

Title: How to Explain the Importance of DRS to Anyone, Monopoly Edition

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Created 2022-03-02 14:20:43 UTC

Permalink: /r/GME/comments/t515l6/how\_to\_explain\_the\_importance\_of\_drs\_to\_anyone/

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[Who wants to play a game?](<https://preview.redd.it/y3lv7xdlazk81.png?width=1320&format=png&auto=webp&s=a022724f9ee18b80b63f847503ec85d4c08b1e92>)

Greetings friends! With all the drama going on over recent happenings in this community, I feel compelled to set the record straight.

To start, this is **\*\*not\*\*** a DRS vs. options post. It is a DRS vs. not-DRS post.

To be upfront, I only care about DRS. I also think anyone who wants to engage in options trading can and should feel free to continue doing so. Why? Because I don't think it matters, and you can otherwise invest however you damn well please (for better or for worse, but I certainly have my opinions). I don't dispense financial advice - I spit facts and make it clear when I'm stating an opinion, and the ability to discern fact from opinion is an important skillset in this community. That last one is a fact, disguised as an opinion. It's important AF.

With that said, let's dive into the metaphor to explain the importance of DRS:

#### # We're Playing a Game of Monopoly

Ah, everyone's "favorite" never-ending game...what a joy! Who doesn't love the anger associated with capitalism's best-ever training tool? Over the years, the game has seen a couple changes, but where most of the action occurs is when people make their own house rules. You know the ones:

- Land on Free Parking and get money
- Roll snake eyes and get money
- Take out interest free loans from the bank

Those are only a couple examples, but they're definitely not in the rule book. Some of them are even blatantly contradicted:

<https://preview.redd.it/mhzkfwcoazk81.png?width=767&format=png&auto=webp&s=a3484cea536eeb5a2c742f0077fac8fbd3d07e9e>

People sure do love playing Monopoly with house rules, which is funny because it is those very rules which actually make the game go on longer. People go bankrupt less frequently if they get more access to liquidity, for instance. Just one more lap around the board without landing on Boardwalk and hope your opponents catch a stretch of bad luck.

Did you know that the game can actually end pretty quickly if you're playing against a skilled player though? Well, a skilled, knowledgeable, and most importantly, a vocal player, at least?

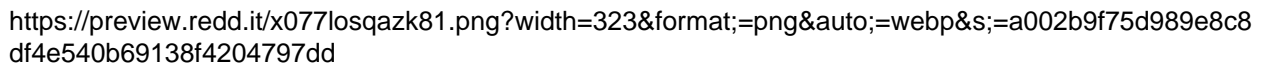
The difference comes down to understanding the difference between the *\*house rules\** and the *\*real rules\**, and specifically applying them to your advantage. Today, I'm gonna teach you the secret to winning, and after that, why the hell I'm talking about this stupid game in the GME community. Spoiler

alert: it's because we're playing it in the real world.

## # How to Crush a Game of Monopoly

Have you read the rulebook to Monopoly? If not, it's an interesting read, mainly because it showcases how so few people play it properly. For reference, here's the pdf from the parent company's website: [Monopoly Rulebook](https://www.hasbro.com/common/instruct/monins.pdf). It's only 5 pages in large font with lots of padding for some beautiful crayon drawings!

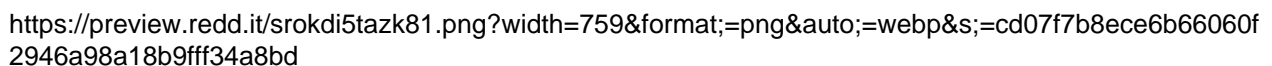
You might think it's a boring one, but Monopoly actually is a game of strategic resource management, and the most crucial piece is the one that most people tend to overlook:

https://preview.redd.it/x077losqazk81.png?width=323&format;=png&auto;=webp&s;=a002b9f75d989e8c8df4e540b69138f4204797dd

Build 4 of these and then build a hotel to replace them so you can maximize your ROI on the property. Sounds good to me!

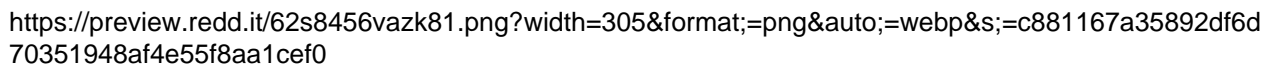
...but it's a losing strategy.

It starts off great, but falls victim to its own greed and short-sightedness. You see, there are some \*real rules\* here which flew under the radar:

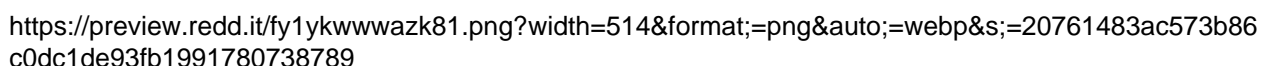
https://preview.redd.it/srokdi5tazk81.png?width=759&format;=png&auto;=webp&s;=cd07f7b8ece6b66060f2946a98a18b9ff34a8bd

You need to have 4 houses on each space before you can build any hotels. It's in the \*real rules\*. The common \*house rule\* I've seen time and time again though is that you can build hotels if you pay for the 4 houses and the hotels all at once. Makes sense, right? The stupid board game creators just didn't include enough green houses...idiots!

Allowing this \*house rule\* is, in my opinion, the BIGGEST blunder a player can make though. Why? It destroys your control over the situation. Sure, you can build 3 hotels and collect a little more money when someone lands there, but guess what, now your opponents can build 12 more houses when they were stuck only able to collect double-rent for any monopolies. Their marginal income gain potential is greater than yours.

https://preview.redd.it/62s8456vazk81.png?width=305&format;=png&auto;=webp&s;=c881167a35892df6d70351948af4e55f8aa1cef0

Who cares if you go from making \$800 to \$1,000 per visit (\$200 increase) if your opponent can do the equivalent of going from \$32 to \$800 (\$768 increase)? They can benefit more than you can. If you want to win the game, you need to deprive your opponents at every step of their ability to generate more income because, as it does with \*house rules\* that provide more liquidity, it extends the game.

https://preview.redd.it/fy1ykwwwazk81.png?width=514&format;=png&auto;=webp&s;=20761483ac573b86c0dc1de93fb1991780738789

(Quick aside before getting back to GME, if you want to build hotels, wait until you can build them AND the houses you're replacing!)

The bottom line is, \*\*if you want to quickly win Monopoly, you must control the supply\*\*. You just need to enforce that rule and don't let your opponents get away with it. Get vocal. Say no. After a few laps, you're both bound to land on the other's monopoly eventually, only you'll be making much more of that sweet, sweet orange in the process. Wash, rinse, repeat.

So, now you know how to win at Monopoly, how in the world is this relevant to GameStop?

#### # Where the Game Meets Reality

In the Monopoly metaphor, it's important to understand what's what. Here's our starting point:

- The game of Monopoly – the stock market
- The silver, uh, lambo – YOU!
- House rules – what's considered "normal"

The first two are pretty self-explanatory...you are an investor in the stock market. But what about those \*house rules\*?

In a nutshell, the \*house rules\* are what your brokers, government, and mainstream media tell you about how to play. We're in their house, and they have curated the rules to their liking: keep your shares with brokers; trust government regulation to protect retail investor interests; and believe mainstream media's investment wisdom.

You don't need that to win though - you need your brain to do its own thing.

If you look in the figurative stock market rule book, you will not find this information, just the same as you would not see anything about rolling snake eyes getting you free cash in the Monopoly rule book. These \*house rules\* are all made up narratives designed to do one thing: prolong the game. To get you to just keep passing go, collecting your \$200, and hoping for the best. As Ken Griffin might say, to buy just one more day (over and over).

Don't be like Ken.

To the \*house rule\* creators, it's ok if the game goes on forever, because there is another element which absolutely bears mentioning: in our game, the metaphorical bank is actually the DTCC, and they have discovered the infinite money glitch. To them, the \*transactions\* are what matter most, because that's how they profit: \*\*so long as people are buying and selling, their position will grow\*\* (especially when the bank can print more money at will to keep it going).

Under these circumstances, it's painstakingly difficult to win...unless...you know the \*real rules\* and play your best game.

#### # Real Rules, Green Houses, and DRS

So what are the \*real\* \*rules\*? It's not the regulations the SEC puts out. It's not the SRO directives. We need to wade through the sea of legal, regulatory crap, because those rules are not for you. Those are for the bank – the DTCC.

Fortunate for us, we get the simplified Monopoly version, and you only need to know three things:

1. The difference between a beneficial and a registered shareholder ([see Computershare DRS FAQs](<https://www.computershare.com/us/becoming-a-registered-shareholder-in-us-listed-companies>))
2. Corporate fiduciary duties ([link to previous post]([https://www.reddit.com/r/GME/comments/sn3h53/to\\_w\\_in\\_the\\_game\\_gamestops\\_mastering\\_the\\_rulebook/](https://www.reddit.com/r/GME/comments/sn3h53/to_w_in_the_game_gamestops_mastering_the_rulebook/)))

### 3. The incredibly simple concept of authorized and outstanding shares.

Since there are other sources for the points 1 and 2, I'll jump to 3.

Companies designate the maximum number of shares they are ever allowed to sell in their articles of incorporation (authorized shares). From among them, they sell a certain number which remains in circulation and available for trade (outstanding shares). You can think of this as the float (it's a bit more nuanced than that, but for simplicity). [Here's a link to Investopedia for further reading](<https://www.investopedia.com/ask/answers/011315/what-difference-between-authorized-shares-and-outstanding-shares.asp>). The important thing to know is that the total number of outstanding shares cannot be greater than the total number of authorized shares as laid out in a company's articles of incorporation.

Let's return to our metaphor. Those little green houses I mentioned represent ownership of GameStop shares, and the location represents the ownership format. If they're on the board, it means you are the registered owner. \*Buying green houses is you directly registering your shares with Computershare.\*

The makers of the \*house rules\* know this, so they like to dangle a carrot in front of you to distract, based on the only thing they understand: greed. They want you to ignore all the benefits of DRS and forego it all for just a little bit more: red hotels. Open up the market for green houses again to allow more transactions, more money changing hands, and more bank (DTCC) profits. They'll also allow you to just pay the money for the houses that you \*would have\* built to get some hotels too. Sneaky sneaky!

Let's read this rule again:

<https://preview.redd.it/zd1pcknzazk81.png?width=759&format=png&auto=webp&s=ef420d031710d91cf0e4a02096a8799302f69d31>

The supply of green houses is the number of authorized shares in GameStop. When all of them are outstanding, the bank may not sell any more.

Read that again. Put another way:

For each share you DRS, the bank (DTCC) has one less, and if all shares get this treatment, the bank (DTCC) may not legally sell any more. Legally. They may not. This is what we refer to as "locking up the float." DJ Khaled approved. Congratulations, you played well.

From here, all that's left is one pesky little hurdle: \*people will try to cheat\*. The good news is that Ryan Cohen and the team at GameStop came up with a plan to thwart that. They've decided to make the DRS count public information, and it just needs to be significant enough to allow them to take action. Read the post in point 2 above for more info about that.

#### # MAKE SOME NOISE

I've said it time and time again throughout my posts and comments and have adopted an additional component to my personal mantra.

Buy.

Hold.

DRS.

\*\*Educate. That's arguably the one important one.\*\*

Here is the most current info I have on where we stand today:

[Nice upward movement!](https://preview.redd.it/llrqzii1bzk81.png?width=975&format=png&auto=webp&s=097638522db80578b992f20cdebe3cf5b3329aef)

...yet here is how many of us there are.

[There's a lot more people here though...](https://preview.redd.it/gbwjfsd3bzk81.png?width=975&format=png&auto=webp&s=7b983cf8748bf9f983c7be218b6eb26c4dda200a)

Computershare shows roughly 128,000 accounts, but I see probably 4-5 times as many (non-bot) members among us. IN THIS REDDIT COMMUNITY ALONE.

I don't know about you, but most of my family isn't on Reddit. My skeptical friends aren't following this sub. There are so many more GameStop shareholders than people realize, and I can see clear as day that they are not directly registered. That needs to change.

Make some fucking noise.

Educate people as to why this is important, and how this is not some crazy conspiracy theory. Show them the DD (my personal fave is House of Cards) to prove that it's \*possible\* that there are some bad actors here. Show them the Computershare DRS FAQs to explain the benefits and implications of their choice to become a registered shareholder. Maybe even play a game of Monopoly with them to tie it all together (and kick their ass while you do it now that you know the strategy).

Keep playing with your options if you have to, but do yourself a favor if you hit: DRS YO SHIT.

**\*\*TLDR\*\***: there is a clear strategy to win the long game, and it 100% involves DRS. Not just from you, but from all concerned shareholders. Buy. Hold. DRS. And most importantly: **\*\*EDUCATE\*\***.