Title: Part 2: The Bankruptcy Jackpot & GME MOASS Theory (GameStop History)
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If you haven't already, please read Part 1 of this post '[Why Gamestop may be the Opportunity of a Lifetime, and why you should take another look at it'](https://www.reddit.com/r/DDintoGME/comments/qigxbq/why_gme_is_the_investment_opportunity_of_a/).

The premise for this post is the theory that GameStop Shares (GME) have been, and continue to be, heavily manipulated. The manipulation has created extensive counterfeit shares and hidden failure to deliver (FTD) short positions. When these counterfeit shares and short positions are forced to cover and close their positions, there is a high probability of a 'Short Squeeze' or a 'MOASS.

1. Explaining Short Selling & Naked Short Selling
2. Explaining the Bankruptcy Jackpot and MOASS Theory
3. GameStop's History

Part 1. Short Selling and Naked Short Selling

Short Selling

The selling of shares you don't own is called short selling. Market participants will sell a share they don't own, with a commitment to buy it back later and the intention that they repurchase the share at a lower price than they sold it. If the price goes up, short sellers have an *infinite* risk. For example, if you hold GME and a Short Hedge Fund (SHF) needs to buy your share to cover their short position and no one else is selling, the SHF must pay your asking price = infinite loss potential to the SHF.

Short Squeeze

A short squeeze is an unusual condition that triggers rapidly rising prices in a stock. When a stock is heavily shorted, and investors are buying shares — which pushes the price up — short sellers start buying to cover their position and minimize losses as the price keeps rising. This can create a "short squeeze":

If a stock's price rises quickly, then short sellers sometimes scramble to close out their positions as rapidly as possible. For a short squeeze to occur, the security must have an unusual degree of short sellers holding positions in it. As the price jumps unexpectedly higher, short positions can also be *forced* to cover and close their short positions. This adds buying pressure and contributes to increasing the price of the stock. This higher price may cause other short positions to be forced to cover and close their short positions, driving the price even higher. Typically this is accompanied by other long investors also purchasing the stock in an attempt to profit from the short squeeze (often referred to as FOMO).

Naked Short Selling

Typically, you cannot sell something that doesn't exist. Since a company has a limited number of shares outstanding, a short seller must first locate some of those shares in order to sell them. The short seller, therefore, borrows those shares from another market participant (and pays interest to the lender). However, there is a loophole to this rule, as *Market Makers (MM) can sell shares that they do not own,* without borrowing them but with the intention to acquire the shares at a later date. This regulatory exclusion was established to enable Market Makers to provide liquidity within the market.

Naked short selling is market participants unlawfully short selling shares that have neither been borrowed nor located. If sellers are engaged in naked short selling, then the volume of stock may be larger than the tradeable shares in the market, which can lead to sellers failing to deliver securities sold by the settlement date. These are referred to as FTDs.

Note: GameStop's shares, GME, had a reported short interest (SI) of 220% of its float earlier this year (as reported in court documents). Short interest is the volume of FTD shares that have been sold short but have not yet been covered or closed out. This is a clear indication of excessive naked short selling, also referred to as creating counterfeit shares.

Regulations Regarding Naked Shorting

[The Financial Industry Regulatory Authority (FINRA)](https://www.investopedia.com/terms/f/finra.asp) is an independent, nongovernmental organization that writes and enforces the rules governing registered brokers and [broker-dealer](https://www.investopedia.com/terms/b/broker-dealer.asp) (BD) firms in the United States. Its stated mission is "to safeguard the investing public against fraud and bad practices. It is considered a [self-regulatory organization](https://www.investopedia.com/terms/s/sro.asp).

The [Securities and Exchange Commission (SEC)](https://www.investopedia.com/terms/s/sec.asp) is responsible for ensuring fairness for the individual investor, and FINRA is responsible for overseeing virtually all U.S. [stockbrokers](https://www.investopedia.com/terms/s/stockbroker.asp) and [brokerage firms](https://www.investopedia.com/terms/b/brokerage-company.asp). The SEC oversees FINRA and acts as the first level of appeal for actions brought by FINRA.

The SEC banned the practice of naked short selling in the United States in 2008 after the financial crisis. The ban applies to naked shorting only and not to other short-selling activities. Prior to this ban, the SEC amended [Regulation SHO](https://www.investopedia.com/terms/r/regsho.asp) to limit possibilities for naked shorting by removing loopholes that existed for some brokers and dealers in 2007. Regulation SHO requires lists to be published that track stocks with unusually high trends in [failed to deliver](https://www.investopedia.com/terms/f/failuretodeliver.asp) (FTD) shares.

What is Regulation SHO?

Regulation SHO is a set of rules the SEC implemented in 2005 that governs short sale practices – and is the first significant update to short selling rules since they were first adopted in *1938*.■ Regulation SHO established "locate" and "close-out" requirements. Rule 200(g) of Regulation SHO requires Broker-Dealers (BD) to mark all orders to sell stock as "[long,](https://www.investopedia.com/terms/l/long.asp)" "[short](https://www.investopedia.com/terms/s/short.asp)," or "short-exempt."

A sale order can be marked "long" only if two conditions are met. First, a seller must be deemed to own the security, which occurs only to the extent that it has a net long position in the security. Second, the BD must either (a) have possession or control of the security to be delivered, or (b) reasonably expect that the security will be in its physical possession or control no later than the settlement date of the transaction.

Unfortunately, some BD continue to ignore or mismark their short trades so they are not captured as FTDs. This is a common occurrence that can be verified by reviewing the FINRA fines administered over the last several years.

Example: a BD was fined for mismarking 96% of a certain hedge fund's short sale orders of two separate issuers' stock, totaling more than $250 million, as "long" or "short-exempt." This mismarking allegedly generated $1.6 million in brokerage fees to the BD. The effect of the mismarking was that the hedge fund was able to sell the securities short even though it already had a short position in the securities and did not borrow or locate additional shares to sell short. Of course, selling the stock can also drive the price of the stock down, resulting in short positions becoming more profitable and being detrimental to owners of the stock who are long on the company.

Citadel, as a market maker, has to accept all buys and sells, gets a pass on many naked short selling rules. However, they have also been cited for misreporting short positions. For example, Rep. Vicente Gonzalez (D-TX) pointed out that in 2020, Citadel violated the Security Commission's Reg SHO, the rule regulating short sales. On November 13, 2020, FINRA, the traders' self-regulator, fined Citadel Securities $180,000 for failing to mark 6.5 million equity trades as short sales between September 14, 2015, and July 21, 2016. Citadel did not admit or deny the allegations but paid the fine.

It is important to note that the FINRA fines are generally extremely nominal relative to the profit made by these ‘reporting oversights’; and many refer to these nominal fines as just ‘The Cost of Doing Business’. Retail investors are advocating for change to the fines to make them more of a deterrence and would like to see the fines administered equal to, at a minimum, the profit made from these behaviours. Additional fines and the threat of jail time or revocation of the ability to legally short sell would provide an even greater deterrent.

The Manipulation

Fraud is an intentionally deceptive action designed to provide the perpetrator with an unlawful gain or to deny a right to a victim. Fraud involves deceit with the intention to *illegally* or *unethically* gain at the expense of another. In finance, fraud can take on many forms including making false claims, cooking the books, and pump & dump schemes.

Manipulation is the “intentional interference with the free forces of supply and demand”. A manipulative trading strategy corrupts the market’s price formation process to generate a riskless profit (Jarrow, 1992). Stock market manipulators use a variety of devices, such as releasing false information about a company into the market, and employing trading strategies that impede the price formation process, such as naked shorting, wash sales, matched trades, and painting the tape; all of which inject misleading trading information into the market, to move market prices in the direction that benefits the manipulator (Thel, 1994).

[Financial regulators](https://www.investopedia.com/articles/economics/09/financial-regulatory-body.asp#state-insurance-regulators) that are supposed to provide oversight of the markets to protect investors rarely enforce many of the rules. When the rules are enforced, the fines or consequences are so minor as to translate to a slight breeze in the face of a hurricane. Officially, it remains profitable to break the rules and just pay the fine. Market makers (MM) and short hedge funds (SHF) are known to treat the fines as just a cost of doing business.

[Regulatory capture](https://www.investopedia.com/terms/r/regulatory-capture.asp) has had an ever increasing impact on our financial markets. Financial regulators, like FINRA, DTCC, OCC, tend to consist largely of industry insiders, have overlapping interests with industry, and act primarily in the interests of those whom they regulate. Financial market deregulation, at the behest of the industry, in the run-up to the financial crisis, combined with the retention of taxpayers guarantees for banks and the dramatic series of monetary and fiscal bailouts, are widely believed to have contributed greatly to the U.S. housing bubble and ensuing Great Recession of the 2008 sub prime crisis.

\[Note: You may want to (re)watch ‘The Big Short’ (2008 subprime crisis movie) and the documentary ‘The Inside Job’. These movies highlight, among other things, the corruption of market makers, bankers, and government officials. They also highlight shortcomings in market regulations and the huge issues surrounding the derivative markets – which has only gotten much worse leading into 2021.\]

This is an extensive topic that would require a book to cover. You can find more DD documenting these, and other derivative strategies used by MMs and SHFs to hide, avoid and misrepresent the true short interest position of GME in the Reddit DD library.

Reddit DD Library: https://fliphtml5.com/bookcase/kosyg.

GameStop mess exposes the naked short-selling scam: \[https://prospect.org/power/gamestop-mess-exposes-the-naked-short-selling-scam/\]

How the GameStop Hustle Worked, June 22, 2021. *How hedge funds and brokers have manipulated the market. By Lucy Komisar, Investigative journalist and Winner of Gerald Loeb Award, the major US prize for financial journalism:* [*https://prospect.org/power/how-the-gamestop-hustle-worke*d/](https://prospect.org/power/how-the-gamestop-hustle-worked/)

*SEC fil*ing: *Richard Evans presentation on ETF SI and FTDs:* *Naked short selling or operational shorting? How naked shorting can be hidden through the clever use of Authorized Participants of ETFs :*[*https://www.youtube.com/watch?v=ncq35zrFCAg*](https://www.youtube.com/watch?v=ncq35zrFCAg)

Big money influencing politicians and regulators: https://www.trustnodes.com/2021/08/08/janet-yellen-accused-of-banking-corruption

Jim Cramer: How hedge funds scam markets: https://www.youtube.com/watch?v=gyaPf6qXLa8

How Hedge Funds bet against you using 13F and derivatives (video): https://www.cnbc.com/video/2021/03/30/evaluating-the-fallout-from-the-archegos-margin-call.html

SEC Report On Illegal Options Trading Used to Reset Reg SHO Close-out Obligations: https://www.sec.gov/about/offices/ocie/options-trading-risk-alert.pdf

[Regulatory updates for the first six months of 2021. Note: FINRA, DTCC, OCC, NSCC and ICC are all self-regulating financial regulators.](https://preview.redd.it/1ltrrjuv61y71.png?width=601&format;=png&auto;=webp&s;=285a95c01e6c1b0cab044d9242bdf86a1b87f962)

Part 2. The Bankruptcy Jackpot & GME MOASS THEORY

The Bankruptcy Jackpot

The genesis of 'The Bankruptcy Jackpot' is that shorting the stock of a company that goes bankrupt is like winning the lottery. In a nutshell, the short seller receives the proceeds from selling the stock short with the obligation to repurchase the stock at a future date. In the event of the company going bankrupt, you do not need to buy back the shares. The profit you made from shorting the company is all yours!

Further to this, there is a *huge* tax advantage to shorting a company that goes bankrupt. Your profit from the short sale is tax free until you repurchase the shares. If you are short on a company that goes bankrupt and you do not repurchase the shares, you do not crystalize any gains. So the profit that you made shorting the company, not having to buy back the shares, remains tax free!

Note: There are many companies that go bankrupt under this shorting strategy, and the shares exist but are considered defunct (remember, if the short positions were covered this would have triggered capital gains, so the shorted shares of these companies remain outstanding). There is some very intuitive DD found in the Superstonk library explaining this further; Including how GameStop's price tends to trade cyclically in tandem with several other defunct stocks. In essence, this reflects that GameStop shares have been shorted and grouped or 'basketed' with the shorts of these other defunct stocks. When GME price spikes, these defunct stocks tend to do the same.

Noticeable shorting of Gamestop began escalating through the 2017 to 2020 Covid-19 period, in what appears to be an attempt to bankrupt the company. The company's shares would hit a record low closing price of $2.80 in April 2020. As retail interest was piqued and shared through Reddit forums, there was a resounding belief that the company could turn itself around and speculation of a 'short squeeze'. This renewed interest in the stock, along with some fundamental changes from the company, would help reverse this price trend. From this point, GameStop would continue to make strategic and fundamental changes that would eliminate the bankruptcy risk outlook. This has left market participants with extensive short positions in the position of having to cover in a raising $GME price environment at significant losses.

The 'Mother of all Short Squeezes' (MOASS) Theory

MOASS is the term garnered to reflect the significance of the potential GameStop (GME) short squeeze. A reminder from Part 1 of this post, Gamestop had a reported short interest of 220% as per court documents filed against Robinhood for the suspension of buying back in January 2021. The SEC report issued in October 2021 also confirmed that GameStop's stock was indeed shorted more than 100% of it's legal float in January 2021. This can only be accomplished through manipulation and naked shorting.

It is purported, and supported within the DD found in the Reddit library, that GameStop's reported short interest is actually higher than what is currently being reported and could be 300% - 1000% or higher than the officially issued [float](https://www.investopedia.com/ask/answers/what-is-companys-float/#:~:text=The%20term%20float%20refers%20to,available%20for%20investors%20to%20trade.&text;=A%20company's%20float%20is%20an,by%20the%20general%20investing%20public.); There is also further DD that illustrates that the short positions of GME are being hidden through ETF derivatives and other strategies like options, leaps, swaps, and futures. Plus, DD illustrates how market participants are manipulating and attempting to control the price of GME through continued shorting, high frequency trading, controlling the media narrative, internalized trades, and other manipulative trading strategies. Note: *None* of this DD has been debunked, and much of it is evidenced by previously documented official complaints to the SEC, and reports from the SEC, citing similar strategies used in the past against other companies.

In summary, it is believed that GME has been shorted excessively in an attempt to benefit from the 'Bankruptcy Jackpot', the short positions have been masked through manipulative market strategies and have not been covered, and when GameStop shares squeeze; (1), due to the excessive amount of short positions (2) the unwinding of these short positions, triggering a cascade of short positions covering (3) and retail investors holding, only selling a small portion of their shares (4) not enough shares will be available for sale for the short positions to cover causing the price of GME to skyrocket (5) resulting in the MOASS.

[Credit for the spring theory chart to TroubleSwitch. For a more analytical and detailed example of the Short Squeeze Spring Theory and MOASS please see the reddit DD library.](https://preview.redd.it/f94hyzfr81y71.png?width=624&format;=png&auto;=webp&s;=3f526f5d73035492655cd4ebbae4cce01dc6cc37)

Part 3. A Recap of GameStop's History:

GameStop Corp. was created in 1984 and became a publicly traded company in 1988 as a video game, consumer electronics, and gaming merchandise retailer. Its' more successful years were 2004 through 2015. Unfortunately, the market for physical game media went into a state of decline due to digital and downloadable games like PlayStation, Xbox, and Steam. GameStop's directors did not make adjustments to their business model to accommodate this changing landscape, and this resulted in a decline in sales and deteriorating financials for Gamestop leading up to 2020.

Today, GameStop is the largest video game retailer worldwide; With a new board of directors they now have a unified leadership fully focused on two long term goals – 'delighting customers and delivering value for stockholders'. GameStop has undergone a radical strategic transformation, expanding their business model to compete and thrive in an era of mobile gaming and digital downloads, and has been busy reinventing itself as a major ecommerce player.

* In 2014, market participants starting shorting GameStop. With the expectation of continued negative sentiment of the company's financial outlook, short interest markedly increased over the years. With GameStop's deteriorating financial outlook and short positions, the stock would hit an all time low during the start of the 2020 Covid-19 crisis; with its stock price hitting an all time intra-day low of $2.57 on April 03, 2020 and a closing price of $2.80
* GameStop share prices were declining and fell 16% in 2016 and another 8% in 2017 with the announcement of Xbox Game Pass Service. On April 2nd 2019 GameStop reported its largest loss to-date and acknowledged "the challenges facing our pre-owned video game business" and a need to change its business model. On June 3, 2019 GameStop's board elected to end quarterly dividends.

* In July 2019 GameStop bought back 12 million of it’s shares, In September, GameStop repurchased an additional 22 million shares. In total, GameStop bought back 34.6 million of its shares for $178.6 million, at an average price of $5.14 per share in 2019. By year-end, there were only 67.8 million shares outstanding, down a huge 34% on the year.
* In August 2020 Ryan Cohen filed a 13D revealing he had acquired 6.2 million shares in GME, representing a 9.6% stake in GameStop.
* On August 3, 2020 Roaring Kitty (aka DFV, Keith Gill) posted his first GME livestream of a 3 week series. Reddit started providing DD on GameStop and the GME investment opportunity, with a ‘Pro-GME Short Squeeze DD’ posted on Reddit on September 8, 2020. Short interest of public float (shares outstanding – insider shares) was approximately 112% at the time.
* On October 8, 2020 GameStop announced a multi-year strategic partnership with Microsoft; advancing its strategy to expand its physical and digital video game offerings, as well as enhance the Company’s retail technology infrastructure.
* November 16th, Ryan Cohen wrote a letter to GameStop’s Board of Directors https://www.sec.gov/Archives/edgar/data/1326380/000101359420000821/rc13da3-111620.pdf
* By December 2020, Ryan Cohen had acquired 9 million shares, increasing his position to a 12.9% stake in the company.

2021:

* On January 11, 2021 Ryan Cohen and two former Chewie executives were given seats on GameStop’s board of directors towards accelerating the transformation of GameStop into an e-commerce juggernaut. \[Ryan Cohen would be elected Chairman of the Board [(COB)](https://www.investopedia.com/terms/c/chair-of-the-board.asp#:~:text=A%20chair%20of%20the%20board%20(COB)%20holds%20the%20most%20power,the%20board%20and%20upper%20management.) at the June AGM\]
* On January 28, 2021, GameStop’s stock price would reach a high of $483.00, only to close at $193.60 after buying was restricted by multiple brokers. This is the first time in history that buying was disabled while selling remained an option, and is regarded as market manipulation. \[Important note: The buying pressure of GME on January 28th exposed a systemic risk in our markets – with specific concerns about the financial viability of intermediaries and clearing houses. In an Interactive Brokers' interview with CEO Thomas Peterffy, he warned about the market nearly collapsing. Mr. Peterffy advised that due to the GameStop buying craze, clearing houses were exposed to double-digit billions of losses, and it was due to concerns of potential defaults and market integrity concerns that buying was restricted.\] https://www.youtube.com/watch?v=Yq4jdShG_PU
* In the first half of 2021, recognizing the systemic market risks brought about by the GameStop saga, FINRA, DTCC, OCC, and NSCC (self-regulating bodies), would enact multiple regulatory changes aimed towards helping prevent a repeat occurrence. Unfortunately, many of these rules appear not to have not been consistently enforced.
* January 31, 2021 S3 Partners redefined share float to include shares that don't exist (shorted, synthetic shares) in order to claim a lower % of the shorted float. It reduces the traditional SI % float, as instead of shares shorted/float, the calculation is now shares shorted/(float+shares shorted). By increasing the denominator when accounting for synthetic shares it lowers the perceived short interest calculated percentage. On February 24, 2021 FINRA also changed their short interest figure, which used to be calculated as a percentage of shares outstanding sold short, they now report it as a percentage of the float sold short. Because tradable float is a dynamic subjective calculation, whereas shares outstanding is definitive, expressing short interest as a percentage of float is inaccurate.
* February 2021 Reddit investors identified that XRT ETF was being shorted in an effort to suppress the price of GME. An article first drafted in 2016 explores how ETFs are used to continue a short attack on a stock. ETFs containing GME are analyzed and confirmed to have similarities to this strategy. https://jacobslevycenter.wharton.upenn.edu/wp-content/uploads/2018/08/ETF-Short-Interest-and-Failures-to-Deliver.pdf. Millions of ETF shares would later be identified as being shorted in an attempt to further drive down the price of GME while also hiding SI%.
* March 23, 2021 GameStop files 10-K SEC Filing: "To the extent aggregate short exposure exceeds the number of shares of our Class A Common Stock available for purchase on the open market, investors with short exposure may have to pay a premium to repurchase shares of our Class A Common Stock for delivery to lenders of our Class A Common Stock. Those repurchases may in turn, dramatically increase

the price of shares of our Class A Common Stock until additional shares of our Class A Common Stock are available for trading or borrowing. This is often referred to as a “short squeeze.” https://news.gamestop.com/static-files/55a92a3e-144e-4d2b-8ee6-930db9045593.
* GameStop completed a voluntary early redemption of $216.4 million in principal amount of its 10.0% Senior Notes due 2023. This voluntary early redemption covered the entire amount of its outstanding 10% Senior Notes, *which represented all of the Company’s long-term debt.* A big part of the bear thesis against GameStop was that it would default on the senior notes due 2021, and with this action GameStop paid off in full even their debt due 2023. Paying off these debts freed the company to perform actions like making acquisitions and issuing dividends.
* March article on Ryan Cohen leading a new initiative to turn GameStop into the Amazon of gaming. https://www.businessinsider.com/gamestop-ecommerce-ryan-cohen-leading-strategic-committee-2021-3?utm_source=markets&utm;_medium=ingest
* June Morningstar analytics sets $GME Price Target of $315 https://www.morningstar.com/stocks/xnys/gme/price-fair-value
* GameStop formally appointed Matt Furlong to the Company’s Board of Directors as its new Chief Executive Officer (CEO) and Mike Recupero as Chief Financial Officer (CFO). Both executives were acquired from Amazon.
* GameStop’s June AGM vote count almost entirely equals total tree float. This is indicative that GameStop's vote tabulator, Computershare/Georgeson, has adjusted the votes to not exceed the free float so they can legally be submitted. Considering that some brokers reported that not all of their clients have voted, it is highly probably that more people voted than shares have been issued, implying there is a large short interest and potential for a short squeeze.
* June 22 Gamestop announced completion of it’s final At-The-Market (ATM) equity offering to fund transformation plans. A total of 5M shares were sold raising pre-commissions proceeds of \~$1.126 billion dollars. This was in addition to its April 26th ATM of 3.5 million shares that raised proceeds of \~$551 million.
* August GME was included in MSCI US Large Cap 450 Index. As revenues continue to increase, it is highly anticipated that it will be added to the S&P; 500 index within a year.
* Throughout the year GameStop [attracted hundreds of top talent ecommerce executives](https://onedrive.live.com/View.aspx?resid=D645EE2EDB0B6!2167&authkey;=!AMFLvwFiMuIKSHI). They continue to hire and expand their fulfillment centers, and have increased their online product offerings to 40,000+ items.
* Media bias against GameStop was exposed in multiple occurrences throughout the year. https://upsidechronicles.com/2021/09/05/how-wall-street-short-sellers-are-trying-to-control-the-gamestop-narrative/.
https://www.youtube.com/watch?v=D9rbHpA_6W4
* The SEC released a report on the GME buying restrictions from January: This report, among other positives, essentially supports that there was no squeeze in January (price appreciation was the result of regular buying pressure), and that short positions were only marginally covering during this buying period Jan 19 to Feb 5: https://www.sec.gov/files/staff-report-equity-options-market-struction-conditions-early-2021.pdf
* Citadel sued the SEC to prevent an IEX order type initiative that is beneficial to retail traders buy order (best execution price). https://youtu.be/Azgo3uC_eAQ. David Lauer is interviewed on the SEC report, Citadel vs SEC lawsuit for IEX, market transparency and overall systematic market risk. https://youtu.be/NWsp-XUVGCs
* GameStop launched their NFT marketplace website, and continues to hire for extensive e-commerce positions - including blockchain, NFT and Ethereum specialists. https://markets.businessinsider.com/news/currencies/gamestop-nft-building-ethereum-powered-platform-hiring-team-ecommerce-transformation-2021-5?utm_source=markets&utm;_medium=ingest and
https://gmedd.com/report-model/
* December there is a high, publicized probability, GameStop will partner with Loopring; Moving one step closer to it's revolutionary new NFT Marketplace. [https://wccftech.com/loopring-lrc-and-gamestop-gme-move-one-step-closer-to-a-potential-nft-related-tie-up-even-as-the-video-game-retailer-starts-accepting-dogecoin-doge-and-shiba-inu-shib/](https://wccftech.com/loopring-lrc-and-gamestop-gme-move-one-step-clos

er-to-a-potential-nft-related-tie-up-even-as-the-video-game-retailer-starts-accepting-dogecoin-doge-and-shiba-inu-shib/)
* Retail investors, through Reddit DD, identified that shares held with their brokers were registered with the DTCC through their brokers in ‘street name’, allowing for the shares to be leant out against their wishes and opening the shares to manipulation against their long positions. The DD released confirmed the benefits of direct registration of shares (DRS) through Computershare, and an estimated 25% of the float was registered by late November. This initiative is continuing with the objective of registering the GME float to officially prove the corruption, eliminate the opportunity for manipulation of the shares, and force the short positions to cover.

In summary, 2021 has been a pivot point for GameStop, with Ryan Cohen as the new Chairman, multiple new technology focused executives, a focus on Customer service excellence, a strengthened and fortified financial position, an increasing trend in profitability, and its move towards ecommerce.

An e-commerce, Crypto and NFT platform has been confirmed by GameStop, with specific details pending and a formal announcement expected soon. It is highly anticipated that this strategy will be revolutionary (see Resource and Links in Part 3 of this post). According to Statista.com the retail ecommerce market had revenues of 4.28 trillion US dollars in 2020 and are projected to grow to 5.4 trillion in 2022. Revenues in the gaming industry are based on three major sources. Hardware, such as consoles, processors, screens, controllers, and other accessories; software, the actual games, as well as in-game purchases and live services.

In 2021, mobile remained the biggest gaming segment worldwide with approximately 90.7 billion U.S. dollars in annual revenues. The console segment ranked second with 49.2 billion U.S. dollars, and PC gaming ranked last with an estimated 35.9 billion U.S. dollars in 2020. For the gaming segment, they report the average age of a U.S. gamer in 2021 is 35, the average number of years a U.S. gamer has been playing games is 13, and only 29% of the gamer population is under 18 years old.

Gamestop already has the footprint of 4,816 stores in 14 countries, and over 55 million PowerUp reward members. As it moves forward with its ecommerce and NFT marketplace the potential for this company rivals market giants like Amazon, Apple, and Meta (Facebook, Instagram etc).

Resource credit to https://gmetimeline.com/.

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Please let me know if you find any misinformation or required updates to this information so that I can correct it before inadvertently speeding misinformation. Thank you!

Edit: Updates are discontinued as 40k max characters has been met for this post. Part 3 of this series is pending.