

Headline /

## Headline

A blurred close-up of a man's face, looking upwards and to the left. A white Twitter bird logo is overlaid on the right side of the image, partially obscuring the man's cheek and ear. The background is out of focus, showing some blue and green tones.

./ Picture

## / Bullet Points

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| Musk : Bankruptcy isn't out of the question. |
| Staff : Nah...? |
| Musk : Nah. |
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The billionaire on Thursday, gathered employees for an impromptu all-hands meeting at Twitter's San Francisco headquarters, giving workers about an hour's notice. It took place after Musk earlier that morning sent Twitter staff an email, his *first, company-wide communication* since he took over almost two weeks ago.

In that note, he ended remote work and warned employees...

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| Musk : The economic picture ahead is dire. |  
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Most of the questions during the meeting related to his EMAIL and the recent STRING OF RESIGNATIONS of COMPANY LEADERS in the wake of LAST WEEK'S MASS LAYOFF, including those heading up internal SYSTEMS SECURITY, PRIVACY, and COMPLIANCE.

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| Which SHOULD INDICATE VERY CLEARLY... that this \$44B social media company was basically operating as a |  
| massive fabrage egg, teetering on the edge of collapse that WHOLE TIME. |  
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Robin Wheeler, who Musk tasked with leading advertising at Twitter, just left the company, a person familiar told Insider. Yoel Roth, Twitter's head of trust and safety, also departed on Thursday.

One employee asked why Musk ended working from home, and the billionaire looked *visibly annoyed*, and *just shut her down* saying that's the way the company will operate going forward, according to a person at the meeting.

Another employee asked Musk how he plans to deal with attrition at Twitter.

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| Musk : I don't know how to answer that, but I can tell you it's about being hardcore. |  
| A small amount of exceptional people who are highly motivated can do better than |  
| a smaller group of high achievers with moderate motivations. |  
| If you can't perform hardcore, then Twitter is not for you. |  
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Musk floated the idea of bankruptcy after being asked by another employee what would happen if his plans to grow company revenue, right now based largely on building out a subscription business, didn't pan out.

One person who witnessed the meeting said people "weren't expecting that."

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| I was. Many companies rely on doing the LEAST AMOUNT OF WORK POSSIBLE for the HIGHEST POSSIBLE REWARD. |  
| Another term for this is called EGREGIOUSNESS. Even Facebook does this stuff... |  
| Constantly spamming people with BOTS + ADS = MORE MONEY + LESS DIFFICULTY |  
| It also causes PROBLEMS WHICH AREN'T BEING TALKED ABOUT OR HANDLED, which SPILLS OVER INTO SOCIETY |  
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Bankruptcy is typically seen as a *last ditch effort* by companies, but it could be beneficial to Twitter since Musk loaded it with debt to fund his \$44B leveraged buyout. Twitter now has more than \$10B in debt.

The interest payments on that may be SO HIGH, that the company may STRUGGLE to MEET THOSE OBLIGATIONS, ESPECIALLY if ADVERTISERS are PULLING BACK during a WEAK ECONOMY (pretty sure that's mostly irrelevant). Even before the deal, Twitter STRUGGLED to make a profit. (← That's why.)

A bankruptcy would give Musk the chance to cut that debt load, and lower interest payments.

The punishment for such a move would be that Twitter's lenders and bondholder would likely take a large stake in the company, in return for giving up their right to be paid the interest and principal they are owed.

The result would, in theory, mean that Musk and other investors in his deal would own a lot less of Twitter, but he could still maintain control.

The CEO hasn't shied away from the idea of bankruptcy in the past.

In June, Musk said he was worried about keeping Tesla out of bankruptcy amid supply-chain issues.