

Artificial Intelligence and Machine Learning



HIGHLIGHTS

■ Do's and Don'ts for Developing, Extending, and Using Generative AI Models



Our featured insight focuses on legal, commercial, and ethical risks posed by GenAI technology. It also explains why companies planning to use GenAI tools for business tasks or develop GenAI apps should assess risk/reward trade-offs and adopt AI policies outlining acceptable GenAI uses.

■ An Established Leader in an Emerging Field

Wilson Sonsini continues to demonstrate its legacy of representing leading innovators and investors in emerging fields of technology, including artificial intelligence and machine learning. The firm has represented one-third of the *Forbes* 2022 AI 50.

■ More than \$12 Billion in Venture Financings for AI Companies

In 2023, Wilson Sonsini helped 143 AI clients raise more than \$12.3 billion in venture financing.

OVERVIEW

Innovative companies in virtually every industry—from healthcare and investing to transportation and manufacturing—are rapidly adopting artificial intelligence (AI) and machine learning to accomplish sophisticated tasks with increasing accuracy and precision. As these revolutionary technologies evolve and improve, they are becoming an important element in enhancing an ever-growing list of applications, including customer service, logistics, and safety.

Wilson Sonsini's artificial intelligence and machine learning team has worked with hundreds of companies in the AI space. Clients rely on us to help them protect and commercialize their AI technologies, in-license AI technologies from start-ups and academic institutions, litigate AI-related IP disputes, and navigate the complex legal and regulatory landscape governing this dynamic field.

Because many of our team's attorneys and staff professionals have relevant technical backgrounds, we understand the unique nuances and challenges of this field. We have significant experience with the full range of AI and machine learning technologies, such as pattern recognition, predictive analysis, and neural networks, as well as the industries making the most use of AI, including:

- Sales, marketing, and customer service
- Data science
- AI architecture
- Pharmaceutical and biotech
- Healthcare
- Transportation and logistics
- Construction
- Education, media, and entertainment
- Environment and energy
- Financial services
- Agriculture
- Consumer technology
- Cybersecurity
- Employee support

Our team has advised numerous enterprises on their incorporation of AI in a variety of applications, from adtech to social media algorithms. Below is a list of examples:

- Self-driving vehicles
- Personalized medicine
- Facial/biometric data recognition
- Robotics
- Licensing in data sets for training algorithms, as well as developing and making available data sets
- Recommendation engines for content or media
- Digital health
- Chatbots (e.g., automated customer service)
- Fraud detection and digital identity
- Biotech (e.g., genomics, COVID-19 testing, cancer diagnoses)
- Mesh networks optimizations
- Social media (e.g., algorithms deciding what you see, who you interact with, etc.)
- E-commerce, brands, and adtech
- Investment modeling

Technology Transactions

Our technology transactions attorneys work with clients ranging from pre-seed start-ups that invent cutting-edge AI and machine learning technologies to public companies acquiring and in-licensing AI and machine learning as part of their business strategy. We not only negotiate and draft robust and durable agreements, but we also often help clients identify the right partners for dealmaking.

Because we have negotiated scores of deals on behalf of both AI and ML providers and users, we anticipate and address issues that can potentially derail a deal or its results. We have helped start-up and public companies launch new products, platforms, and services powered by AI. Common issues include navigating complex data use rights for machine learning applications; managing the use of personal and other sensitive information, or complex or vague rights in AI technology; and understanding open-source software license requirements.

Data Privacy

The heightened scrutiny and enforcement of data privacy laws directly affect AI providers and users, mostly because of the reliance on large data sets. We help clients comply with the laws and regulations governing the handling, sharing, and safeguarding of data, both generated and used by AI and machine learning. We advise clients on their obligations with respect to private and sensitive information as defined by different sectoral laws—including the Graham-Leach-Bliley Act and HIPAA—and the EU GDPR. We assist clients in developing policies and procedures for anonymizing data and for obtaining appropriate consent from individuals whose data is collected, used, or shared.

We are vigilant about keeping abreast of new and pending regulations, and advise our clients on any regulatory changes so they stay ahead of the curve in their data-handling processes, policies, or procedures. Our Brussels-based attorneys help clients navigate the complex and ever-changing set of laws, regulations, and industry standards that govern the use of data in the European Union. In particular, our team in Brussels advises clients on the draft EU AI Act, which will impose strict obligations on providers and users of AI systems.

IP Strategy

Our IP attorneys create highly effective strategies for the protection of our clients' AI and machine learning technologies, taking into consideration the appropriate balance of using patents and trade secrets to build a robust and valuable portfolio of IP rights. Strong IP portfolios not only place our clients in the best position to protect themselves from competitors, but also can be instrumental in raising capital from sophisticated investors.

Litigation

From initial stages of evolving disputes through trial and post-trial proceedings, Wilson Sonsini has represented both market-leading companies that are active in the AI sector and companies that rely on AI as the main component behind their products and services. As such, our team has amassed deep technical and legal expertise. At trial, our litigators synthesize complexities into clear and understandable narratives that form winning arguments and compelling stories. As an example, our team has repeatedly dealt with the protection of AI data sets and machine learning models in trade secret and employee mobility matters, including clients whose chief asset is their AI technology. Similarly, our team regularly handles patent litigation disputes where the underlying technology involves highly complex AI systems. This experience enables our team to resolve AI litigation matters effectively and efficiently.

Financial Services

Our fintech and financial services team has deep expertise regarding the use of AI in investment and financial services programs. AI can raise novel regulatory issues when investment advisers, broker-dealers, banks, payments companies, and other financial service providers use it for purposes of managing and choosing investments for clients, conducting diligence on clients and potential investments, predicting market changes, and providing other services. We work with our clients to address their regulatory requirements while promoting their core businesses with as little disruption as possible. Our goal is to apply our significant experience creatively so that we can identify practical solutions for our clients.