

Title: Yes.

Author: disoriented_llama

Created 2021-08-15 15:19:02 UTC

Permalink: /r/TheGloryHodl/comments/p4vdzi/yes/

Url: /r/Superstonk/comments/p1doja/how_an_nftblockchain_dividend_can_stop_the_game/

Is_self: False

Linked Post:

Body:

IMPORTANT NOTICE: Credits to u/Ponderous_Platypus11 for finding a [Historical Precedent for an NFT Dividend](https://www.reddit.com/r/Superstonk/comments/p15qsj/nft_dividends_are_real_biologics_comp_any_on_the/).

Ryan Cohen and GameStop has been listening and watching us. **He listened to our suggestions to re-brand EB Games into GameStop**, [and it happened](https://investor.gamestop.com/news-releases/news-release-details/gamestop-rebrand-eb-games-canada).

I think a Blockchain/NFT dividend would be a unique way to reward shareholders. Perhaps it could be some kind of GameCoin that can be used to trade on GameStop's future digital games marketplace, or simply an NFT token to validate each share I own (though it doesn't necessarily have to be an NFT). **It doesn't have to be expensive**, it could be a \$0.01 dividend per share. There's limitless possibilities, and I trust Ryan Cohen and his team to select the best possible method. I hope Ryan Cohen and his team acknowledges this suggestion.

Here is why an NFT dividend issuance helps GameStop and its shareholders, **from a shareholder value perspective**:

>An NFT stands for Non-Fungible Token, which means it is a unique token with a distinct identifier. If GameStop issues an NFT token for each share outstanding (each share is tagged with a unique ID), then the shorts are **forced** to close their positions (both synthetic and non-synthetic). If the theory of massive naked shorts/synthetic shares are true, this should end their stupid game of illegally manipulating our favorite stock on a daily. This will allow GameStop to trade at its real price based on natural supply and demand. There won't be millions of synthetic shares out there inflating the supply, which artificially suppresses the stock price and leads to lack of price discovery.

[Naked shorts & synthetic shares ruin true price discovery](https://preview.redd.it/3mb2uely6fg71.jpg?width=1224&format=jpg&auto=webp&s=06ea5b321ada0d8f69c8c591c3737fc721d7357c)

Here is why I think GameStop might to be taking steps towards a blockchain/NFT dividend ([Credit to GM EDD](https://gmedd.com/blockchain/head-of-gamestop-blockchain-busy-building-no-date-set-in-stone/)):

[GameStop has been hiring Blockchain developers](https://preview.redd.it/33aj2y707fg71.png?width=857&format=png&auto=webp&s=d11c6acd97680bec646bfc0b89b0cc1226510c28)

They've voluntarily redeemed their [Senior Notes due 2023](https://news.gamestop.com/news-releases/news-release-details/gamestop-announces-voluntary-early-redemption-senior-notes-0), which held covenants restricting their ability to issue dividends, amongst other corporate actions:

[GameStop is no longer restricted from issuing dividends](https://preview.redd.it/mb0gs4n17fg71.png?width=1896&format=png&auto=webp&s=a95d5314dfff275aa4a4a5314be3c9df3c09c0ab)

Let's not forget the infamous [website GameStop created dedicated to NFTs](https://nft.gamestop.com/), though keep in mind it might not necessarily be for a blockchain/NFT dividend - it's just speculation. But I think it's plausible:

[\"We have the technology\"](https://preview.redd.it/pxbzy8x27fg71.png?width=690&format=png&auto=webp&s=4d6a7dd6beb660e65c2684444fe920bbd3493b68)

There is historical precedent for a blockchain-based dividend, see [Overstock (OSTK)](https://www.irmaga

zine.com/technology-social-media/how-overstock-used-blockchain-distribute-its-digital-dividend):

[Notice after announcing the dividend, Hedgies r Fuk, and the price is now trading at a healthier range](https://preview.redd.it/ci47gp647fg71.png?width=1225&format=png&auto=webp&s=39cbfcfac6f462595f803117e8b1b5d2f8e7f23b)

After Overstock issued their blockchain dividend, their stock price went to the moon as shorts were forced to cover. Short sellers litigated against Overstock, since they got wrecked by the blockchain dividend and cried foul - [however the lawsuits were meritless](https://www.coindesk.com/after-lawsuits-and-delays-overstock-hands-shareholders-digital-dividend). The CEO got into trouble for an unrelated situation - for being in a relationship with an [alleged Russian

Agent](https://www.rollingstone.com/politics/politics-features/maria-butina-russia-spy-fbi-860256/), and thus stepping down as CEO and selling his shares (he sold before the run-up I believe, so he didn't even profit). I would encourage one to search and read about the history of Overstock, and how the company's stock was manipulated for years by predatory short sellers, and how a blockchain dividend nuked the shorts.

I think a similar thing will happen to GameStop upon issuance of a Blockchain/NFT dividend - shorts must close their position, regardless of a margin call or not. Then we can finally enjoy holding a stock of a company we love, free from daily manipulation by parasites. There's no reason for short sellers to litigate against GameStop if this were to happen - they've provided **two equity offerings** to give them an opportunity to close their positions (hint: they didn't). Also, the shareholder meeting vote count did not indicate over-voting, so there's no legal reason to believe it is used to shake out synthetic shorts.

TL;DR:

* A Blockchain/NFT dividend will get rid of synthetic and non-synthetic shorts (forcing all shorts to close), thereby "resetting" the stock and allow it to trade under normal market supply and demand, allowing for true price discovery.

* A Blockchain/NFT dividend issued to shareholders can have a business use-case, and act as a bona-fide gift to shareholders. Therefore, there are no legal grounds to say GameStop did it to screw the shorts.