

DOGE Gone Wild in Dallas? How the NBA’s Dallas Mavericks Owner May be Manipulating the Marketplace.

This article reviews the recent landmark decision by NBA team owner Mark Cuban to allow the popular cryptocurrency DOGE to be used at all Mavericks events and locations to purchase tickets and merchandise. More specifically, this article will seek to explore how social media platforms contribute to potential market manipulation by facilitating an environment where those who own the means of production can produce what all investors seek: capital gains.

On March 4th, 2021, Dallas-based billionaire Mark Cuban announced in a groundbreaking interview with Markets Insider that the Dallas Mavericks would be the first professional sports team to accept the cryptocurrency “Dogecoin”, an initially satirical form of cryptocurrency made popular through internet meme culture and the endorsement of prominent celebrity figures such as Elon Musk.¹ When Maverick’s owner Cuban was asked why he made the unprecedented move, his response was simple, “Because we can!”.²

The [@dallasmavs](#) have done more than 20,000 [#Dogecoin](#) in transactions, making us the LARGEST [#DOGECOIN](#) MERCHANT IN THE WORLD ! We thank all of you and can only say that if we sell another 6,556,000,000 [#DOGECOIN](#) worth of Mavs merch, [#dogecoin](#) will DEFINITELY HIT \$1 !!! 🚀🚀🚀

– Mark Cuban ([@mcuban](#)) [March 6, 2021](#)

3

In the two days following the March 4th announcement, Mavericks owner Mark Cuban announced via Twitter that the team had conducted over 20,000 individual transactions resulting in over 6.5 billion dogecoins being accepted by the team. With Dogecoin’s current value of \$0.05 a coin, at the time of this article’s publication, the Mavericks have received the equivalent

¹ <https://thesource.com/2021/03/05/mark-cubans-dallas-mavericks-will-be-first-nba-team-to-allow-fans-to-use-dogecoin-for-purchases/>.

² <https://www.bloomberg.com/news/articles/2021-03-04/mark-cuban-s-mavericks-to-accept-dogecoin-for-tickets-merch>.

³ <https://twitter.com/mcuban/status/1368276718860046339>.

of thirteen million U.S. dollars of Dogecoin, causing the organization to be the largest recipient of Dogecoin in the world.

While Cuban's response may seem humorous and harmless at first glance, the recent reality of Dogecoin's rapid surge points to a far more sinister story, a story of potential market manipulation. Dogecoin's initial 125% increase in coin value in July 2020 as negligible compared to the 1600% surge in January 2021,⁴ both of which were aided due to the meme culture and celebrity endorsement that surrounds the coin.⁵ Powerful marketplace actors such as Elon Musk, Snoop Dogg, and even social media sites like Twitter and Reddit are responsible for the inflation, with users flocking to the currency with unbridled enthusiasm.⁶ While the U.S. marketplace is no stranger to fads and crazes, the rise of Dogecoin is remarkably different, as the coin's success has relied largely on celebrities endorsing the purchase of DOGE accompanied by popular phrases such as "to the moon" and "never sell".⁷



⁴ <https://www.world-today-news.com/dogecoin-or-twiters-dubious-role-in-the-case-of-market-manipulation/>.

⁵ <https://www.coindesk.com/price/dogecoin>.

⁶ <https://www.cnbc.com/2021/02/08/tweets-from-elon-musk-and-celebrities-send-dogecoin-to-a-record-high.html>

⁷ <https://twitter.com/genesimmons/status/1357826175620374528?lang=en>.

⁸ An image of the popular Rock Band KISS front man Gene Simmons encouraging the purchase of Dogecoin through a recreation of a popular scene from Disney's "Lion King". A classic example of how "Meme Culture" has perpetuated the rise of certain cryptocurrencies.

While providing unsolicited investment advice is not a criminal activity, prominent figures in American culture find themselves in a unique position, as the general populace looks to successful entrepreneurs such as Mark Cuban and Elon Musk as the model for success and seek to emulate Musk and Cuban's actions in an attempt to replicate their achievements. At the time of this article's publication, Cuban and Musk have a combined following of over fifty-six million users on the popular social media website Twitter, providing an enormous realm of influence in the marketplace, causing an unprecedented level of volatility in the cryptocurrency space. Twitter has long been criticized as a vehicle for political populism, so it should come as no surprise to readers that the site is now undoubtedly facilitating a new social movement, "market populism", the idea that market movements are far more democratic than elected governments. This concept has held true in the recent spikes in GameStop and Blackberry stock, where largely defunct company's stock valuations skyrocketed due to the collective action of users engaging with online chat forums such as Reddit and Twitter, seemingly spitting in the proverbial eye of traditional industry leaders on Wall Street, who took massive losses as a result.⁹

On February 12, 2021, Dogecoin's founder Billy Markus published an open letter on the website Reddit describing his creation as simply being a "silly joke",¹⁰ a joke that as of today has a market cap of \$10.7 billion, more than three times the market value of popular U.S. based companies such as Crocs, Skechers, and Aaron's.¹¹ Will Mark Cuban's move to allow the Dallas Mavericks to accept Dogecoin set a trend amongst other professional sports teams seeking to appeal to cryptocurrency users? Perhaps. The more pressing question is will Cuban's recent acquisition of six billion Dogecoins amount to a potentially multi-billion dollar move as celebrities push for Dogecoin to skyrocket to \$1 a coin? The American public and the SEC will soon find out.

-- *Samuel Brown VII*

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⁹ <https://www.nytimes.com/2021/01/27/business/gamestop-wall-street-bets.html>

¹⁰ <https://www.marketwatch.com/story/dogecoin-founder-says-cryptos-rise-is-not-something-i-can-comprehend-11613160282>

¹¹ <https://www.kiplinger.com/investing/stocks/stocks-to-buy/601610/mighty-mid-cap-stocks-to-buy-2021>