

AllStarsWomenDAO Submission to the Hong Kong Commerce and Economic Development Bureau public consultation on Copyright and Artificial Intelligence and Intellectual Property

Introduction

1.1 About AllStarsWomenDAO

AllStarsWomenDAO is a community-driven organisation that invests in and supports female entrepreneurs and male entrepreneurs who champion women in the Web3, GenAI, and Tech sectors. Our mission is to challenge conventional norms by fostering a community where leaders can exchange ideas, provide mutual support, and develop their businesses.

Our services include:

- Free initial consultations on business plans, investment strategies, and legal and marketing support
- Curated events in cities across Hong Kong, Taipei, Singapore, and soon, Shenzhen
- Collaboration with local governments and established entities to provide speaking opportunities for emerging founders
- Our community comprises over 90,000 plus followers across 13 countries, predominantly executives and technology practitioners in both Web3 and Web2 space.

We had developed presences for our community member in below alongside these large-scale events

- AWE ASIA (Singapore)
- COLLISON (Canada)
- DIGITAL ECONOMY SUMMIT 2024 (Hong Kong)
- GAMEON 2023 (Hong Kong)
- HONG KONG FINTECH WEEK 2023 (Hong Kong)
- SOUTHEAST ASIA BLOCKCHAIN WEEK (Thailand)
- STARTMEUP FESTIVAL (Hong Kong)
- TAIPEI BLOCKCHAIN WEEK (Taipei)
- THE ASIAN BANKER (Hong Kong)
- TOKEN 2049 (Singapore)
- WEB3FESTIVAL (Hong Kong)

1.2 Methodology and Impact

In preparing this response, we:

- Generated over 300 engagements on the consultation paper publication based on our social media analytics
- Facilitated close examination of the paper by approximately 20 individuals



• Conducted a community survey to inform our response (detailed results in Appendix)

Response

2.1 Copyright Jurisdiction on Technology-Created Works

We commend the Hong Kong government for its proactive approach to addressing the emerging artificial intelligence landscape. This initiative is crucial for establishing Hong Kong as a global centre for intellectual property and reinforcing its position as a world-class innovation hub. Such forward-thinking policies are essential in maintaining Hong Kong's competitive edge in the rapidly evolving technological sphere.

This aligns with our findings from the survey, where our respondents generally support imposing copyright governance, recognizing its role in encouraging innovation and protecting creators' rights. However, concerns were raised about potential over-regulation and its impact on entrepreneurship, aligning with positions in [Chapter 3, Paragraph 3.16] and [Chapter 4, Paragraphs 4.4, 4.5]

2.2 Definition of "Computer Generated" and Ownership (Chapter 2)

As an organisation focusing on the Web3 and AI space, we are aware the definition of technology, creation and originality is constantly shifting, So despite being commonly used, the preexisting definition may not always be as handy in the high pace ever-evolving modern world.

Our view can be justified by our survey findings, respondents highlighted the inadequacy of the term "computer generated" in distinguishing between AI-assisted and purely AI-generated works. They suggested a more nuanced categorization:

- Pure computer-generated work (no human input)
- Computer-assisted generated work (involving human effort, e.g., prompt engineering)

Also, being an active advocate in Web3 technology and discussion, we have a strong belief in data ownership and data proprietary. We believe technology is built by crowd wisdom and collective effort, so all stakeholders should be involved in necessary discussions and honoured for their contribution.

And our beliefs can be aligned with our findings from the survey, as the survey result suggests a diverse view on ownership, suggesting consideration of:

- AI developers
 - o Parties that work on and build the AI model
- AI tool users
 - o Parties that used the AI model to generate output
- The AI itself
 - o The AI model
- Public domain



- This means no ownership concept should be applied to the AI model, all work generated by the AI model should entitle NO ownership right
- Data contributors
 - o Parties whose data were used for training the AI model

Based on the research we conducted, we have below recommendations:

- Redefine "computer generated" to reflect current technological realities
- Develop regulations for fair charging schemes by AI developers, balancing ownership rights with user contributions

2.3 Copyright Infringement (Chapter 3)

The majority advocate for case-by-case assessment of infringement issues, recognizing the complexity and uniqueness of each situation for all parties that may involved, including: AI Developers, Source where the users have obtained inspiration or ideas and input into the 'AI model' for new 'generations, and the user of the AI tools to create the 'new content'.

2.4 Copyright Exemption for Text and Data Mining (TDM) (Chapter 4)

As an organisation that promotes good use of technology, we believe in the importance of creating a safe and supportive environment for the next generation of entrepreneur and technology practitioner to explore the limitless possibilities in technology, pushing the boundaries and daring to challenge what is deemed as impossible in this era with creativity.

So we support the idea of granting a certain level of exemption to support and encourage creativity, this also aligns with the findings we had from our survey, where our respondents generally support:

- Exceptions for copyright use in AI-generated works
- A specific copyright exception for computational data analysis and AI model training
- Extending exemptions to both commercial and non-commercial use, aligning with [Chapter 4, Paragraph 4.16]

Based on the research we conducted, we have below recommendations:

- Establish an AI development sandbox with minimal costs, potentially government-funded, to support entrepreneurs and individuals
- Implement a rule allowing free use of publicly available information for machine learning purposes only

2.5 Deepfakes and Related Topics (Chapter 5)

On the forefront of deepfakes technology, our respondents generally view the proposed approach positively, considering existing guidelines on IP rights, personal data privacy, and ethics as sufficient.



The emergence of deepfake technology represents a significant development in the field of artificial intelligence, presenting both opportunities and challenges. On one hand, we recognise its potential benefits, particularly in the entertainment industry. For instance, deepfake technology has enabled innovative productions in film and music, including the creation of posthumous performances by deceased artists and the reimagining of classic works. On the opposite side, the concern that misuse of a 'deepfake' to create content without the 'consent' of the person or identity (like a mascot or cartoon owned by an entity or artist respectively) is a big violation of personal identity and infringement into intellectual property.

However, this technology also raises serious concerns due to its potential for misuse. We have observed instances where deepfakes have been employed for malicious purposes, leading to defamation and fraud. A particularly troubling trend is the use of this technology to impersonate individuals for unlawful financial gain and even the making of pornography.

As we consider the implications of deepfake technology, it is crucial to balance its creative potential with robust safeguards against its misuse. This balance will be essential in shaping responsible policies that foster innovation while protecting individuals and society from potential harm. Thus it is vital and critical for the government to come up with clear regulations and laws with penalties for violations (with varying degrees based on intentional vs. intentional since everything is still evolving and early).

Conclusion and Recommendations

Based on our analysis, we can conclude that our organisation and respondents:

- 3.1. Recognise the importance of balancing innovation and protection, we understand the value and importance of innovation and believe the intent of imposing a certain level of governing over AI-assisted work and/or content would help to shape a healthier environment for both IP owners and stakeholders trying to delve down in the field
- 3.2. Anticipate a moderately positive impact of the proposed changes on Hong Kong's AI industry.
- 3.3. Suggest that the rapid advancement of AI technology may present new challenges. While the existing Copyright Ordinance has served Hong Kong well, we believe there is a growing recognition that further clarity and more nuanced definitions could be beneficial in addressing the unique aspects of AI-generated works within the current copyright framework.
- 3.4. Believes continuous monitoring of AI developments is crucial to ensure timely jurisdictional discussions, thus being open to create new copyright frameworks and regulations for GenAI work.
- 3.5. Believes consideration in establishing third-party organisations to register and authenticate AI-generated works could be an ideal way to kickstart in the short future.
- 3.6. Believes the address of foreign IP issues and cross-border considerations is necessary in future policy development. We recommend that global collaborations with other countries'



regulatory bodies on 'copyrights' will ensure there are global protections and regulations as the 'work' in discussion is 'viral' and easier cross borders.

Appendix

A. Demographic Information of Respondents

- Age: All 18+, majority 18-45
- Professional background: Primarily technology sector (entrepreneurs, executives, academics, data scientists)
- AI interaction: Mostly daily or weekly
- Experience levels: Varied, from beginner to expert across AI domains

B. Survey Questions

https://drive.google.com/file/d/1iXp1 8aEvbuHPvyvW Vy3hGPOumMovyY/view?usp=sharing

C. Detailed Survey Results

 $\frac{https://docs.google.com/spreadsheets/d/1qf9TiTYNrP9TwTzmdTiN6aTcomCSQwbiffbi2XamI8w/editesp=sharing}{t?usp=sharing}$

D. The Consultation Paper

 $\frac{https://www.ipd.gov.hk/filemanager/ipd/en/share/consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-papers/Eng-Copyright-and-AI-Consultation-Paper-20240708.pdf$

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