

Title: (GME Theory Update) - Gamestop Entertainment LLC Merger with Loopring and Spin Off from GameStop Corp, Game Over for Shorts

Author: disoriented_llama

Created 2022-03-19 12:13:35 UTC

Permalink: /r/TheGloryHodl/comments/thtxso/gme_theory_update_gamestop_entertainment_llc/

Url: /r/Superstonk/comments/tbh9hz/gme_theory_update_gamestop_entertainment_llc/

Linked Post Content:

Many are not aware but **GameStop Entertainment LLC** is their stealth tech startup within GameStop Corp headed by Kurt Bierbower (and Matt Finestone). He's a crypto industry all-star.

[Read about him here.](<https://gmedd.com/blockchain/gamestop-poaches-executive-from-industry-leading-crypto-exchange-as-vp-of-business-development/>)

We learned about this from the GameStop and Immutable (IMX) license agreement:

<https://preview.redd.it/jsexasypdom81.png?width=1960&format;=png&auto;=webp&s;=6bdc0f56cbfb5a2cf01b4e4b645c375dfba8689>

In the past 1 year + GameStop has been hiring talented tech engineers and in almost all the cases the job is 'Remote'. Not necessarily odd for the tech industry, but notable, as most other corporate jobs are at their Grapevine HQ.

<https://preview.redd.it/afux7v4zdom81.png?width=2012&format;=png&auto;=webp&s;=5bd88110ec850691c9dcaa2613fa2f720298db01>

In Ryan Cohens letter to Bed Bath and Beyond board (BBBY) he describes how a spin off of their chain "Baby" could unlock shareholder value.

<https://preview.redd.it/2jcr7u6zeom81.png?width=2466&format;=png&auto;=webp&s;=db857aed97fec64851dfb183f68c20e43202622>

So, Ryan bought BBBY already with an exit strategy plan of possibly spinning off a segment of their business. It's conceivable he has a similar plan or strategy for Gamestop.

Do we remember this rumor:

<https://preview.redd.it/sr4waf3deom81.png?width=1024&format;=png&auto;=webp&s;=d912f205ba28f538c47d1ce418915f18b49ac20b>

What I propose is that GME Entertainment LLC is doing a merger with Loopring Technologies to create a new Web 3 company.

The new company is still wholly owned by GameStop Corp but could be "spun out" into it's own separate and publicly traded entity. This spin off is ready to go since the company already has it's future CEO, Kurt, and the entire team are all working remote in a kind of virtual organization.

This would leave GameStop Corp for retail, eCommerce and eSports and GameStop Entertainment, a Web3 Technology company.

Shareholders of GameStop would get equal proportional ownership in the new company.

This does a few HUGE things:

- 1, It would unlock huge shareholder value within Gamestop
- 2, It would force a massive short covering
- 3, It's totally legal, totally regulated and undisputable by SEC
- 4, It doesn't require any fancy NFT dividends or anything gimmicky

Ryan Cohen would look like a genius, you would end up with shares in both companies, shorts would get completely destroyed.

****TLDR:****

GameStop Entertainment LLC is the Web3/Blockchain tech startup within GameStop Corp and it's the subsidiary company that has the licensing agreement with Immutable (IMX).

I propose that GameStop is the process of concluding a merger with Loopring Technologies to create a complete Web3 company.

That Web3 company can then be completely spun out of GameStop corp into it's own publicly traded entity.

This process would absolutely destroy the shorts and all shareholders of GME would get equally proportional shares in the new company.

Ryan Cohen gave us a bit of a hint at his BBY strategy by suggesting they should do the same with their retail banner "Baby". I think the same strategy for GameStop is totally genius.

****UPDATE 1:****

I see some people raising a couple comments about de-centralization and the ****Loopring Dao****. What seems to not be well understood is that a crypto token, like LRC, is not ownership/equity, which is why it is not considered a security. Loopring has an equity parent company, an LLC, just the same as any other corporate structure, and it's original investors and insiders own the equity there. Immutable X for example just raised \$200M in their equity for a valuation of \$2.5B, that had nothing to do with the token. The equity company owns the patents, they own the technology like the Relayer, the Exchange, the Wallets and such and the employees work for that company. The token entitles you to a share of protocol fees. You can read about it here: <https://medium.loopring.io/lrc-tokenomics-v2-1e6fd99e9e9c>

In my proposal Gamestop is acquiring a stake in the parent company of Loopring. I am quite confident that Daniel and Matt Finestone wanted to keep the tokenomics of Loopring valid- so nothing is changing with the token (LRC). Daniel has said he still owns a lot of the token. Loopring Protocol would still be open source and the token can still form a DAO which will govern various aspects of the organization, mostly about the fees charges on the protocol. Gamestop still has power via their equity position. The protocol could very well be named GameStop Protocol after this change and GameStop can allow other companies to build on this protocol- the whole thing still remains decentralized!