

Title: ■ Reasons why GameStop Corp is taking steps to Fully Acquire Bed Bath & Beyond Inc ■
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Timeline of Important Events

1. **March 6th, 2022**: After Ryan Cohen bought shares, he wrote [this letter](https://s.wsj.net/public/resources/documents/bbbletter030622.pdf) to the board of Bed Bath & Beyond.
2. **March 25th, 2022**: 19 days after Ryan's letter, Bed Bath & Beyond's board started this [this cooperation agreement with Ryan Cohen](https://bedbathandbeyond.gcs-web.com/node/15756/pdf), and allowed Ryan's three friends: Majorie, Shelly, and Ben to be on the board of directors.
3. **July 7th, 2022**: Ryan Cohen's friends vote out the bad Mark Tritton from his CEO and board position. They then vote-in the new CEO, Sue E. Gove [immediately buys 50,000 shares](https://www.forbes.com/sites/sergeiklebnikov/2022/07/07/bed-bath-beyond-stock-jumps-over-20-after-new-ceo-buys-50000-shares/?sh=29a264f0198e).
4. **August 18th, 2022**: In order for GameStop to acquire Bed Bath & Beyond, Ryan Cohen would not be allowed to be an insider of \$BBBY. Therefore, [he had to relinquish his personal position](https://news.yahoo.com/ryan-cohen-sells-bed-bath-beyond-203804593.html).
5. Ryan Cohen's friends now make up 30% of Bed Bath & Beyond's board of directors.
6. **August 31st, 2022**: Bed Bath & Beyond [announces Strategic Changes to Strengthen its Financial Positioning, Drive Growth and Better Serve Customers](https://bedbathandbeyond.gcs-web.com/news-releases/news-release-details/bed-bath-beyond-inc-announces-strategic-changes-strengthen-its). CEO Sue Gove provided [this presentation](https://bedbathandbeyond.gcs-web.com/static-files/94f67de4-e4f9-4a65-8f2b-fafdccff6f23) which discloses the same Ryan Cohen-induced company optimizations.
7. **September 2nd, 2022**: GameStop (issuer) pulls credit rating, to acquire another company

[Due to Acquisition legality, Issuer \GameStop\ has pulled its Credit Rating as routine procedure prior to Issuer acquiring another company](https://preview.redd.it/3viumb5g1kl91.png?width=459&format=png&auto=webp&s=9f0c3643474a96ff994b22a3e3f93848be2747ed)

Market Capitalization Over Time

[Bed Bath & Beyond's Market Cap is 'double bottoming' off of its pandemic low. Provided that market cap is a function of market price, and provided that sales have not diminished, one could argue that this change is merely a result of egregious naked short-selling, similar to GameStop Corp's Market Cap situation of 2019-2020.](https://preview.redd.it/08v437bosjl91.png?width=1138&format=png&auto=webp&s=08f50b2e6cab2c927bf82fd8a53cf0417cb0b5d5)

\$BBBY - Price to Sales Ratio Analysis

https://preview.redd.it/0igd1thqpjl91.png?width=675&format=png&auto=webp&s=2f35b5e8440d4bc9cdc

472b051e77f92ff9d198c

[Bed Bath & Beyond Shares Outstand - The company has a good, decreasing share supply](<https://preview.redd.it/pt93yyjnrj91.png?width=1122&format=png&auto=webp&s=468d88dcb487cacd56985aff361c14b8d9b5d650>)

Current price is \$8.63. Multiplied by 79.96 Million shares = \$690 Million current market cap

Current 12-month Revenue is a high ****\$7.377 Billion****

The current P/S = \$690 Million / \$7.377 Billion = 0.09

[\$BBBY's price is experiencing a historic-low discount compared to its sales](<https://preview.redd.it/alnybicsakl91.png?width=953&format=png&auto=webp&s=68e7141072c8111657c902bed38c9f4cc48a70e6>)

P/S Valuation Comparison to Similar Stocks

[Since Bed Bath & Beyond is a combination of online and brick-and-mortar sales, now similar to GameStop Corp, we can take a 50%/50% split of traditional and online P/S ratios for the retail sector. That gives us $\frac{1.5 + 3.5}{2} = 2.5$](<https://preview.redd.it/wbft2zjsjl91.png?width=1240&format=png&auto=webp&s=1250061d120743feea72d3ac0851359edc7b6954>)

Therefore, the average P/S of what a stock price evaluator would expect for Bed Bath and Beyond, at this time, is 2.5. Yet, Bed Bath and Beyond's P/S is 0.09.

Therefore, \$BBBY is currently at a 96.4% P/S discount. With a fair price, therefore, \$BBBY should be 2.5/0.09, or 27.78x, of what its current market cap is. This implies that one would fairly expect a current share price of:

\$BBBY should therefore be valued at \$239.72 per share. Ryan Cohen likely understands this, and is clearly 'going in' for the acquisition

Perhaps all of this could be why [Jefferies just doubled its price target](<https://www.reuters.com/business/retail-consumer/jefferies-stands-out-with-big-bed-bath-target-price-hike-2022-09-02/>) for \$BBBY.

Bed Bath and Beyond has a very nice labor day sale ([shopping link here](https://www.bedbathandbeyond.com/store/category/deals-and-steals/shop-all-deals/16423?icid=hp_homepage_gb_laborday)), where you can buy high quality home items for what looks like up to 80% off.

GMERICA - The Brand to absorb Bed Bath & Beyond Product Sales

[GMERICA's trademark is online just before any Bed Bath & Beyond acquisition](<https://preview.redd.it/amkuvvyg2kl91.png?width=938&format=png&auto=webp&s=303df2328a8543e1fc7bca4799d19a4e89da5cda>)

[Just this week, GameStop released 'GMERICA 1' with a Rocket Launch, depicting the first online sales under the GMERICA trademark. In this case, digital collectibles \ (NFTs\) are the first GMERICA product, now on sale at [nft.gamestop.com\collection\1aciremg](https://nft.gamestop.com/collection/v1/aciremg)](<https://preview.redd.it/qbh6jng13kl91.png?width=740&format=png&auto=webp&s=aed51e1cad1c0de23850a6e7fbb545051ad3518e>)

TLDR

The timeline of events reveals that Ryan Cohen has nearly completed his planned overhaul of Bed Bath & Beyond, all except for the announcement of the final acquisition. All steps have been successful. Based on Price to Sales calculations, Bed Bath & Beyond is fairly valued at ****\$239.72 per share****. Like Ryan Cohen's takeover of GameStop from 2020-2021, he is known to be a buyer at a discount to value. Ryan Cohen understands this historic discount of \$BBBY stock. He is now clearly going in for the acquisition, as GameStop today pulled its credit ratings. This is standard procedure for a major acquisition. Timed with this, GMERICA released a 'rocket launch' series of NFTs, marking the first product sales. As shown in the trademark application, GMERICA is slated to sell Bed-Bath-&-Beyond type of products.