

# The potential impact of artificial intelligence on visual artists and their copyright

## **Top lines**

- Visual artists such as photographers, animators, illustrators and fine artists, bring significant value to the UK economy and cultural standing, and are drivers of innovation
- Visual artists work mostly on a freelance basis and are some of the lowest earning members of the creative industries
- Copyright royalties are a vital revenue stream for artists, many of whom are considering leaving the sector due to low earnings
- Artificial Intelligence adoption has impacted visual artists, with issues ranging from copyright infringement to a loss of work opportunities
- Proposals to adopt new copyright exceptions in favour of artificial intelligence developers would leave artists with no say over their work and no pay.

#### **About DACS**

DACS (Design and Artists Copyright Society), is a not-for-profit organisation founded in 1984 that protects and promotes the intellectual property rights of visual artists, including photographers, illustrators, and fine artists, among others. DACS achieves this by licensing artworks, collecting royalties on behalf of artists, and distributing these payments to artists and their heirs.

In 2021 DACS paid £17.2 million to over 79,000 artists.



#### 1. The value of visual arts in the UK

The creative industries brings jobs to **2.1m** people across the UK. It contributes **£116bn** to the UK economy annually<sup>1</sup>.

Visual arts play a key role in shaping the UK's **global recognition** and soft power<sup>2</sup>. Institutions like the Tate Galleries and V&A attract millions of visitors a year and are global brands.

The UK's art market plays a big part of this success: it is the **third largest** art market in the world and is valued at £9 billion per year<sup>3</sup>.

Visual artists include a wide range of people, often **working freelance**. They include illustrators, animators, painters, sculptors, ceramicists, photographers and many more.

Their **diverse skills** play an active role in the creative industries and their work could be found anywhere: TV and film; galleries; books and other physical publications; online; for purchase in shops including on the high street.

Results from a recent You Gov survey showed that **81% of people** think accessing cultural works through a digital device is important in their daily lives<sup>4</sup>.

There is public support to recognise the value of artists. Whilst 72% of those surveyed support artists being paid when their work is shared digitally<sup>5</sup>, **only 5%** think that every creator is paid for these uses of their work<sup>6</sup>.

<sup>&</sup>lt;sup>1</sup> House of Lords library *Impact of Government policy on the creative sector*, 2021, available <u>here</u>

<sup>&</sup>lt;sup>2</sup> British Council research, available <u>here</u>

<sup>&</sup>lt;sup>3</sup> The Art Basel and UBS Global Art Market report 2022, available <u>here</u>

<sup>&</sup>lt;sup>4</sup> DACS, Accessing and valuing cultural content and creators June 2022, available <u>here</u>

<sup>&</sup>lt;sup>5</sup> ibid

<sup>&</sup>lt;sup>6</sup> Ibid



### 2. Low income for visual artists

Funding and income streams across the UK remain a pressing issue for visual artist, who are mostly earning less than the minimum wage. The average earning for a visual artist is between £5 – 10k a year<sup>7</sup>, far below the national average.

As freelance workers, many creators and performers were **locked out** of the cultural recovery fund and tax reliefs which were given to large cultural organisations.

A recent survey examined how artists engaged by public sector institutions to deliver commissions and projects were paid. It found that artists earned on average £2.60 per hour for their labour<sup>8</sup>.

From a survey in spring 2022<sup>9</sup>, a third of artists were thinking about leaving the visual arts sector due to **low pay**, a lack of secure income or feeling their work is undervalued.

Visual artists rely on royalties from the use of their copyright-protected works to earn a living and **sustain their practice**.

In 2021 DACS paid out **£17.2 million** in royalties to over **79,000 artists**<sup>10</sup>. A strong copyright framework allows visual artists to support themselves and continue to **contribute** to our world-renowned and vital creative economy.

## 3. The impact of AI on visual artists

Artificial Intelligence (AI) requires machine learning to create new 'outputs'. Machine learning consists of scraping **pre-existing data**, such as images, so that AI can be trained to identify certain patterns and respond to specific prompts.

Artist's works have been scraped without their permission, amounting to an **infringement of their copyright**, and a **loss of remuneration** for those uses.

The proposal from Government to introduce a new, wide-ranging exception to copyright for AI to scrape artists' works for machine learning (known as text and

<sup>&</sup>lt;sup>7</sup> Artists are getting poorer in The Art Newspaper, 30 November 2017, available <u>here</u>

<sup>&</sup>lt;sup>8</sup> Structurally F-cked: an inquiry into artists' pay and conditions in the public sector in response to the Artist Leaks data, by Industria, commission by a-n, the Artist's Information Company, p.39 available <a href="here">here</a>

<sup>&</sup>lt;sup>9</sup> Contemporary Visual Arts Network England, Fostering equity in the visual arts sector 2022, available here

<sup>&</sup>lt;sup>10</sup> DACS Annual Report for 2021, p.4 available <u>here</u>



data mining) was highly concerning. It would have meant artists have **no right** to claim for copyright infringement or **to opt-out** of having their works scraped. We support the Government's re-think.

DACS regularly hears from artists who are concerned about Al. All quotes given here are anonymised:

Artists were concerned about the commerciality of AI output and how this
could undermine their own creative field. Many artists have spoken publicly
about the fact they are losing out on jobs or opportunities due to AI tools
that allow a user to create works in the style of a particular artist, by
training AI on that artist's work<sup>11</sup>.

"When I quoted for a client they told me they'd rather go down the AI route".

 Artists compared AI technologies with other licensed industries like TV, film and publishing, and felt there should **not be special conditions** attached to AI:

"If I am the creator of a work, I have the right to get recognised for that and have the right to get remunerated. What makes the AI sector any different that they should be given different sets of permission?"

 Artists are also concerned about how the AI industry will grow, and that by being cut out of the equation now leads to greater future loss. Research has shown that there is an estimated growth rate of 22% per annum from 2022 to 2030 on the global AI training dataset market<sup>12</sup>. Artists told us they felt it was too soon for the government to make law changes:

"The main issue is that this is happening too fast to grasp the challenges, and there is no clear intention on what the ultimate aim of AI learning is."

 Artists have contacted DACS concerned that by promoting their work online they are vulnerable to having their works scraped for text and data mining purposes. There is, therefore, a secondary risk that creators will no longer make their works publicly available for fear of uncontrolled and unremunerated uses of their work:

<sup>&</sup>lt;sup>11</sup> Al Is Coming For Commercial Art Jobs. Can It Be Stopped? By Salkowitz, R, Forbes, 16 September 2022, available

<sup>&</sup>lt;sup>12</sup> Research conducted by Grand View Research: *AI Training Dataset Market Size, Share and Trends*, available here.



"I am apprehensive of the intention of AI... What this sounds like is a conflict of interest over IP and the use of it for this investment venture."

 Artists also want to use and explore AI as a tool for their work. Some, however, are concerned that they cannot do so safely if AI was trained on other artists' work without their permission.

"As an artist, I want to experiment more to see the potential before I put paint to canvas. AI is just another tool for artists to try out and see what a potential artwork is."

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