-term research endeavours

(C) Economic Aspect- Patents for AI-generated content can significantly enhance economic growth by attracting investments and promoting global competitiveness. Nations that recognize AI-generated patents are more likely to become hubs for cutting-edge AI research, drawing talent and capital. Moreover, patents provide a financial cushion for companies, allowing them to recover R&D costs and reinvest in further innovations. This economic security fosters an environment where startups and established firms alike can thrive, creating a ripple effect of job creation and technological advancements.

V. RECOMMENDATIONS

To address the complexities of AI-generated innovations, intellectual property laws should be amended to explicitly include AI-generated content, establishing a clear framework for ownership. Criteria must be defined to determine the roles and contributions of AI developers, data providers, and users in the patenting process. Global harmonization of policies is essential to recognize AI-generated patents, prevent forum shopping, and ensure fair competition. Policies should also incentivize collaboration between AI companies, universities, and research institutions while considering ethical implications to avoid stifling creativity or access to essential technologies. Finally, transparency in AI development must be supported to ensure patented innovations align with ethical standards and societal needs.

[359] The Patents Act, 1970, § 2.
[360] AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS, Art. 27.
[361] INDIA CONST. Art. 253.

VI. CONCLUSION

Allowing companies to patent AI-generated content is a logical and necessary step in the evolution of intellectual property law. It incentivizes innovation, secures investments, and ensures that the benefits of AI advancements are fully realized. By embracing a balanced approach that recognizes both human and AI contributions, policymakers can foster an environment where technological progress thrives while upholding the principles of fairness and accessibility. The future of innovation depends on adapting our legal frameworks to the realities of an AI-driven world.

In conclusion, as AI continues to redefine industries and create unprecedented opportunities, granting patent rights to companies for AI-generated content becomes an essential strategy. This approach ensures sustained innovation, robust economic growth, and a fair system that benefits both innovators and society at large.

"We are not just responsible for what we create, but for how we use and protect those creations in a rapidly advancing world." - Satya Nadella

References

1. Ni, Jiahao. "Intellectual Property Protection Dilemmas and Legal Response Strategies Under the Perspective of Generative Artificial Intelligence," 28 J. Educ. Human. & Soc. Sci. 854 (2024).

2. Munshi, Md. Omar Faruque, & Sathi Barai. "IP Rights to AI-Generated Works: Barriers Presented by Existing Law and Reformations Needed," 4 Can. J. Bus. & Info. Stud. 37 (2022).

3. Abbott, Ryan. "I Think, Therefore I Invent: Creative Computers and the Future of Patent Law," 57 B.C. L. Rev. 1079 (2016).

4. Geiger, Christophe. "Artificial Intelligence and Copyright Law: Room for Manoeuvre Within the EU Acquis," 50 I.I.C. 326 (2019).

5. Chesterman, Simon. "Artificial Intelligence and the Limits of Legal Personality," 69 Int'l & Comp. L.Q. 819 (2020).

6. Deltorn, Jean-Marc. "The Elusive Intellectual Property Protection of Trained Machine Learning Models: A European Perspective," in Research Handbook on Intellectual Property and Artificial Intelligence 23 (Ryan Abbott ed., 2022).

7. Yara, Oksana, et al. "Legal Regulation of the Use of Artificial Intelligence: Problems and Development Prospects," 10 Eur. J. Sustainable Dev. 281 (2021).

8. Rosati, Eleonora. "Text and Data Mining in the Proposed EU Copyright Directive," 40 E.I.P.R. 737 (2018).

9. WIPO. "Revised Issues Paper on Intellectual Property Policy and Artificial Intelligence," WIPO Doc. IP/AI/2/GE/20/1 (2020).

10. Moss, Richard. "Creative AI: The Robots That Would Be Painters," New Atlas, Feb. 16, 2015, https://newatlas.com/creative-ai-algorithmic-art-painting-fool-aaron/36106.

11. Cohn, Gabe. "AI Art at Christie's Sells for $432,500," N.Y. Times, Oct. 25, 2018, https://www.nytimes.com/2018/10/25/arts/design/ai-art-sold-christies.html.