GameStop partners with blockchain startup ImmutableX to develop NFT marketplace

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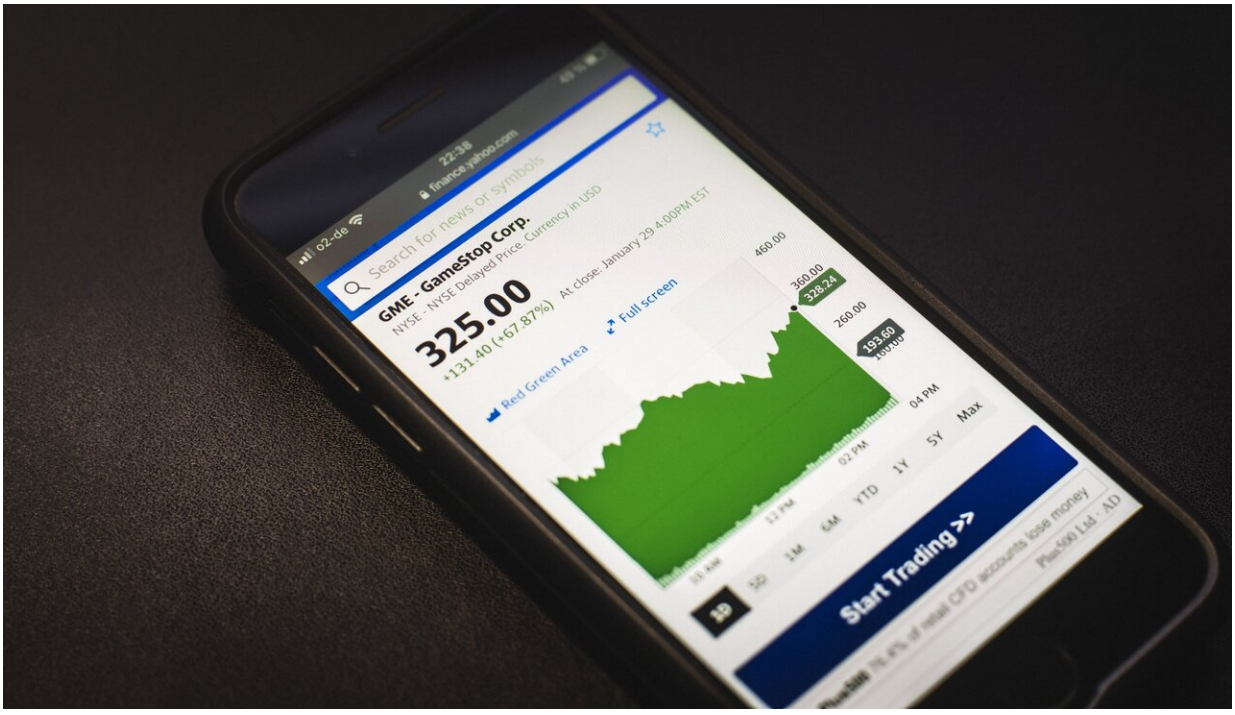

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GameStop will partner with Australian blockchain startup ImmutableX to set up an NFT marketplace to help game developers create their own non-fungible tokens, the company announced Thursday.

GameStop said it will set up a fund with up to $100 million worth of

ImmutableX's tokens, called IMX, that it will dole out to developers who create NFTs for its marketplace that can be used in video games. As part of the deal, ImmutableX could also pay the retailer as much as $150 million in its tokens if the GameStop NFT marketplace achieves certain milestones, according to a filing.

For several months, the struggling video game retailer's leadership has talked about pursuing new lines of business in emerging technologies like Web3 and blockchain tech. As consumer demand for physical video games has declined in recent years, GameStop's business has withered, unable to seize on new business opportunities and forcing it to close physical storefronts across the globe to save costs.

Retail investors in the stock have long hyped the vision for a new, reimagined GameStop teased by board chair and Chewy cofounder Ryan Cohen. GameStop's plan for a turnaround of the core video game business has been short on details.

The company's stock was up roughly 5% Thursday morning after the announcement of the partnership with ImmutableX.

In December, the GameStop website invited visitors to sign up to be creators on GameStop's NFT marketplace. The company also recently hired around 20 employees to staff a new NFT division. According to a filing, the vice president of business development over blockchain, Kurt Bierbower, signed off on the partnership with ImmutableX.

ImmutableX advertises that it offers an interface for clients to build carbon-neutral NFTs on Ethereum-based blockchain. A number of companies, including Coca-Cola and the NBA, have begun experimenting with the nascent NFT technology that assigns digital objects a unique ID, making them an exchangeable asset.

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