



February 26, 2025

Ryan Cohen  
Chairman of the Board and Chief Executive Officer  
GameStop  
625 Westport Parkway  
Grapevine, Texas 76051

Via U.S. mail and GridlockAI.com

**RE: A Strategic Proposal for GameStop's Transformation into the Premier Gaming Sector Corporation by Adopting an Online Marketplace with heavy customer focus and strategic placement of AI**

Dear Mr. Cohen and the board,

My name is John Thomas, and I serve as the Chief Executive Officer of GridlockAI, a traffic management platform that provides traffic mitigation, detailed analytics, and metrics using the latest Machine Learning and Artificial Intelligence technologies. GridlockAI's clients some of which may or may not hold shares in GameStop through a Direct Registration System.

We at GridlockAI believe GameStop has an incredible opportunity to transform its financial future by becoming the premier online gaming and collectable marketplace. With nearly \$5 billion in cash on its balance sheet, the firm is uniquely positioned to shift its reserves from shrinking asset to a growth engine, propelling GameStop from only a storefront to a market leader, one online transaction at a time.

**Now for the non-satire part of our recommendation.**

Mr. Cohen please use your capital to invest more in GameStops online and customer service portals. We ask that you **DO NOT** take large cash reserves and place them in what would be considered a risky crypto currency without investing directly in the business first.



## **Our recommendations.**

**Acquire an operating stake in a digital gaming provider:** Developing a platform to accomplish this is complex and presents significant strategic challenges and financial costs. Gaining substantial ownership in a digital gaming provider with established relationships with major and independent publishers, developers, and studios offers a strong pathway to building an online digital platform.

**Create an online resale auction marketplace for collectables and memorabilia.** An auction marketplace where items can be authenticated and verified in a physical store offers a powerful opportunity for revenue generation by leveraging existing brick-and-mortar resources. By training employees and utilizing available tools, businesses can create a customer-focused auction experience while ensuring secure verification. This approach minimizes the risk of fraud often associated with platforms like eBay, Facebook Marketplace, or Shopify, providing buyers and sellers with greater confidence and convenience.

**Work directly with console manufacturers about allowing a substantial increase in allocation of new consoles and devices to GameStop:** This can be a difficult avenue to pursue as most console makers are more interested in just getting devices into the hands of sellers and not customers. This mindset can be shifted. Highlight the advantages of GameStop's approach, which limits the number of consoles per customer, ensuring that more gamers—rather than scalpers—can access them. This strategy not only fosters a more customer-focused business model but also drives significant growth in game and accessory sales. Typically, each console sold to an individual buyer results in the purchase of at least one non-game accessory. With a larger allocation of consoles from manufacturers, accessory sales could see a substantial increase.

In conclusion, GameStop has a rare and significant opportunity to redefine its position in the gaming industry by leveraging its existing resources, enhancing its online marketplace, and prioritizing customer-centric strategies. By securing an operating stake in a digital gaming provider, establishing a trusted resale auction platform, and negotiating for greater console allocations, GameStop can unlock substantial revenue potential while reinforcing its brand as the go-to destination for gamers and collectors alike. With the right investments and strategic decisions,



GameStop can transition from a traditional retailer to a dominant force in the digital gaming and collectibles market. We urge you, Mr. Cohen, to direct capital toward these initiatives, ensuring long-term growth and sustainability. Thank you for your time and consideration—we look forward to seeing GameStop thrive in this evolving landscape.

Thank you to the board and Mr. Cohen for taking time to read and consider the ideas presented.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Thomas', with a long horizontal flourish extending to the right.

John Thomas  
Chief Executive Officer  
GridlockAI