

Title: The 100k shares could be more of a true "investment" than we realized. Leveraging enthusiasm, inside and out.

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I just had an amazing thought.

It puzzled me why Ryan Cohen would buy up another 100k shares. It seemed an odd move from a cost basis standpoint and on the flip side not as much as I would add if it were me and I were anticipating the stock surging (for... reasons, heh). I know there are some focusing on potential demand for covering but this never seemed the focus of Ryan's investing nor management approach.

Then it hit me. This is **exactly** the kind of purchase I would do if I wanted a block of shares for some specific purpose. Day-trade out of it on a big move up? Nah. Again, I don't know that's his style and he seems more focused on building a long-term portfolio, both of investing and of corporate involvement. What might one do that one might want a specific block of shares (new shares), of this size, at this time?

Well, what's one of GameStop's key assets? Its ***employees***. These people have been working hard and we know they have faced some challenges. During the pandemic, essential workers to provide entertainment so people could stay home and safe and sane. Retail spending has been odd and there is a lot of concern and uncertainty in the air. Staffing has been cut in many stores for the transformation, and I'm sure many employees are worried if their jobs will remain. If you read employee posts there is a good deal of frustration.

I believe this has been weighing on Ryan and he has a plan. To be honest the earnings report was not much to write home about but one thing stood out to me. They are focusing on domestic customer support and call center staff. This indicates an appreciation of the value of good staff, paid properly, and culturally relating to the customer base. Ryan has spoken before about "delighting customers". I know I had a perhaps somewhat unfair expectation when I went to a physical location to do DD, based on my unfortunate experience creating an account and using their app and talking to their call center (this was early on), and I was in fact low-key **delighted** by how much the employee (juggling other customers) casually knew offhand and could describe, for example how my rewards points (again, an unfortunately inconsistent experience I believe they're addressing) could apply to in-store purchases and what pre-ordering a console for pickup would be like.

One thing that stands out from those employee posts is compensation and appreciation, particularly in terms of their responsibility and workload. On top of that, there seems to be an unfortunate amount of bitterness concerning all the excitement surrounding the stock. Ryan doesn't seem like the type to ignore hard work or to keep the "little guy" from sharing the reward. But the transformation is still in progress (still early, if we think about it) and he's still dealing with a lot of legacy staff/policies/culture/workflows. So ***how can he create a culture of ownership***?

The answer is staring us in the face. ***Ryan bought these *shares* to *share*.***

I checked GameStop's employee count. 12,000. I just skimmed [sources](<https://www.macrotrends.net/stocks/charts/GME/gamestop/number-of-employees>) and this was in 2021; we know there's been some ongoing attrition as well. So, **roughly 10k employees**. Another ***suspiciously round number***.

Imagine how stoked you'd be if you were working hard in your retail job and the **chairman of the company** made a personal gift to you of 10 shares. (Or, since we know some may be unfortunately affected as locations are closed/moved, what if he gives each employee 5 shares and any that are RIFed get another 5 as severance. And/or the share count could be weighted by seniority, to reward those who have **stuck with the company** through the darker times so they could be a part of the transformation. Possibilities are literally endless.) Now imagine how stoked you'd be if those shares were GME, and you knew what was coming. Even if you'd felt a little jaded by your "cheese getting moved" or the wealth others

had made off the company and maybe you'd missed out before, how could you not be **100% on board with where that chairman is ready to lead you**?

Here's another fact you may or may not know: the cost basis of gifted shares is [the original purchase price](<https://www.investopedia.com/ask/answers/05/costbasis.asp>). If Ryan gave employees shares at his original cost basis, they would owe significantly more on a sale than if they were purchased now at a high (relative to where it's been, but not where it could go of course). And I know we'd all hope employees can all hold all their shares long-term, but many don't have the financial resources to do so given *current* pay scales (imagine if this was a package deal! he announces a permanent wage increase on behalf of the company and a gift of stock from himself personally!).

I believe **everything points to Ryan buying shares for the purpose of making all his employees true stakeholders and 100% committed to the transformation**. At least it's consistent with what I'd do in his place and *exactly* how I'd go about it. And if this is his plan, **Mr. Cohen, I am 100% in support**.