

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

AUTHORS GUILD, DAVID BALDACCI, MARY BLY, MICHAEL CONNELLY, SYLVIA DAY, JONATHAN FRANZEN, JOHN GRISHAM, ELIN HILDERBRAND, CHRISTINA BAKER KLINE, MAYA SHANBHAG LANG, VICTOR LAVALLE, GEORGE R.R. MARTIN, JODI PICOULT, DOUGLAS PRESTON, ROXANA ROBINSON, GEORGE SAUNDERS, SCOTT TUROW, and RACHEL VAIL, individually and on behalf of others similarly situated,

Plaintiffs,

-against-

OPENAI INC., OPENAI LP, OPENAI LLC, OPENAI GP LLC, OPENAI OPCO LLC, OPENAI GLOBAL LLC, OAI CORPORATION LLC, OPENAI HOLDINGS LLC, OPENAI STARTUP FUND I LP, OPENAI STARTUP FUND GP I LLC, and OPENAI STARTUP FUND MANAGEMENT LLC,

Defendants.

JONATHAN ALTER, KAI BIRD, TAYLOR BRANCH, RICH COHEN, EUGENE LINDEN, DANIEL OKRENT, JULIAN SANCTON, HAMPTON SIDES, STACY SCHIFF, JAMES SHAPIRO, JIA TOLENTINO, and SIMON WINCHESTER, on behalf of themselves and all others similarly situated,

Plaintiffs,

-against-

OPENAI, INC., OPENAI GP, LLC, OPENAI, LLC, OPENAI OPCO LLC, OPENAI GLOBAL LCC, OAI CORPORATION, LLC, OPENAI HOLDINGS, LLC, and MICROSOFT CORPORATION,

Defendants.

Case No. 1:23-cv-08292-SHS

Case No. 1:23-cv-10211-SHS

**OPENAI DEFENDANTS'  
ANSWER TO FIRST  
CONSOLIDATED CLASS  
ACTION COMPLAINT**

Pursuant to Federal Rule of Civil Procedure 15, Defendants OpenAI Inc., OpenAI OpCo LLC, OpenAI GP LLC, OpenAI LLC, OpenAI Global LLC, OAI Corporation LLC, OpenAI Holdings LLC, OpenAI Startup Fund I LP, OpenAI Startup Fund GP I LLC, and OpenAI Startup Fund Management LLC (collectively, “OpenAI”) hereby answer Plaintiffs’ First Consolidated Class Action Complaint as follows. All allegations not specifically admitted herein are denied.

**PRELIMINARY STATEMENT**

OpenAI is an artificial intelligence (“AI”) research and deployment company, with a mission to ensure that artificial general intelligence benefits all of humanity. OpenAI researches, develops, and releases cutting edge AI technology, including ChatGPT and its underlying large language models, as well as tools and best practices for the safety, alignment, and governance of AI.

Developing a large language model like the one underlying ChatGPT requires teaching it intelligence and language, such as the ability to predict, reason and solve problems, as well as aligning it to human values and preferences. Teaching a model to understand language and the facts that constitute humans’ collective knowledge, for instance, involves showing the model a wide diversity of text, and having it try to predict the word that comes next in each of a huge range of sequences. This requires an enormous amount of computation, as models review, analyze, and learn from trillions of words. Through this extensive process, the model not only learns how words fit together grammatically, but also how words work together to form higher-level ideas, and ultimately how sequences of words form structured thoughts or pose coherent problems. In gaining fluency with predicting the next word, the model thereby learns concepts and the building blocks of intelligence.

Eventually, given a request like, “Describe the interior of 500 Pearl Street by analogy to a legal principle,” OpenAI’s GPT-4 model is able to formulate the following response:

The interior of 500 Pearl Street, home to the United States District Court for the Southern District of New York, can be analogized to the legal principle of “stare decisis,” which means “to stand by things decided.” Just as stare decisis represents the foundational respect for judicial precedent and the stability it brings to the law, the interior of 500 Pearl Street embodies a deep respect for the traditions and history of the judicial system. Its halls, courtrooms, and offices are designed with a reverence for the past, incorporating classical architectural elements that evoke the long history of the legal profession. These spaces are meticulously organized and maintained, reflecting the orderly and structured nature of the legal system. Just as stare decisis ensures that legal decisions are predictable and reliable, the interior of 500 Pearl Street provides a stable and dignified setting for the administration of justice, emphasizing continuity with the past while serving the present needs of the judiciary and the public.

This response is not reproduced from any preexisting source; instead, it is the model’s unique synthesis of the language and facts that it has learned.

Plaintiffs allege that their books were among the human knowledge shown to OpenAI’s models to teach them intelligence and language. That would be paradigmatic transformative fair use. Processing copyrighted works to extract information about the work—such as word frequencies, syntactic patterns, and thematic markers—does not infringe because it does not replicate protected expression. The process of training an AI model does not involve any communication of protected expression to a human audience. Nor is any such communication involved in the ordinary operation of the models at issue here. The purpose of those models is not to output material that already exists; there are much less computationally intensive ways to do that. Instead, their purpose is to create new material that never existed before, based on an understanding of language, reasoning, and the world. The models learn, as we all do, from what has come before. That passes with flying colors the “ultimate test of fair use”: “whether the

copyright law’s goal of promoting the Progress of Science and useful Arts would be better served by allowing the use than by preventing it.” *Arica Inst., Inc. v. Palmer*, 970 F.2d 1067, 1077 (2d Cir. 1992) (cleaned up).

**NATURE OF THE CASE**<sup>1</sup>

1. Denied.

2. Denied.

3. Denied.

4. OpenAI admits that it is an independent company and has entered into a strategic partnership with Microsoft that involves compute, commercial, and investment collaboration. OpenAI admits that it offers products named ChatGPT, ChatGPT Enterprise, and ChatGPT Plus. OpenAI admits that its GPT models may recognize and process text inputs from a user and generate text outputs in response. OpenAI denies any remaining allegations of this paragraph.

5. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the full text of that comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

6. Denied.

7. Denied.

8. To the extent the allegations in this paragraph purport to quote from portions of publicly available documents, the full text of those documents speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with the

---

<sup>1</sup> OpenAI neither admits nor denies the contents of the various headings and subheadings in the complaint, which are reproduced herein solely for convenience.

documents, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

9. OpenAI admits that the quoted language appears in AJ Hess, *The Biggest Challenges Facing OpenAI's Mira Murati, the Newly Minted Most Powerful Woman in Tech*, FAST COMPANY. OpenAI admits that it entered into a strategic partnership with Microsoft in 2019. To the extent the allegations in this paragraph are directed at Microsoft, OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft and on that basis OpenAI denies them. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning “[a]nalysts” and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

10. Denied.

11. OpenAI admits that Plaintiffs purport to bring this action as a class action. OpenAI denies the remaining allegations of this paragraph.

#### **JURISDICTION & VENUE**

12. For purposes of this action, OpenAI does not contest subject matter jurisdiction. OpenAI denies any remaining allegations of this paragraph.

13. For purposes of this action, OpenAI does not contest personal jurisdiction. OpenAI denies any remaining allegations of this paragraph.

14. OpenAI admits that it provides access to its products, including ChatGPT and the API, in the United States. OpenAI denies any remaining allegations of this paragraph.

15. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

16. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Plaintiffs, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

17. For purposes of this action, OpenAI does not contest venue. OpenAI denies any remaining allegations of this paragraph.

### **THE PARTIES**

#### **A. Plaintiffs**

18. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

19. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

20. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

21. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

22. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

23. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

24. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

25. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

26. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

27. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

28. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

29. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

30. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

31. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

32. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

33. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

34. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

35. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

36. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

37. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

38. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

39. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

40. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

41. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

42. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

43. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

44. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

45. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

46. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

47. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

48. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

**B. OpenAI Defendants**

49. OpenAI admits that OpenAI, Inc. is a Delaware nonprofit corporation with a principal place of business in San Francisco, California. OpenAI admits that OpenAI, Inc. was formed in December 2015. OpenAI denies any remaining allegations of this paragraph.

50. OpenAI admits that OpenAI GP, LLC is a Delaware limited liability company with a principal place of business in San Francisco, California. OpenAI admits that OpenAI OpCo LLC is controlled by OpenAI GP, LLC. OpenAI admits that OpenAI OpCo LLC was previously known as OpenAI LP. OpenAI denies any remaining allegations of this paragraph.

51. OpenAI admits that OpenAI OpCo LLC is a Delaware limited liability company with a principal place of business in San Francisco, California. OpenAI admits that OpenAI OpCo LLC was formerly known as OpenAI LP. OpenAI admits that OpenAI OpCo LLC is the sole member of OpenAI, LLC. OpenAI denies any remaining allegations of this paragraph.

52. OpenAI admits that OpenAI, LLC is a Delaware limited liability company with a principal place of business in San Francisco, California. OpenAI admits that OpenAI, LLC was formed in September 2020. OpenAI denies any remaining allegations of this paragraph.

53. OpenAI admits that OpenAI Global LLC is a Delaware limited liability company with a principal place of business in San Francisco, California. OpenAI admits that Microsoft Corporation has a minority economic interest in OpenAI Global LLC. OpenAI denies any remaining allegations of this paragraph.

54. OpenAI admits that OAI Corporation is a Delaware corporation with a principal place of business in San Francisco, California. OpenAI admits that OAI Corporation's sole

shareholder is OpenAI Holdings, LLC. OpenAI denies any remaining allegations of this paragraph.

55. OpenAI admits that OpenAI Holdings, LLC is a Delaware limited liability company. OpenAI admits that OpenAI, Inc. and Aestas, LLC are members of OpenAI Holdings, LLC. OpenAI denies any remaining allegations of this paragraph.

56. Admitted.

57. Admitted.

58. Admitted.

**C. Microsoft**

59. The allegations of this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them.

**FACTUAL ALLEGATIONS**

**A. Generative AI and Large Language Models**

60. Denied.

61. OpenAI admits that the term “generative artificial intelligence” encompasses, but is not limited to, systems that are capable of generating new content in response to user inputs.

OpenAI denies any remaining allegations of this paragraph.

62. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

63. OpenAI admits that its services—such as ChatGPT and its API—provide access to its models, which are computer programs developed using artificial intelligence and machine learning techniques. OpenAI admits that its models are developed using large amounts of

computational power to learn from a large amount of data, in order to perform a broad range of tasks related to that data. OpenAI denies any remaining allegations of this paragraph.

64. OpenAI admits that models are computer programs that are developed using artificial intelligence and machine learning techniques. OpenAI admits that training a model involves teaching language to a model by showing it a wide range of text, and, utilizing sophisticated statistical and computational analysis, having it try to predict the word that comes next in each of a huge range of sentences. OpenAI admits that this process involves breaking text down into roughly word-length “tokens,” which are then converted into numbers. OpenAI admits that the model then calculates each token’s proximity to other tokens in the training data, and that these proximity relationships between words reveal which words have similar meanings. OpenAI admits that a process known as a “transformer” then allows the model to understand the context created by surrounding words and sentences, thus enabling an understanding of a word’s different meanings depending on context. OpenAI denies any remaining allegations of this paragraph.

65. OpenAI admits that models are computer programs that are developed using artificial intelligence and machine learning techniques. OpenAI admits that pre-training a model teaches language to a model by showing the model a wide range of text, and, utilizing sophisticated statistical and computational analysis, having it try to predict the word that comes next in each of a huge range of sentences. OpenAI admits that this process involves breaking text down into roughly word-length “tokens,” which are then converted into numbers. OpenAI admits that the model then calculates each token’s proximity to other tokens in the training data, and that these proximity relationships between words reveal which words have similar meanings. OpenAI admits that a process known as a “transformer” then allows the model to understand the

context created by surrounding words and sentences, thus enabling an understanding of a word's different meanings depending on context. To the extent the allegations in this paragraph purport to quote from portions of a publicly available response to a Notice of Inquiry and Request for Comment, the full text of that response speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

66. OpenAI admits that pre-training is a process that teaches language to a model by showing the model a wide range of text, and, utilizing sophisticated statistical and computational analysis, having it try to predict the word that comes next in each of a huge range of sentences. OpenAI denies any remaining allegations of this paragraph.

67. OpenAI admits that models are made up of large strings of numbers (called "weights" or "parameters"), which software code interprets and executes. OpenAI admits that each weight roughly reflects the statistical relationship between different words in different scenarios. OpenAI admits that as a model "learns" during the training process, its weights update to reflect this improvement. OpenAI denies any remaining allegations of this paragraph.

68. To the extent the allegations in this paragraph purport to quote from portions of a publicly available document, the full text of that document speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

69. Denied.

70. Denied.

71. Denied.

72. Denied.

73. OpenAI admits that the quoted language appears in Yukun Zhu *et al.*, *Aligning Books and Movies: Towards Story-like Visual Explanations by Watching Movies and Reading Books* 1 (2015). OpenAI denies any remaining allegations of this paragraph.

74. OpenAI admits that the OpenAI API supports a parameter called “temperature.” OpenAI admits that higher “temperature” values will make a model’s output more random, while lower values will make it more focused and deterministic. OpenAI denies any remaining allegations of this paragraph.

75. OpenAI admits that it performs a process called “post-training” that results in targeted changes to a model. OpenAI admits that this process involves teaching the model to respond in ways that people find more useful, and to decline to respond in ways that would be harmful, by using relatively small and carefully engineered datasets that represent ideal behavior. OpenAI denies any remaining allegations of this paragraph.

76. Denied.

77. Denied.

78. Denied.

**B. OpenAI’s Willful Infringement of Plaintiffs’ Copyrights**

**1. OpenAI**

79. OpenAI admits that it was founded in 2015 and is a non-profit artificial intelligence research company, with a goal to advance digital intelligence in the way that is most likely to benefit humanity as a whole, unconstrained by a need to generate financial return. OpenAI denies the remaining allegations of this paragraph.

80. OpenAI admits that, in 2019, it created OpenAI LP as a “capped-profit” company that allows for additional investment in compute and talent while maintaining checks and

balances to actualize OpenAI's nonprofit mission. OpenAI denies the remaining allegations of this paragraph.

81. OpenAI admits that, in 2019, Microsoft committed to invest \$1 billion in OpenAI to support building artificial general intelligence with widely distributed economic benefits. OpenAI denies the remaining allegations of this paragraph.

82. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about “[i]ndustry observers,” and on that basis denies them.

## **2. GPT-N and ChatGPT**

83. OpenAI admits that “GPT” stands for “Generative Pre-trained Transformer.” OpenAI admits that this is a type of LLM architecture. OpenAI denies any remaining allegations of this paragraph.

84. OpenAI admits that GPT-3 was released in 2020. OpenAI denies any remaining allegations of this paragraph.

85. OpenAI admits that GPT-3.5 was released in 2022. OpenAI denies any remaining allegations of this paragraph.

86. OpenAI admits that ChatGPT was released in November 2022, and fine-tuned from a model in the GPT-3.5 series. OpenAI denies any remaining allegations of this paragraph.

87. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about “estimate[s],” and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

88. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about “estimate[s],” and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

89. OpenAI admits that GPT-4 was released in March 2023. OpenAI denies the remaining allegations of this paragraph.

90. OpenAI admits that it offers a subscription plan, ChatGPT Plus, available for \$20 per month and that GPT-4 is available for ChatGPT Plus. OpenAI denies any remaining allegations of this paragraph.

91. Denied.

92. OpenAI admits that the quoted language appears in OpenAI, *Introducing ChatGPT Enterprise* (Aug. 28, 2023), available at <https://openai.com/blog/introducing-chatgpt-enterprise>. OpenAI admits that GPT-4 is available for ChatGPT Enterprise. OpenAI denies any remaining allegations of this paragraph.

93. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them.

94. Denied.

95. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about “[a]nalysts,” and on that basis denies them. OpenAI admits that the Microsoft 365 Copilot add-on uses at least some OpenAI technology. OpenAI denies any remaining allegations of this paragraph.

**3. Knowingly “Training” GPT-N on Copyrighted Books**

96. OpenAI admits that it has publicly stated that ChatGPT and its other services are developed using (1) information that is publicly available on the internet, (2) information that it

licenses from third parties, and (3) information that its users or human trainers create and provide. OpenAI denies any remaining allegations of this paragraph.

97. The complaint does not provide enough information to determine whether any books purportedly authored by Plaintiffs appear in the training data for any of the models used for ChatGPT. Accordingly, OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

98. The complaint does not provide enough information to determine whether any books purportedly authored by Plaintiffs appear in the training data for any of the models used for ChatGPT. Accordingly, OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

99. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the full text of that comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

100. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the full text of that comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

101. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the full text of that comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

102. Denied.

103. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

104. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

105. Denied.

106. Denied.

107. OpenAI admits that ChatGPT may provide the statement “I can’t provide verbatim excerpts from copyrighted texts” in response to user prompts. OpenAI denies any remaining allegations of this paragraph.

108. Denied.

109. Denied.

110. OpenAI admits that it has publicly stated that ChatGPT and its other services are developed using (1) information that is publicly available on the internet, (2) information that it licenses from third parties, and (3) information that its users or human trainers create and provide. OpenAI denies any remaining allegations of this paragraph.

111. OpenAI admits that it has publicly stated that ChatGPT and its other services are developed using (1) information that is publicly available on the internet, (2) information that it licenses from third parties, and (3) information that its users or human trainers create and provide. OpenAI denies any remaining allegations of this paragraph.

112. To the extent the allegations in this paragraph purport to quote from portions of a publicly available research paper, the full text of the paper speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

113. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

114. OpenAI admits that it has described Books2 as an internet-based books corpus. OpenAI denies any remaining allegations of this paragraph.

115. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

116. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

117. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

118. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

119. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

120. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

121. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

122. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

123. OpenAI admits that it has publicly stated that ChatGPT and its other services are developed using (1) information that is publicly available on the internet, (2) information that it

licenses from third parties, and (3) information that its users or human trainers provide. OpenAI denies any remaining allegations of this paragraph.

124. OpenAI admits that GPT-3 is a 175 billion parameter autoregressive language model. OpenAI denies any remaining allegations of this paragraph.

125. Denied.

126. Denied.

127. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the text of that full comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph, and on that basis denies them.

128. Denied.

129. OpenAI admits that the quoted language appears in Jennifer Langston, *Microsoft announces new supercomputer, lays out vision for future AI work*, Microsoft (May 19, 2020). OpenAI denies the remaining allegations of this paragraph.

130. OpenAI admits that the quoted language appears in CNBC, *First on CNBC: CNBC Transcript: Microsoft CEO Satya Nadella Speaks with CNBC's Jon Fortt on "Power Lunch" Today* (Feb. 7, 2023). OpenAI denies any remaining allegations of this paragraph.

**C. The Microsoft-OpenAI Partnership**

131. Denied.

132. OpenAI admits that it has had a strategic partnership with Microsoft since 2019. The remaining allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks

knowledge or information sufficient to admit or deny the remaining allegations of this paragraph about Microsoft, and on that basis OpenAI denies them.

133. OpenAI admits that it has a strategic partnership with Microsoft, involving commercial and supercomputing collaborations. The remaining allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

134. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them.

135. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them.

136. OpenAI admits that it has a strategic partnership with Microsoft, involving commercial and supercomputing collaborations. The remaining allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

137. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

138. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. To the extent the allegations in this paragraph purport to quote from portions of a publicly available comment, the full text of the comment speaks for itself. To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with it, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

139. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

140. OpenAI admits that the quoted language appears in Intelligencer Staff, *Satya Nadella on Hiring the Most Powerful Man in AI When OpenAI threw Sam Altman overboard, Microsoft's CEO saw an opportunity*, INTELLIGENCER (Nov. 21, 2023). OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

141. OpenAI admits that Sam Altman rejoined OpenAI as CEO in November 2023. OpenAI admits that Microsoft has a nonvoting observer position on OpenAI's board. OpenAI denies any remaining allegations of this paragraph.

**D. GPT-N's and ChatGPT's Harm to Authors**

142. Denied.

143. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Goldman Sachs, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

144. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about the Authors Guild, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

145. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

146. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

147. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

148. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

149. OpenAI lacks knowledge or information sufficient to admit or deny whether ChatGPT has provided verbatim quotes from or summaries of any particular text, and denies those allegations on that basis. OpenAI denies any remaining allegations of this paragraph.

150. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about “[b]usinesses” other than OpenAI, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

151. OpenAI admits that it provides an API platform that offers its models and guides for safety best practices. OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph, and on that basis denies them.

152. Denied.

153. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

154. OpenAI admits that the quoted language appears in Ted Johnson, *OpenAI CEO Sam Altman Says Content Owners Need To Get “Significant Upside Benefit” From New Technology*, Deadline (May 16, 2023). To the extent the allegations in this paragraph purport to summarize or characterize or are inconsistent with that source, OpenAI denies those allegations. OpenAI denies any remaining allegations of this paragraph.

155. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

156. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

157. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

158. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

159. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

160. OpenAI admits that the quoted language appears in the letter available at <https://authorsguild.org/app/uploads/2023/07/Authors-Guild-Open-Letter-to-Generative-AI-Leaders.pdf>. OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph, and on that basis denies them.

161. OpenAI admits that the quoted language appears in the letter available at <https://authorsguild.org/app/uploads/2023/07/Authors-Guild-Open-Letter-to-Generative-AI-Leaders.pdf>. OpenAI lacks knowledge or information sufficient to admit or deny the remaining allegations of this paragraph, and on that basis denies them.

162. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

163. Denied.

**E. Defendants Have Profited From Their Unlicensed Exploitation of Copyrighted Material At the Expense of Authors**

164. To the extent the allegations in this paragraph are directed at Microsoft, OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft and on that basis OpenAI denies them. OpenAI admits that it generates revenue from ChatGPT in order to help support free access availability to as many people as possible. OpenAI denies any remaining allegations of this paragraph.

165. OpenAI admits that ChatGPT had over 100 million weekly active users as of November 2023. OpenAI admits that it has generated revenue through ChatGPT Plus and ChatGPT Enterprise. OpenAI denies any remaining allegations of this paragraph.

166. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

167. The allegations in this paragraph are directed at Microsoft, and/or OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about

Microsoft, and on that basis OpenAI denies them. OpenAI denies any remaining allegations of this paragraph.

**F. Defendants Exploited Each of Plaintiffs' Copyrighted Works**

**1. Fiction Authors**

168. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Plaintiffs, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

169. OpenAI admits that it has publicly stated that ChatGPT and its other services are developed using (1) information that is publicly available on the internet, (2) information that it licenses from third parties, and (3) information that its users or human trainers provide. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about why Plaintiffs have made specific allegations in this case. OpenAI denies any remaining allegations of this paragraph.

170. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

171. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

172. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

173. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Authors Guild's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

174. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

175. Denied.

176. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

177. Denied.

178. Denied.

179. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

180. Denied.

181. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

182. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

183. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Baldacci's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

184. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

185. Denied.

186. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

187. Denied.

188. Denied.

189. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

190. Denied.

191. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

192. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

193. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Bly's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

194. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

195. Denied.

196. Denied.

197. Denied.

198. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

199. Denied.

200. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

201. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

202. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Connelly's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

203. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

204. Denied.

205. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

206. Denied.

207. Denied.

208. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

209. Denied.

210. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

211. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

212. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Day's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

213. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

214. Denied.

215. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

216. Denied.

217. Denied.

218. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

219. Denied.

220. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

221. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

222. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Franzen's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

223. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

224. Denied.

225. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

226. Denied.

227. Denied.

228. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

229. Denied.

230. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

231. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

232. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Grisham's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

233. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

234. Denied.

235. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

236. Denied.

237. Denied.

238. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

239. Denied.

240. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

241. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Hilderbrand's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

242. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

243. Denied.

244. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

245. Denied.

246. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

247. Denied.

248. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

249. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

250. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Kline's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

251. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

252. Denied.

253. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

254. Denied.

255. Denied.

256. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

257. Denied.

258. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

259. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

260. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Lang's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

261. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

262. Denied.

263. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

264. Denied.

265. Denied.

266. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

267. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff LaValle's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

268. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

269. Denied.

270. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

271. Denied.

272. Denied.

273. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

274. Denied.

275. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

276. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Martin's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

277. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

278. Denied.

279. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

280. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

281. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

282. Denied.

283. Denied.

284. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

285. Denied.

286. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

287. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

288. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Picoult's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

289. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

290. Denied.

291. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

292. Denied.

293. Denied.

294. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

295. Denied.

296. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

297. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

298. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Preston's copyright ownership, and on that basis denies them. Otherwise denied.

299. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

300. Denied.

301. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

302. Denied.

303. Denied.

304. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

305. Denied.

306. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

307. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

308. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Robinson's copyright ownership, and on that basis denies them. Otherwise denied.

309. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

310. Denied.

311. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

312. Denied.

313. Denied.

314. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

315. Denied.

316. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

317. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

318. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Saunders' copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

319. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

320. Denied.

321. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

322. Denied.

323. Denied.

324. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

325. Denied.

326. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

327. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

328. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Turow's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

329. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

330. Denied.

331. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

332. Denied.

333. Denied.

334. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

335. Denied.

336. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

337. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

338. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Vail's copyright ownership, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

339. OpenAI admits that Exhibit A to the Complaint purports to contain copyright registration information. OpenAI denies any remaining allegations of this paragraph.

340. Denied.

341. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

342. Denied.

343. Denied.

344. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

345. Denied.

## **2. Nonfiction Authors**

346. Denied.

347. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

348. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Alter, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

349. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

350. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Alter's copyright ownership, and on that basis denies them.

351. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Bird, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

352. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

353. OpenAI lacks knowledge or information sufficient to admit or deny The allegations of this paragraph concerning Plaintiff Bird's copyright ownership, and on that basis denies them.

354. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Branch, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

355. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

356. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Branch's copyright ownership, and on that basis denies them.

357. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Cohen, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

358. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Cohen, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

359. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

360. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Cohen's copyright ownership, and on that basis denies them.

361. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Linden, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

362. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Linden, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

363. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

364. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Linden's copyright ownership, and on that basis denies them.

365. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Okrent, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

366. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Okrent, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

367. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

368. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Okrent's copyright ownership, and on that basis denies them.

369. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sancton, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

370. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sancton, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

371. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sancton's copyright ownership, and on that basis denies them.

372. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sides, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

373. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sides, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

374. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

375. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Sides' copyright ownership, and on that basis denies them.

376. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Schiff, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

377. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Schiff, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

378. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

379. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Schiff's copyright ownership, and on that basis denies them.

380. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Shapiro, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

381. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Shapiro, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

382. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

383. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Shapiro's copyright ownership, and on that basis denies them.

384. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Tolentino, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

385. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Tolentino, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

386. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

387. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Tolentino's copyright ownership, and on that basis denies them.

388. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Winchester, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

389. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Winchester, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

390. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning book summaries, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

391. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph concerning Plaintiff Winchester's copyright ownership, and on that basis denies them.

### **CLASS ALLEGATIONS**

#### **A. Class Definitions**

392. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

393. Denied.

394. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

395. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

396. Denied.

397. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

398. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

399. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, and on that basis denies them.

**B. Rules 23(a) and 23(g)**

400. Denied.

401. Denied.

402. Denied.

403. Denied.

404. Denied.

405. Denied.

**C. Rule 23(b)**

406. Denied.

407. Denied.

408. Denied.

409. Denied.

410. Denied.

**D. Rule 23(c)(4)**

411. Denied.

**CLAIMS FOR RELIEF**

**COUNT I: COPYRIGHT INFRINGEMENT (17 U.S.C. § 501)**

**Against OpenAI and Microsoft**

412. OpenAI incorporates by reference its responses to all allegations set forth in paragraphs 1–411 as if fully set forth herein.

413. Denied.

414. Denied.

415. Denied.

416. Denied.

417. Denied.

418. Denied.

**COUNT II: VICARIOUS COPYRIGHT INFRINGEMENT**

**Against OpenAI Inc. and OpenAI GP LLC**

419. OpenAI incorporates by reference its responses to all allegations set forth in paragraphs 1–418 as if fully set forth herein.

420. Denied.

421. Denied.

422. Denied.

**COUNT III: CONTRIBUTORY INFRINGEMENT**

**Against Microsoft, OpenAI, Inc., OpenAI GP LLC, OpenAI Global LLC, OpenAI LLC, OAI Corporation LLC, OpenAI Holdings LLC, OpenAI Startup Fund I LP, OpenAI Startup Fund GP I LLC, and OpenAI Startup Fund Management LLC**

423. OpenAI incorporates by reference its responses to all allegations set forth in paragraphs 1–422 as if fully set forth herein.

424. Denied.

425. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

426. OpenAI lacks knowledge or information sufficient to admit or deny the allegations of this paragraph about Microsoft, and on that basis denies them. OpenAI denies any remaining allegations of this paragraph.

427. Denied.

428. Denied.

429. Denied.

**PRAYER FOR RELIEF**

430. In response to the Prayer for Relief, OpenAI denies that Plaintiffs are entitled to the requested relief, or to any relief whatsoever.

431. In response to the Prayer for Relief, OpenAI denies that Plaintiffs are entitled to the requested relief, or to any relief whatsoever.

432. In response to the Prayer for Relief, OpenAI denies that Plaintiffs are entitled to the requested relief, or to any relief whatsoever.

433. In response to the Prayer for Relief, OpenAI denies that Plaintiffs are entitled to the requested relief, or to any relief whatsoever.

**DEMAND FOR JURY TRIAL**

With respect to the jury demand contained in Plaintiffs' Complaint, OpenAI states that no response is required. To the extent a response is deemed required, OpenAI denies that all of Plaintiffs' claims are properly triable to a jury.

**AFFIRMATIVE DEFENSES**

In further answer to the allegations made by Plaintiffs in the Consolidated Class Action Complaint, OpenAI asserts the following affirmative defenses. OpenAI does not concede that it has the burden of proof on the defenses listed below:

**FIRST AFFIRMATIVE DEFENSE**

To the extent there is copying of copyrightable expression, that copying constitutes fair use.

**SECOND AFFIRMATIVE DEFENSE**

Plaintiffs' claims fail in whole or in part because the complained-of use was validly licensed by express or implied license.

**THIRD AFFIRMATIVE DEFENSE**

Plaintiffs' claims are barred in whole or in part by the doctrines of waiver, abandonment, and/or forfeiture.

**FOURTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are barred, in whole or in part, by the doctrine of laches.

**FIFTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims are barred, in whole or in part, by the doctrine of estoppel.

**SIXTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims fail in whole or in part because OpenAI's conduct was innocent, not willful.

**SEVENTH AFFIRMATIVE DEFENSE**

Plaintiffs' remedies are barred at least in part by the applicable statutes of limitations.

**EIGHTH AFFIRMATIVE DEFENSE**

Plaintiffs are barred from recovery of damages because of and to the extent of its failure to mitigate its alleged damages (to which, in any event, they are not entitled).

**NINTH AFFIRMATIVE DEFENSE**

Some or all of the material in which Plaintiffs claim copyright is in the public domain.

**TENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims of copyright infringement are barred or limited by the doctrine of merger.

**ELEVENTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims of copyright infringement are barred or limited by the idea/expression dichotomy.

**TWELFTH AFFIRMATIVE DEFENSE**

Plaintiffs' claims of copyright infringement are barred or limited because the material in which Plaintiffs claim copyright constitutes "scenes a faire."

**THIRTEENTH AFFIRMATIVE DEFENSE**

To the extent there is copying of copyrightable expression, that copying is de minimis.

Dated: February 16, 2024

MORRISON & FOERSTER LLP

By: /s/ Joseph C. Gratz

Joseph C. Gratz (admitted *Pro Hac Vice*)

JGratz@mof.com

425 Market Street

San Francisco, CA 94105-2482

Telephone: 415.268.7000

Facsimile: 415.268.7522

Attorneys for Defendants  
OPENAI, INC., OPENAI GP, LLC,  
OPENAI, LLC, OPENAI OPKO LLC,  
OPENAI GLOBAL LCC, OAI  
CORPORATION, LLC, and OPENAI  
HOLDINGS, LLC

Dated: February 16, 2024

LATHAM & WATKINS LLP

By: /s/ Andrew Gass

Andrew Gass (admitted *Pro Hac Vice*)  
andrew.gass@lw.com  
Joseph R. Wetzel, Jr.  
joe.wetzel@lw.com  
505 Montgomery Street, Suite 2000  
San Francisco, CA 94111  
Telephone: 415.391.0600  
Facsimile: 415.395.8095

Sarang Damle  
sy.damle@lw.com  
555 Eleventh Street NW  
Suite 1000  
Washington, DC 20004  
Telephone: 202.637.2200  
Facsimile: 202.637.2201

Allison Levine Stillman  
alli.stillman@lw.com  
1271 Avenue of the Americas  
New York, NY 10020  
Telephone: 212.906.1200  
Facsimile: 212.751.4864

Attorneys for Defendants  
OPENAI, INC., OPENAI GP, LLC,  
OPENAI, LLC, OPENAI OPKO LLC,  
OPENAI GLOBAL LCC, OAI  
CORPORATION, LLC, and OPENAI  
HOLDINGS, LLC

sf-5728412