

NFTs and Their Role in the “Metaverse”

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Facebook recently announced that it was investing \$10 billion in profits into development of the “Metaverse,” a new platform focused on augmented and virtual realities. While the features of this proposed “Metaverse” are unclear at this time, such a proposal envisions a world where the digital and physical world are closely integrated. And Facebook is not alone—many companies are increasingly moving towards augmented reality products.

Non-Fungible Tokens (NFTs) will be critical to making the vision of integrating the digital and physical world by giving a unique identity to avatars or digital items. For instance, an avatar supported by NFT technology will not just be a generic compilation of face and clothes templates which can be copied by any other user selecting those templates. Instead, an NFT-supported avatar would be comprised of all the user’s prior digital interactions and experiences (effectively reflecting their digital “life”) and possessing all the digital items the user has accumulated (which would themselves be backed by NFTs). In effect, NFTs give users and items an “identity” within a virtual space that is completely independent from a developer’s control of the code. This [article](#) details further the role NFTs may play in the Metaverse.

About Winston’s Videogame, Gaming & Esports Group

Recognizing that emerging industries require bespoke lawyering, David Enzminger formed and lead Winston’s Videogame, Gaming & Esports Group to provide comprehensive legal solutions to companies in these industries. This multidisciplinary group includes more than 60 lawyers across 10 practices working seamlessly to assist companies in these industries in all areas, including managing IP portfolios, assisting esports companies establish global sports leagues, selling franchises, and developing proactive legal solutions for issues that arise from league operations. We represent videogame publishers in antitrust matters and represent both rights owners and gaming companies in licensing issues for game content. In addition, our team helps electronic game clients prepare for all types of regulatory and public scrutiny issues, such as corporate governance, data privacy, and harassment/discrimination claims that are sure to come as the industry continues to grow in both size and influence. Our offices in New York, Silicon Valley, Los Angeles, Shanghai, and Hong Kong provide gaming clients with a global platform for their complex and evolving legal needs.

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