

Title: Netflix is Blockbuster 2.0, How Amazon is Trying to Consolidate More Power

Author: disoriented_llama

Created 2022-07-18 00:17:31 UTC

Permalink: /r/TheGloryHodl/comments/w1ljtb/netflix_is_blockbuster_20_how_amazon_is_trying_to/

Url: /r/Superstonk/comments/uazkpc/netflix_is_blockbuster_20_how_amazon_is_trying_to/

Linked Post Content:

****TLDR: Amazon and friends like DE Shaw, Bain, BCG, and Citadel are rerunning their strategy they used to bankrupt and consolidate Blockbuster into Amazon/AWS with Netflix in real time.****

Its the classic case of big bank take little bank. Company A is slightly larger than Company B, Company A uses every trick in the book to hinder Company B and acquire them. Now Company A is ****twice as large**** and can move up the food chain taking on bigger fish to consolidate and centralize.

****Small Fish: BlockBuster****

****Bigger Fish: Netflix****

****End Game: Taking both of them sequentially to try to host all streaming content onto Amazon, on boarding masses onto Amazon Prime because they view us as having no choice but to follow our brand loyalty to the ends of the world. (LOL).****

<https://preview.redd.it/11ca5xy7qiv81.png?width=676&format;=png&auto;=webp&s;=da11c75e9a7e3f384b86e67646e34f9618b851b6>

This would create massive users in Amazon Prime, at least thats what they think on paper.

They see us as a data point, essentially that is all AWS is.. a massive data driven computing company.

They expect us to be loyal to our shows and our brands and to follow them wherever they go.

They see us using shows as an extension of our personality, the part of our personality we wish to show others.

What we like to eat, what we like to watch, what we like to listen to.. is all an extension of us.. and they think us wanting to show others our "personality" so so much would force us to use Amazon to stay hip and keep up this materialistic facade.

<https://preview.redd.it/zm9pn3tiriv81.png?width=484&format;=png&auto;=webp&s;=73b3b3cf8f5e4e7f59b4788499112cd428bc125a1>

****Part I: The Players and the Game.****

For background I will use an awesome DD from a while ago from an OG wrinkle, I'm trying to set the stage before getting into the mechanics, so please bear with me it is worth the read.

"Amazon has been using Ken Griffin to naked short infiltrated companies in order for Amazon to steal market share from current and future competitors. [It's possible that Bain Capital got involved in this scheme through Toys R Us](https://www.reddit.com/r/Superstonk/comments/np33hr/amazon_bain_capital_and_citadel_bust_out_the/).

There it is. The most literal and succinct version.

Crazy theory, right? Let's examine some facts:

1. Amazon announced in a [press release on **February 2nd, 2021**](<https://ir.aboutamazon.com/news-release/news-release-details/2021/Amazon.com-Announces-Fourth-Quarter-Results/>) that Jeff Bezos would retire to executive chairman of Amazon's board [to much surprise.](<https://www.wmagazine.com/story/jeff-bezos-amazon-ceo-retirement>) *(that date stand out?)*
2. [Ken's a fan](<https://www.cnbc.com/2019/03/14/ken-griffin-says-hes-less-likely-to-move-citadel-to-nyc-after-amazons-heartbreaking-exit.html>) & [frequent investor](<https://cheaperthanguru.com/portfolio/ken-griffin/AMZN/transactions>) in Amazon
3. DE Shaw, a quant hedge fund where [Jeff Bezos became the youngest vice president](<https://www.biography.com/business-figure/jeff-bezos>), says about Citadel "[We cross paths with them all the time. They are huge.](<https://www.institutionalinvestor.com/article/b15134ls4fbx7/boy-wonder>)" as far back as 2001 - way before its widespread success

What would we see if Citadel has followed this playbook? We would see OTC stocks of dead companies squeeze at the same time an idiosyncratic risk would emerge in a basket of algorithmically shorted securities.

Would you look at that? Sears and Blockbuster, both bankrupt companies listed on OTC markets and former Amazon competitors, [squeezed at the same time as GME in January 2021](https://www.reddit.com/r/Superstonk/comments/pg8fp1/portfolio_swaps_blockbustersears_sneeze_in/?utm_source=share&utm_medium=web2x&context;=3).

How is Amazon connected to Blockbuster, you might ask? I had the same question.

Surprisingly *(but not really)*, I forgot about Amazon's biggest business. **Amazon Web Services.**

I bet you can guess who was providing web hosting for Netflix around 2010, when Blockbuster went under?

[Yep. Amazon](<https://2pml.com/2020/02/10/netflix/>).

Think about that. That's from *2010*. Citadel Securities (the market maker) was founded in 2001. *When did they start doing this?*

There's *a lot* more to dig into about this. A comment thread on Criand's latest post describes some [*interesting terms* of Credit Suisse's CMBS programs.](https://www.reddit.com/r/Superstonk/comments/pfkg12/interesting_how_each_run_started_exactly_15/hb52u0g?utm_source=share&utm_medium=web2x&context;=3)

If that's related to CMBS troubles here in the states, Simon Property Group is no doubt involved which [Amazon has been working with to buy up old malls last year](<https://www.nbcnews.com/business/business-news/amazon-snapping-disused-shopping-malls-turning-them-fulfillment-centers-n1262914>) - though it's been buying up mall property since 2016.

The implications of something like this are **extreme.**

Props u/AvidTreesFan you were ahead of your time.

[How did Amazon, Citadel, Bain, and Consultants bankrupt Blockbuster?](https://www.reddit.com/r/Superstonk/comments/np33hr/amazon_bain_capital_and_citadel_bust_out_the)

Simply put:

Amazon (The Leader)

Citadel (The Dealer)

Bain Capital (The Butcher)

Washington Post and Motley Fool (The Liars)

Credit to u/jumpster81 you had an amazing write up and it must've been a hell of a rabbit hole.

[Also not only did they stop with Blockbuster but they moved onto acquire Movie Gallery a few years later.](<https://www.jonesday.com/en/insights/2008/02/the-year-in-bankruptcy-2007>)

Iterations upon iterations of big bank taking little bank.

So we've established a lot of players here, but i bet you didn't know that ****BCG**** was instrumental in Ken Griffin's origin story of becoming a full blown financial terrorist.

<https://preview.redd.it/5a173vrwmiv81.png?width=586&format=png&auto=webp&s=04225ffd2077736b19b178a8d8947bdc6a3e8a9d>

Looks like external factors influencing stock image also peaked his interest in the start of his investment career. Now imagine if you controlled the board via ownership, controlled the company operations via bad actor consultants, and controlled the media outlet of projection via being just an all around cuck and throwing money.. recipe for a self-fulfilling prophecy of short to bankrupt, where he profits, his long AMZN profits, his risk is lowered from centralizing assets, and his long Amazon positions profit from acquisition of all assets slapping "Amazon Essentials" on them and calling it a day.

<https://preview.redd.it/8jdmf1uymiv81.png?width=593&format=png&auto=webp&s=b07e19388a336d8ecb27862afd80edb67a0ed92b>

Also convertible bonds are notoriously taken advantage of for short sellers.

<https://preview.redd.it/d9jrakl0niv81.png?width=618&format=png&auto=webp&s=62bbd644ac30c5af338a128975392bbcc6189449>

The majority of these companies that get infested from the inside issue convertible bonds which is another arm for bankruptcy. The only one that comes to mind that escaped this convertible bond death spiral is Macy's. Some fucking how they had enough grassroots movement to escape the event horizon. Props.

****Part II: Netflix is Blockbuster 2.0****

[Not only is BCG involved in Netflix's Content & Strategy Analysis but they have also been involved in Netflix's portfolio management of diverse businesses and multiple products.](<https://embapro.com/frontpage/bcgcoanalysis/7718-netflix>)

****BCG:****

<https://preview.redd.it/e6dankg2niv81.png?width=170&format=png&auto=webp&s=909854125a9b5d524c885fbcf4ac732ca064577c>

****Bain Capital:****

<https://preview.redd.it/m4t410u3niv81.png?width=674&format=png&auto=webp&s=9ba078b3224914ed53e8ab2948203c3f0987212f>

Lets see the experience huh?

<https://preview.redd.it/e9o7wcw5niv81.png?width=420&format=png&auto=webp&s=767498d85cedf47e2e95255d4bb23be12507f659>

Interesting, both of these people are in charge of content strategy.. and both have affiliations with BCG and Bain. ****THE SAME COMPANIES THAT BANKRUPT BLOCKBUSTER.****

This is just speculation so please do not harass these people until we dig deeper, if we are right we have bigger fish to fry than the pawn.

Netflix is Amazon's biggest competitor for streaming, [Netflix also uses AWS for their computational data management.](<https://aws.amazon.com/solutions/case-studies/netflix-case-study>)

Amazon knows everything about Netflix, everything. They have weaponized their data branch to help their efforts. Their data branch gets paid regardless from Netflix, but they want USERS. They need users because their marketplace is not built for scalability and will not survive in a web3 atmosphere and they know it.

****How did they get their foot in the door to be able to control Netflix you may ask?****

****Bankroll baby!****

[Ken Griffin is one of the largest individual investors of Netflix owns almost 1.6B](<https://cheaperthanguro.com/portfolio/ken-griffin/nflx/transactions>)

Take massive stake

Infiltrate Company

Use Consultants to drive down profits

Short sell the fuck out of it off the books

A few things Amazon has done internally that is seriously hurting their business model:

1. They issues seasons at a time while their competitors issue an episode a week. Less eyes less hype, a flash in the pot while shows on HBO and Paramount have lasting effects.
2. [Netflix continuously uses insane amounts of capital into Netflix essentials that do not stand a chance of generating profits.](<https://www.hollywoodreporter.com/tv/tv-news/netflix-invest-173-billion-content-2020-analyst-estimates-1270435>)
3. [Netflix is even stopping users from sharing passwords and will track your data to make sure you aren't abusing it.](<https://www.cnn.com/2022/04/23/how-netflixs-password-sharing-crackdown-is-likely-to-work.html>)
4. [Netflix is even going to start issuing commercials. Not only are you overpaying for shitty content, having your data tracked, but now you're even subject to having to sit through commercials even though you are paying a subscription.](<https://popculture.com/streaming/news/netflix-officially-adding-commercials>)

5. Even in the not so distant past, BCG recommended Netflix's "cash cow" was renting DVDs in 2013!!!
Pulled from BCG Growth Matrix in 2013, when online streaming was the norm and no one even used DVDs:

<https://preview.redd.it/oj9rywy9niv81.png?width=204&format;=png&auto;=webp&s;=70bdc348dc9b8b0ffcc5232242e110e823fbd547>

<https://preview.redd.it/x01tj1ubniv81.png?width=682&format;=png&auto;=webp&s;=4cc9db30569b3e4ed8e24803ff4f43f103c45037>

Netflix is Blockbuster 2.0 change my mind.