



Copyright considerations and use of AI

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25 April 2024



Copyrights

- protect **original work** in a literary, artistic or scientific domain which is **expressed in an objective form** and can be perceived and reproduced
- arise **automatically** and do not require registration or any other formalities

Economic rights

- exploitation of works for financial gain
- right to reproduce, distribute, adapt, alter, perform and display the work
- are protected for 70 after the author's death
- can be assigned and/or licensed

Moral rights

- protection of the author's honour and reputation
- right of authorship, author's name, integrity of the work,
- some moral rights are protected indefinitely
- cannot be assigned (or waived)

Copyrights in contracts

- copyrights arise and initially belong to the natural person author
- economic copyrights to works created under employment contracts transfer automatically to the employer
- economic rights to computer programs or databases remain with the employee, but the employer is granted an exclusive license
- the law does not provide a regulation for moral rights in employment contracts
- it is up to interpretation on a case-by-case basis whether the regulation for employment contracts can be extended to contracts of services
- as a general rule, no regulation on copyrights in the contract means that the rights remain with the authors

How to audit copyrights?

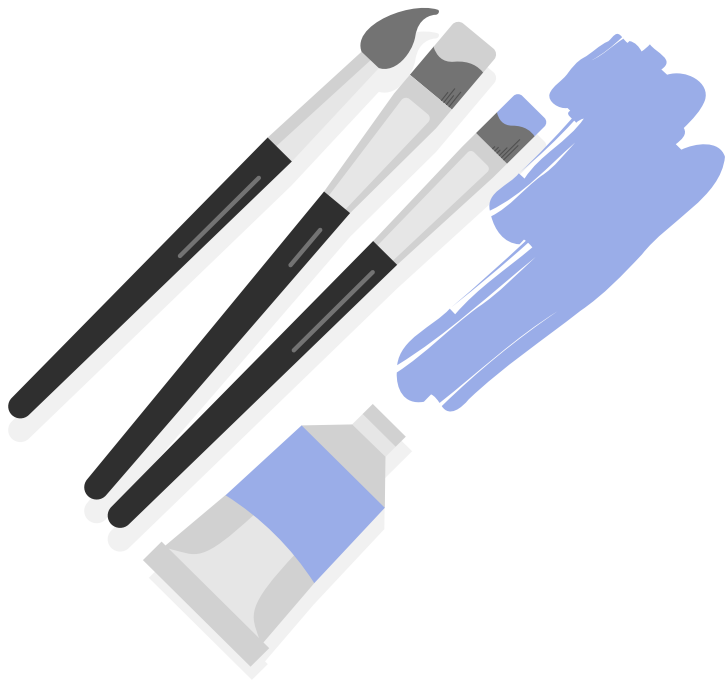
- identify objects of copyrights
- determine the ownership of copyrights
- review contracts
 - assignment or licensing of all or specific rights (right to alter and reproduce the works)
 - exclusive or non-exclusive rights
 - term of the contract and/or license
 - territorial coverage
 - can rights be transferred and/or sublicensed
- check compliance
- address infringements
- document the results and continue with regular updates

Most common issues related to copyrights

- no agreements in place regarding copyrights or the agreements are insufficient
- no distinction between the assignment of economic rights and licensing of moral rights
- moral rights are licensed for an unspecified term



Lithuania - differences to keep in mind



- Moral rights cannot be licensed
- Copyrights in employment relationship (unless specified otherwise in the contract):
 - economic rights to a work created by an employee while performing work functions are assigned to the employer for 5 years
 - economic rights to a computer program created by an employee while performing work functions belong to the employer
- For other contracts such contracts with self-employed persons or legal entities – general rules for copyright assignment and licensing apply

Lithuania

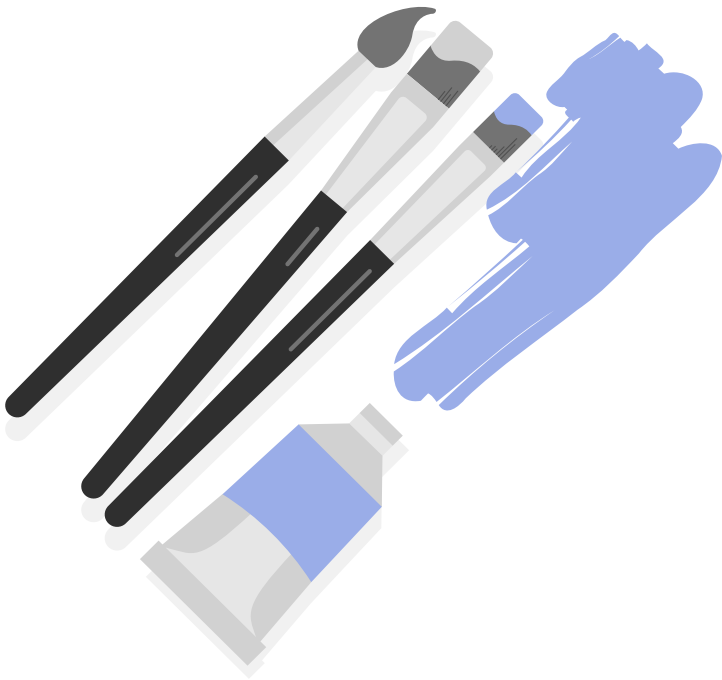
Conditions for copyrights assignment or licensing agreements

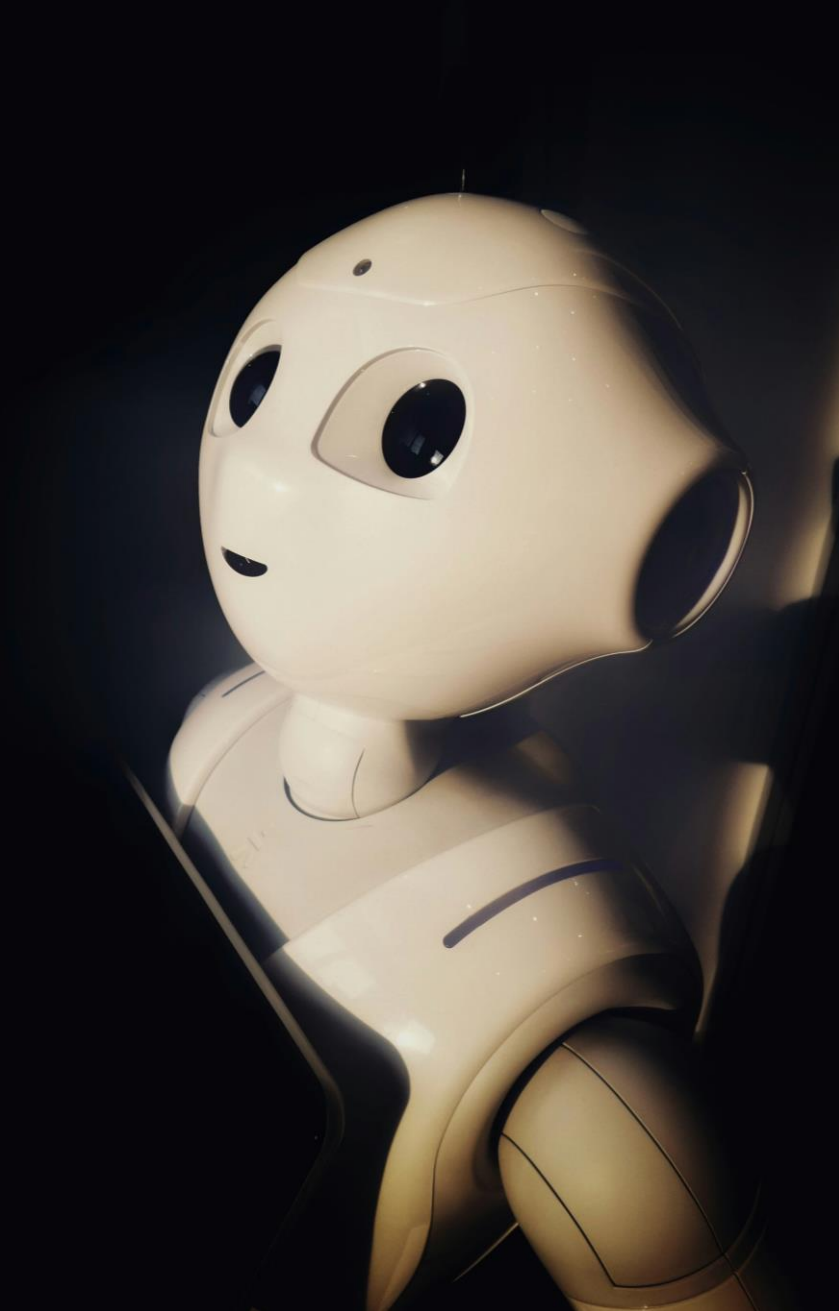
Condition	To be included / consequences
Name of the work and its description	Type of work, title, basic requirements for the work
Modes of use	If not included – interpreted narrowly
Non(exclusivity)	E.g., exclusive or non-exclusive license
Territory	If not included – protection only in Lithuania
Term	If not included – may be terminated by notifying the other party in writing one year in advance of the termination of the agreement
Remuneration	Amount, payment procedure and terms
Dispute resolution	Dispute resolution procedure and responsibility of the parties

Latvia - differences to keep in mind

Same differences from Estonia as in Lithuania except:

- Transfer of licensing of economic rights in employment relationship under the law is not limited in time
- Licences that are «are not restricted as to time» can be terminated with a 6 month prior notice. Does not apply to assignment of economic rights.





What to keep in mind when using AI?

- Author is a natural person. Who owns copyrights to works created by AI?
- Can the result provided by AI infringe third party rights?
- Use of AI is governed by contracts with AI providers. Can we lose our copyrights by using AI?

What to keep in mind when using AI?

- No need to stop using AI.
- What to do?
 - be aware of the risks in the context of particular use;
 - review contracts with AI providers;
 - implement guidelines in the company on when AI can be used.
- Different jurisdictions may have specific laws addressing the above issues (*UK example for computer-generated works*).





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