

Hype Responsibly: Why ‘AI Washing’ Can Get Companies in Trouble

Media Mentions

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Bracewell's **David Shargel** shared with *Tech Brew* how companies face the increased risk of litigation if found to be overstating their artificial intelligence capabilities.

Beyond enforcement actions, companies also face a risk of shareholder lawsuits, much like with “greenwashing” or, in rarer cases, “cloud-washing” according to Shargel.

The Securities and Exchange Commission has begun cracking down on companies that make false claims about AI in recent months following a series of warnings to publicly traded companies from Chair Gary Gensler.

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David A. Shargel

Partner

NEW YORK

+1.212.508.6154

david.shargel@bracewell.com

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