



By: TA | AP Brief

# Anthropic sues Trump administration seeking to undo 'supply chain risk' designation



Artificial intelligence company Anthropic is suing to stop the Trump administration from enforcing what it calls an “unlawful campaign of retaliation” over its refusal to allow unrestricted military use of its technology.

Anthropic asked federal courts to reverse the **Pentagon’s decision** last week to designate the artificial intelligence company a “ **supply chain risk**.”

The company also seeks to undo President Donald Trump's order directing federal employees to stop using its AI chatbot Claude.

The legal challenge intensifies an unusually public dispute over how AI can be used in warfare and mass surveillance – one that has also dragged in Anthropic's tech industry rivals, particularly ChatGPT maker OpenAI, which made its own deal to work with the Pentagon just hours after the government punished Anthropic for its stance.

Anthropic filed two separate lawsuits Monday, one in California federal court and another in the federal appeals court in Washington, D.C., each challenging different aspects of the government's actions against the San Francisco-based company.

“These actions are unprecedented and unlawful,” Anthropic's lawsuit says. “The Constitution does not allow the government to wield its enormous power to punish a company for its protected speech. No federal statute authorizes the actions taken here. Anthropic turns to the judiciary as a last resort to vindicate its rights and halt the Executive’s unlawful campaign of retaliation.”

The Defense Department declined to comment Monday, citing a policy of not commenting on matters in litigation.

## National security

Anthropic said it sought to restrict its technology from being used for mass surveillance of Americans and **fully autonomous weapons**.

Defense Secretary Pete Hegseth and other high-ranking officials publicly insisted the company must accept “all lawful” uses of Claude, threatened punishment if Anthropic did not comply and condemned the firm and its CEO Dario Amodei on social media.

Designating the company a supply chain risk cuts off Anthropic's defense work using an authority that was designed to prevent foreign adversaries from harming national security systems.

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Hegseth said in a March 4 letter to Anthropic that it was “necessary to protect national security,” according to Anthropic's lawsuit.

Trump also said he would order federal agencies to stop using Claude, though he gave the Pentagon six months to phase out a product that’s deeply embedded in classified military systems, including those used in the Iran war.