## Cooley

## Commerce Zooms in on Al Software for Geospatial Imagery Analysis

January 6, 2020

On Monday, January 6, 2020, the US Department of Commerce's Bureau of Industry and Security published an interim rule that places additional export control restrictions under the Export Administration Regulations on certain automated geospatial imagery analysis software.

The specific software that is subject to the interim rule is defined as follows:

Geospatial imagery software specially designed for training a Deep Convolutional Neural Network to automate the analysis of geospatial imagery and point clouds, and having all of the following:

- Provides a graphical user interface that enables the user to identify objects (e.g., vehicles, houses, etc.) from within geospatial imagery and point clouds in order to extract positive and negative samples of an object of interest
- 2. Reduces pixel variation by performing scale, color and rotational normalization on the positive samples
- 3. Trains a Deep Convolutional Neural Network to detect the object of interest from the positive and negative samples
- Identifies objects in geospatial imagery using the trained Deep Convolutional Neural Network by matching the rotational pattern from the positive samples with the rotational pattern of objects in the geospatial imagery

Technical Note: A point cloud is a collection of data points defined by a given coordinate system. A point cloud is also known as a digital surface model.

Notably, to be caught by the rule, the subject software must be specially designed for training a Deep Convolutional Neural Network and satisfy all four of the listed criteria. The term "specially designed" is broadly defined and can in some cases capture software capable merely of use in or with Deep Convolutional Neural Networks. The determination of whether software is specially designed ultimately requires a fact-specific analysis, including a review of other intended uses of the software.

Under the interim rule, an export license will be required from BIS to export such software subject to the interim rule to every country except Canada. There is a 60-day comment period, ending March 6, 2020, during which interested parties may submit comments regarding the new export controls for BIS to consider in its final implementation of the rule.

Please contact us if you have any questions regarding the latest rule, or if you would like to discuss the potential application of this rule to specific products.

This content is provided for general informational purposes only, and your access or use of the content does not create an attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction, and you should not act or refrain from acting based on this content. This content may be changed without notice. It

is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. When advising companies, our attorney-client relationship is with the company, not with any individual. This content may have been generated with the assistance of artificial intelligence (Al) in accordance with our Al Principles, may be considered Attorney Advertising and is subject to our legal notices.

## **Key Contacts**

Kevin King Washington, DC

kking@cooley.com +1 202 842 7823

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.