

Groovy Company Announces Groundbreaking Security Meme Token Launch and 200:1 Common Share Reduction

First SMT Using Proprietary OTCM Protocol to Leverage 15,000-Shareholder Community; Common Stock Authorization Reduced from 20 Billion to 100 Million Shares

FAIRFIELD, NJ, UNITED STATES, October 7, 2025 /EINPresswire.com/ -- Groovy Company, Inc. ([OTCID:GROO](#)), a Wyoming corporation now known as [OTCM Protocol](#) a pioneer in Solana based SMTs (Security Meme Tokens), today announced it will deploy what it believes is the first [Security Meme Token](#) (SMT) using its proprietary OTCM Protocol and newly structured Preferred "M" class shares. This announcement comes alongside a dramatic reduction in authorized Common Stock from 20,000,000,000 shares to 100,000,000 shares, representing a 99% decrease and signaling management's commitment to shareholder value protection.



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We're not disrupting—we're building markets where none exist.”

Board of Directors of OTCM Protocol

The Security Meme Token Structure

The SMT framework utilizes newly authorized Preferred "M" shares that serve exclusively as tokenization vehicles. 1,000,000,000 Preferred "M" shares have been authorized with a par value of \$0.0001. These shares carry no voting rights, no dividend rights, and no liquidation preferences, immune to 144-ruling, existing purely to be held in perpetuity at Empire Stock Transfer as backing for SMTs

issued through the OTCM Protocol.

Each Preferred "M" share converts 1:1 into a single SMT. The underlying shares remain permanently locked at Empire Stock Transfer and cannot be redeemed, repurchased, or cancelled by the corporation. This perpetual custody model ensures SMT holders have permanent backing through independently held corporate equity. This immunity ensures 1 SMT always equals exactly 1 Preferred "M" share regardless of what happens with other stock classes.

Additionally, Protective Conversion Triggers activate only under catastrophic circumstances. If the corporation files Chapter Seven bankruptcy, faces SEC enforcement action, or loses transfer agent services, SMT holders can vote through a DAO process to independence themselves from the corporation, establishing themselves as an independent community no longer tied to the failed corporation.



Expert Market Context and Strategic Opportunity

The company currently trades on the Expert Market after losing its 15c-211 eligibility. The Expert Market is a restricted venue where only broker-dealers and institutional accredited investors can transact, creating illiquidity for retail shareholders who cannot easily trade through normal brokerage accounts.

This Expert Market status makes the SMT structure particularly strategic. By tokenizing Preferred "M" shares, the company potentially creates a new pathway for community engagement operating parallel to traditional stock markets. While underlying shares remain registered securities held at Empire Stock Transfer, the SMTs could potentially reach broader communities through digital channels. The company's most significant asset is its existing shareholder base of approximately 15,000 individuals on its NOBO list. These Non-Objecting Beneficial Owners represent a pre-existing community that has maintained positions despite Expert Market restrictions.

By issuing SMTs these shareholders can participate in, the company leverages their enthusiasm and vested interest to create organic viral momentum. These committed shareholders become natural evangelists because they already own the underlying company and directly benefit from SMT success. This creates built-in marketing force that pure meme tokens must generate

artificially, instead emerging from a community with genuine financial stakes. 15,000 potential ambassadors can each reach their own networks, creating exponential reach through authentic enthusiasm.

The Dramatic Share Reduction

The reduction in authorized Common Stock from 20,000,000,000 to one 100,000,000 shares represents a 200:1 decrease that fundamentally transforms capital structure. This eliminates massive dilution potential and creates scarcity similar to limited-supply cryptocurrencies like Bitcoin.

"With the help of our shareholder community and the SMT structure, we believe the company is on a pathway to getting accepted for OTCQB on the OTC Markets and filing to regain our 15c-211 so we can trade again on the OTC Markets," said Frank Yglesias, Chief Technology Officer. "Like us, many OTC Markets companies have lost their 15c-211, have no liquidity, trade in the Expert Market, and have been forgotten by traditional markets. The OTCM Protocol and its Security Meme Token framework can bring value to millions of forgotten shareholders across thousands of companies in similar situations. We are not just building a solution for ourselves but creating a template that could revitalize an entire segment of the market that has been left behind."

About OTCM Protocol, Inc.

OTCM Protocol, Inc. (formerly Groovy Company, Inc.) is a Wyoming corporation building the infrastructure layer for tokenized OTC securities. The company has developed a revolutionary platform that enables 1:1 tokenization of illiquid stocks, where each digital token is backed by actual shares held permanently in SEC-registered custody with Empire Stock Transfer. By converting dormant OTC securities into 24/7 tradable blockchain assets on Solana, OTCM Protocol creates permanent liquid markets for over 11,000 companies and 5 million shareholders currently trapped in zero-liquidity positions. The platform addresses a \$50 billion market opportunity by eliminating traditional market maker costs and abandonment issues through automated bonding curve mechanisms, enabling instant global access to previously untradable securities while maintaining full regulatory compliance through its proprietary "Howey Shield" framework.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements that reflect management's current expectations about future events and financial performance. These statements are not guarantees and subject to significant risks that could cause actual results to differ materially. OTCM Tokens serve exclusively as utility tokens for entertainment within the OTCM Protocol ecosystem, with no securities characteristics, ownership rights, or profit-sharing entitlements. While the Company believes tokens don't constitute securities under current law, regulatory interpretations may change. Token values may experience extreme volatility or complete loss. The tokenization of OTC securities requires regulatory approvals that may not be obtained. Blockchain technology and tokenized assets carry inherent risks including total loss. Investors should conduct independent due diligence and consult professional advisors before making

investment decisions.

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