

Roblox/NMPA Settlement - A Roadmap for New Partnerships between Music and Gaming Industries?

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by Ryan Meyer



On September 27, 2021, the National Music Publishers' Association ("NMPA") issued a press release stating that it had settled its claims against video game company Roblox, bringing an end to the copyright infringement case its members filed against Roblox in the Central District of California on June 9, 2021. The plaintiffs in that litigation were multiple major and independent music publishers whose catalogs purportedly included

artists such as Imagine Dragons, Ariana Grande, the Rolling Stones, and others. Defendant Roblox is an online platform and storefront where users can design their own games or play games designed by other users.

The plaintiffs' copyright claims were directed to Roblox's alleged unlicensed library of music uploaded by its users. According to the plaintiffs, the use of unlicensed music was a major part of Roblox's appeal as well as its in-game economy (i.e., users' ability to buy and sell goods and services in the game). Roblox allegedly generated revenue by encouraging its users to upload unlicensed music to Roblox's library. Every time a user uploaded a song, the user had to pay a certain amount of "Robux," a virtual currency that users purchase for real money. A user could then incorporate the unlicensed music into the games they design, which would make their game more popular among other users. Users also had the option of advertising and charging others for virtual items, such as "Boomboxes" and "Game Passes," to play the unlicensed music. The plaintiffs alleged that being able to listen to popular, unlicensed music attracted users to Roblox and then helped retain them. A lot of money was apparently at stake too. The plaintiffs claimed actual damages due to the alleged infringement of USD \$200 million!

After just a few months of litigation, the parties reached a mutually beneficial agreement that could set the tone for future gaming services incorporating popular music uploaded by users. The [press release](#) describes the agreement as "set[ting] the foundation for future partnerships with global publishers that will unlock new creative and commercial opportunities on [Roblox's] platform." The agreement, in a nutshell,

...settles claims filed by NMPA members, offers an industry-wide opt-in open to all eligible NMPA publishers and opens a negotiation period for members to engage individually in new go-forward licensing deals with the Roblox global platform that brings millions of people together through shared experiences...The deal paves the way for innovative partnerships between Roblox and publishers that will offer songwriters new way to monetize their songs and catalogues.

It is too early to tell how successful the agreement will be in "unlock[ing] new creative and commercial opportunities" for Roblox, publishers, and artists, but at least the parties seem optimistic. It could also be part of a trend, since the NMPA [announced](#) a similar agreement with Amazon.com's livestreaming platform, Twitch, just a few days before announcing its settlement with Roblox. Although we do not know the exact terms of the agreements or how the two agreements differ, they could become a roadmap for other gaming services to legally use popular music. After all, publishers and artists generally want their works to be played, shared, and enjoyed by as many people as possible, but they also want to be fairly compensated. In theory, these sorts of agreements should be a win for everyone—game companies, music publishers, artists, and users.