



what am i bidding for, the first nft?

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In *Free Holdings Inc. v. McCoy et al*, No. 22-CV-881 (JLC) (S.D.N.Y., March 17, 2023), Magistrate Judge James L. Cott confronted an unclear issue regarding ownership of non-fungible tokens (“NFTs”), which are assets that have been tokenized via a blockchain. NFTs can be unique and quite valuable. The court in *Free Holdings* considered the issue whether initial registration of an NFT *is* the asset, or whether re-registration creates a new asset. Resolution of the issue has significance, because different individual entities have made competing claims to ownership based on registration status.

In 2014, Defendant Kevin McCoy, a digital artist, created a digital record of ownership of his work “Quantum.” McCoy registered the record of ownership under a “Name” on the Namecoin blockchain. With this registration, McCoy was credited as creating “the first NFT.” The Namecoin platform provided a disclaimer stating...

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