

Artificial Intelligence and Software Licensing Risks: A Chief Privacy Officer's Perspective

For Chief Privacy Officers and their Corporate Counsel, Artificial Intelligence solutions (AI) and their related Software Licensing components represent strategic opportunities and legal minefields. 🧨 Three issues rise to the top:

- **Licensing Exposure:** Many AI tools depend on third-party or open-source code. Unclear licensing can create hidden IP liabilities that quickly become compliance risks.
- **Governance Gaps:** Regulators now expect documented oversight of how AI models are built, tested, and deployed. Without governance, organizations risk penalties and reputational harm.
- **Privacy at Scale:** AI's hunger for data makes privacy-by-design non-negotiable. Missteps in handling personal or sensitive data can lead to regulatory fines and loss of trust.

For CPOs, the mandate is clear ➡️ embed privacy terms and processes wherever possible, instill licensing discipline across the organization, and implement governance frameworks (strategies and policies) for AI from day one. Legal teams can be powerful partners here by negotiating stronger contracts, monitoring compliance, and shaping policies that align innovation with accountability.

Privacy & Legal - Did we just become best friends? 🍷

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