

The major streaming platform Twitch has reached an agreement with X (formerly Twitter), owned by Elon Musk, to avoid involvement in a high-profile lawsuit. This information comes from federal court documents in Texas. X accused Twitch and several other companies of conspiring to boycott advertising on the platform after Musk acquired it in 2022 and rebranded it from Twitter. According to X, this boycott, orchestrated through the Global Alliance for Responsible Media (GARM), cost the company billions of dollars in ad revenue.

Court documents reveal that X and Twitch signed a memorandum of understanding, which will allow Twitch to be excluded from the lawsuit if "certain conditions" are met by the end of the year. The specifics of the agreement have not been disclosed, but experts speculate that Twitch may have agreed to resume advertising on X to avoid legal defense costs.

This move could benefit both parties: Twitch removes itself from legal risk, while X, burdened with \$12 billion in debt, might recover a portion of its ad revenue.