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The Great Trump Media Robbery

Photograph by Nathaniel St. Clair

After a month in which President Donald J. Trump allowed Elon Musk to launch a hostile takeover of the U.S. government, dispatched his talking dummy J.D. Vance to implore Europeans to embrace neo-Nazi political parties, cut off U.S. AID to those suffering from Alzheimer's and HIV, and sent his diplomatic eunuchs to Riyadh to pay obeisance to Vladimir the Impaler, I realize it must seem quaint to revisit the scenes of Trump's economic crimes.

They harken to an earlier, more innocent time, when it seemed his political life was simply cover for bilking widows and orphans of their hard-earned MAGA savings, so that, for example, his political action committee money could be used to pay off victims of his sexual aggressions or the legal bills relating to his purloined documents and January 6 insurrection.

Still, it is worth considering that Trump's only interest in political chaos—of which he is a master—is to create a smoke screen so that he and his jolly billionaire rogers can get on with the business at hand, which is to steal early and steal often.

A case in point of this oligarchic shell game can be seen in the recently released year-end audited financial statements of Trump Media & Technology Group (TMTG), which operates the Truth Social platform and trades on the Nasdaq exchange under the ticker symbol DJT (perhaps the first time an American president has had himself "listed" on a stock exchange to simplify the lining of his pockets).

I know: no one is reading that Securities and Exchange Commission (SEC) fine print, but if you are, you are discovering that for the financial year 2024, Trump Media reported a net loss of $400 million on revenue of $3.6 million—about what the average McDonalds franchise takes in annually.

Despite no clients, no business plan, and terrible management, Trump Media's stock has traded in the last year between $12 and $80 a share, and as I write trades at $29, which values the enterprise at $6.2 billion (best imagined as a call option on Trump's corrupted soul, especially as Supreme Court immunity makes it that much easier to transform the White House into a bucket shop).

Trump personally owns 52 percent of Trump Media, valuing his stake at $3.1 billion—further proof that the stock market, like American politics, has taken leave of its senses.

To what or to whom does the president owe his good fortune?

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Trump Media began operating in 2021 when Trump found himself a digital refugee without access to Twitter (before it became X) and Facebook. According to its recent filings with the SEC:

The mission of TMTG is to end Big Tech's assault on free speech by opening up the Internet and giving people their voices back…. TMTG aspires to build a media and technology powerhouse to rival the liberal media consortium and promote free expression. TMTG was founded to fight back against the Big Tech companies—Meta (Facebook, Instagram, and Threads), X (formerly Twitter), Netflix, Alphabet (Google), Amazon and others—that it believes have colluded to curtail debate in America and censor voices that contradict "woke" ideology.

Now that the Trump administration is a wholly owned subsidiary of X and its patron Elon Musk, and after the owners of all those Big Tech woke conglomerates sat in the presidential box at the Inauguration ceremonies, the only reason to invest in DJT is to acquire fractional ownership of Donald J. Trump—something the Russians and the Saudis, among others, figured out years ago.

Presumably, those Trump insiders (and Musk could well be one of them) propping up the dead-on-arrival social media stock are doing so because they expect a return on their investment.

They can only hope that Trump personally delivers on their pay day, because there is no chance that Trump Media will ever generate dividends.

TMTG might be many things to many people, but one thing it is not is what accountants call "a going concern," even though it has cash on its balance sheet ($777 million at 12/31/2024) and at year-end had 29 employees (who as best as I can tell spend most of their time denouncing each other, filing whistle-blower complaints, and paying themselves and Trump lavish bonuses).

Trump himself appointed the company's captive board of directors (Donald Trump Jr. and Kash Patel among them), and he installed an errand boy, former member of Congress Devin Nunes, as chairman and chief executive officer. (On January 20, Nunes was also appointed to the Chair of the President's Intelligence Advisory Board.) The no-education secretary Linda McMahon was also on the board.

Trump Media has no revenue because it has only one customer, Donald J. Trump, and his only contributions to the enterprise are some "non-political" social media posts.

Here's how the company's recent SEC filings describe the one-way business arrangement with TMTG's founder, largest shareholder, and sole customer:

The operative version of the License Agreement allows TMTG to use "Trump Media & Technology Group Corp." as its name and to use the name and likeness of President Donald J. Trump, subject to certain limitations. The License Agreement includes a provision that obligates President Donald J. Trump to make any non-political social media post from any of his personal (i.e., non-business) accounts on Truth Social and to refrain from making the same post on another social media site for 6 hours (the "Exclusivity Obligation"). Thereafter, he is free to post on any site to which he has access. Thus, TMTG has limited time to benefit from his posts and followers may not find it compelling to use Truth Social to read his posts that quickly.

In addition, President Trump may make any post that he deems, in his sole discretion, to related to government, politics, or similar topics ("Political Related Posts") on any social media site at any time, regardless of whether that post originates from a personal account. Most or all of Donald J. Trump's posts as President of the United States may be deemed by him to be Political Related Posts. TMTG may lack any meaningful remedy if President

Donald J. Trump minimizes his future use of Truth Social and/or broadly construes the definition of Political Related Posts.

In other words, without investing even $1 of capital, Trump has ended up with 52 percent of a publicly listed Nasdaq company with a market capitalization of $6.2 billion.

For that haul, all Trump has agreed is to post "non-political" tweets to Trump Media "for 6 hours." Nice work if you can get it, but how did Trump get it?

Elsewhere on CounterPunch I have told the story of how Trump schemed with a group of MAGA insider money men to engineer a "reverse" acquisition that allowed Trump Media (with nothing more than the Trump name and the usual flimflammery about bringing down "woke media"…) to take over a $300 million SPAC (a special purpose acquisition company then listed on Nasdaq).

In theory, the SPAC—known as Digital World Acquisition Corporation—had money but no ideas, while Trump had ideas (well, notions) but no money; hence the combination of the two companies.

Just to accomplish the merger cost the combined companies (Digital World Acquisition paid the freight) $80.6 million, but it went ahead with the transaction on the hope that the Trump name would make up the losses of the sunk capital.

Initially the stock traded as high as $80, but then fell back toward $12, and of late has been trading around $30—mostly, I would argue, on the basis of Trump cronies (think of Warren Harding and Teapot Dome) propping up the stock to squeeze short sellers (who know full well that the company is trading at Dutch tulip valuations).

Normally, when a Nasdaq company earns less than $8 million in revenue over two years and posts $500 million in net losses, the company would be "de-listed" or dropped from the exchange (perhaps relegated to the legions of "penny stocks" that like Willy Loman are "riding on a smile and a shoeshine…").

When, however, your majority shareholder is president of the United States and, as they say, "open for business," certain investors will pay anything to become Trump insiders, and here "anything" is 8 times book value for a company with no sales.

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What could possibly go wrong with a publicly listed company (Trump Media) that has no revenue, $500 million in accumulated losses, a fractious staff (it fired its chief financial officer just before the year end, and its new chief technology officer is a computer guy from North Macedonia), and a board of directors made up of "yes" men and women (Kash Patel is just one of many)?

For the moment SEC filings (prepared by the company and its auditors) are required to warn investors of risks inherent in publicly traded securities.

Here is how Trump Media is assessing its own chances going forward. Under the heading—"A number of companies that were associated with President Donald J. Trump have filed for bankruptcy. There can be no assurances that TMTG will not also become bankrupt"—it states to the SEC and potential investors:

Entities associated with President Donald J. Trump have filed for bankruptcy protection in the past. The Trump Taj Mahal, which was built and owned by President Donald J. Trump, filed for Chapter 11 bankruptcy in 1991. The Trump Plaza, the Trump Castle, and the Plaza Hotel, all owned by President Donald J. Trump at the time, filed for Chapter 11 bankruptcy in 1992. THCR, which was founded by President Donald J. Trump in 1995, filed for Chapter 11 bankruptcy in 2004. Trump Entertainment Resorts, Inc., the new name given to Trump Hotels & Casino Resorts after its 2004 bankruptcy, declared bankruptcy in 2009. While all of the foregoing were in different businesses than TMTG, there can be no guarantee that TMTG's performance will exceed the performance of those entities.

A number of companies that had license agreements with President Donald J. Trump have failed. There can be no assurances that TMTG will not also fail.

Trump Shuttle, Inc., launched by President Donald J. Trump in 1989, defaulted on its loans in 1990 and ceased to exist by 1992. Trump University, founded by President Donald J. Trump in 2005, ceased operations in 2011 amid lawsuits and investigations regarding that company's business practices. Trump Vodka, a brand of vodka produced by Drinks Americas under license from The Trump Organization, was introduced in 2005 and discontinued in 2011. Trump Mortgage, LLC, a financial services company founded by President Donald J. Trump in 2006, ceased operations in 2007. GoTrump.com, a travel site founded by President Donald J. Trump in 2006, ceased operations in 2007. Trump Steaks, a brand of steak and other meats founded by President Donald J. Trump in 2007, discontinued sales two months after its launch. While all these businesses were in different industries than TMTG, there can be no guarantee that TMTG's performance will exceed the performance of these entities.

So how does Trump Media not end up on this roll of honor?

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For the moment the company has $777 million in cash on its balance sheet and a price of $29 per share on Nasdaq, both of which give the company some leeway going forward (at least more than most companies that have an annual $400 million in loss and $3 million in revenue).

The cash on the balance sheet is the result of both the merger with Digital World and the issuance of new shares into the market (via a Standby Equity Purchase Agreement with a New Jersey company called Yorkville, which took a cut to flog them off in the market).

Having cash on the balance sheet, however, is no substitute for a successful business plan (at the moment limited to Trump's whinging), as few investors going forward will see any reason to pay $29 a share to acquire, in effect, $3.50 a share in cash, which is the book value of the company (as measured by the cash on its balance sheet—there isn't anything else there of value unless you throw in the $34K of office furniture).

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In many recent market announcements, the company had talked up the cash on its balance sheet and spoken of "making acquisitions," even using the Trump platform to expand into cryptocurrencies. It writes fatuously: "TMTG is also launching Truth.Fi, a financial services and FinTech brand incorporating America First investment vehicles."

The filings suggest that the ADHD board and management (not to mention Trump himself) are moving off the dream "to build a media and technology powerhouse to rival the liberal media consortium." To date, according to the audited financials, TMTG only has a staff of 29 and has only invested $5.2 million in computer equipment.

For a comparison: Google (a purveyor of "woke ideology") has revenues of $350 billion, a return on equity of 32 percent, and net income of $100 billion—unlike Trump Media, which has no customers and no revenue.

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One of the more ludicrous statements made by Trump Media in the company's Form 8-K, filed with the SEC in February 2025, claims: "Now, the Company has established a strong cash position to pursue further expansions and acquisitions, has opened up new frontiers for an iconic brand and has attracted approximately 650,000, largely retail, shareholders, as of October 15, 2024."

The statement is made to position Trump's windfall in a rigged stock float as the result of a groundswell of populist support from MAGA common men and women, all of whom want to break open their piggy banks to get behind the president's publicly traded social media giant.

That claim of about "650,000, largely retail, shareholders" was in a company release to gin up demand for the stock, while in another SEC filing, the company reported more accurately:

As of February 12, 2025, there were 527 holders of record of our common stock and 89 holders of record of our Public Warrants. A substantially greater number of holders are “street name” or beneficial holders, whose shares of record are held by banks, brokers, and other financial institutions.

It used to be a crime to deceive shareholders of a public company, but that was before Musk’s frat boys and Trump’s henchmen took over the federal government.

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Buried deep within the company’s many SEC filings is the extent to which Trump Media has functioned as a slush fund to pay off Trump loyalists, especially those lining up to run his Department of Justice.

For example, since 2022, Trump’s nominee to become director of the FBI, Kash Patel, (when not peddling MAGA merch, cutting J6 records, buffing up his enemies list, or writing a children’s book about Dinesh D’Souza, Trump, and election denialism) has served on the board of Trump Media’s board of directors.

This posting lined up him both for TMTG consulting fees ($181,00 in recent years) and, in 2024, for 25,946 bonus shares (worth today about $800,00).

Normally, directors of companies that lose $400 million in one year (on $3 million in revenue) are escorted to the front door with their belongings in a cardboard box.

In 2024, however, Trump Media paid out $107.3 million in “stock based compensation,” not counting the 36,000,000 “earnout” shares (now worth about $1.1 billion) awarded as a bonus to Donald Trump.

Needless say, now that Trump has gutted the IRS, he will not have to report that amount as ordinary income, a gift, or maybe a fringe benefit for delivering the United States economy to oligarchs.

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If approved as FBI director by the full Senate, Trump Media board member Kash Patel (I have read nothing that he plans to resign) will report to Attorney General Pamela Jo Bondi, who herself was baptized in the holy waters of Trump Media.

In her financial disclosure forms for “Executive Branch Personnel,” Bondi reported holding shares and warrants in Trump Media worth between $1 – 5 million (estimates are that her stake is worth about $3.8 million).

In the Endnote of her filing, she explains (the caps are all Bondi’s):

FILER RECEIVED SHARES AND WARRANTS OF DIGITAL WORLD ACQUISITION CORPORATION (DWAC) FROM RENATUS LLC TOGETHER WITH ALL OTHER SHAREHOLDERS ON THE MORNING OF THE MERGER CLOSING BETWEEN DWAC AND TRUMP MEDIA AND TECHNOLOGY GROUP. Share were converted to stock in TRUMP MEDIA AND TECHNOLOGY GROUP (DJT) upon closing of the merger with DWAC.

Two companies with which Bondi worked as a consultant advised Trump on how, for nothing down, he could end up with the $300 million that was invested in Digital World Acquisition Corporation (the SPAC).

(Legally, SPACS raise money without first identifying a potential merger or acquisition candidate, but in this case there is ample speculation that the SPAC raised its funding knowing that it would be passed on to Trump.)

Bondi and her consulting cohort, however, saw to it that, in exchange for putting up nothing other than his social media posts (limited to 6 hours!), Trump wound up with more than 50 percent of the merged public company.

In her letter to the Designated Agency Ethics Official at the Department of Justice, Bondi wrote on January 14, 2025:

My consultant position with Renatus LLC ended in March 2024; following a merger, Renatus is now known as Trump Media & Technology Group. Pursuant to the impartiality regulation at 5 C.F.R. § 2635.502, for a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which I know Trump Media & Technology Group is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Does this mean she will have no conversations with TMTG majority shareholder Donald Trump? When she does, will she then investigate herself for lying under oath?

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On December 14, 2024, while contemplating his second term as the American president, Trump moved his 115 million shares in Trump Media into a revocable trust that Donald Trump Jr., as the sole trustee, will oversee. (Note that the trust isn't in the names of Donald and Melania Trump, just Donald.)

In normal times, Nasdaq or the SEC would suspend trading in a stock as watered as DJT. (The company's auditors write: "In our opinion, the Company did not maintain, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.") But these are not normal times, as Musk and Trump (both with cases in front of the SEC) have already forced out the last commissioner (who took a dim view of pump-and-dump schemes, the lifeblood of MAGA Street).

And if the full Senate confirms Kash Patel, it will mean that the heads of both the FBI and the Justice Department will have received million dollar pay days from the Trump Media money jar, which ought to slow down any potential investigations into its majority shareholder and his stockjobbing plunder.

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Matthew Stevenson is the author of many books, including Reading the Rails, Appalachia Spring, andThe Revolution as a Dinner Party, about China throughout its turbulent twentieth century. His most recent books are Biking with Bismarck and Our Man in Iran. Out now: Donald Trump's Circus Maximus and Joe Biden's Excellent Adventure, about the 2016 and 2020 elections.