

Title: GameStop + Loopring = Tokenized Peer to Peer Stock Exchange (Way Bigger than NFT Marketplace)

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Ever since GameStop dropped their 10k announcing Immutable (IMX) and their partnership with NFT Games/assets I've been trying to figure out where Loopring fits in.

What if... GameStop really *is* shooting for the moon?

What if... They're actually going to **re-design the entire financial system with a new peer-to-peer decentralized stock market, based on transfer agent assets on a block chain ledger.**

We've heard about this theorized for many months... a kind of tokenized stock... but the pieces didn't really quite fit together and it seemed too bold, too brazen, too unlikely, like maybe indeed we were dreaming... But I will argue today that this is NOT a dream but rather a totally realistic and ambitious plan which is very soon going to be revealed.

[Immutable is GameStops primary NFT Gaming solution and connection to Games/Game Studios](<https://preview.redd.it/m3vfnyff8l81.png?width=1921&format=png&auto=webp&s=4127c15026cea03809ffb4869c9a132b5212f4fa>)

Immutable can't be the cornerstone of GameStop Technology if they're launching an Alpha Marketplace with so called L2 NFTS before the IMX integration is even ready. So who is this cornerstone partner?

<https://preview.redd.it/0wy6k4vw8l81.png?width=1617&format=png&auto=webp&s=cfdfaae35618aab1a654f3a33b4c793b64442220>

It's been hinted before that Loopring has developed a new L2 NFT, basically called a counter-factual NFT. The concept is it's free to mint until it's sold or transferred. Might Loopring be this partner?

After the IMX announcement, Daniel ex-CEO and Founder, confirmed his excitement still for Loopring and what's to come.

<https://preview.redd.it/vw3u4xry8l81.png?width=1170&format=png&auto=webp&s=49800e0cf7ba2e5bf94fe1d76c83b7b3f23294a9>

The original premise of Loopring Technology was to enable ANYONE to create a decentralized exchange where *anything* could be traded.

Tokenized Stock is actually not a new concept, however it's current implementation is totally convoluted and the token doesn't really represent a stock per-se, and still requires settlement in traditional finance, so it's still rife with fraud and solves no problems.

<https://preview.redd.it/hvvx2t29bl81.png?width=711&format=png&auto=webp&s=5a0ec54dc31e9a95fa9e801492ad00656aa4491c>

However imagine that a company's stock is registered at a Transfer Agent (like Computer Share) with an enhanced blockchain ledger.

Now imagine if you had the technology to enable a stockholder to trade their stock to a buyer DIRECTLY, PEER TO PEER!

No middle man- **no** broker, **no** commissions, **no** payment for order flow, **no** market maker, **no** internalizer, **no** DTCC settlement fraud, **no** FTDs, pure instant exchange of settlement. Impossible to counterfeit.

<https://preview.redd.it/oovcekzmcll81.png?width=1601&format;=png&auto;=webp&s;=414fea778212c0e24e0117e30f79ed37d049df2e>

Loopring is a technology that enables you to build your own Decentralized Exchange. Matt Finestone is a finance guy (ex-bond trader). He didn't come to Gamestop for the gaming- he came for de-fi, for finance, for the future of the markets.

Economic Significance of Peer to Peer De-Fi Stock Exchange

Imagine you want to sell your stock for \$100.

In Traditional Finance your broker gets a commission, the exchange gets a rebate or the internalizer pays for your order. You are paying for this service.

In De-Fi Peer to Peer you can trade your stock for \$100 and get a better price. Period. No middle men.

Shareholders would prefer to trade peer to peer because:

- 1, Instant settlement
- 2, They know they are getting the best price
- 3, They know trading peer to peer will reduce naked shorting, which reduces their stock value

Companies would prefer to trade peer to peer because:

- 1, They can better understand who their investors are
- 2, There are no risks of over voting or governance concerns
- 3, Their stock is safe from naked shorting and abusive manipulative practices which lowers stock value

ComputerShare is the transfer agent for MANY companies. Once they integrate with GameStop Exchange you can buy and sell a vast array of stocks.

A few hurdles:

1, Computershare is not a broker or bank, so there would need to be some other kind of support to enable you to CASH FUND the GameStop exchange (possibly with a USD crypto token like USDC), this is why FIAT ONRAMP and FIAT OFF RAMP are important. Your transaction would settle instantly and the Transfer Agent would move the stock to your Transfer Agent Account instantly. That account ledger would likely be an enhanced blockchain based ledger.

2, We're now dealing with securities and that will have regulations but how can regulators like SEC dislike a system where a stockholder can trade directly to another stockholder within the NBBO? This would be very hard to block as it's clearly in the interests of all investors.

Implications:

1, A Stock Exchange would be a gold standard for describing the value of Loopring technology. After a Stock Exchange you could imagine all kinds of real life practical exchanges- like real estate, music, other property.

2, It's very unlikely GameStop would just use Loopring and make their entire protocol worth a huge valuation if they did not have a stake or did not control Loopring. This is why the retirement of Daniel Wang, CEO/Founder of Loopring, makes sense. Daniel has very likely agreed to some kind of merger or acquisition where GameStop is now taking over the development and protocol (led by Matt Finestone). As they grow the protocol it will be a win-win for Gamestop and Loopring.

This is why we have not heard of any agreement, announcement or partnership about GameStop and Immutable even though the supposed GameStop Marketplace Alpha is launching before the IMX integration (and we have heard about *that* agreement). The thing cooking with Loopring is bigger... a lot bigger.

****This is why DRS and Computershare are so important****... Moving your assets to the Transfer Agent level will enable an entirely new peer-to-peer market to be created. A market without manipulation, without naked short selling, without huge block trading and dark pools. We're talking a completely ****simplified**** market structure powered by trustless systems where you can ****do no evil.****

Do you remember this:

[With Daniel retired and Matt taking over the development team \(\speculated\) and by GameStop buying Loopring Technologies \(\not this is not the token, this is the LLC\), then it isn't really a Chinese operation is it. In fact Daniel always insisted Loopring was not Chinese. I think we're in for a merger or acquisition.](<https://preview.redd.it/rbxsc1ov2ml81.png?width=1024&format;=png&auto;=webp&s;=5be3c1b22275056825c8fd2a15e6d45ad24dd228>)

[The Same Asset... GME](<https://preview.redd.it/pjb1i9by2ml81.png?width=607&format;=png&auto;=webp&s;=9496915dbe9e4fb507e8721a0d5ae9552ebc82eb>)

[\\"Naked\\"... Hmm](<https://preview.redd.it/i5g3pj023ml81.png?width=1506&format;=png&auto;=webp&s;=ef9581499b4e43557a92b326a49f37d24ef0f6b3>)

<https://preview.redd.it/kyzs9dd63ml81.png?width=960&format;=png&auto;=webp&s;=72462007dd4af677203f0c52c55ef2577dd804bc>

****Roadmap and Liquidity****

One huge problem with any market or exchange is liquidity. Gamestop's Stock Exchange would have this same challenge. In crypto we have Automated Market Makers where the community can pledge assets/stake and computer systems create markets. I expect we see a similar solution here.

Looprings Ordering technology also allows for factors more of liquidity than traditional order book mechanisms. This is their secret proprietary secret sauce and no doubt Gamestop wants to own it or at least have a stake in it.

What I expect is that if you are within the Transfer Agent ecosystem then you can decide to trade your assets on Traditional Finance (sell or buy) OR you can go to the GameStop marketplace with your order. The GameStop marketplace order would be instantly settled and the price would always be better because the only cost is the protocol fee to the exchange (which is LRC).

We're about to see the birth of a peer to peer market where you have complete control over the things you own.

Loopring also recently described their roadmap for a DAO and Insurance Fund, and Daniel has previously

stated, after his retirement, he's a huge LRC holder still. It's very likely that the LRC tokenomics were ensured into any Gamestop agreement and holders of the token will share in protocol fees driven by its use. GameStop likely could have acquired a significant portion of tokens via the company treasury owned and controlled by insiders. It's very unlikely Loopring would continue to talk about a DAO if the future roadmap of Loopring would not exist and the token would cease to be- therefore I think we're more likely seeing a kind of merger where Loopring LLC equity holders receive some GME shares, and GME receive equity in Loopring.

****TLDR:****

The vision is BIG and BOLD. GameStop isn't just planning to launch an NFT Marketplace. They're planning to do something much, much bigger. They're going to launch the worlds first peer to peer decentralized stock market. With assets existing on the transfer agent level (computer share) you will be able to sell peer to peer without any middle man at a better price than going to any other exchange. They're going to completely eliminate the rot and complexity of the financial system by simplifying it.

Once they develop a GameStop Exchange of securities it isn't a far step for that very same exchange to also trade crypto assets: tokens, currencies, NFTs. It's not far fetched that GameStop enables a wallet with FIAT ON and OFF ramp. Before long GameStop is a de-centralized peer to peer non-custodian exchange for crypto AND securities- completely simplifying the entire financial markets in a universal and borderless way- all secured with real assets on a blockchain transfer agent level. WOW! You really don't need a bank, you don't need a broker, you only need your Gamestop Wallet.

****Parting thoughts on the community....**** Every week we seem to hear from another community 'hero' about how we're going to the moon because #marketmechanics and #reasons but 100% of all those theories are wrong, or just lucky, and can't be consistently relied upon.

This whole story was always about GameStop, the company, and how they were going to transform and innovate. They are now transforming on 3 huge pivots simultaneously: ecommerce/brick and mortar, entertainment & esports and web3 technologies. Each of these new businesses can be worth tens of billions when they demonstrate growth, scale and revenue.

I believe in GameStop, do you?