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(54) **COMPUTER ASSISTED MAGIC TRICK EXECUTED IN THE FINANCIAL MARKETS**

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(57) **ABSTRACT**

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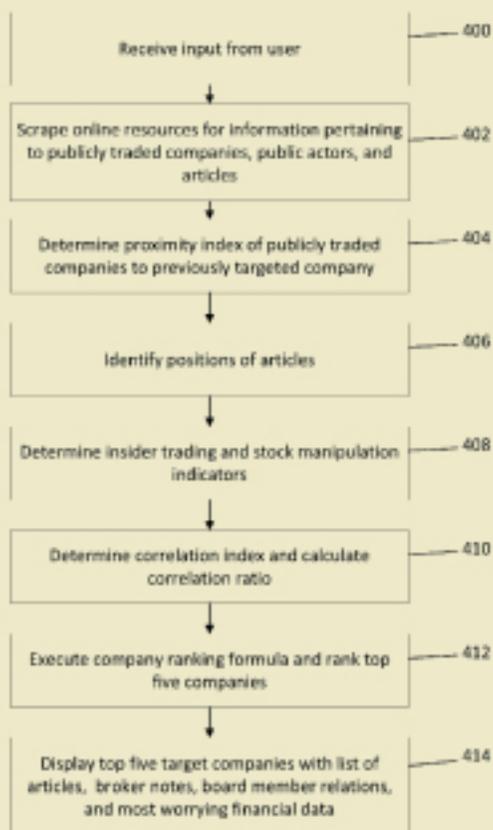
The invention is directed toward a method of performing an unconventional magic trick. The magic trick is a methodology of identifying a number of securities of publicly traded companies which are ideal targets for short selling. The process starts with utilizing a computer system to scrape publicly available information on the internet about a company. The system then searches for social connections between a target company and a company which has been previously successfully targeted for a short selling campaign. Evidence which would cause a change in the perceived value is collected and disseminated. A magic show is performed where the perceived value of the target company is first increased and then sharply decreased. Audience members are invited to participate in the trick by purchasing enhanced tickets which include a share in the proceeds from a short selling campaign against the company.

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Goldin+Senneby: Zero Magic

Katie Kitamura

I receive an email from Goldin+Senneby with numerous attachments and a file labeled “Kingsford,” which they say will help me to understand *Zero Magic*. Due to a formatting error, the attachments are interspersed throughout the email. I open one at random – an image of two vintage posters hanging in what appears to be an office or conference room. I zoom in on the posters, which feature two magicians called The Great Levante and The Great Nicola. Among the feats advertised on The Great Nicola’s poster are Nicola’s Jail Breaking Mystery and his Invisible Cloak.

The email also contains numerous documents and links relating to a “short only hedge fund” called Kingsford International. The workings of Kingsford appear to be the node around which *Zero Magic* operates. According to the files, Kingsford shorts companies it believes are involved in fraud, which they identify by means of private investigators and forensic accounting. They then strategically place stories of this fraud with journalists and, in some cases, appear to instigate class-action lawsuits against the corrupt companies, causing the value of the shorted companies to fall and Kingsford to secure a tidy profit.

As I comb through the files, detail after unlikely detail appears – for example, the hedge fund was established by a Hollywood screenwriter named Mike Wilkins, whose sole feature credit on IMDB is the

2000 film *The Independent*. The film’s log line reads: “A notorious B-movie director tries for a comeback by seeking out film rights to the life story a serial killer who wants his biography film to be a musical.” Considering Goldin+Senneby’s predilection for murder mysteries, this seems almost too fortuitous.

Furthermore, according to the email, Wilkins likes “to socialize with artists and build a certain ‘aura’ around the company through the arts” and has a “large Mark Lombardi drawing” above his desk. Even more astonishing, Kingsford appears to have commissioned the artist Jeremy Deller to design its annual Christmas card, a diagram of a recent scandal in the financial world involving a company Kingsford successfully shorted, Galectin Therapeutics (also known as GALT).

After studying the Deller card and a little internet searching, I learn that GALT successfully inflated the value of its stock by employing an “investor relations firm” called The Dream Team Group, self-described reputation managers who pay freelance writers to place articles on blogs and forums with inflated assessments of client companies – a practice that is illegal. When this practice was made public, a scandal and SEC investigation followed. Deller’s Christmas card charted the complex network of associations between The Dream Team Group and its client companies using a seasonally appropriate snowflake design.

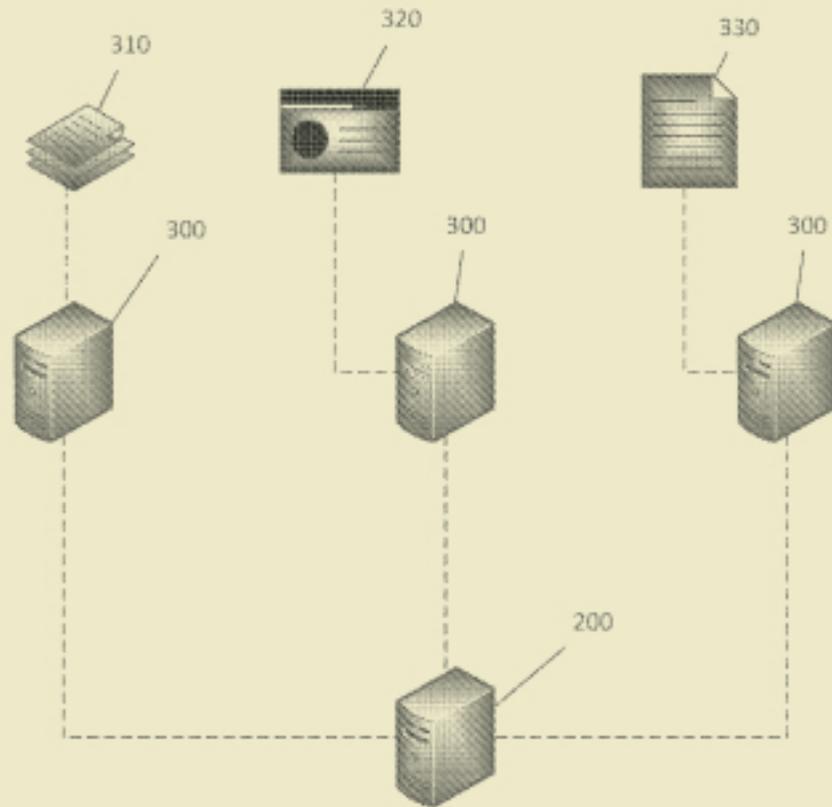


Fig. 2

Kingsford's own role in this exposition is not exactly explicit in the informational blurb that accompanies Deller's card. But I assume that Kingsford were instrumental in the process, perhaps even its ghostly authors. And while their activities involve helping to expose the fraud rather than committing it, the fundamental structure of their activity seems not dissimilar, relying as it does on the anonymous dissemination of a carefully chosen and crafted narrative.

Among the files Goldin+Senneby have sent me are photographs of the Kingsford offices, including the one featuring the vintage magic posters. The photographs are devoid of human subjects, snapshots that are unartful and look as if they might even have been taken surreptitiously. Another file is described as a "hidden recording from one of our conversations with Kingsford."

I'm not sure why I hesitate before I play the recording, but I do. There is something ghostly about the documents, photographs, and files I have been sent. A day later, I play the recording. I hear interference and a series of hasty apologies. The quality is poor; it is difficult to follow without the transcript and the notes provided by Goldin+Senneby.

The voice of a man who must be Mike Wilkins begins to explain the practice of short selling, the strategy of Kingsford. His voice is ordinary, calm, rational – the confident voice of a successful businessman. More troubling, more uncanny, is

the voice of one of the artists – which one I cannot tell – asking, "And how do you get the feeling that something is not right?"

Shortly after I receive this material, I call Alexander Provan, the editor of the online magazine *Triple Canopy*. He has relatively recently had a child, and when he answers the phone he sounds a little dazed, as if he had not quite been expecting my call. I ask him if he's working at home or back in the office, and after an appreciable pause, he says, "I'm not really sure."

I had emailed Alex the previous day to say that I was writing something for Goldin+Senneby. I had read and much admired Alex's artfully paranoid introduction to the novel *Headless*. I thought perhaps he might have some ideas about how best to approach the task. Moments after I sent the email, I received a reply. I opened the message, which contained only five words: How can I trust you?

When we speak, Alex does not sound especially paranoid, and is in fact willing to offer ideas and advice. One thing I especially liked about his essay on *Headless* is the way it usefully summarizes the project while also entering the spirit of the work, enacting a slide into genre and fiction in its final moments.

I ask him how long it took him to come up with this concept and he says, "Maybe a few months. I had to write a few versions that I trashed before

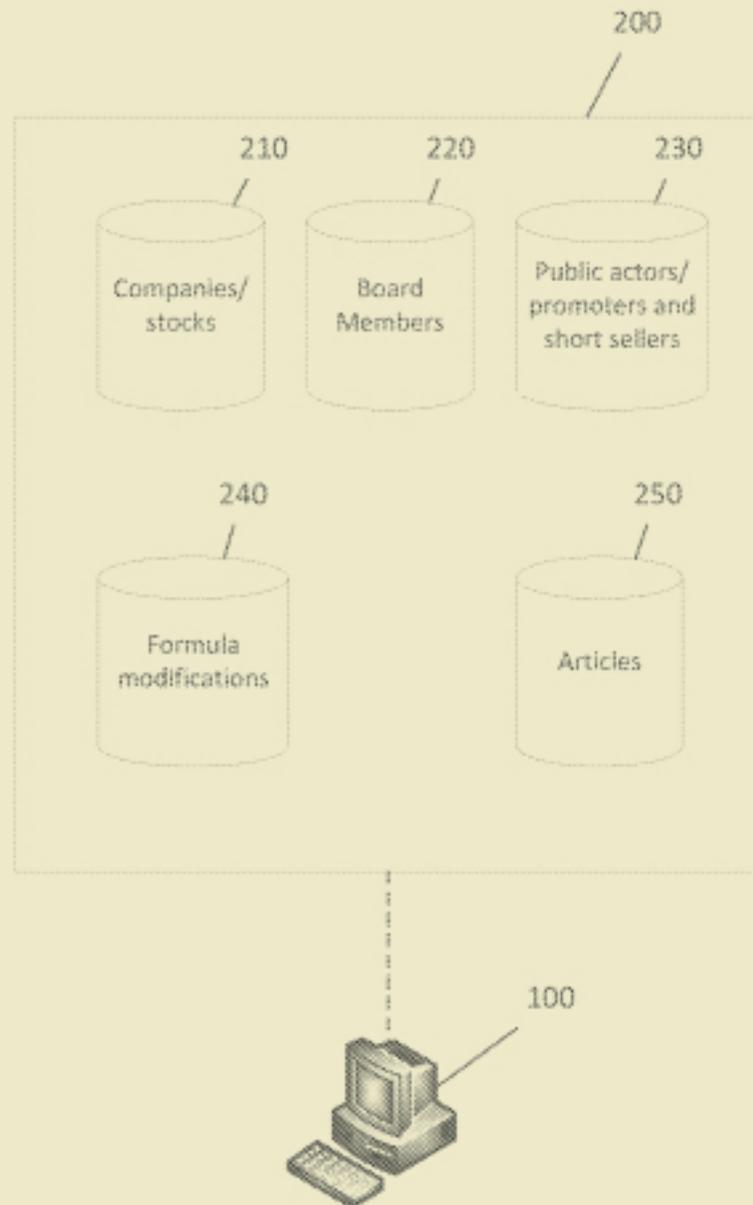


Fig. 4

I got to that point.” I tell him I’m worried that I won’t be able to do the same, that I only have a few weeks to write the text and other commitments – two small children and a book tour that starts the following week. I tell him that I’m worried about letting the artists down.

The following evening, after an unproductive day at my computer and some half-hearted packing, I go to see a movie with some friends. One of them is Jim Surowiecki, who writes the finance column for *The New Yorker*. Chief among his skills as a writer is his ability to synthesize information and render complex theories legible to a general readership, to make the workings of the financial markets a little less opaque to the uninitiated. As we make our way out of the cinema, I ask him if he would be willing to help me with something I’m working on.

He agrees, and I describe *Zero Magic* to the best of my ability. I frame it as an investigation into a “short only hedge fund” that “spreads narratives” undermining the reputation of the companies they’re shorting. He nods, this is apparently not news to him. “That’s the theory on a lot of these companies,” he says. I ask if he thinks it’s true. He shrugs, his manner a little non-committal.

“Goldin+Senneby want to use their research into Kingsford to create their own trading strategy – they’re going to send me a patent application they’re filing for it. So their interest is pretty technical. But for me, the interest is in the crafting and proliferation

of narrative. The idea of alchemy, the idea of making something out of nothing. It’s about theater, sleight of hand. There are vintage magic posters hanging in the Kingsford office.”

“Kingsford?” he says. For the first time, he sounds surprised. “That’s the company they’re looking at?”

“Yes.”

“I know Kingsford. A friend of mine works there.”

Although hardly remarkable, the coincidence is a little unnerving – as I had read through the material sent to me by the artists, I had begun to wonder if Kingsford was an elaborate invention of Goldin+Senneby’s. This confirmation of the hedge fund “in the real world” was unsettling – as if it had escaped the confines of the artists’ imagination and was now roaming wild.

“It was started by a Hollywood screenwriter.”

“That’s right. Mike used to write screenplays.”

“And they have a particular interest in art.”

“Yeah, they commission artists to do these amazing Christmas cards every year.”

“Jeremy Deller did one.”

“I got it last year.”

Clearly it’s the same company.

“Anyway,” I say, “That’s how Goldin+Senneby got access to Kingsford. Through the art angle.”

“It’s kind of surprising that they got access. Mike’s pretty wary of press.”

“Why?”

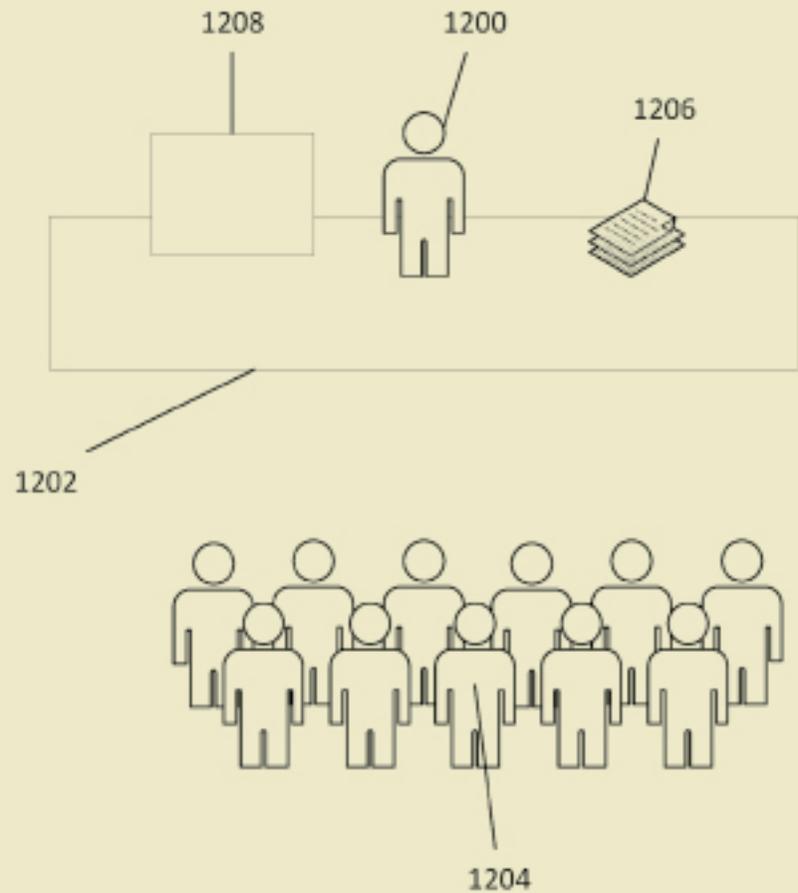


Fig. 13

He shrugged. I pressed him.

“What they’re doing isn’t illegal, is it?”

“Not at all. But a lot of these companies avoid putting their heads too high above the parapet. Kingsford are interesting because they only involve themselves with companies that they believe are fraudulent. And then, they share a certain amount of information with some journalists.”

I recall that in the recording, Wilkins says, “We have people that we know at the *Journal*, *Barrons*, the *New York Times*.” He doesn’t mention *The New Yorker*. But perhaps Jim’s colleagues, even Jim himself, have been involved in crafting the narratives that spread through various forms and media outlets, worming their way in and out of the public consciousness, netting Kingsford its profit. Perhaps there was a reason behind his caginess.

“So it is about the distribution of narratives, isn’t it? In that sense, it’s logical that the founder is a screenwriter.”

“In that sense. But you know, take it from me – Mike’s a smart guy, beyond that.”

I begin to wonder if I could just ask Jim to write this essay for me. He not only has a brilliant financial mind, but is also one of the most avid readers of fiction and film I know. He is fully versed in art and culture – and he has a connection to Kingsford. He is already on the inside of the narrative, the ideal person to write this text. I could give him the fee which Goldin+Senneby have offered me and

even claim to the artists that I had written the text. That is, after all, the definition of ghostwriting.

But would Jim write-to-order in this way? A related thought begins to trouble me. Am I behaving like the journalists targeted – perhaps enlisted is a better word – by Kingsford? Haven’t I simply been given a file of information by Goldin+Senneby, which I have accepted more or less at face value and used while attempting to write this text? How aware have I been of the unreality of the information with which I have been provided? How significant is it that I am a fiction writer rather than a finance writer like Jim (a far more likely choice of collaborator)?

Two days later, I fly to Ann Arbor, the first stop on my book tour. The mechanics of touring mean that I’m rarely in a city for more than twenty-four hours: Ann Arbor, Dallas, Austin, San Francisco, Seattle, and so forth. In the wake of the US election, the prospect of traveling across the country is both intriguing and discomfiting, but I am never in any city long enough to reach useful conclusions about the divided state of the country. Mostly, I order room service and I miss my children and I work on this text in airports and in hotel rooms.

A few days later, Jim sends me an email. “What about the patent application?” Even during my attempts to grapple with the material at hand, fictional or not, I had not forgotten about the patent: the big reveal, the mechanism by which Goldin+Senneby have “reverse engineered” Kingsford’s trading strat-

egy. I send an email to the artists to ask what has become of the patent application. For the first time, I try to imagine what this reverse engineering might be. Identifying companies with especially honest and transparent, even virtuous policies? Ensuring that the story of said virtue is never circulated (given virtue's dubious reward in the world of finance, this might not be as absurd an approach as it sounds).

Goldin+Senneby promptly respond, sending me a draft of the patent application, which I later learn was filed at the US Patent Office on January 13. They describe "parts" of the documents as "quite accessible." I open the document, scanning for these parts. They are relatively difficult to find. To some extent the application reads like the most extended and meticulously described metaphor I've come across, likening trading strategies with magic tricks. As a piece of linguistic and conceptual showmanship, it's engrossing. But I know that Goldin+Senneby intend to put their money where their mouth is, so to speak – in the Kingsford recording, they explain to Wilkins that they plan to put the entire exhibition budget into this trading strategy.

The results of this investment will perpetuate the life of the work, and I understand that everything I've seen up to this point is merely the groundwork for a living, organic intervention into the financial market. The story of Kingsford – a story of capitalizing on morally dubious acts by way of structural-

ly similar acts – is merely the background. Toward the end of his conversation with Goldin+Senneby, Wilkins tells them, "If you have a sense of story, then you have a sense of how they're crafting it. And if they're crafting it, it's not true."

I finish this text on an Amtrak train from Baltimore back to New York. Now, as I sit at my desk at home and as I contemplate pressing the send button on this email, containing this somewhat overlong essay, I think again about Wilkins's words. Do I have a sense of how Goldin+Senneby are crafting the story, of what is true and untrue? And, perhaps more importantly, am I aware of how I've crafted this story that you have just read? Am I aware of my own manipulations, of how the crafting necessarily renders the story untrue?

This entire text is, of course, a fiction – its context, its content, and its authorship. At the very end of their conversation with Wilkins, Goldin+Senneby ask him if they might use his name in the final work. He hesitates, then says, "I think we're happy to be in the 'our thanks to' section, but not more than that."

But, of course, Kingsford and Wilkins have been named – not by Goldin+Senneby themselves, who have respected Wilkins's request and absented both his name and the company name from all formal documentation of the project. But I have named Wilkins. He has been exposed by proxy.

And it is not only Wilkins and Kingsford – I've also exposed myself in writing this essay. The only persons not exposed in this text are the artists, whose strategy of withdrawal remains intact. They remain merely an undifferentiated voice, the purveyor of precise and polite emails, always signed G+S. I think this would have been the result regardless of who had written this text. Still, as I listen to the sound of my children playing in the next room, I begin to wonder about the other people I might have asked to write it on my behalf, what my own strategy of withdrawal might have been.

I could have forwarded the original email from Goldin+Senneby to another writer who would then forward it to another writer, and then another and another. Like those chain mails that that used to circulate in the earlier days of the internet, messages that demanded, *Forward this email to five people within twenty-four hours or suffer one year of bad luck*: a form of contact, a daisy chain, a mode of production, or a hex. My son calls out, now a little insistently, for me to come and play. I tell Goldin+Senneby to edit and alter this text as they see fit, and then I press send.