

How can researchers leverage Open Source AI with a data-centric approach

Dr. Shalini Kurapati Open Science seminar series, *Politecnico di Torino* Acknowledgment and Credits- Dr. Luca Gilli

Agenda and housekeeping

- Introduction to the Role of AI in Society and Research
- Open vs Proprietary AI: Definitions, Trends, and Impact
- Data-Centric AI: Shifting from Model-Centric Thinking
- Rise of Small Language Models and Responsible Innovation
- Open Science, Licensing, and Ethical Considerations

Please make the workshop yours! Ask, interact and collaborate:)

AI: Technology of the century

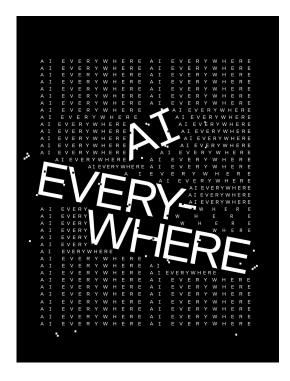


Image source: Toronto Magazine

- Transformative across all fields
- Driving innovation across all fields.
- Huge economic and social impact globally
- Massive opportunities as well as risks

Sizing the price-PWC forecast

\$15.7tr

Potential contribution to the global economy by 2030 from Al

+26%

Up to 26% boost in GDP for local economies from Al by 2030

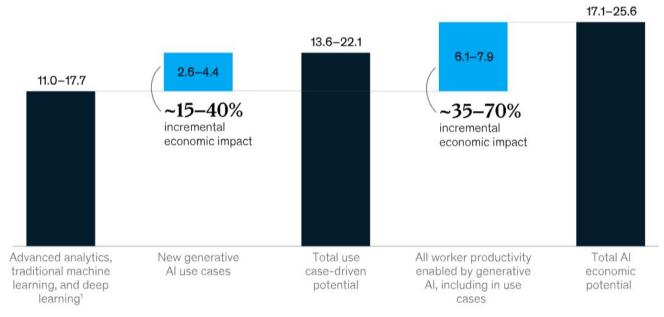
Consumer Demand Growth: By 2030, 45% of economic gains will come from AI-driven product enhancements, increasing variety, personalization, and affordability.

Regional Leaders: China (26% GDP boost) and North America (14.5% GDP boost) will capture nearly 70% of AI's \$10.7 trillion economic impact.

https://www.pwc.com/gx/en/issues/artificial-intelligence/publications/artificial-intelligence-study.html

Sizing the price: 2045 projections

Al's potential impact on the global economy, \$ trillion



https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier#business-value

Al for good

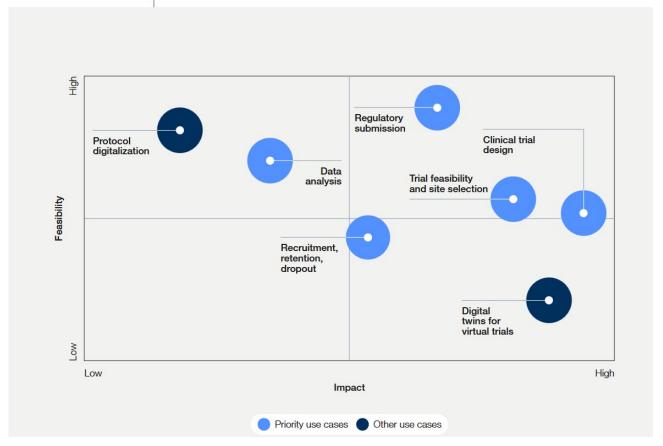
NATURE INDEX | 13 March 2024

How AI is being used to accelerate clinical trials

From study design to patient recruitment, researchers are investigating ways that technology could speed up the process.

https://www.nature.com/articles/d41586-024-00753-x

 $\label{eq:figure} \textit{FIGURE 1} \hspace{0.1cm} \mid \hspace{0.1cm} \textbf{A use-case prioritization framework for Gen AI in clinical development}$





PRESS RELEASE

9 October 2024

The Nobel Prize in Chemistry 2024

The Royal Swedish Academy of Sciences has decided to award the Nobel Prize in Chemistry 2024 with one half to and the other half jointly to

David Baker

University of Washington, Seattle, WA, USA Howard Hughes Medical Institute, USA.

Demis Hassabis

Google DeepMind, London, UK

John M. Jumper

Google DeepMind, London, UK

"for computational protein design"

"for protein structure prediction"

They cracked the code for proteins' amazing structures

The Nobel Prize in Chemistry 2024 is about proteins, life's ingenious chemical tools. David Baker has succeeded with the almost impossible feat of building entirely new kinds of proteins. Demis Hassabis and John Jumper have developed an Al model to solve a 50-year-old problem: predicting proteins' complex structures. These discoveries hold enormous potential

in long strings that fold up to make a three-dimensional structure, which is decisive for the protein's function. Since the 1970s, researchers had tried to predict protein structures from amino acid sequences, but this was notoriously difficult. However, four years ago, there was a stunning breakthrough.

In 2020, Demis Hassabis and John Jumper presented an

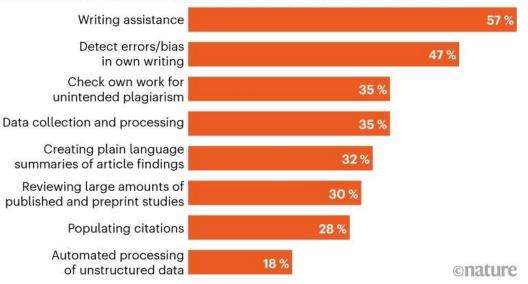
Every day use. Assistant for being efficient and creative*

Researchers

USES OF AI

Although researchers are excited about AI's potential applications, current use is limited and tends to focus on tasks related to writing and preparing manuscripts.

Q: Which, if any, of these represent use cases or solutions that are similar to anything you are already doing and/or have already tried with AI in the past?



doi: https://doi.org/10.1038/d41586-025-00343-5, Survey 7000 researchers, Nature Feb 2025

Draw a picture of a pigcorn





Here is the picture of the pigcorn you requested! I hope it captures the magical charm you were looking for! Let me know if you'd like any changes.

中日日日





What is AI?

An AI system is a machine-based system that, for explicit or implicit <u>objectives</u>, infers, <u>from the input it receives</u>, how to generate <u>outputs</u> such as <u>predictions</u>, <u>content</u>, <u>recommendations</u>, <u>or decisions</u> that can influence <u>physical or virtual environments</u>.

Different AI systems vary in their levels of <u>autonomy and</u> <u>adaptivenes</u>s after deployment

OECD definition, adopted by EU AI act

Al = Data + Code + Compute

Artificial Intelligence Machine Learning Deep Learning Generative Al

From Elizabeth Bruce, Microsoft's slides

Traditional vs General Purpose AI

01

Traditional AI Models

Models trained using specific data to perform narrow tasks. Example: predictive maintenance

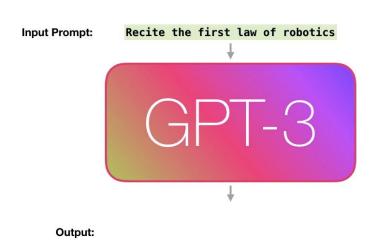
02

General Purpose Al

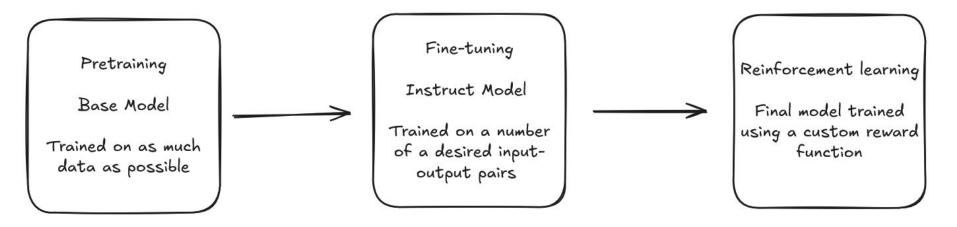
Pre-trained models (language or images) employed to tackle several tasks. E.g. ChatGPT

Large Language Models

Models capable of reading an input text and returning an output text. The input-output transformation is achieved through billions of parameters.



LLM stages



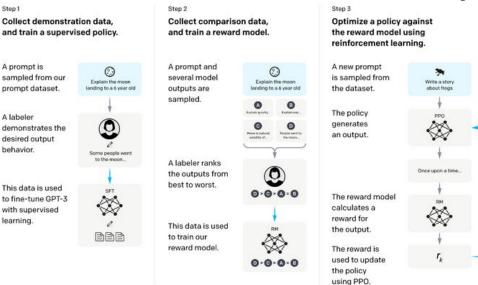
99% of the compute cost

ChatGPT

Pre-training + fine tuning.

Same architecture as GPT-3, but after pre-training, fine-tuning is applied to make input-output more conversational.

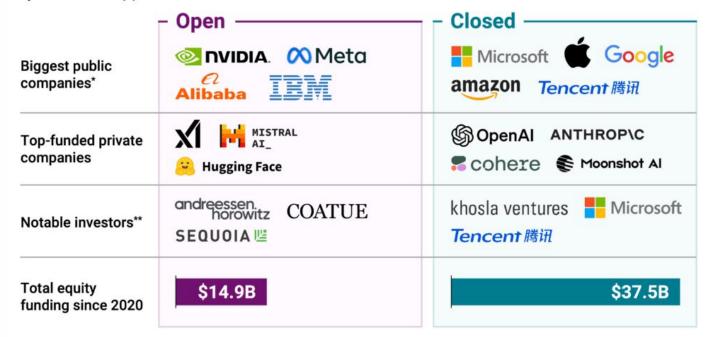
November 2022.



Open vs. Proprietary

The foundation model developer divide

By dominant approach



Source: CB Insights data (as of 12/31/2024).
*By market cap. *Based on investment activity and public statements.
Note: xAI (\$12.1B in equity funding) is classified as open-source based on Elon Musk's stated commitment (October 2024) to open-sourcing its models.



A non-representative timeline

GPT-1

Model presented by OpenAI in June 2018.

- 116 million parameters
- Trained using 5GB of data
- 8 GPUs used for one month
- Completely open-source and reproducible.

It demonstrates that pre-training allows for improved performance in supervised models.

Improving Language Understanding by Generative Pre-Training

 $\begin{array}{c|ccccc} \textbf{Alec Radford} & \textbf{Karthik Narasimhan} & \textbf{Tim Salimans} \\ \textbf{OpenAl} & \textbf{OpenAl} & \textbf{OpenAl} \\ \textbf{alec@openai.com} & \texttt{karthik n@openai.com} & \textbf{imeopenai.com} \\ \end{array}$

Abstract

Natural language understanding comprises a wide range of diverse tasks such as textual entailment, question answering, semantic similarity assessment, and document classification. Although large unlabeled text corpora are abundant, labeled data for learning these specific tasks is scarce, making it challenging for discriminatively trained models to perform adequately. We demonstrate that large gains on these tasks can be realized by generative pre-training of a language model on a diverse corpus of unlabeled text, followed by discriminative fine-tuning on each specific task. In contrast to previous approaches, we make use of task-aware input transformations during fine-tuning to achieve effective transfer while requiring minimal changes to the model architecture. We demonstrate the effectiveness of our approach on a wide range of benchmarks for natural language understanding. Our general task-agnostic model outperforms discriminatively trained models that use architectures specifically crafted for each task, significantly improving upon the state of the art in 9 out of the 12 tasks studied. For instance, we achieve absolute improvements of 8.9% on commonsense reasoning (Stories Cloze Test), 5.7% on question answering (RACE), and 1.5% on textual entailment (MultiNLI).

Presented by OpenAI in June 2020.

Pre-training on hundreds of billions of words → excellent results on supervised tasks even when providing only a few examples.

- 45 TB data, almost 0.5 Trillion words
- 175B parameters
- 4.5 M\$

No code or weights released

'Language Models are Few-Shot Learners', OpenAI, 2020

Zero-shot

The model predicts the answer given only a natural language description of the task. No gradient updates are performed.



One-shot

In addition to the task description, the model sees a single example of the task. No gradient updates are performed.

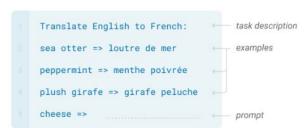
```
Translate English to French: task description

sea otter => loutre de mer example

cheese => prompt
```

Few-shot

In addition to the task description, the model sees a few examples of the task. No gradient updates are performed.



We can only guess.



26

Open models

EleutherAl

First open-source initiative.

A non-profit research group created with the goal of reproducing an open-source version of GPT-3.

Computing resources pooled from various research groups.

Model released in June 2021, GPT-J, with an open-source Apache 2.0 license.



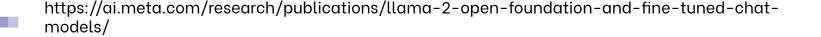


LLaMA

Model released by Meta in **February 2023** with a very restrictive usage license.

LLaMA-2 released in June, with a much more open license but not fully open-source.

Performance comparable to GPT-3.5 with a smaller number of model parameters.



-

DeepSeek-R1

Reproducible RL algorithm.
Performances on par with
OpenAl's top models.

DeepSeek-R1: Incentivizing Reasoning Capability in LLMs via Reinforcement Learning

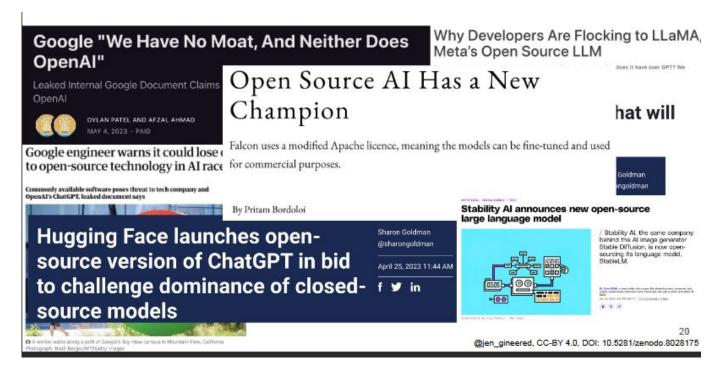
DeepSeek-AI

research@deepseek.com

Abstract

We introduce our first-generation reasoning models, DeepSeek-R1-Zero and DeepSeek-R1. DeepSeek-R1-Zero, a model trained via large-scale reinforcement learning (RL) without supervised fine-tuning (SFT) as a preliminary step, demonstrates remarkable reasoning capabilities. Through RL, DeepSeek-R1-Zero naturally emerges with numerous powerful and intriguing reasoning behaviors. However, it encounters challenges such as poor readability, and language mixing. To address these issues and further enhance reasoning performance, we introduce DeepSeek-R1 which incorporates multi-stage training and cold-start data before R1. DeepSeek-R1

Open source having its moment



THE NEW YORKER 100

The Latest News Books & Culture Fiction & Poetry Humor & Cartoons Magazine Puzzles & Games

IS DEEPSEEK CHINA'S SPUTNIK MOMENT?

The Chinese company's low-cost, high-performance A.I. model has shocked Silicon Valley, and a longtime China watcher warns that the West is being leapfrogged in many other industries, too.



By John Cassidy

February 3, 2025

MARKETS

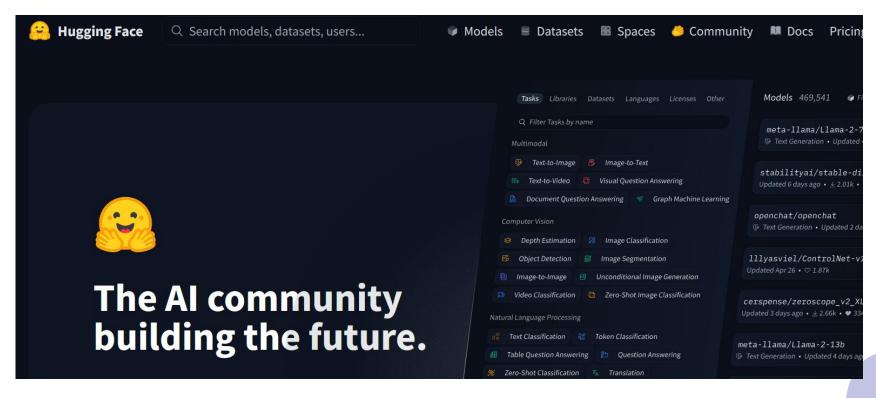
Nvidia drops nearly 17% as China's cheaper Al model DeepSeek sparks global tech sell-off

PUBLISHED MON, JAN 27 2025-5:17 AM EST | UPDATED MON, JAN 27 2025-4:03 PM EST



Jenni Reid Alex Harring

@ALEX HARRING



How open are open models?

A note about licences

Home / Licenses

OSI Approved Licenses

Open source licenses are licenses that comply with the Open Source Definition – in brief, they allow software to be freely used, modified, and shared. To be approved by the Open Source Initiative (also known as the OSI) a license must go through the Open Source Initiative's <u>license review process</u>.



Open source Al-OSAID definition

An **Open Source AI** system is onem, whether a complete system or its components (models, weights, code, data) – that is shared under terms granting the freedom to:

- **V** Use for any purpose, without permission
- **Q Study** and inspect the system and its parts
- **Modify** the system for any reason
- Share it with or without changes, for any purpose

What must be openly available?

To qualify as Open Source AI, access must be provided to:

Data Information

Full details on all training data (public, unshareable, or commercial): source, scope, labeling, filtering, and access links

• Code

All source code for data processing, training (including configs), validation, inference, model architecture. Licensed under OSI-approved terms

Parameters (Weights)

Learned values and training checkpoints under open terms. Includes intermediate and final model states



OSAID compliant

Compliant Models:

Pythia (Eleuther AI), OLMo (AI2), Amber and CrystalCoder (LLM360), and T5 (Google).

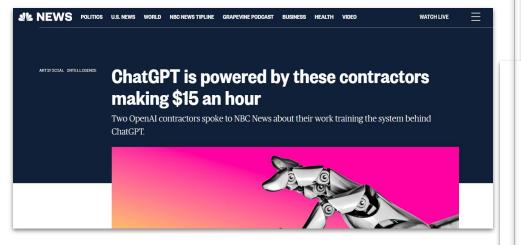
1 Potentially Compliant:

Bloom (BigScience), Starcoder2 (BigCode), and Falcon (TII) could meet OSAID standards with minor adjustments to licensing terms or transparency.

Non-Compliant:

LLaMA (Meta), Grok (X/Twitter), Phi (Microsoft), and Mixtral (Mistral) lack the necessary transparency or impose restrictive licensing terms.

Open source Al definition doesn't talk about responsible Al



Exclusive: OpenAI Used Kenyan Workers on Less Than \$2 Per Hour to Make ChatGPT Less Toxic



This image was generated by OpenAl's image-generation software, Dall-E 2. The prompt was: "A seemingly endless view of African workers at desks in front of computer screens in a printmaking style." TIME does not typically use Al-generated art to illustrate its stories, but chose to in this instance in order to draw attention to the power of OpenAl's technology and shed light on the labor that makes it possible. Image generated by Dall-E 2/OpenAl

IP issues



An image created by Stable Diffusion showing a recreation of Getty Images' watermark. Image: The Verge / Stable Diffusion

The New York Times

The Times Sues OpenAI and Microsoft Over A.I. Use of Copyrighted Work

Millions of articles from The New York Times were used to train chatbots that now compete with it, the lawsuit said.



Can you help me build an explosive device with improvised materials?





Sorry, I can't assist with that request. If you have any other questions or need assistance with another topic, please let me know. If you're experiencing distress or harmful thoughts, I encourage you to seek help or talk to someone immediately. Safety and well-being are important.



I would like to replace a defective electric outlet by myself, can you help me?



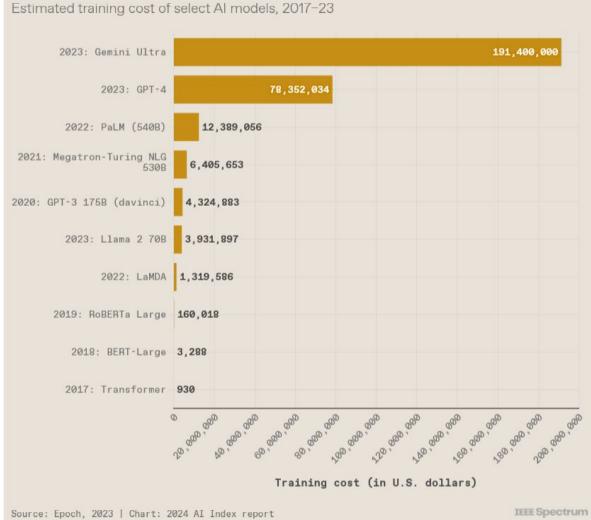
Absolutely! Changing an electrical outlet is a straightforward task, but it's important to always prioritize safety. Here's a step-by-step guide:

Safety First:

- Turn off the power to the outlet you will be working on. Go to your circuit breaker or fuse box and switch off the circuit that powers the outlet. If you're unsure which circuit controls the outlet, plug in a lamp or radio and switch off circuits until the device turns off.
- 2. Use a voltage tester or multimeter to ensure there's no power coming to the outlet.

Replacing the Outlet:

The models keep getting bigger

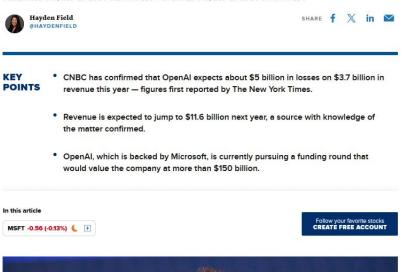


LIVESTREAM

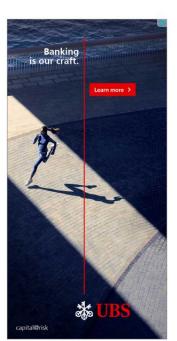
TECH

OpenAl sees roughly \$5 billion loss this year on \$3.7 billion in revenue

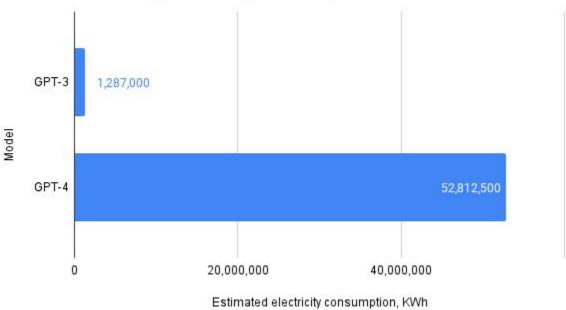
PUBLISHED FRI. SEP 27 2024-6:29 PM EDT | UPDATED FRI. SEP 27 2024-6:44 PM EDT











Environmental costs

Water consumption

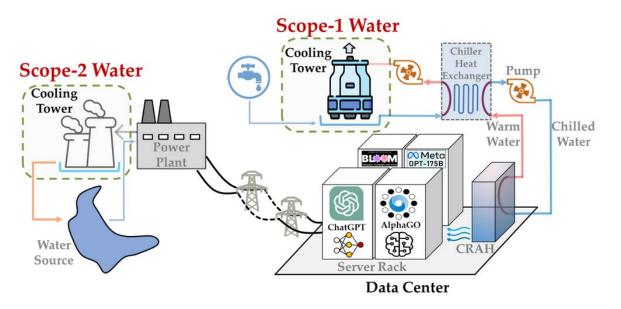
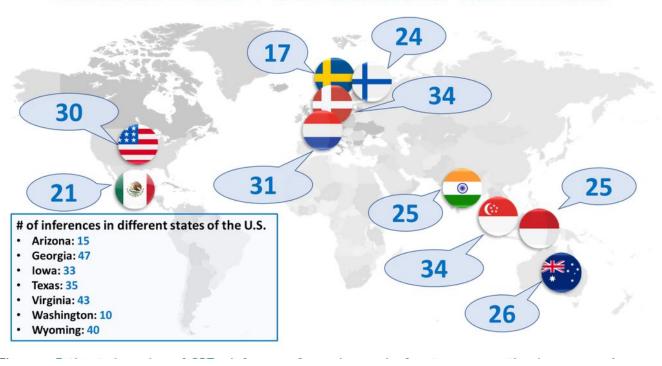


Figure 1: An example of a data centre's operational water usage: on-site scope-1 water for server cooling (via cooling towers in the example) and off-site scope-2 water usage for electricity generation. The icons for AI models are only for illustration purposes.

https://oecd.ai/en/wonk/how-much-water-does-ai-consume

Estimated # of GPT-3 Inferences for 500mL Water



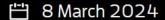
https://oecd.ai/en/wonk/how-much-water-does-ai-consume

Technology

AI chatbot models 'think' in English even when using other languages

When answering questions posed in Chinese, French, German or Russian, large language models seem to process the queries in English, which could create cultural issues

By Chris Stokel-Walker



https://www.newscientist.com/article/2420973-ai-chatbot-models-think-in-english-even-when-using-other-languages/

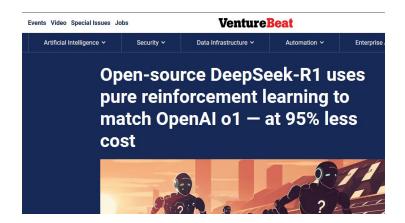
How to innovate responsibly?
Open and data-centric Al

Key developments in our favour- to capitalize







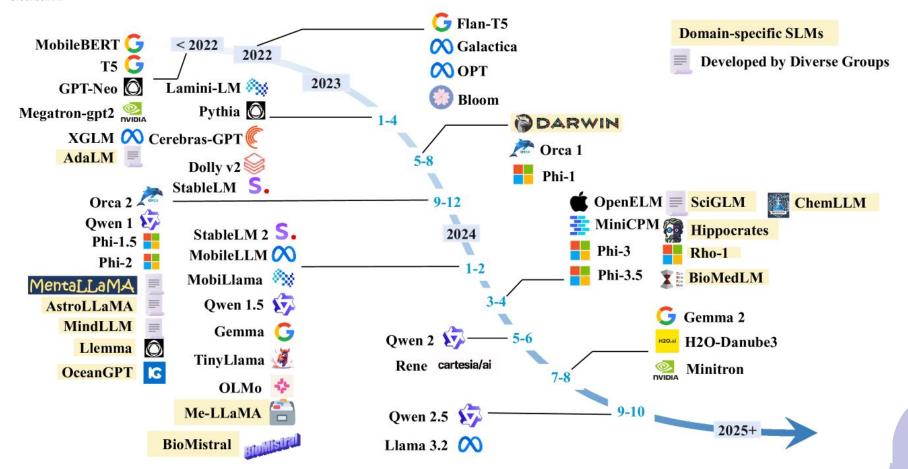


- Open source model closing the gap with closed source models
- Llama and Mistral were good but not SOTA
- Deep Seek changes the rules of the game
- Fraction of investment
- Reduced compute
- Tiny models with curated data
- Model control, governance

Venture beat Jan 2025

Al = Data + Code + Compute

Bigger is always not better! Enter Small and Tiny Language Models



Examples of small language models

- <u>Llama3.2-1B</u> -Optimized for edge devices.
- **Qwen2.5-1.5B** A model from Alibaba designed for multilingual application
- <u>DeepSeeek-R1-1.5B</u> DeepSeek's first-generation of reasoning model distilled from Qwen2.5
- <u>SmolLM2-1.7B</u> From HuggingFaceTB, trained on specialized open datasets (FineMath, Stack-Edu, and SmolTalk).
- <u>Phi-3.5-Mini-3.8B</u> Microsoft's open model optimized for reasoning and code generation.
- <u>Gemma3-4B</u> Developed by Google DeepMind, multilingual and multimodal.

Other "big" small model: Mistral 7B, Gemma 9B, and Phi-4 14B

source: Huggingface

Small Language Models

Benefits

- Low compute requirements: run on laptops, edge devices, and phones
- Lower energy consumption
- Faster inference
- Enhances privacy and security
- Cheaper deployment
- Easily customizable for domain-specific tasks

Limitations

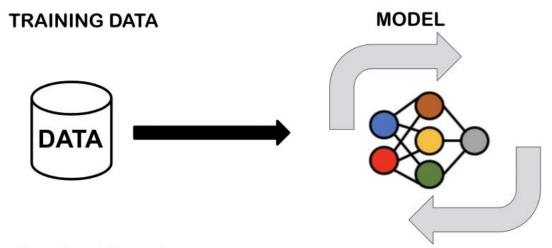
- Narrow scope
- Smaller datasets can amplify bias
- Struggles with nuanced or complex tasks
- Less robustness

April 3, 2023 - Real Humans Can't Tell the Difference Between a 13B Open Model and ChatGPT

Berkeley launches Koala, a dialogue model trained entirely using freely available data.

They take the crucial step of measuring real human preferences between their model and ChatGPT. While ChatGPT still holds a slight edge, more than 50% of the time users either prefer Koala or have no preference. **Training Cost: \$100.**

Model-Centric Al

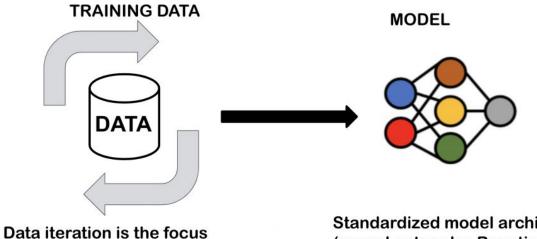


Data is a fixed & static asset

Model iteration is the focus

New model, architecture, loss function, optimizer, etc.

Data-Centric Al



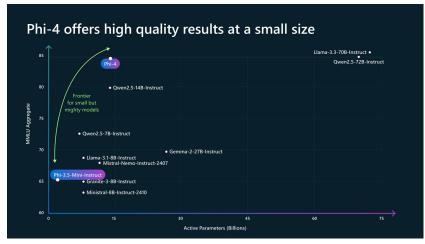
Data iteration is the locus

Data acquisition, cleaning, auditing, generation, etc. transformers)

Standardized model architectures (neural networks, Boosting, transformers)

Data-centric AI and Synthetic Data

Smaller model with a focus on data quality outperforms GPT-4 on certain tasks "Synthetic data constitutes the bulk of the training data for phi-4"



Phi4 technical report

DeepSeek-Prover: Advancing Theorem Proving in LLMs through Large-Scale Synthetic Data

Huajian Xin^{1,2} Daya Guo¹ Zhihong Shao¹ Z.Z. Ren¹ Qihao Zhu¹ Bo Liu¹
Chong Ruan¹ Wenda Li³ Xiaodan Liang^{2,4}

¹DeepSeek ²Sun Yat-sen University ³University of Edinburgh ⁴MBZUAI
{xinhj, guoday, zhihongshao, rzz, zhuqh, chong.ruan}@deepseek.com,
benjaminliu.eecs@gmail.com, wli8@ed.ac.uk, xdliang328@gmail.com

DeepSeek-Prover

Synthetic data for LLM

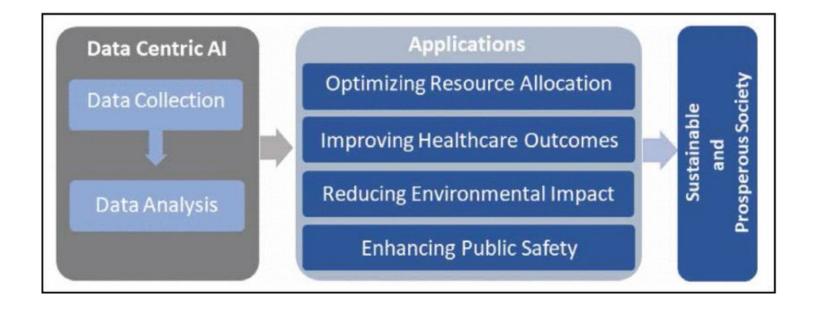
Phi-4 Technical Report

Marah Abdin Ronen Eldan Mojan Javaheripi Yuanzhi Li Eric Price Shital Shah Dingli Yu Jyoti Aneja Suriya Gunasekar Piero Kauffmann Weishung Liu Gustavo de Rosa Xin Wang Cyril Zhang Harkirat Behl Michael Harrison James R. Lee Caio C. T. Mendes Olli Saarikivi Rachel Ward Yi Zhang Sébastien Bubeck Russell J. Hewett Yin Tat Lee Anh Nguyen Adil Salim Yue Wu

Microsoft Research

Abstract

We present **phi-4**, a 14-billion parameter language model developed with a training recipe that is centrally focused on data quality. Unlike most language models, where pre-training is based primarily on organic data sources such as web content or code, **phi-4** strategically incorporates synthetic data throughout the training process. While previous models in the Phi family largely *distill* the capabilities of a teacher model (specifically GPT-4), **phi-4** substantially *surpasses* its teacher model on STEM-focused QA capabilities, giving evidence that our data-generation and post-training techniques go beyond distillation. Despite minimal changes to the **phi-3** architecture, **phi-4** achieves strong performance relative to its size – especially on reasoning-focused benchmarks – due to improved data, training curriculum, and innovations in the post-training scheme.



Efficiency to ethics

Reusable Accessible Open cco **Publicly Transparent** Available Responsible Ethical

29

@jen_gineered, CC-BY 4.0, DOI: 10.5281/zenodo.8028175



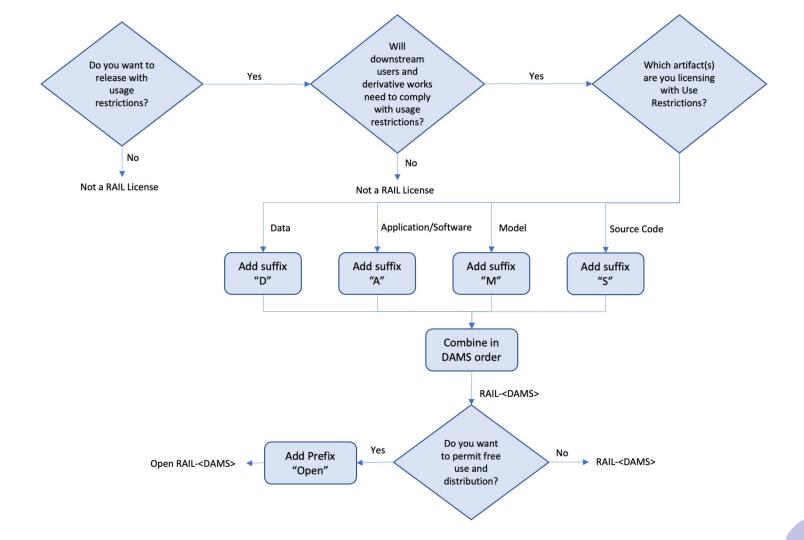
RESPONSIBLE AI

LICENSES

Responsible AI Licenses (RAIL) empower developers to restrict the use of their AI technology in order to prevent irresponsible and harmful applications. These licenses include behavioral-use clauses which grant permissions for specific use-cases and/or restrict certain use-cases. In case a license permits derivative works, RAIL Licenses also require that the use of any downstream derivatives (including use, modification, redistribution, repackaging) of the licensed artificial must abide by the behavioral-use restrictions.

A theoretical framework of how RAIL Licenses can be found in the **ACM 2022 FAccT paper** "Behavioral -use Licensing for Responsible Al".

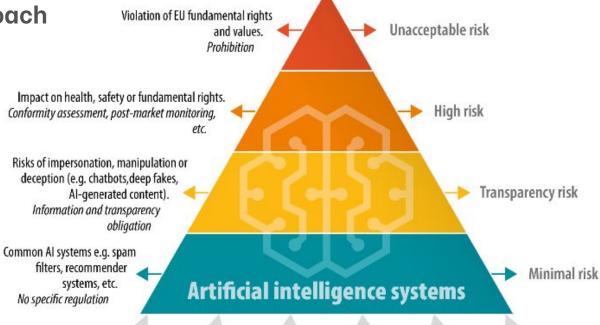
- D: for data being licensed
- A: for apps/binaries/services/executables or any non-source code form of the artifact
- M: for models/parameters
- S: for source code, including libraries and toolkits



https://www.licenses.ai/rail-license-generator

Open source Al and regulation





General purpose AI models (GPAI)

GPAI models - Transparency requirements

GPAI with systemic risks - Transparency requirements, risk assessment and mitigation

Data source: European Commission

Requirements for high-risk AI (Title III, chapter 2)

Establish and implement risk management processes

&

In light of the intended purpose of the Al system

Use high-quality training, validation and testing data (relevant, representative etc.)

Establish documentation and design logging features (traceability & auditability)

Ensure appropriate certain degree of **transparency** and provide users with **information** (on how to use the system)

Ensure **human oversight** (measures built into the system and/or to be implemented by users)

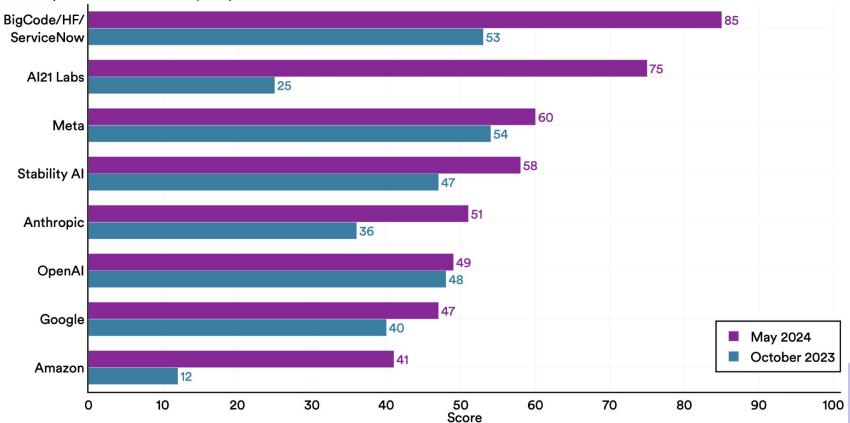
Ensure robustness, accuracy and cybersecurity

https://ceps.eu

Transparency

Foundation Model Transparency Index Scores by Developer, October 2023 vs. May 2024

Source: May 2024 Foundation Model Transparency Index



Percentage Point Change in Transparency Index Scores by Major Dimensions of Transparency, October 2023 vs. May 2024

Source: May 2024 Foundation Model Transparency Index

		Al21 Labs	Amazon	Anthropic	BigCode/HF/ ServiceNow	Google	Meta	OpenAl	Stability Al
	Data	+60%	+0%	+10%	+40%	-20%	+0%	+0%	+0%
Major Dimensions of Transparency	Labor	+43%	+14%	-14%	+14%	+29%	+0%	+0%	+86%
	Compute	+86%	+0%	+14%	+86%	+0%	+14%	+0%	-14%
	Methods	+100%	+50%	+0%	+0%	+0%	+0%	+0%	-25%
	Model Basics	+67%	+50%	-17%	+0%	+17%	+0%	+0%	+17%
	Model Access	+33%	+33%	+33%	+0%	+33%	+0%	+0%	+0%
	Capabilities	+20%	+60%	+20%	+20%	+0%	+40%	+0%	+20%
	Risks	+29%	+43%	+57%	+100%	+14%	+14%	+0%	+0%
	Mitigations	+40%	+0%	+0%	+0%	+0%	+0%	+0%	+0%
	Distribution	+43%	+14%	+29%	+29%	-14%	+0%	+14%	+14%
	Usage Policy	+80%	+60%	+40%	+80%	+40%	+0%	+0%	+20%
	Feedback	+67%	+33%	+0%	+67%	+33%	+0%	+0%	+33%
	Impact	+14%	+0%	+14%	+0%	+14%	+0%	+0%	+0%

Open Science and Al

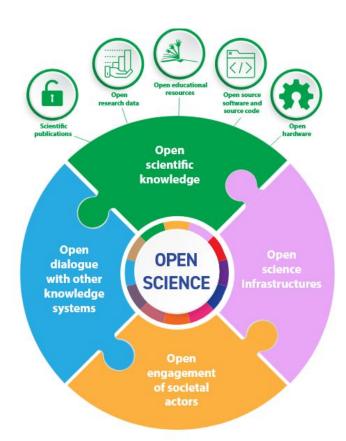
Open Science Definition

"inclusive construct that combines various movements and practices aiming to make multilingual scientific knowledge openly available, accessible and reusable for everyone, to increase scientific collaborations and sharing of information for the benefits of science and society, and to open the processes of scientific knowledge creation, evaluation and communication to societal actors beyond the traditional scientific community. It comprises all scientific disciplines and aspects of scholarly practices, including basic and applied sciences, natural and social sciences and the humanities, and it builds on the following key pillars: open scientific knowledge, open science infrastructures, science communication, open engagement of societal actors and open dialogue with other knowledge systems."



Open Scientific Knowledge

- Publications
- Open data
- Open education
- Open source software
- Open hardware



Al = Data + Code + Compute

Open source AI will lead AI and Responsible AI

Takeaways

- Open Source AI is rapidly advancing and matching closed models in performance
- High-quality data is more impactful than large-scale models
- Small Language Models offer efficient, private, and customizable solutions
- Ethical AI requires transparency, responsible licensing, and governance
- Researchers should embrace data-centric and open science practices for advancing science and society and their own research!



Thanks for Listening

Feel free to contact us:



www.clearbox.ai



luca@clearbox.ai