

Crypto | Cryptocurrencies

## Michael Saylor's Pitch for Microsoft to Buy Bitcoin Falls Short

- Microsoft shareholders rejected proposal to consider Bitcoin
- Free Enterprise Project sent a similar proposal to Amazon.com



Michael Saylor *Photographer: Liam Kennedy/Bloomberg*

By [Olga Kharif](#)

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Even a personal appeal by MicroStrategy Inc.'s Michael Saylor failed to persuade software giant [Microsoft Corp.](#) to follow in his footsteps by investing in Bitcoin.

Saylor, who has transformed the once obscure enterprise software maker he co-founded into a Bitcoin proxy owning more than \$40 billion of the cryptocurrency, made the case at Microsoft's virtual shareholder meeting on Tuesday. Investors rejected a ballot proposal requesting that the board conduct an assessment to determine if diversifying the company's balance sheet by including Bitcoin is in the best long-term interests of shareholders.

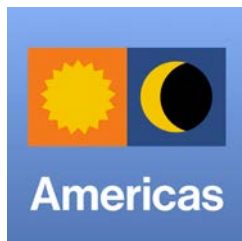
Saylor spoke on behalf the Free Enterprise Project, which sent a nearly identical proposal to Amazon.com Inc. and may do the same with other corporations, according to Ethan Peck, deputy director of the shareholder activist group.

Microsoft's board had come out earlier against the proposal, saying it evaluates cryptocurrencies already. Proxy advisory firms Glass Lewis and Institutional Shareholder Services concurred, with Glass Lewis pointing to expert reports that said there's no guarantee that adding a cryptocurrency will improve a portfolio's returns, for example. The proposal was voted down, Keith Dolliver, Microsoft's deputy general counsel, said during the shareholder meeting webcast.

The rejection is still unlikely to deter similar attempts. With Bitcoin having more than doubled this year, there's a growing chorus advocating for investing some corporate treasuries into the world's biggest cryptocurrency as a safeguard from inflation. And with many shareholders increasingly involved in crypto-related businesses themselves, voting against such proposals may become harder. Top Microsoft shareholders include BlackRock Inc., State Street Corp. and FMR LLC, all of whom are already involved in crypto and are expected by industry observers to become more deeply engaged.

The activists' push for Bitcoin is also being fueled in part by President-elect Donald Trump returning to power. Trump has promised crypto-friendly regulations and policies that are leading Bitcoin's price resurgence, with the coin hitting an all-time high of more than \$100,000 this month. Trump has talked about establishing a government Bitcoin stockpile, and Senator Cynthia Lummis, a Wyoming Republican, wants the US to purchase 1 million Bitcoin over five years, and to hold it for at least another 20.

**“Given the positive prospects for the crypto sector under a Trump administration, it would certainly be defensible for a company to invest a small portion of its reserves in crypto, even if that investment is highly risky,” said Eswar Prasad, a professor of trade policy at Cornell University.**



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Growing ranks of companies invest in Bitcoin, including MARA Holdings Inc., Block Inc. and Tesla Inc. And of course MicroStrategy has been buying Bitcoin since 2020. The danger lies in the possibility that crypto's massive year-long rally reverses, in which case an ever-more leveraged bet on its value could have severe consequences for its owners. Saylor vacated MicroStrategy's CEO position in 2022 as the value of Bitcoin tumbled so he could focus on advocating purchasing the cryptocurrency.

“If you are going to outperform, you are going to need Bitcoin,” Saylor said at the meeting, later adding, “If you do that, you’ll add hundreds of dollars to your stock price.”

In his shareholder pitch deck shared in advance on X, Saylor said that Bitcoin's overall market value will go from \$2 trillion to more than \$200 trillion in 21 years, and noted that Bitcoin has outperformed Microsoft shares by 10-fold. FEP offered to withdraw the proposal if Microsoft Chief Executive Officer Satya Nadella agreed to meet with Saylor for an hour privately, and the company declined, Peck said.

“All we truly want is a sound money so shareholders don't lose money to inflation,” Peck said. “Bitcoin's track record so far has shown it's the best answer to that.”

– *With assistance from Matt Day*

*(Adding details on the proposal in the second paragraph. An earlier update corrected a spelling mistake in the headline.)*

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