Title: "What's up with that DRS-fuzz?"
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Created 2022-03-07 21:10:10 UTC
Permalink: /r/GME/comments/t8zku7/whats_up_with_that_drsfuzz/
Url: https://www.reddit.com/r/GME/comments/t8zku7/whats_up_with_that_drsfuzz/

Oi mate,

my name is Shouty and I am writing to you because, well, I heard you have some concerns about direct registration of your shares, also known as "DRS".

I don't know, why you don't want to DRS. Maybe you have no idea what these lads on reddit are mumbling about. Short? Long? ETFs? DOOMPS? Swaps? Mayonaise? What? Maybe it is too much of an effort for you and you initially joined this movement to take part passively, by buying one, or a hand full of GME shares and then just wait, hodl and chill, not giving a shit about the stuff that's going on here. Maybe you are just very sceptical and don't trust this dubious / sketchy seeming push from some reddit dorks to DRS your shares.

Well, I cannot and don't want to force you to DRS. Only you can make that decision. I am, however, here to reasonably discuss DRS with you and maybe even convince you of the idea that direct registering your shares is a smart move.

Promise mate, I will try to use as few words as possible and will write as comprehensive as I can. Just promise me you will have an open mind. Oh, I also may oversimply stuff. Let's get into it.

The basics

This is everything you need to know and understand. I don't know how much you already know, mate, so I will start from the beginning. You may skip this, if you already know this stuff.

* Originally stocks were a nice idea. Buy a share of a company you believe in. If the company makes money and you win too. Nice.
* However, some Wallstreet chaps made up ways of making money when a company loses value. They call this "shorting". In a nutshell, those greedy fellas **borrow a share** for a few cents per day, **sell it** (**open** short position) for like 10 bucks and when the stock price falls, they **buy it back** (**close** short position) for let's say 5 bucks. They then pocket the difference.
* "Shorting" is legal, as long as you **borrow** an existing share. But in reality, those Wallstreet blokes just call some other Wallstreet blokes and ask: "Yo, U got 200 GME?" - "Uh huh", hang up and act like they just have borrowed those 200 shares. Now, many other Wallstreet fellows do the same thing and those same 200 shares get lent over and over and over again. That's bad. This way you create "synthetic" shares out of thin air, which increases supply, while demand stays the same. What happens next? The stock price falls, pal. It falls.
* This "creating shares out of thin air" is called "naked shorting", because you sell a borrowed share, that has never actually been borrowed. That's illegal, mate. However, Wallstreet fellas do that on purpose, in order to kill a company and make tons of cash. Very rude.
* Wallstreet chaps didn't believe GameStop will survive long term, so they shorted it. A lot. Even naked. While price was at a few bucks, with the goal to bankrupt GameStop, so they don't have to ever return those borrowed shares, since the company isn't on the market anymore.
* However, GameStop survived due to, well, you, mate. All of us bought and held because we love GameStop Stock.
* GameStop stock is still massively naked shorted, but at some point the Wallstreet lads have to buy those naked shares back, since they "owe" them to some other Wallstreet blokes and pay borrowing fees for them. They won't do this while GME share price is that high, though. At least not voluntarily. They would go bankrupt.
* As long as they technically could **afford to buy the shares back** (**cover** their shorts), no one will hassle them over this. That's why they also have to keep the price of GME down. That's why we see so many dips.
* So they are kicking the can down the road, using many magic tricks I will not explain here to delay this

"buying shares back" while suppressing GME share price, but as soon as they start to buy those shares back, the price will increase. Like, a lot! They have to buy maaany shares back, chum, since they shorted / created maaany shares.
* This is were we are, in some weird standoff-situation. We buy GME, waiting for the day, where Wallstreet chaps are forced to buy back, so GME skyrockets "to the moon".

"What needs to happen, to force the Wallstreet dudes to buy shares back?"

Well, buddy, I don't know. Know one knows. I had many suspicions and I was often very wrong about them.

First, I thought, if every shareholder would vote at the shareholders meeting, GameStop's bosses would be like "whoa, guys we have way too many votes, we should have 74 million votes at most, those are way more than 74 million. We need to resolve this to have our elections" and call the Wallstreet chaps to resolve this. Unfortunately, this didn't trigger anything, but we got some interesting info. Turns out, that "100% voted". Well first, that's impossible. I know that I didn't vote. I live in Europe. I own a bunch of GME and I wasn't allowed to. Secondly, apparently this wasn't enough for the Gamestop bosses to force Wallstreet dudes to resolve this. Even worse, it turned out, that in overvoting situations, GameStop bosses are only allowed to count up to 74 million of the votes and then stop. Bummer.

Then I hoped for a dividend. Turns out that this would not help either. Normally GameStop bosses would give Wallstreet pals like, I don't know, let's say 1$ per share, to distribute to all 74 million shareholders. However, Wallstreet pals can just pay additional money from their pocket to the additional shareholders instead of resolving the discrepancy in real and synthetic shares, so this wouldn't work either.

Then I heard about NFT dividends. GameStop recently started experimenting with NFTs. That could actually solve this standoff-situation. NFTs are literal non fungible tokens. Only a limited amount of them exist and every single one is unique. If GameStop bosses would issue dividends in form of NFTs, they would assign 74 million unique NFTs to 74 million shares. Wallstreet chaps couldn't just add additional "NFTs" out of their pocket for the synthetic shares. They just can't. Until now GameStop hasn't announced anything that would hint at something like an NFT dividend. This is pure speculation. I'd argue it's very likely, though, that this might happen, but I have no proof. This is pure speculation.

So what now? Do we just wait, hoping for an NFT Dividend, that might never come? Well, there is something you can do. Direct register your shares.

I owe you a share, mate.

To explain why DRS is a neat idea, I have to tell you how this whole market stuff works. I know, you are already bored to death and not following, but I promise you to keep this simple.

Let's say you have 5$ in your bank account. This does not mean, that there is a safe somewhere, with a 5$ bill in it with your name on it. It just means, that your bank owes you 5$. If you go to the bank and ask for your 5$, they will just give you any 5$ bill out of their giant money pot. You following, mate? The 5$ in your bank account does not represent a distinct 5$ bill. They are just an IOU (I owe you).

Shares work in a similar way. The "market" is like a giant pot, where all shares of all companies are in. This pot is called the "DTCC". So, what happens when you buy a share?

When you make a bank transfer, let's say to send those 5$ to your friend, the bank does not take a distinct 5$ bill from one safe to another. That would be ludicrous. The banks just change numbers on both of your accounts. As already explained, virtual money in a bank account does not represent distinct dollar bills and since that's the case, you can assume, that there is way more virtual money out there, than paper money. Much like GME shares. There are 74 million sheets of GME paper. Virtually, there is way more.

Now, when buying a share at your broker, much like that 5$ bill you want to send to your friend, that share is **not taken out of that pot**. It's still in there. You just get an IOU. A virtual representation of the share. Your account now lists, that your broker owes you a share, furthermore all benefits that come with it, like dividends or voting power.

Let's get back to that bank account analogy. Imagine for a second that everybody simultaneously would withdraw his money from his account. Banks would run out of paper money, fast. They would have to scramble to get more paper money. However, they can just order more printed money. I mean, we're talking about a darn bank here. Problem solved. Well, here's where my analogy fails. Wallstreet blokes cannot print more GME shares, there are only 74 million out there. If everybody would withdraw his GME shares from the pot, they would have to scramble to get real GME papers. Needless to say they would be pretty screwed if they ever ran out of those 74 million shares.

"Shouty, you still haven't told me what the frigg this 'DRS' has to do with this."

Well, mate, that "everyone taking his money out of his bank account"? **DRS does exactly that for shares.** By direct registering your share, the broker takes one GME paper out of the DTCC pot and hands it to ComputerShare, the share management guys which GameStop themselves trust with their shares. ComputerShare holds that paper for you. Safe from the Wallstreet blokes' hands.

Now, imagine for a second what would happen if Wallstreet chums ran out of shares. This would have severe effects. For example:

* To keep the price of GME down, Wallstreet chaps have to keep shorting. Now, imagine those Wallstreet blokes calling some of their Wallstreet buddies and ask: "Yo, U got 200 GME?" only to hear "nope, don't have any". Wallstreet lads can short everything in that DTCC share pot over and over again, as long as someone in that pot can locate one share of GME. No shares, no more shorting.
* Those Wallstreet blokes are pretty smart. They created many derived financial products (bets), that derive from GME shares, to get even more money. The whole derivative market, they built on GME would crumble, exactly like the housing derivative market in 2008 broke down, because the base they were derived from collapsed.
* GameStop knows how many shares are directly registered. All shares being directly registered, would imply that there are zero shares in the DTCC left. Now imagine GME would still trade in the millions per day with the price still tanking. GameStop bosses would then have a strong and irrefutable case in front a court, proving the manipulation their stock suffered and could reasonably force Wallstreet chaps to resolve their synthetic positions.
* Real GME shares would be the most sought after goods there could be. Owning one synthetic share, while all real shares are directly registered would put you in a position, where you could ask for any price you want, since Wallstreet chaps would have to buy it back.

Conclusion

Don't wait for the GameStop bosses to press the launch button, with an NFT dividend that might or might not come. Launch the rocket yourself. DRS.

"Shouty, listen, I appreciate your effort, but this is too much of a hassle."

Fair point. I mean, why should you care? Everybody else could DRS, or GameStop could issue an NFT dividend at any time. Of course you don't have to DRS. This decision is completely up to you. I'd argue, that this is a question about ethos.

I, for my part am tired. Actually, no, I am angry. Actually, I am fucking furious. I spent over a year reading and learning about crimes of those fucking, disgusting Wallstreet pieces of shit. I am not in it for the money anymore. This became personal for me. I want to see them burn. I want to see them stripped off their stolen money, publicly exposed, humiliated and thrown behind bars. Those bastards exploit us while laughing at us. They play god without permission. The 1% of the 1% that decide whether or not your entire existence is worth it or should be shorted into the ground. They control what you see, what you hear, what you eat, what you vote. And the most disgusting thing? They want more. They want every last of it. They want your money, your thought, your loyalty, your fucking soul.

But that's just me, mate. If you are just in it for the money and don't want to put the effort to DRS (we're talking about a phone call and some paperwork), that's up to you. I won't judge you. On the other hand, you've read this whale of a text until this point. DRS would've taken you less time, mate.

"What about you, huh? Have you registered your shares?"

Yes! Well... Technically speaking... No. No, I haven't. At least not yet. I am living in Germany and I do not own the German citizenship. Due to my current citizenship status I cannot open up an IBKR account to DRS my high XX / almost XXX shares.

"Ha! Gotcha! Why should I DRS then?"

I was born here, in se länd of se sauerkraut. I never needed the German citizenship in my whole life, but guess what. I went through the bureaucratic nightmare of applying for the German citizenship months ago, **only to DRS**. I am in the middle of the application process, waiting for my approval. I handed in my final documents a few weeks ago. This process took very long and will cost me 250€. I wouldn't have done this, if this weren't for the cause. Don't want to guilt trip you, mate, but if I can apply for German citizenship to register my shares, you can pick up the phone.

As I said before. To DRS or not to DRS. That is the decision. And it is yours to make. I cannot force you. I can just ask you to do it. For me. For yourself. For all of us.

Diamond hands 'till I fucking die.

P.S.: The market is purposefully overcomplicated. Frankly, I don't know shit about it. Seriously. I am an idiot on that matter. I might be super wrong about all of the stuff I wrote above. If you, or anybody else finds anything I wrote to be wrong, please do not hesitate to contact me. I will correct it as soon as possible. Thanks.