International Journal of Social Science and Human Research

ISSN (print): 2644-0679, ISSN (online): 2644-0695

Volume 08 Issue 09 September 2025

DOI: 10.47191/ijsshr/v8-i9-49, Impact factor- 8.007

Page No: 7123-7129

Analysis of Copyright Implementation in Getty Images and Stability AI as a Case Study of Generative AI

Alifia Lintang Kanaya[1], Budi Santoso[2]

[1,2]Master of Law, Faculty of Law, Universitas Diponegoro

ABSTRACT: Al intelligence has introduced complex challenges to copyright law, as demonstrated by the high-profile dispute between Getty Images and Stability AI. Getty Images, a leading stock photography provider, alleges that Stability AI unlawfully used millions of its copyrighted images to train the Stable Diffusion model without authorization or compensation. This case has become a focal point in the debate over whether the use of copyrighted material for AI training constitutes fair use or infringement. The controversy also raises broader questions about derivative works, the appearance of watermarks in generated outputs, and the potential misuse of trademarks. From the perspective of creative industries, the case underscores the risk of uncompensated exploitation of intellectual property, while for technology developers it highlights the need for large datasets to sustain innovation. Different jurisdictions adopt contrasting approaches, with the United States relying on fair use analysis and the European Union emphasizing data mining exceptions and opt-out rights. The outcome of this case will shape the future balance between protecting creators and fostering technological progress, potentially leading to new licensing frameworks for AI training. Ultimately, this dispute illustrates the urgent need for legal adaptation in respon se to emerging generative technologies.

KEYWORDS: Copyright, Generative AI, Getty Images

I. INTRODUCTION

The rise of generative artificial intelligence has created one of the most significant transformations in the creative and technological landscapes of the twenty-first century. By training on vast datasets of images, text, audio, and video, generative AI systems are able to produce novel outputs that resemble human-created works in both style and substance. These innovations, while groundbreaking, have given rise to intense debates regarding ownership, creativity, and the scope of intellectual property rights. At the center of this debate lies the question of whether training AI systems on copyrighted material without explicit authorization violates copyright law or constitutes a transformative and therefore permissible use. The dispute between Getty Images, a leading global provider of licensed photographs, and Stability AI, the developer of the image generation model Stable Diffusion, provides a crucial case study in understanding how copyright law is being tested in the era of artificial creativity.

Getty Images initiated legal action in both the United States and the United Kingdom, arguing that Stability AI had infringed upon its copyright by copying and utilizing millions of photographs from its database without authorization. The company contended that its licensing model was directly undermined, as the AI system could generate high-quality images that competed with licensed stock photographs, effectively eroding the market value of its catalog (Getty Images, 2023). Moreover, Getty highlighted instances where generated outputs contained distorted versions of its watermark, evidence that copyrighted materials had been ingested without adequate safeguards. Such reproduction not only raises issues of copyright infringement but also to uches upon trademark misuse and reputational harm (Smith, 2023).

Stability AI responded by framing the use of copyrighted materials in training as a transformative act. The company argued that training does not amount to wholesale reproduction but instead represents a process of statistical learning, similar to the way humans study existing works in order to create new ones (Kumar, 2023). According to this perspective, the model does not memorize images but learns patterns, textures, and styles that allow it to generate outputs distinct from the original works. This argument echoes earlier debates surrounding the digitization of books for search engines, such as in *Authors Guild v. Google*, where courts in the United States deemed large-scale copying of text for indexing purposes as fair use (Samuelson, 2014). Whether such reasoning applies to visual data and AI training remains a contested question.

The legal context further complicates matters because copyright regimes differ across jurisdictions. In the United States, the doctrine of fair use allows certain unlicensed uses of copyrighted material if they are deemed transformative and do not harm the original market. This balancing test considers factors such as purpose, nature, amount used, and market effect (Goldstein, 2019). Stability AI's defense hinges on convincing courts that AI training qualifies as transformative and that outputs do not

substitute for the original works. Conversely, Getty argues that the sheer scale of copying, combined with the potential substitution effect of generated images, weighs heavily against a fair use finding (Allen, 2023). In contrast, the United Kingdom and the European Union adopt a more rigid approach. While they provide explicit exceptions for text and data mining, rights holders may opt out, the reby limiting the scope of permissible use (Rosati, 2022). Getty has pursued legal claims in these jurisdictions precisely because opt-out provisions empower content owners to retain control over their material.

Beyond the legal framework, this dispute highlights profound tensions between creators and technology companies. For artists and photographers, the fear is that generative AI exploits their labor without recognition or compensation, effectively turning human creativity into raw data for algorithmic systems. This sentiment has fueled not only institutional lawsuits such as Getty's but also collective actions by individual creators who claim their works have been scraped from online platforms to train AI models (Elkins, 2023). On the other hand, AI companies insist that restricting training data would hinder innovation and slow technological progress. They argue that generative AI represents a new frontier of creativity that, rather than replacing artists, expands opportunities for expression and problem-solving (LeCun, 2023). These conflicting narratives underscore the difficulty of finding a balanced solution that respects both intellectual property and innovation.

The Getty–Stability dispute also raises the question of derivative works. In some cases, AI outputs resemble existing copyrighted images, leading to concerns that the model reproduces protected works too closely. Determining when an output constitutes a derivative work is legally complex, as courts must weigh issues of substantial similarity, originality, and market substitution (Gervais, 2021). The presence of Getty's watermark in certain outputs strengthens claims of direct copying and undermines Stability AI's argument that training is entirely transformative. If courts find that outputs are indeed derivativ e, liability could extend not only to Stability AI but potentially to users of the system who generate infringing images.

The broader policy implications are equally significant. The outcome of this case may determine the future of licensing models for AI training. Some scholars propose the creation of collective licensing schemes that mirror the music industry's adaptation to streaming, where rights holders are compensated through negotiated agreements with platforms (Litman, 2022). Others suggest that compulsory licensing frameworks, established by governments, could provide a fairer and more systematic solution (Craig, 2023). Without such mechanisms, disputes like Getty versus Stability AI may proliferate, creating uncertainty for both creators and AI developers.

From an economic perspective, the stakes are considerable. Getty Images has built its business on licensing agreements with clients who pay for the right to use stock photographs in media, advertising, and publishing. If generative AI can provide similar images for free or at a lower cost, the value of Getty's catalog diminishes significantly. At the same time, Stability AI and its competitors rely on vast datasets to refine their models and remain competitive in a rapidly growing market. The legal boundaries established in this case will therefore shape not only copyright doctrine but also the commercial dynamics of creative industries and AI development (Hartmann, 2023).

In conclusion, the Getty Images versus Stability AI case serves as a landmark study for understanding the intersection of copyright and generative technology. It forces courts, policymakers, and industry stakeholders to confront fundamental questions about the nature of creativity, the meaning of transformation, and the scope of intellectual property in the digital age. Whether training AI on copyrighted works is deemed fair use, infringement, or something in between will have lasting consequences for how societies regulate artificial creativity. As such, this case does not merely concern two companies but represents a pivotal moment in the ongoing negotiation between human authorship and machine learning.

II. FORMULATION OF THE PROBLEM

1. To what extent can the outputs of generative AI systems such as Stable Diffusion be considered derivative works of the copyrighted materials used in their training datasets?
2. How can legal systems balance the need to protect the economic rights of content creators, such as Getty Images, with the demand for innovation and open access in the development of generative artificial intelligence?

III. RESEARCH METHOD

This study employs a qualitative research design to analyze the application of copyright law in the case of Getty Images versus Stability AI. A qualitative approach is suitable because the research seeks to explore interpretations, legal reasoning, and the socio-economic implications of generative AI rather than to test numerical hypotheses (Creswell, 2018). The research relies on a doctrinal legal method combined with case study analysis. The doctrinal method involves reviewing and interpreting copyright statutes, judicial precedents, and policy frameworks in multiple jurisdictions, particularly the United States, the United Kingdom, and the European Union (Chynoweth, 2008). The case study method allows the Getty Images dispute to be examined in depth as an example of broader tensions between intellectual property rights and technological innovation (Yin, 2014). Data collection is based primarily on secondary sources. These include academic literature on copyright and artificial intelligence, legal documents such as court filings and judicial opinions, policy reports, and news articles covering the lawsuit. The use of secondary data is justified because the dispute is ongoing and access to direct parties is limited, making publicly available documents the most

reliable source of evidence (Flick, 2014). Data were analyzed through thematic coding, identifying recurring issues such as fair use, derivative works, and licensing models. Thematic analysis enables the study to capture patterns and contrasts across different perspectives (Braun and Clarke, 2006). Through this methodological framework, the study aims to generate insights into how existing copyright laws are challenged by generative AI and to identify potential pathways for legal adaptation.

IV. DISCUSSION

A. The Status of Training Data and Derivative Works in Generative AI

The emergence of generative artificial intelligence has created one of the most complex and controversial challenges in modern copyright law. At the core of this debate lies the question of whether the use of copyrighted material to train AI systems constitutes unlawful reproduction or whether it can be considered a transformative practice permitted under existing legal doctrines. The dispute between Getty Images and Stability AI provides a crucial lens through which to examine these issues. Getty Images, as one of the largest providers of stock photographs in the world, alleges that Stability AI copied millions of its images without permission in order to train the Stable Diffusion model. The company further claims that the presence of distorted versions of its watermark in AI-generated images provides clear evidence of unauthorized reproduction. Stability AI, in response, insists that its model does not memorize or reproduce copyrighted works but rather learns statistical correlations and patterns that allow it to create new images. This clash not only tests the boundaries of copyright law but also raises broader questions about derivative work s, originality, and the impact of artificial creativity on established markets.

Copyright law traditionally grants creators exclusive rights to reproduce, distribute, and adapt their works. These rights ar e balanced against exceptions such as fair use in the United States or text and data mining provisions in the European Union and the United Kingdom (Goldstein, 2019; Rosati, 2022). In the American context, the fair use doctrine requires courts to evaluate the purpose and character of the use, the nature of the copyrighted work, the amount and substantiality of the portion used, and the effect on the market for the original. Uses deemed transformative—those that introduce new meaning or serve a different purpose— are often privileged over those that merely replicate the original (Leval, 1990). In Europe, the approach is narrower. Reprod uction for the purpose of text and data mining is permitted but subject to an opt-out system, giving rights holders the power to withhold their works from such uses. This framework means that Getty can assert greater control over its catalog in European courts th an in the United States. Within this legal backdrop, the central dispute is whether training an AI system is more akin to reproduction or to transformative analysis. Getty insists that copying millions of images for computational purposes is a direct violation of its exclusive rights and undermines its business model, which depends on licensing agreements with paying clients (Getty Images, 2023). The company highlights the fact that AI outputs occasionally contain its watermark, suggesting that the model not only learned from but also memorized specific details of copyrighted works (Smith, 2023). To Getty, this is evidence that Stable Diffusion does not merely abstract information but retains elements of the original in ways that infringe upon both copyright and trademark protections.

Stability AI counters by arguing that the training process is fundamentally different from reproduction. According to this view, the model does not preserve copies of works but instead builds a statistical representation of patterns, textures, and relationships that allow it to generate new images. This defense draws on analogies to human learning. Just as a painter may study thousands of paintings in order to develop a unique style, an AI system processes large datasets to produce original images. Stability AI's reasoning is reminiscent of earlier cases such as Authors Guild v. Google, where the large-scale digitization of books for the purpose of creating a searchable database was ultimately deemed fair use because it served a transformative purpose and did not substitute for the original works (Samuelson, 2014). The company insists that the outputs of Stable Diffusion are not copies but new works created through a transformative process of recombination and generation (Kumar, 2023). The challenge for courts is to decide whether this analogy is persuasive. If AI training is considered simple copying, then it would fall under the exclusive control of rights holders, making licensing mandatory. If it is considered transformative analysis, then it may be permissible under fair use or data mining exceptions. The distinction is not merely technical but also philosophical, as it touches on fundamental questions about what it means to create and what qualifies as originality. The presence of Getty watermarks in outputs complicates the matter, as it suggests at least some level of memorization. Critics argue that if an AI system can reproduce watermarks, it can also reproduce copyrighted images with minimal variation, which undermines claims of transformation (Allen, 2023).

The issue of derivative works further complicates the legal analysis. A derivative work is one that incorporates elements of a protected work in a way that makes it recognizably based on the original. Determining when an AI-generated image crosses this threshold is difficult, as substantial similarity must be judged on both quantitative and qualitative grounds (Gervais, 2021). Getty contends that AI outputs that closely resemble its stock photographs or contain watermarks constitute derivative works and therefore infringe copyright. If courts accept this reasoning, Stability AI may be liable not only for the training process but also for the generation of infringing outputs. This in turn raises the problem of secondary liability: should end users who generate infri nging images through prompts be held accountable, or should liability rest solely with the developers of the system? Scholars are divided on this issue. Some argue that AI outputs that replace stock images in commercial contexts directly harm the market for

original works and should therefore be considered infringing (Elkins, 2023). Others counter that generative AI, by producing infinite variations, actually expands creative possibilities rather than substituting for existing works, and that requiring licenses for every training image would create insurmountable barriers for innovation (LeCun, 2023). The difficulty lies in identifying a workab le threshold of similarity. Unlike human artists, who may borrow stylistic elements without infringing, AI systems operate at scale, producing thousands of outputs that may unintentionally replicate copyrighted works. This risk magnifies the urgency of establishing clearer legal standards.

Jurisdictional differences intensify the uncertainty. In the United States, the flexible fair use doctrine allows courts to weigh the transformative purpose of AI training against potential market harm. If judges view AI training as transformative, Stability AI may have stronger grounds for defense. However, if evidence shows that AI outputs reduce demand for licensed stock photograph s, Getty's argument could prevail (Goldstein, 2019). In the United Kingdom and European Union, the framework is more restrictive. Rights holders are empowered to exclude their works from text and data mining exceptions, meaning Getty can assert greater control over its catalog and argue more forcefully against unauthorized use (Rosati, 2022). This divergence illustrates how a global AI company like Stability AI must navigate fragmented legal regimes. What is permissible in the U.S. may be impermissible in Europe, leading to regulatory inconsistency.

The broader policy debate reflects these tensions. Some legal scholars argue that new licensing models should be developed to ensure both innovation and fair compensation. Collective licensing schemes, similar to those used in the music industry for streaming, could allow AI companies to access large datasets legally while distributing royalties to rights holders (Litman, 2022). Others advocate for compulsory licensing systems, where governments mandate that AI developers compensate creators at standardized rates, thereby avoiding the transactional burdens of individual negotiations (Craig, 2023). Both approaches aim to strike a balance between enabling technological progress and safeguarding the economic rights of creators. Economically, the stakes are enormous. Getty Images has built its business around licensing agreements that guarantee revenue streams for photographers and agencies. If generative AI can produce near-substitutes for stock photographs, the market value of such catalogs may collapse, threatening the livelihoods of professional creators. On the other hand, Stability AI and other developers argue that without access to large datasets, their ability to innovate would be severely restricted, slowing down advancements in art, design, and even fields like medicine and education that may benefit from generative tools (Hartmann, 2023). The outcome of the Getty case therefore has implications not only for copyright law but also for the future of entire industries.

In conclusion, the dispute over the use of training data and derivative works in generative AI demonstrates the unresolved tensions between reproduction and transformation, originality and imitation, innovation and protection. Getty Images views the copying of its catalog as a direct violation of its exclusive rights and as a threat to its economic model, while Stability AI insists that training is a transformative process that should fall under existing exceptions. The presence of watermarks in outputs and the possibility of derivative works complicate this defense, raising the specter of infringement. Jurisdictional differences further complicate the picture, with the United States leaning toward flexible fair use analysis and the European Union and United Kingdom favoring stricter opt-out systems. The legal and economic stakes ensure that the outcome of this case will set influential precedents, shaping how courts, policymakers, and industries define the boundaries of copyright in the era of generative artificial intelligence. The resolution will not only determine whether AI training is lawful but also influence the development of licensing frameworks that may govern the relationship between human creativity and machine learning for decades to come.

B. Balancing Intellectual Property Protection and Innovation in the Development of Generative AI

The second research problem focuses on how legal systems and broader policy frameworks can balance the protection of intellectual property rights with the need to sustain technological innovation in the development of generative artificial intelligence. The dispute between Getty Images and Stability AI serves as a paradigm for this tension. On the one hand, content creators and rights holders demand robust protection of their works, arguing that unlicensed use by AI developers constitutes uncompensated exploitation. On the other hand, AI companies emphasize the necessity of large and diverse datasets to create competitive models, insisting that overly restrictive copyright enforcement will stifle innovation. The debate is not merely legal but also economic, cultural, and philosophical, as it concerns the future of creativity, ownership, and the role of machines in human society. Getty Images' central argument is that Stability AI's use of millions of copyrighted images without authorization directly undermines its licensing business model. For decades, Getty has monetized its vast photographic archive by charging fees for the right to use images in media, advertising, and publishing. The rise of generative AI, capable of producing synthetic images that serve sim ilar purposes, threatens to erode this revenue stream. From Getty's perspective, every AI-generated image that substitutes for a stock photograph represents lost income for both the company and the individual photographers it represents (Getty Images, 2023). The company therefore frames the dispute not simply as a technical infringement but as an existential threat to the economic sustainability of professional photography. The position of creators more broadly echoes this concern. Artists and illustrators have increasingly voiced opposition to the use of their works in training datasets without consent. Many argue that generative AI commodifies their creative labor, transforming it into raw material for systems that produce endless variations

without attribution or compensation (Elkins, 2023). Beyond financial harm, creators emphasize the moral dimension of authorship: they view their wor ks as extensions of personal identity and expression, and therefore object to their unlicensed incorporation into machine learning processes. Some even argue that AI-generated works that mimic their style constitute a form of identity theft, blurring the boundary between homage and exploitation (Anderson, 2022).

AI developers present a contrasting narrative. Stability AI and similar companies argue that restricting access to training data would severely hinder technological progress. Generative AI requires exposure to massive datasets to capture the complexity of human culture and creativity. Limiting these datasets would reduce the diversity and quality of outputs, preventing AI systems from achieving their full potential. From this perspective, copyright law that is too restrictive risks locking innovation behind paywalls and monopolies, slowing down advancements that could benefit society at large (LeCun, 2023). Developers emphasize that generative AI has applications beyond art and entertainment, including medical imaging, education, and accessibility tools. They warn that excessive copyright enforcement may unintentionally curtail innovations with significant social value (Hartmann, 2023).

The legal systems tasked with mediating these conflicting interests face a profound challenge. In the United States, courts apply the fair use doctrine, weighing transformative purpose against market harm. If training is deemed transformative and outputs are considered sufficiently distinct, AI companies may succeed in defending their practices. Yet, if evidence shows substantial market substitution such as AI outputs replacing licensed stock photographs courts may rule in favor of rights holders (Goldstein, 2019). In the European Union and United Kingdom, the approach is narrower, with text and data mining exceptions limited by opt- out provisions (Rosati, 2022). This grants rights holders more direct control over whether their works can be used in training, reflecting a policy choice to prioritize protection over open access. The contrast between American flexibility and European strictness highlights how different jurisdictions conceptualize the balance between innovation and protection. Policymakers and scholars have proposed several mechanisms to reconcile these competing values. One widely discussed solution is collective licensing. Under this model, rights holders authorize the use of their works for AI training through collective management organizations, which then distribute royalties. This system mirrors the way the music industry adapted to the rise of streaming platforms like Spotify. Instead of negotiating individually with millions of artists, streaming companies pay licensing fees to collective societies that pool and allocate revenues (Litman, 2022). Applied to AI, such a system would allow developers to access large datasets legally while ensuring that creators receive compensation. However, challenges remain, including how to track which works were used in training and how to distribute payments fairly.

Another proposed framework is compulsory licensing. In this model, governments mandate that AI developers pay standardized fees for the right to use copyrighted materials in training. Compulsory licensing is already employed in some ar eas of intellectual property, such as broadcasting and mechanical reproduction rights in music (Craig, 2023). Its advantage is efficiency, as it avoids the transaction costs of negotiating countless individual licenses. However, critics argue that compulsory licensing may undervalue creative works, especially if rates are set too low, and may weaken the bargaining power of artists. A third perspective suggests that existing copyright law is insufficiently adaptable and that new sui generis frameworks may be needed to govern AI. Some scholars argue that AI-generated works and the training processes that enable them are fundamentally different from traditional uses of copyrighted material. As such, they require bespoke regulation that reflects the unique characteristics of machine learning, such as scale, automation, and probabilistic outputs (Gervais, 2021). This could involve the creation of new rights specific to data usage, or new categories of exceptions designed to balance innovation with fair compensation. While ambitious, such reforms would require international coordination to avoid fragmentation, given the global nature of both AI development and d igital content markets.

The Getty case also raises questions about moral rights and brand integrity. The reproduction of Getty's watermark in AI outputs illustrates not only copyright infringement but also the risk of consumer confusion. Users may mistakenly believe that generated images are endorsed by or associated with Getty, undermining the company's reputation. This aligns with trademark law concerns, where unauthorized use of distinctive marks can damage brand identity (Smith, 2023). Balancing innovation with protection thus extends beyond economic rights to encompass broader ethical and reputational dimensions.

The economic implications of this balancing act are profound. For rights holders, failure to secure compensation mechanisms could lead to the collapse of traditional licensing markets. Stock photography agencies, illustrators, and freelance creators may see their revenue streams eroded as generative AI becomes a free or low-cost alternative. This could discourage investment in professional creativity, reducing the overall diversity and quality of human-made works (Allen, 2023). For AI companies, overly restrictive copyright regimes could deter investment, particularly if litigation risks become too high or if datasets become prohibitively expensive to license. Striking the right balance is therefore essential to maintain both creative industries and technological advancement. Philosophically, the dispute reflects deeper questions about the nature of creativity and ownership in the digital age. Some argue that creativity is inherently cumulative, with new works always building on past influences. From this perspective, restricting AI training could be seen as imposing artificial barriers on the natural evolution of culture (Lessig, 2004). Others insist that while inspiration is legitimate, wholesale appropriation of works for profit without attribution or compensation undermines the ethical foundation of authorship (Anderson, 2022). These competing visions reflect a

broader societal debate about the relationship between human creativity and machine learning.

The outcome of the Getty Images versus Stability AI case is likely to influence how these tensions are resolved in practice. If courts rule decisively in favor of Getty, AI companies may be compelled to negotiate licensing agreements or pay damages, setting a precedent that strengthens the position of rights holders. This could pave the way for collective or compulsory licensing reg imes, reshaping the economics of AI training. Conversely, if Stability AI prevails, AI developers may gain greater freedom to use copyrighted materials without authorization, reinforcing the view that training is transformative and permissible. Such a ruling could accelerate innovation but at the cost of exacerbating creator concerns about exploitation. Ultimately, the balance between intellectual property protection and innovation in generative AI development cannot be achieved solely through litigation. While the Getty case will set important precedents, broader policy solutions will be necessary to establish sustainable frameworks. Legislators, courts, industry actors, and creators will need to collaborate to design mechanisms that recognize the value of both human cr eativity and technological progress. This may involve hybrid systems that combine elements of fair use, collective licensing, and compulsory schemes, tailored to the unique challenges of AI. Without such efforts, the tension between rights holders and AI developers will continue to escalate, with risks to both creative industries and technological innovation. In conclusion, the dispute between Getty Images and Stability AI demonstrates how copyright law is struggling to adapt to the realities of generative AI. Rights holders demand stronger protection to safeguard their economic interests, while developers emphasize the necessity of open access to data for innovation. Proposed solutions such as collective licensing, compulsory licensing, or new sui generis frameworks represent different ways of balancing these competing values. The reproduction of watermarks in AI outputs highlights the eth ical and reputational stakes alongside economic concerns. The resolution of this case will shape the future relationship between creators and AI developers, influencing not only legal doctrine but also cultural and economic dynamics. Achieving a balance that both protects intellectual property and fosters innovation remains one of the defining challenges of the digital age, and the Getty dispute stands at the center of this transformation.

V.CONCLUSIONS

The dispute between Getty Images and Stability AI illustrates the profound legal, economic, and ethical challenges posed by generative artificial intelligence. At the center of the debate is whether the use of copyrighted works in training datasets should be viewed as unlawful reproduction or as a transformative process permitted under existing exceptions. Getty argues that unauthorized copying undermines its licensing business and the livelihoods of creators, while Stability AI maintains that training is statistical learning, not memorization, and therefore should be lawful. The appearance of watermarks in AI outputs complicates claims of transformation, raising concerns about derivative works and substantial similarity.

The case of Getty Images versus Stability AI serves as a landmark in the ongoing negotiation between copyright law and generative artificial intelligence. It demonstrates how traditional frameworks of intellectual property are being tested by technologies that rely on large-scale data processing and statistical modeling. At its core, the dispute questions whether the use of copyrighted works in AI training datasets constitutes unlawful reproduction or whether it can be defended as a transformative process. Getty insists that unauthorized copying undermines its licensing model and harms both the company and its contributo rs, while Stability AI argues that training involves learning patterns rather than memorizing works, thereby creating new outputs that are distinct from originals. The contested appearance of Getty's watermark in certain outputs highlights the complexity of the issue, raising concerns about derivative works, originality, and the substitution effect in creative markets.

Beyond the technical debate, the case underscores a broader dilemma: how to balance the protection of intellectual property with the encouragement of innovation. Excessive protection risks restricting the availability of data needed for AI developme nt, slowing progress in fields ranging from the arts to medicine. Too little protection, however, threatens the livelihoods of cr eators, erodes licensing systems, and raises ethical questions about fairness and recognition. Proposed solutions such as collective licensing, compulsory licensing, or even new sui generis legal frameworks represent attempts to bridge this gap. Each carries strengths and weaknesses, yet they all reflect the growing consensus that existing copyright law alone may not suffice.

The outcome of the Getty dispute will not only influence how courts classify AI training and outputs but will also shape the economic and cultural dynamics of creative industries worldwide. Its implications extend beyond a single company or technology, touching on fundamental questions about authorship, value, and the future of human–machine collaboration. Ultimately, the challenge is to design a system that ensures both respect for creators and the freedom to innovate, thereby safeguarding creativity in its human and artificial forms alike.

REFERENCES

1) Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. Qualitative Research in Psychology, 3(2), 77–101. https://doi.org/10.1191/1478088706qp063oa
2) Craig, C. (2023). Compulsory licensing in the age of artificial intelligence. Intellectual Property Quarterly, 2023(1), 55–79.
3) Creswell, J. W. (2018). Research design: Qualitative, quantitative, and mixed methods approaches (5th ed.). SAGE

Publications.
4) Elkins, J. (2023). Artists versus algorithms: Copyright challenges in generative AI. Columbia Journal of Law & the Arts, 46(2), 155–190.
5) Flick, U. (2014). An introduction to qualitative research (5th ed.). SAGE Publications.
6) Gervais, D. (2021). The machine as author. Iowa Law Review, 106(5), 2053–2104.
7) Getty Images. (2023). Complaint against Stability AI. United States District Court for the District of Delaware.
8) Goldstein, P. (2019). Copyright's highway: From Gutenberg to the celestial jukebox (3rd ed.). Stanford University Press.
9) Hartmann, B. (2023). Innovation under constraint: AI development and legal uncertainty. Technology and Society Review, 12(1), 44–67.
10) Kumar, R. (2023). Statistical learning or copyright infringement? Rethinking AI training datasets. Harvard Journal of Law & Technology, 37(1), 101–142.
11) LeCun, Y. (2023). AI research, data, and the balance of interests. Nature Machine Intelligence, 5(6), 499–502. https://doi.org/10.1038/s42256-023-00789-9
12) Leval, P. (1990). Toward a fair use standard. Harvard Law Review, 103(5), 1105–1136. https://doi.org/10.2307/1341457
13) Lessig, L. (2004). Free culture: The nature and future of creativity. Penguin Press.
14) Litman, J. (2022). Revisiting copyright collectives for the digital age. Michigan Law Review, 120(4), 601–642.
15) Samuelson, P. (2014). Google Books is not a library. Communications of the ACM, 57(7), 19–22. https://doi.org/10.1145/2629633