EXHIBIT 163

(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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Brennan Plummer, Technician
Nick Heisler, Videographer

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PROCEEDINGS

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 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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works-in-suit?
A I have not.
Q Have you seen any evidence in the record in this case that Anthropic fine-tuned any of its models for the purposes of emulating a specific songwriter for any of the works in this case?
A I have not.
Q Could you go to Paragraph Number 74, please?
I'm sorry. Actually, go to 73, if you would.
A I'll tell you what. I'm going to take a moment to just -- 70 -- 72 is in play here. Let me just take a moment --
Q Sure.
A -- to --
Q Sure.
We're talking 73, which relates to 72, right?
Q Yeah, that's fine. We can talk about both of those paragraphs together.
My question was going to be: Are you aware of any empirical research -- actually, maybe I'll ask the question even more specifically just to narrow it in.

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You have not cited, for purposes of your opinions in this case, any empirical research, study, or data about the impact of AI on songwriting as a profession, correct?
MR. MILLER: Object to form.
A I think I have referenced -- excuse me. I know I have referenced Dr. Amodei's prediction that AI is going to make obsolete half of all entry-level white collar jobs in the next one to five -- one to five or one to three, whichever it is -- years. I think I also talked about his -- his projection that AI is going to get better at [sic] humans at just about everything in the next one to two years, if I remember -- if I remember correctly.
Q Right. I'm not asking about Dr. Amodei's statements about other professions. I am asking -- and/or predictions about what may or may not happen with respect to other predictions.
I asked a very specific question, which is you have not cited, for purposes of your opinions in this case, any empirical research, study, or data about the impact of AI on songwriting as a profession; isn't that correct?

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A I -- actually, I -- I have. In this, we cite the Anthropic Economic Index to say that one -- you know, 1 percent of queries that Anthropic received -- at the time we wrote this; it's now 1.5, as I -- 1.48, as I understand -- were in the category of writers, lyricists, whatever.
Q Right. But you understand -- right. But that category expands far beyond just songwriters, doesn't it?
A I do understand that.
Q Okay. So, again, let me go back to my question.
For purposes of your opinions in this case, you have not cited any empirical research, study, or data that could quantify the impact of AI on songwriting as a profession; isn't that correct?
MR. MILLER: Objection; asked and answered.
A Yeah. Like I said, I think -- I think I -- well, subject to all the qualifications I've already given, that there is reason to believe from the data, including Anthropic's data, this is going to be harmful for lyricists, I'm not aware

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of any papers that have studied that empirically.
Q Okay. And you can't quantify the harm that you think might happen, correct?
A I don't know that anyone can.
Q And in terms of the potential benefits of AI to songwriting as a profession, that's not something you can quantify either, is it?
A I think that's a fair statement.
Q Could you go to Paragraph Number 74, please?
You cite there another recent study published in September 2025 that concluded that research participants could successfully discern AI-generated music from human-made music only 53 percent of the time.
Do you see that?
A Yep.
Q Okay. Now, that's not music generated by Claude, right?
A I -- I would have to go back and read the paper. I think it's in general.
Q Right. And, in fact, it's about songs and music, both compositions overall, right?
A I -- I'd have to go back and read the paper, but I think what you're saying is correct.

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Q Okay. And you understand that Claude doesn't generate audio at all, right? It generates only text, correct?
A That's correct.
MR. MILLER: Object -- object -- object to form.
Q Could you go to --
A (Inaudible.) I'll try to slow down my answers so Corey can get his objections in. I apologize to everybody.
Q No problem. Can you go to Paragraph 78? And, actually -- I'll actually have you take a look at Paragraph 75, 76, 77. You can just read those to yourself.
A That's good. Give me a sec.
By the way, as I'm reading this, I hope it's clear what I was saying previously, quantification. I was talking about, you know, academic studies. Here we've got evidence, but in a -- in a different form.
Is that clear?
Q I appreciate what you just said, and we're going to talk about the examples that you gave here --
A Okay.

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Q -- which you're saying are evidence in a different form, so let's talk about these examples.
You talk about Deezer, which we spoke about earlier, right? That's Paragraph 76.
Okay. And then in Paragraph 77, you talk about a YouTuber named Rick Beato who demonstrated how you can create AI-generated song lyrics from your own home using Claude, right?
A Correct.
Q Okay. Other than that example from that particular YouTuber, are you aware of any other examples of song -- I'm sorry, of anyone using Claude to write songs in a way that -- well, actually, let me even start the question differently. I'll -- I'll take that -- unwind that. I'll start again.
First of all, you agree that an average person can write a song without the use of AI, or can try to write a song without the use of AI?
A An average person can write songs without the use of AI; that's the question?
Q Yeah.
A Yes.
Q Okay. And so there's nothing specific to

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AI that makes someone -- that creates a new form of composition for songwriting that didn't exist before?
A I -- yeah. I think that's the whole point of this discussion, is --
Q Well, I'm asking -- let me -- let me try to be more specific with my question. I'm not asking about your market analysis. We're going to -- we have been and we'll keep talking about that.
I'm asking about specific songwriting. In the same way that someone can use AI as a tool to write a song, I can write my own song without AI, right?
A Yes.
Q Okay. And in the same way that someone can use Claude to write a song, they can use other AI to write a song, right?
A Yes.
Q Okay. Have you done anything to quantify the extent to which an individual that would otherwise not write a song at all has written one because of the availability of AI?
A I think that's implied by the 34 percent increase -- later 38, if I remember correctly --

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of all music submitted to Deezer and the big jump in the number of songs that are -- that had been submitted to Deezer.
Q Other than that Deezer data, do you have any other quantification of that?
A Of what?
Q Of instances in which an individual that would not otherwise write a song has written one because of the availability of AI?
A I'm not quite sure -- and I can't -- I'm going to -- I'm going to have a tough time pulling it out in realtime. I'm quite sure that people have talked about similar increases in the number of songs that are being uploaded to other DSPs immediately after the -- or very shortly after the rise of -- of generative AI.
Q That's not --
A I think that's entirely consistent with what we see here with -- with Deezer.
Q That's not data that you included in your report?
A That's correct.
Q Reports? Okay.
Now, let's go back. You can imagine a situation in which a person, prior to the advent

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of AI, would -- or, actually, let me ask the question this way.
You can envision situations in which somebody uses AI to write a song, but in the absence of AI, they simply wouldn't write the song at all, right?
A I can imagine -- repeat the question.
Q Yes. Well, I'll give you an example.
Let's say I choose to use ChatGPT to help me write a song.
A Okay.
Q If I didn't have ChatGPT available, you can see a situation in which I just wouldn't write the song at all, right?
A Yes.
MR. MILLER: Object to form.
Q Okay. You could also envision the situation in which I write -- I use ChatGPT to help write a lullaby for -- I have a new niece -- for my niece. And in the absence of ChatGPT, it's not like I'd go hire a songwriter to go out and write a song for my niece, right?
MR. MILLER: Object to form.
A As -- as long as we still recognize that my -- my report is saying there's going to be --

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that the displacement and delusion here is going to include professional songwriters.
Q Right?
A That, yes, I could imagine a world where somebody would use Claude -- in fact, we mention in the report, obviously -- to write a song that they wouldn't have gone out and hired a lyricist for.
Q And then --
A As long as both of those things can be true, I'm cool.
Q Right. And then in terms of quantifying that, you don't have an empirical analysis or quantification of how much of the use of Claude to write songs is a use that displaces an existing songwriter versus is a song that would otherwise never have been created but for Claude? That's not a quantification or an empirical analysis you've done, is it?
MR. MILLER: Object to form.
A I don't know that I -- yeah.
THE WITNESS: Corey --
MR. MILLER: Object to form.
You can answer.
A I don't know that anybody has that -- that

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number.
Q Have you done any analysis of the prevalence of prompts and outputs from Claude requesting original song lyrics?
A Me personally?
Q Yes.
A No.
Q Have you done --
A I'm relying on the other -- I'm sorry. I'm relying on the other experts in this case.
Q Okay. And have you done any analysis or empirical study of the value to Anthropic of -- from Claude of the ability or the capability to generate new songs?
MR. MILLER: Object to form.
You can answer.
A Other than --
Q Let me -- I kind of botched that. Let me ask the question more clearly. That will help. I think it will help.
Are you able to quantify what dollar value, if any, Anthropic derives from Claude being able to generate new original songs?
A I think we're quantifying -- I think I'm quantifying other things in the report associated

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with the people who have made requests for lyrics and the amount of revenue that is attributable to -- to those customers.
As long -- as long as nothing I'm about to say negates those statements later on in the report, I think -- ask the question again. With that preface, ask the question again.
Q Yes. The question is: Are you able to quantify what dollar value, if any, Anthropic derives from Claude being able to generate new or original songs or song lyrics?
A Other than the -- other than the numbers later on in the report, I can't quantify a specific value associated with this.
Q And the numbers later on in the report, you are referring to your analysis of paid Claude accounts and the $55,000 that you identify in your supplemental report; is that right?
A I don't -- I don't remember how much it was, but whatever -- whatever -- whatever's said in the supplemental -- whatever's said later on in the report.
Q Okay. Do you think there was a finite number of songs that can be written?
MR. MILLER: Object to form.

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Like I said last time, right, like, piracy is my area, one of my areas of research. If you were to say, you know, can you identify a single artist who's been harmed by piracy, I'd have to say no, but we know in the literature the harm exists.
So I can't separate the harm from Anthropic from the harm from OpenAI.
Q Okay. Or any other LLM, for that matter?
A Or any other -- any other of the major LLMs.
Q Or any specific-purpose LLM versus other general-purpose LLMs?
A Even there, I don't know of a way to separate the harm.
Q All right. And in terms of the harm to the market for song lyrics that you identify, you can't separate out the harm that purportedly comes from Claude versus all other general-purpose or special-purpose LLMs, including music-related LLMs; fair?
MR. MILLER: Object to form.
A Yeah. Other than to the extent that everybody -- to the extent that everybody is creating lyrics, they're all contributing to the problem, you're asking me can I empirically -- I

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don't know of any way to do that. If I did, I would be writing a paper about it.
Q And you can't say that Claude is more or less responsible for any harm to the market for lyrics or songwriting than ChatGPT, for example, right?
A I don't know that anybody can make that assessment.
Q And you can't say that Claude is more or less responsible for any harm to the market for lyrics or songwriting than special-purpose LLMs that are oriented towards music tasks, for example? Right?
A Actually, could you ask the question a little bit slower again? I want to make sure I follow.
Q Yes. You can't say that Claude is more or less responsible for any harm to the market for lyrics or songwriting than special-purpose AI tools that are directed to music?
A To -- to the extent that some of those special-purpose LLMs are paying for their inputs, I would -- I would argue that they are less responsible, or causing less harm. That's a better way of saying it. Causing less harm

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than -- than an LLM that is not paying for their inputs.
Q Right. But you -- the only two LLMs that you identified that are music oriented that are paying for this inputs are Klay and Udio, right?
A That is correct.
Q All right. So we'll talk about those separately.
You understand there's more LLMs that are directed to music or more AI tools directed towards music than Klay and Udio, right?
A That's correct.
Q Okay. So my question is: You can't say that Claude is more or less responsible for any harm to the -- any supposed harm to the market for lyrics or songwriting than any special-purpose AI tools that are directed to music; isn't that right?
MR. MILLER: Object to form.
A Ask the question. You can't say that --
Q Claude is more or less responsible for any harm to the market for lyrics or songwriting than special-purpose AI tools that are directed to music?
A I don't know that anyone can -- can say

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that.
Q Now, could you go to Paragraph 98 of your opening report?
A Sure.
Q [redacted]
Do you see that?
A Yeah. Just give me a sec to -- okay.
Q Okay. So you --
A Give me just one more second.
Q Sorry.
A I found something. Just give me one more second.
Q Are you still reading Paragraph 98?
A I'm getting -- I wanted to read the context. I'm on 97.
Q Sure.
A All right.
Q [redacted]
Do you see that?
A Yes.

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)