EXHIBIT 132

(FILED UNDER SEAL)

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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

- - - - - - - - - - - - - -x

CONCORD MUSIC GROUP, INC., ET AL., : Case No.

Plaintiff, :5:24-CV-03811-EKL-SVK

v. :

ANTHROPIC PBC, :

Defendant.

- - - - - - - - - - - - - -x

*** HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY ***

Videotaped Deposition of MICHAEL SMITH
CONDUCTED VIRTUALLY
Monday, February 23, 2026
8:58 a.m.

Job No.: 621064
Pages: 1 - 377
Stenographically Reported By:
Brooklyn E. Schweitzer, RPR, CRR, CA CSR No. 14612

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Videotaped Deposition of MICHAEL SMITH, conducted virtually.

*** ALL PARTIES ATTENDED REMOTELY. ***

Pursuant to Notice, before Brooklyn E. Schweitzer, Registered Professional Reporter, Certified Realtime Reporter, Notary Public in and for the Commonwealth of Pennsylvania, and California CSR No. 14612.

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A P P E A R A N C E S

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P R O C E E D I N G S
VIDEOGRAPHER: Here begins Media Number 1 in the videotaped deposition of Michael Smith in the matter of Concord Music Group versus Anthropic in the United States District Court Northern District of California, San Jose Division, Case Number 24-CV-03811-AKL-CVK [sic].
Today's date is February 23rd, 2026. The time on the video monitor is 8:58 a.m. The remote videographer today is Nick Heisler representing Planet Depos. All parties of this video deposition are attending remotely.
Will counsel please voice-identify themselves and state whom they represent.
MS. MEHTA: Good morning. Sonal Mehta on behalf of Anthropic. With me is my colleague, Christina Luo.
MR. MILLER: Good morning. Corey Miller on behalf of the plaintiff music publishers, as well as the witness. With me also is my colleague Bret Matera.
MX. KIM: Liz Kim on behalf of Anthropic.
VIDEOGRAPHER: All right. The court reporter today is Brooklyn Schweitzer representing Planet Depos. The witness will now be sworn.

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MICHAEL SMITH,
was called, and having been duly sworn, testified as follows:
EXAMINATION
BY MS. MEHTA:
Q Good morning, Mr. Smith.
A Yeah. Could we do Professor Smith?
Q Sure. Professor Smith, good morning.
A Good morning.
Q Can you please tell me where you're located today?
A I'm in Pittsburgh, Pennsylvania.
Q And what physical space are you in?
A I'm -- I'm at my home, in my upstairs office. I apologize for the vest. We don't have heat in my room for whatever reason.
Q Well, thank you for --
A Sorry. I thought about going on campus, but I'm chairing the curriculum review right now, and I figured every time I'd leave my office, there'd be six faculty descending on me asking what they're teaching next semester.
Q Got it. Well, thank you for braving the cold for your deposition today.
You understand that you're testifying

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under oath today just as you would before the judge or the jury in this case, correct?
A Correct.
Q Is there anything that would prevent you from being able to provide your most truthful and accurate testimony here today?
A There is not.
Q We are remote, so we're going to do our best to not talk over each other. That can often be more challenging on Zoom than it is in person. I will do my best to let you finish your answers before I ask my next question, and I'd ask you do your best to let me finish a question before you answer.
Fair?
A Very fair.
Q Okay. If at any point you don't understand a question and you need help or a clarification, would you please let me know?
A Of course.
Q And if you don't, I'm going to assume that you understood the question and you're providing your most truthful and accurate testimony in response.
Fair?

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A Understood.
Q Great. Mr. -- Professor Smith, what did you do to prepare for the deposition today?
A I reviewed a variety of documents and wrote my -- wrote my reports.
Q In the time since you wrote your reports, have you done anything specifically to prepare for the deposition itself?
A Other than rereading the reports, no.
Q Did you meet with counsel?
A Yes.
Q Okay. And how -- who did you meet with?
A I met with both Mr. Miller and Mr. Matera.
Q How long did you meet with counsel for?
A I didn't -- I didn't track that. I mean, we met several times. I wouldn't be able to give an accurate estimate of that.
Q Over eight hours?
A I -- just ballpark, yes.
Q Over 15 hours?
A I'm honestly not sure.
Q You said you re-reviewed your reports in preparation for the deposition today, and you also have been preparing these reports over the last few months, correct?

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sample licenses produced in this case for any other publishers?
A To be totally honest with you, sitting here today with the number of things that I've -- I've read over the past several months, I -- ask the question again.
Q Yes. Did you see any actual lyrical sample licenses produced in this case for any of the publishers?
MR. MILLER: Object to the form.
A I believe so, but sitting here today, with all the stuff I read, I -- I -- I'm not 100 percent confident.
Q You didn't cite any in this paragraph, did you?
A Not -- not that I'm -- yeah, I did not cite any in this paragraph.
Q Okay. Now, with respect to Section 4, which is the next section, for Licenses to AI Companies, you reference two license agreements there, Udio and Klay.
Do you see that?
A That's correct.
Q Okay. So we're going to talk about each of those agreements in more detail, but before we

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do that, let me ask you: Are you aware of any other licenses by the publishers to AI companies besides the agreements with Udio and Klay?
A I believe there are. Off the top of my head, I'm not getting the -- but these -- these are with the two prominent ones because they're Universal Music.
Q Can you name any other agreements between any music publisher and any AI company besides Udio and Klay?
A I'm pretty sure they exist. I just can't -- off the top of my head right now, I can't name them.
Q Well, I'll tell you, I didn't see any others in your report.
A I -- I -- yeah. The challenge I've got is I'm doing research on this, and I'm also doing broader research, and it may be that some of the things I've come across in the broader research aren't here. So...
Q How about if I ask the question this way. Maybe that will address what you just said.
For purposes of your analysis in this case, you are not relying on any licenses between music publishers and AI companies other than the

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Udio and Klay Vision agreements; is that correct?
A These are the ones that I rely on for most of my analysis here.
Q Okay. And you're not relying on any others for your analysis in this case, correct?
A That -- that's my understand -- yes.
Q Okay. Now, you understand -- do you understand what the Udio LLM is?
A Yes.
Q What is it?
A It's an LLM that helps people in a wide variety of music creation contexts.
Q Okay. And what about Klay Vision? What is Klay Vision?
A Similar.
Q Okay. You'd agree neither one of those is a general-purpose LLM?
A I would.
Q Are you aware of -- actually, let me ask the question this way to address what you said a moment ago.
You're not relying, for purposes of your analysis in this case, on any agreement between a music publisher and a general-purpose LLM; fair?
A I believe that's correct.

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Q And you haven't cited in your report any agreements between any music publisher and any general-purpose LLM, right?
A That's correct.
Q Could we go to Paragraph 48?
You say there in the first sentence, Generative AI models require large amounts of text data on which models -- on which the models are trained.
Do you see that?
A Let me just read the whole paragraph.
Q Sure.
A Yes.
Q Do you know how many tokens the commercial Claude models that are at issue in this case were trained on?
A Trillions. I don't know the exact number.
[redacted]
A If you say --
MR. MILLER: Form.
A -- so.
[redacted]
A Seems in the right ballpark.
Q Okay. Now, with respect to training on

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BY MS. MEHTA:
Q Okay. If you could, Professor Smith, I'm going to have you turn to Page 22 of your report.
Okay.
Q And at Page 22, you start a discussion of the harms that you believe are inflicted on the publishers, and the first harm that you identify is at Subsection A.
Do you see that?
A Yep. Can I just --
Q Take -- take a moment to orient yourself.
A Thank you.
Q Of course.
A Okay. I might have to reorient myself when I get down to destruction and dilution, but...
Q No -- no problem. I want to ask a few general questions about this particular identified alleged harms.
Are you able to -- based on all the work that you did in this case, are you able to identify any songwriter specifically that has lost any opportunity based on competition from AI?
MR. MILLER: Object to form.
A So what we know and what we talk about in

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this report is to the extent that AI is -- is being -- AI-generated music is being uploaded to DSPs like Spotify, and to the extent that that content is getting -- is getting streams -- and we know that it is -- that that's a direct dilution of the royalty pool, which otherwise would have gone to humans.
Can I identify an individual? I don't know that that's part of my -- part of my charge.
Q Okay. So we're going to get to -- we'll get to the dilution of the royalty pool in just a second. I want to -- I want to ask you -- my question's a little different than that.
Can you identify any songwriter who lost money or an opportunity to sell a song because of AI, any specific songwriter?
MR. MILLER: Objection; asked and answered.
A Yeah. I -- actually, I think that was asked and answered, right? To the extent that the royalty pool is going to AI, then by definition, every other songwriter in the pool is -- is losing -- is losing money.
Q Have you quantified -- for purposes of your analysis, in these reports, have you

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quantified what the extent of dilution is for the royalty pool due to AI?
A Partially.
Q I didn't see a dollar figure anywhere in the reports.
MR. MILLER: Objection.
A Yeah. So -- so we'd have to go back. We -- we went from half a percent of streams to generative AI-based music on Deezer to 3 percent of streams on -- on Deezer to generative AI-based music.
Q Okay.
A If we -- if we knew Deezer's royalty pool, I could calculate, you know, with a calculator the -- the dilution from that.
Q But you don't know Deezer's royalty pool, do you?
A If I did, I could calculate it.
Q But you don't know it, do you?
A I -- I could do some searches. I don't -- I don't -- off the top of my head, I don't know Deezer's royalty pool, but I do know that if we did, we could calculate it.
Q That's not a number or calculation you've done in your report, is it?

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A The 3 percent times Deezer's royalty pool equals X? I have not done that in my report.
Q Okay. Now, let's set aside Deezer. Other than what you described as the 3 percent royalty pool for Deezer, set that aside.
As to other streaming services, you have not done any calculation of what the effect of AI is on the royalty pools for any other streaming services, have you?
A I have no reason to believe it wouldn't be similar to Deezer, if not worse given that Deezer's the one DSP that's done the most work to try to remove generative AI-based music.
Q That's not my question, sir. I'm not asking for your speculation. I'm asking for actual facts and analyses under oath.
You have not done any analysis of what the impact on the royalty pools of AI is for any other streaming service; isn't that correct?
MR. MILLER: Object to form. Yeah. I don't know that those data are available.
Q Okay. So you haven't done that analysis, have you?
A Because the data aren't available.
Q Okay. Now, with respect to -- going back

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to songwriters, other than potential dilution of royalty pools to streaming services, is there any other specific instance -- and I'm not sure I even agree that that's a specific instance, but I know you think it is.

So is there any other specific instance that you can identify where a songwriter has lost money or an opportunity as a result of AI?

MR. MILLER: Object to form.

A That's a weird question, and I want to make sure I don't get boxed in. Right?

So what we're looking at, as we said before, is a technology that by -- by Mr. Amodei's -- Amodei's own admission is going to be 16 -- is likely to be 16 times more powerful a year and a half to three years from now, four years from now, than it -- than it is today.

What we see in the Deezer example is an increase in the number of streams from half a percent to 3 percent over the course of four months.

You're saying do I know anybody individually who has suffered? And I'm saying I think it's perfectly reasonable to say everyone in that royalty pool has suffered.

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Q That wasn't my question. Focus on my question, sir.

I'm not asking about the royalty pool. I told you we were setting that aside for a moment. You've already --

A Okay.

Q -- talked about that.

Aside from the royalty pool dilution that you are asserting, can you identify any other actual quantified loss of revenue or opportunity to any songwriter?

MR. MILLER: Object to form.

A As long as I can keep in my statement the ability to say it is economically reasonable that songwriters are losing money based on the data I've seen, I have not talked to any individual on that -- you know, that has -- that has told me they have lost money.

Q And when you say as long as you want to have the ability to say that it's economically reasonable to say songwriters are losing money based on the data you've seen, you're referring to the Deezer data; is that right?

A I'm referring to the whole -- the whole shebang. I'm referring to the fact that Anthropic outputs lyrics at the -- at the rates discussed in my report based on the -- based on the other experts, and the fact that this is a technology that is growing in capacity exponentially.

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Q Can you quantify, based on actual dollars and actual data, any harm to songwriters -- I'm asking for a dollar figure -- from AI?

MR. MILLER: Object to form.

A If I had -- if I knew the royalty pool -- and I suspect the songwriters do, actually. If -- if I knew the royalty pool for Deezer and Spotify and the other -- other DSPs, I think I could do that calculation.

Q Okay. But for purposes of your opinions in this case, you have not done a calculation that could quantify, based on actual dollars and data, the harm to songwriters; isn't that right?

A Maybe what I'm saying is if -- if data became available, I would be willing to do those calculations.

Q Right. I'm asking about what you've done up to this date.

Up to now, having prepared all these reports and sitting here in this deposition, you have not quantified the actual dollar harm to

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songwriters; isn't that right?

A I haven't had the data to do that, and I don't think that was part of my charge.

Q Okay. And then in terms of the availability of that data, I think you just said you think the songwriters would have that data, right?

A Somebody in the industry has got to know what the royalty pool is.

Q Did you ask counsel for the publishers to provide you with the royalty pool information?

MR. MILLER: Object to --

A That's a different --

MR. MILLER: Objection. That question calls for communications between an expert and counsel, which are protected work product under Rule 26 of the Federal Rules of Civil Procedure. There are three enumerated exceptions, and the question doesn't fall into any of those exceptions.

So on that basis, I am going to instruct the witness not to answer.

BY MS. MEHTA:

Q Are you following that instruction, sir?

A I am.

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quantify whether AI is having a -- quantify whether AI is having a net positive or net negative impact; isn't that right?
MR. MILLER: Object to form.
A Yeah. As -- as long as I'm still allowed to say based on economic principles and the growing power of the tool -- as long as I'm still allowed to talk about that -- and, you're right. That's for the judge to decide. But what I -- I don't want to get boxed out of saying you now can't comment in any way, shape, or form on the future capabilities of this tool.
Q Ultimately, sir, the judge will decide what you are and are not allowed to talk --
A And I'm not -- I'm not the judge, and I don't want to get in -- in their lane.
Q And neither am I, but you do have to answer the questions I'm asking.
So let me go back to the question that I asked, which is: You -- if you can't identify how much AI slop there is and you can't quantify how much value AI is providing to music, you don't know, you can't quantify whether or not AI is net positive or net negative; isn't that right?
MR. MILLER: Object to form, compound.

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A Net -- net positive and net negative to what? Now I am confused.
Q The value that AI has to the streaming platform. You don't know whether the value that AI is giving to songwriters who are using it as a tool outweighs whatever the costs are associated with AI slop. That's not something you can quantify because you don't have the underlying data; isn't that correct?
A I'm not --
MR. MILLER: Objection to form, compound.
A Yeah. I'm not sure that's the scope of my engagement. I'm here to talk about the impact on the -- on the rightsholders.
Q Okay. So you haven't formed an opinion that AI is net negative in terms of its effect on streaming platforms; fair?
MR. MILLER: Object to form.
A I think that was laid out in my report what I -- what I believe. I'll stand behind that.
Q No, sir. You have to answer my questions.
My question is you haven't formed an opinion that AI is net negative in terms of its effect on the streaming platforms; isn't that right?

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MR. MILLER: Object to form.
A I -- I'm not sure that's my charge. My charge is to -- is to think about the -- the total impact of Anthropic's unlicensed injection on the -- on the rightsholders. I'm going to -- I'm going to try to stay in my lane on that and stick with what I've said in my report.
Q Okay. And then you can't quantify the impact -- the dollar impact of AI on the royalty pools for the streaming services, correct?
MR. MILLER: Object to form.
A Yeah. I -- I can -- I can look at Deezer's numbers and say this -- this amount -- the amount that's going to AI-generated songs is directly diluting the pool available to human authors.
What you're saying, as I understand it, is it's entirely possible -- what you're saying is it's possible that there have been more subscribers to these platforms because of the increased quality. I can't quantify that.
Q Could you turn to Paragraph Number 71 of your report, which is on Page 7?
A 71?
Q Yep, and feel free to read that paragraph

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if you need to orient yourself.
A Yep.
Okay.
Q Okay. So in this -- in this paragraph, you talk about outputs generated from LLMs versus human-written texts.
Do you see that?
A Correct.
Q Okay. And then you -- what you say here is that once fine-tuned on specific works for the purpose of emulating a specific author, you talk about the presence of lay readers for the LLM generated outputs.
Do you see that?
A Tell you what. Can I take a moment? Because this is actually referring to a broader study that --
Q Sure.
A -- I just talked about in the previous paragraphs.
Q Yeah, no problem.
A Yeah. So 68. For example, in one recent study.
Q Yep.
A Okay.

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A And I'd want to do the same for the subreddits.
Q Okay. Are you able to identify any Claude-written song for which anyone has ever been paid?
A I think it's almost the same answer I gave -- I gave before. I'd want to go back and -- and review those again to --
Q Well --
A Yeah.
Q Well, the YouTuber, Mr. Beato, I think was his name, or Beato -- maybe it's Beato because it's music?
A It's Beato, actually.
Q Is it Beato? Okay. There you go.
Is Mr. -- with respect to Mr. Beato, are you aware of him selling any or making any revenue from any Claude-written songs?
A Sitting here today, I'd want to go back and understand whether West Texas Dreams -- I guess -- actually, so no.
Your question was revenue?
Q Mm-hmm.
A Yeah. So he's got 30,000 views on YouTube. I suspect there's revenue associated with that.

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Q Okay. Other than West Texas Dreams and the views on YouTube associated with that and potential revenue from that, can you identify any other example or instance in which you think someone has generated money from a Claude-written song?
A I'm going to give the same answer I gave before. I'm -- I remember people talking about this in the subreddits. I'd want to go back and review that -- that before -- before confidently answering that question.
Q Are there any other examples of that disclosed in your reports anywhere of anyone making any money from a Claude-written song?
A An example of Mr. -- of Rick Beato is the one I would reference.
Q Okay. Now, if we could go to -- I'm sorry. Let me go back to that one for a second.
In terms of Mr. Beato and that song, West Texas Dreams, can you identify any other song or songwriter that that displaced?
A I -- I asked for a break a little while ago. Happy to answer this -- happy to answer this question.

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Q Yep.
A I think displacement, placed on the data in the record, is -- is perfectly reasonable. What you're asking is an impossible question. You know, and -- and I'm not sure I can give a possible answer to an impossible question.
Q Before we get to the break, I just want to ask you one follow-up on that, which is that was -- that was a song that was uploaded onto YouTube, right?
A I -- the --
Q West Texas Dreams?
A Let me -- let me go back and just make absolutely sure.
In -- in the report, I mention YouTube.
I -- in the report, it was uploaded to YouTube.
Q Okay. And YouTube doesn't have a fixed royalty pool, right?
A That is correct. So it would be advertisements.
Q Okay. So can you identify any songwriter or song that was displaced by Mr. Beato uploading West Texas Dreams to YouTube?
A I'm going to give the same answer I gave before. You're asking an impossible question, and I don't know that I can give you a -- a reasonable answer.

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Q Okay. Why don't we go ahead and take a break.
A Okay.
VIDEOGRAPHER: All right. We are going off the record. The time is 12:29 p.m.
(A recess was taken.)
VIDEOGRAPHER: We are back on the record. The time is 1:02 p.m.
BY MS. MEHTA:
Q Professor Smith, throughout your deposition today and throughout your report, you make references to commentary from people including Dr. Amodei about the potential for AI to displace people in their jobs.
You're generally familiar with that commentary, right?
A Yes.
Q Are you able to separate out or disaggregate the specific harm from or displacement from Claude versus all other AI tools when it comes to potential job displacement?
A I don't -- I don't know that that's -- I don't know that that's an answerable question.

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disadvantaged or had reduced negotiating power as a result of AI?
MR. MILLER: Object to form.
A Give me a second just to -- just to -- because I -- I mean, I think this is kind of Paragraph 158 I'm alluding to. Right?
So the -- for example, if Anthropic continues to train its AI models with copyrighted lyrics without restriction, without returning any value to the rightsholders, these models will continue to create market substitutes based on the copyrighted lyrics.
So I -- that are capable of siphoning value from revenue sharing pools.
Have I quantified that? No. Do I think that exists and is true? Yes.
Q Let's set aside the royalty pool dilution issue which we talked about extensively this morning.

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[redacted]

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[redacted]

Q Could you turn to Paragraph 160?
A Sure. Let me just --
Q Yeah, take your time.
A Okay.
Q Okay. As I understand Paragraph 160, what

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you say here is that you believe that Anthropic's conduct that's at issue in this case has deprived the publishers of revenue that Anthropic itself would have paid in license fees.
Right?
A That's -- that's correct. Let me read footnote 112 --
Q Sure.
A -- just to make sure.
Okay. Yes.
Q Okay. And as I understand footnote 112, what you're saying there is, of course, that Anthropic disputes that it has to take a license because it believes that its conduct is fair use, right?
A That is correct.
Q Okay. And you haven't formed --
A Sorry.
Q Sorry. Go ahead.
A For purposes of this opinion, I'm assuming that Anthropic is required to do so, but I'm not taking on the role of the judge, jury, or anybody else.
Q Okay. And when you say you're not taking on the role of the judge, jury, or anybody else,

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you're saying you're not offering an opinion as to whether or not Anthropic's conduct is fair use?
A Correct. I'm assuming that it is, but I'm not getting in anybody else's lane.
Q With respect to the hypothetical negotiation, I -- I didn't see in your reports an actual analysis of a hypothetical negotiation for purposes of damages; is that correct? Is that fair?
A Yeah. What I'm saying here is I understand from counsel that generally to calculate this type of harm requires a hypothetical. We don't -- we don't have that hypothetical here yet.
So, no, I did not do that calculation.
Q Okay. Do you know what the factors are that damages experts typically consider in evaluating the potential for a hypothetical negotiation?
MR. MILLER: Objection.
Q Potential outcome for a hypothetical negotiation?
MR. MILLER: Objection to form and to the extent it calls for a legal conclusion.
Go ahead.

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damages derivative, as opposed to created by a human not assisted by AI or by some other AI tool?

MR. MILLER: Objection to form.

[redacted]

You're going to ask your question again, so go ahead.

Q My question was: Are you able to identify any reputationally damaging derivative or work generated by Claude as opposed to just a normal human, not assisted by AI, or by some other AI tool?

MR. MILLER: Objection to form.

A Yeah, I think I've answered this. Off the top of my head, no. I'm worried I'm missing something, but I'll just -- off of the top of my head right now, no.

Q And you understand that even with respect to the Christian rightsholders, which is the Capitol Christian Music Group entity, that -- did you read the testimony of their corporate

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representative, Mr. Draughon?

A Yes, but I don't remember it verbatim.

Q That's -- that's fair. But do you recall generally that he acknowledged that, of course, there could be damaging -- damaging derivatives or sexualized mashups that were created without AI?

A I --

MR. MILLER: Object --

THE WITNESS: Go ahead. Go ahead, Corey.

MR. MILLER: Object to form.

Go ahead.

A I don't recall that, but it would not surprise me if he said that.

Q Okay. And do you recall any instance of anyone creating a sexualized or otherwise inappropriate mashup of a religious, faith-based song using Claude other than perhaps the publishers themselves or the lawyers in this case?

MR. MILLER: Objection to form.

A I don't recall.

Q Do you have any evidence that you have in the record in this case or that you've identified in your work in this case of any reputational harm from damages derivatives created by Claude to the publishers?

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MR. MILLER: Objection to form.

A To the extent that, as we discussed previously, it's -- it's hard, if not impossible, to know which of these songs came from which of the generative AI companies, then I think the answer is -- is I do not.

Q Do you have any -- actually, strike that.

Let me take you to Paragraph Number 179.

Let me know when you're done with 179.

A Done.

Q Okay. Now, in 179, you say that in delivering complete verbatim or near-verbatim copies of publishers' lyrics, Anthropic usurps a service typically provided by licensees such as lyric aggregators or karaoke services, who are required to pay licensing fees for their use of publishers' lyrics.

Do you see that?

A Yes.

Q Did you do any user survey or empirical research as to the extent to which Anthropic users used Claude for lyrics delivery rather than going to a lyrics aggregator or karaoke service?

A I don't know how you could credibly do that -- that research. I think -- I think you

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could toss some data into aggression and -- and say something, but I don't know how you could credibly do that -- that research.

Q And you didn't conduct any kind of user survey in this case, correct?

A I really don't do user surveys that much.

Q Okay. I mean, you haven't seen any user surveys about the extent which, if at all, Anthropic is diverting people from lyrics websites or lyrics aggregators or karaoke services to Claude, right?

A I haven't seen any of that research.

Q You're not able to quantify the extent to which people are using Claude to receive song lyrics rather than going to a lyrics aggregator or karaoke service or website, correct?

A I think it's economically reasonable that if that -- the behavior today, and particularly if it would become widespread, that's a problem. I haven't quantified the degree of that problem.

Q Are you able to identify any particular instance in which a user searched for song lyrics on Anthropic or using Claude rather than actually searching for them on the Internet?

A I don't even know how you would do that

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study.
Q Can you identify a single instance in which somebody went to Claude for lyrics information rather than going to a lyrics website?
A Yeah. I'm saying -- I think it's credibly economically reasonable to believe that has happened. I don't know how you would do that study credibly.
Q Can you identify any licensing fees that have been lost as a result of users going to Anthropic or to Claude to receive lyrics rather than going to a lyric aggregator, a lyric website, or a karaoke service?
A Related to the previous answer, I don't know how you would do that study credibly.
Q You did -- did you do any empirical analysis of website diversion as part of your work in this case?
MR. MILLER: Object to form.
A Yeah, not as part of my work in this case. It's -- it's a very complicated question, and that's -- throughout the whole thing, I'm -- I'm trying to be clear that I'm not sure how you would credibly do that analysis.
Q But you didn't design any kind of

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empirical analysis or experiment of website diversion as part of your work in this case, did you?
A Part of my work in this case, no. I've got -- I've got a couple doctoral students working on it in a different context, but not for this case.
Q Could you go to Paragraph 181?
Paragraph 181, you --
A Let me finish --
Q Go ahead, take -- sorry. I went too fast. Go ahead and take a moment.
A Okay.
Q Okay. In Paragraph 181, you say that Anthropic's delivery of publishers' lyrics without attribution also divests songwriters of recognition and reputation among consumers and music publishers.
Right?
A That's correct.
Q And elsewhere in your report, you talk about the inherent incentive for songwriters to create new creative works, right?
A Intrinsic incentive, but yes.
Q I'm sorry, intrinsic incentive, yes.

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Are you able to identify any specific example in which Claude delivered publishers' lyrics without attribution to the songwriter?
MR. MILLER: Objection to form.
A I would have to go back to the first set of filings in the preliminary injunction where, you know, the -- Claude was asked, tell me a story about the day Buddy Holly died, and remind myself of whether that output included a -- you know, included a reference to who wrote that song. I don't believe it did.
Q Okay.
A So that would be a specific example.
Q Any others that you can think of?
A I'd have to go back to the -- that initial report. I think I cited several examples of output, and I don't remember any of them saying, here's the CMI number, here's the -- you know, here's the attribution.
Q When you say "initial report," you mean in the context of the preliminary injunction?
A Correct.
Q Okay. Let me ask you the same question but from 2024. That preliminary injunction was at the end of 2023. Do you recall that?

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A Yeah. And -- and to be clear, I'm not -- not my report so much as the complaint.
Q Yeah.
MR. MILLER: To be clear, there were two preliminary injunctions. I just want to make sure we're all on the same page here.
Q Okay. Let me ask the question this way: Starting in 2024, are you able to identify any output from Claude in which it delivered lyrics to a publishers' song without attribution?
A Starting in 2024, after the guardrails went into effect, I don't know of any of those in the record.
Q Can you go and look -- speaking of guardrails, why don't you take a look at 182, please.
A I'll tell you what. Let's take a break after this. I think we're now under one hour.
Q Yeah, that's fine. Why don't you go ahead and take -- why don't you go ahead and take a look at 182. We'll finish this and then take a break.
A Okay.
Q Okay. So 182, you say, Even with guardrails that restrict some infringing responses by Claude, publishers face the same economic harms

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[redacted]

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[redacted]

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[redacted]

MR. MILLER: Objection. I don't know what it means to stipulate to something for the purposes of a specific question. I think that's inappropriate.

And this question has been asked and answered, like, 12 times already. This is getting argumentative. Counsel, move on.

BY MS. MEHTA:

Q Professor, please answer my question.

A I believe I have. If the judge is going to let me answer it with this sentence, I'm going to answer it with this sentence. The harm from loss of attribution is significant and real but also impossible to quantify. I'll stand behind --

Q And if the -- and if the judge said, can you identify any evidence in the record of that harm, what would your answer be?

MR. MILLER: Same objections.

A My answer would be the harm from loss of attribution is significant and real, but also impossible to quantify.

Q Okay. I'm not a judge, so I can't order you to answer my question. I will move on to

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something else. We'll take that up at the appropriate time.

Could you please turn to Paragraph Number 193 of your report?

Actually, I'm sorry. Before we get to that, let me ask you one more question -- or a couple more questions.

You analyzed, for purposes of your rebuttal report, Dr. Nagaraj's web traffic study, correct?

A I did.

Q And he provided you with the data that he used to run that study, right?

A I have not touched the data. StoneTurn has -- has the data. They did analysis on -- you know, under my -- under my direction. I have not touched his -- his original data.

Q Okay. And I did not see anywhere in your rebuttal reply report an opinion based on your rerunning that study. In other words, you didn't try to repeat his web traffic study; is that correct?

A I don't think you can make -- so there -- there's three levels of problems with -- with that -- with that study. Right? The -- the first

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otherwise, is all I'm trying to say.
Q Well, that's one way that that could work. The other way that it could work is someone could already be using Claude regularly and then could simply ask a music-related prompt and output to Claude as a small fraction of what they're already doing on Claude.
You agree with that, right?
A And to the extent that they got an answer, that would serve as further lock-in, is all I'm saying.
Q Right. And my question is have you done any -- have you done any user research or seen any literature or anything to support the contention that lyrics-related or even music-related searches contributed to any kind of lock-in for Claude?
MR. MILLER: Objection.
A I think all I'm saying is it's -- it's intuitive -- it's economically intuitive by the data presented here.
Q And by that data, you mean Mr. Dennis's report and the Economic Index?
A That is correct.
Q Okay. You agree that -- let me ask the question this way.

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Do you know the difference between gross profit and net profit?
A Of course.
Q And you understand that Anthropic has not been net profitable in its existence, correct?
A As -- as long as I can also say a lot of their investors think they're going to get there.
Q That's fine, but my question is in its history, Anthropic has never been net profitable, correct?
A Yeah. I just -- this is something that I talk about in my report, and I think it's very important to -- to note.
What we're saying is Anthropic hasn't had a net profit yet, but enough investors believe that they're eventually going to get enough profit that they're going to be a $350 billion company. As long as we can say both of those two things, I'm fine.
Q Okay. Now, with respect to Anthropic's different user accounts -- or -- I'm sorry. Let me -- maybe I should ask the question a little bit differently.
The way in which Anthropic gets revenue, Anthropic gets revenue through paid accounts.

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You're familiar with that, right?
A Currently, Anthropic gets revenue through paid accounts.
Q And you're -- in fact, during the Super Bowl, Anthropic said they weren't planning on using advertising to get revenue, right?
A They did indeed.
Q Okay. Now, you're aware --
THE WITNESS: Actually, Corey, do you want to jump in on that? I apologize.
MR. MILLER: I was -- I was just going to object to the form of the previous question.
BY MS. MEHTA:
Q Okay. Now, you're aware that some of the accounts that Anthropic has are flat-fee accounts that don't -- in other words, they're not tied in any way to the amount of usage by the user?
A I believe that's the case.
Q And you're aware that there are no accounts in which Anthropic makes money based on the substance of a user's query, right?
MR. MILLER: Object to form.
A I don't know that that's true, but it wouldn't surprise me if that's true.
Q Well, let me put the question a little

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differently, then.
Are you aware of any evidence that Anthropic makes money based on the substance of the user's query in any form of its accounts?
A Yeah. I -- I talk about this, particularly when we talk about, you know, accounts that are in the free moving into the paid, and I think this goes back to what we were talking about before. To the extent that I find this is a useful tool, that contributes to my willingness to -- to pay for it subsequently.
Q Right. My question was not -- that's not my question.
My question -- focus on the question I'm asking.
The question I'm asking is: Is there any type of account for which Anthropic is paid based on the substance of the user's particular query?
MR. MILLER: Object to form.
A Directly? Not that I'm aware of, as long as -- as long as we're also clear that the substance of the query influences their willingness to pay in the first place.
Q Okay. And by that, you mean if someone's happy with the results of queries they're getting,

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REPORTER'S CERTIFICATE

I, BROOKLYN E. SCHWEITZER, CSR NO. 14612, RPR, CRR, in and for the State of California, do hereby certify:

That prior to being examined, the witness named in the foregoing deposition was by me duly sworn to testify the truth, the whole truth and nothing but the truth and that the witness reserved the right of signature;

That said deposition was taken down by me in shorthand at the time and place therein named, and thereafter reduced to typewriting under my direction, and the same is a true, correct and complete transcript of said proceedings.

I further certify that I am not interested in the event of the action.

Witness my hand this 28th day of February, 2026.



Certified Shorthand Reporter for the State of California

No. 621064

Re: Deposition of Michael Smith
Date: 2/23/2026
Case: Concord Music Group -v- Anthropic
Return to: transcripts@planetdepos.com

Page	Line	Correction/Change & Reason
112	20	From "Yeah, I don't know" to "A: Yeah, I don't know"; clarification of speaker
118	21	From "upstreams" to "streams"; transcription error
125	9	From "casual appearance of computers" to "casual empiricism of"; transcription error
127	11	From "You're talking about marginal value or net value" to "A: You're talking about marginal value or net value"; clarification of speaker
135	6	From "Some humans?" to "A: Some humans?"; clarification of speaker
150	1	From "delusion" to "dilution"; transcription error
169	16	From "logic" to "exogenous"; transcription error
178	24	From "was n't" to "wasn't"; typo
197	6	From "Close" to "Cloze"; typo
291	15	From "Close" to "Cloze"; typo
291	16	From "Close" to "Cloze"; typo
239	13	From "androgynous" to "exogenous"; transcription error
300	1	From "aggression" to "a regression"; transcription error
312	13	From "intrinsic" to "extrinsic"; transcription error
313	13	From "Walpolu" to "Waldfogel"; transcription error
341	16	From "Close" to "Cloze"; typo
345	5	From "Close" to "Cloze"; typo
346	23	From "Close" to "Cloze"; typo
358	8	From "in the" to "not"; transcription error

April 3, 2026
(Date)


(Signature)