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PORTER & CO. CONFERENCE 2025

The Golden Age of Fraud and Disruption

Edwin Dorsey | *The Bear Cave Newsletter*

MY FOCUS

1. Companies that harm customers
2. Companies that mislead investors and/or “lack economic substance”
3. Companies on the wrong end of disruption
4. Largely U.S.-listed, publicly traded \$1-10 billion market cap companies

IDEA GENERATION

- Tracking stock promotion groups
- SEC filings/proprietary software
- Freedom of Information Act (FOIA)
- Local news reporting
- Lived experience
- Reader tips
- Twitter
- ChatGPT

CHATGPT

Please make a list of all recent U.S. IPOs and SPAC mergers in the last year and highlight the ones with high levels of consumer complaints.

To help you best, could you clarify a few details

1. What time range exactly do you consider "the last year"—should I look back from June 1, 2024 to June 1, 2025?
2. Are you looking for IPOs and SPAC mergers across all sectors, or just consumer-facing companies?
3. What qualifies as a "high level of consumer complaints"—are you looking for regulatory complaints (like SEC or CFPB), social media sentiment, or customer reviews/ratings?

Once I have this information, I can get started on your request.



CHATGPT INVESTIGATES

ChatGPT o3 ▾

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Consumer Complaints – Highlights and Common Themes

Among the companies listed above, a few stand out for **high levels of consumer dissatisfaction** based on data from the Better Business Bureau and major review platforms:

- **eToro Group Ltd. (ETOR)** – *Online trading platform*. **BBB data:** Not BBB-accredited; rated D-, with an average of 1.05/5 stars (19 customer reviews) [finder.com](#) . **Common complaints:** Users frequently report trouble with withdrawing funds and poor customer service responsiveness [finder.com](#) . Discussions on Reddit echo these issues, citing platform downtime during volatility and opaque fees [finder.com](#) . *In contrast, eToro's Trustpilot rating is relatively positive, suggesting satisfaction with its social trading features, but the negative feedback consistently centers on account handling and support delays* [finder.com](#) .
- **KinderCare Learning Companies, Inc. (KLC)** – *National childcare center chain*. **BBB data:** 86 total complaints in the past 3 years (15 in the last 12 months) [bbb.org](#) , indicating a pattern of consumer issues despite the company's A+ BBB rating. Complaints (and reviews on sites like PissedConsumer) describe concerns about **unsanitary conditions, perceived neglect, and unresponsive management** [bbb.org](#) [kindercare.pissedconsumer.com](#) . In fact, one consumer review site records over 400 reviews with an average rating of only ~1.9 out of 5 [kindercare.pissedconsumer.com](#) – reflecting significant dissatisfaction from parents regarding care quality and communication.

KINDERCARE CASE STUDY



KINDERCARE KIDS ESCAPE!



2-Year-Old Locked Inside Daycare, Mom Was 15 Minutes Late



night??? Was this done on purpose because this mom was 15 min late??? Mamas, what are your thoughts, and what would you do??

6d



samanthajean786 I used to work at a KinderCare. Let me tell you. Im NOT surprised by this! I quit after 3 months due to the unprofessionalism and circus show that they exhibited.



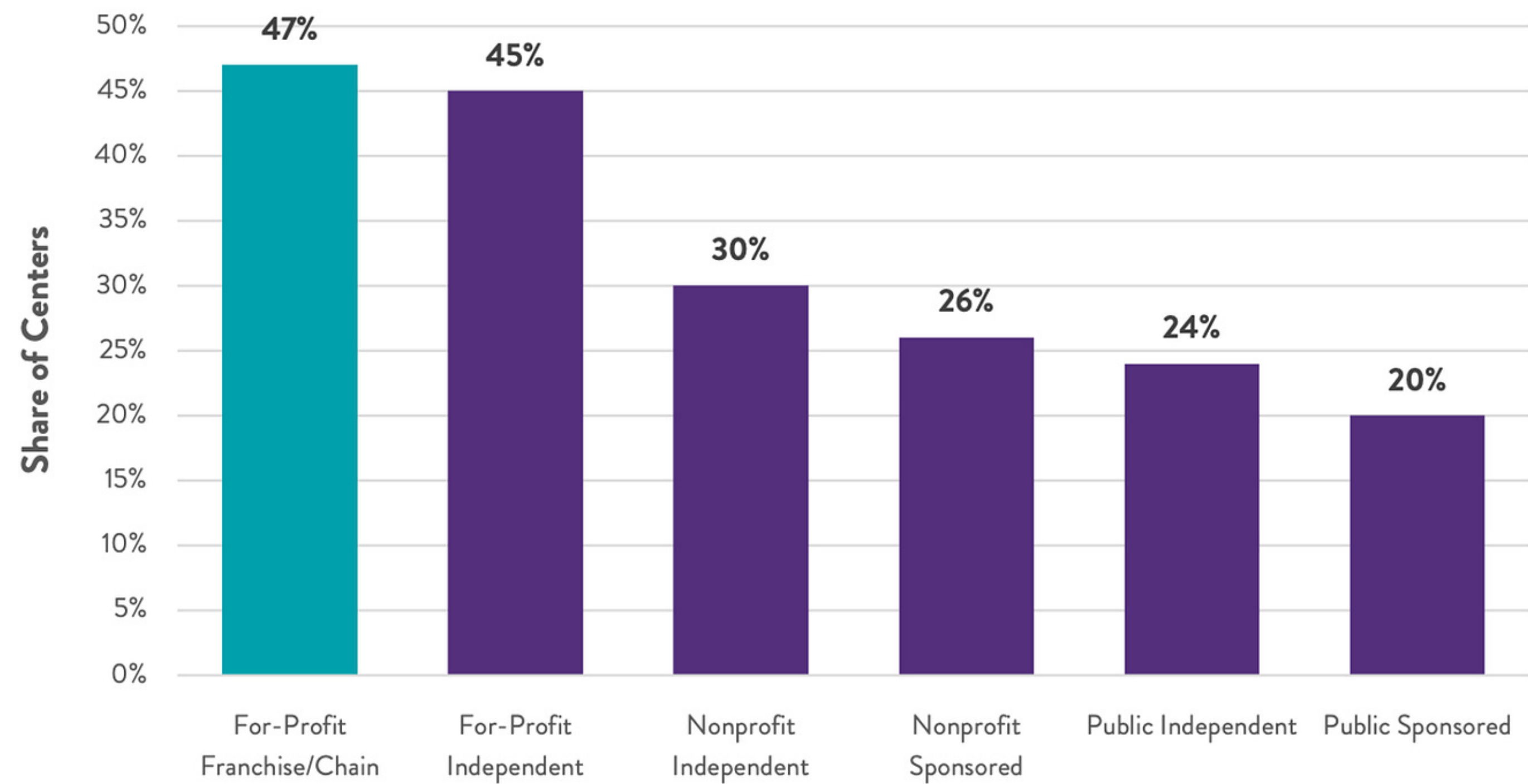
6d 59 likes Reply

— View replies (2)



SYSTEMIC ISSUES

Figure 4: Share of Centers Classified as High Turnover (2019)



Source: Amadon, Lin, and Padilla (2023)

Note: "Sponsored" non-profit and public programs are those operating with the support of another organization or agency, such as a public school district

WHO IS KINDERCARE'S LARGEST
CUSTOMER?




Rep. Anna Paulina Luna  
@RepLuna

We'll be writing to House leadership and DOGE to address this disgusting report.


If you can't keep children safe—and worse, are complicit in their abuse—you do NOT deserve a dime of taxpayer funding.


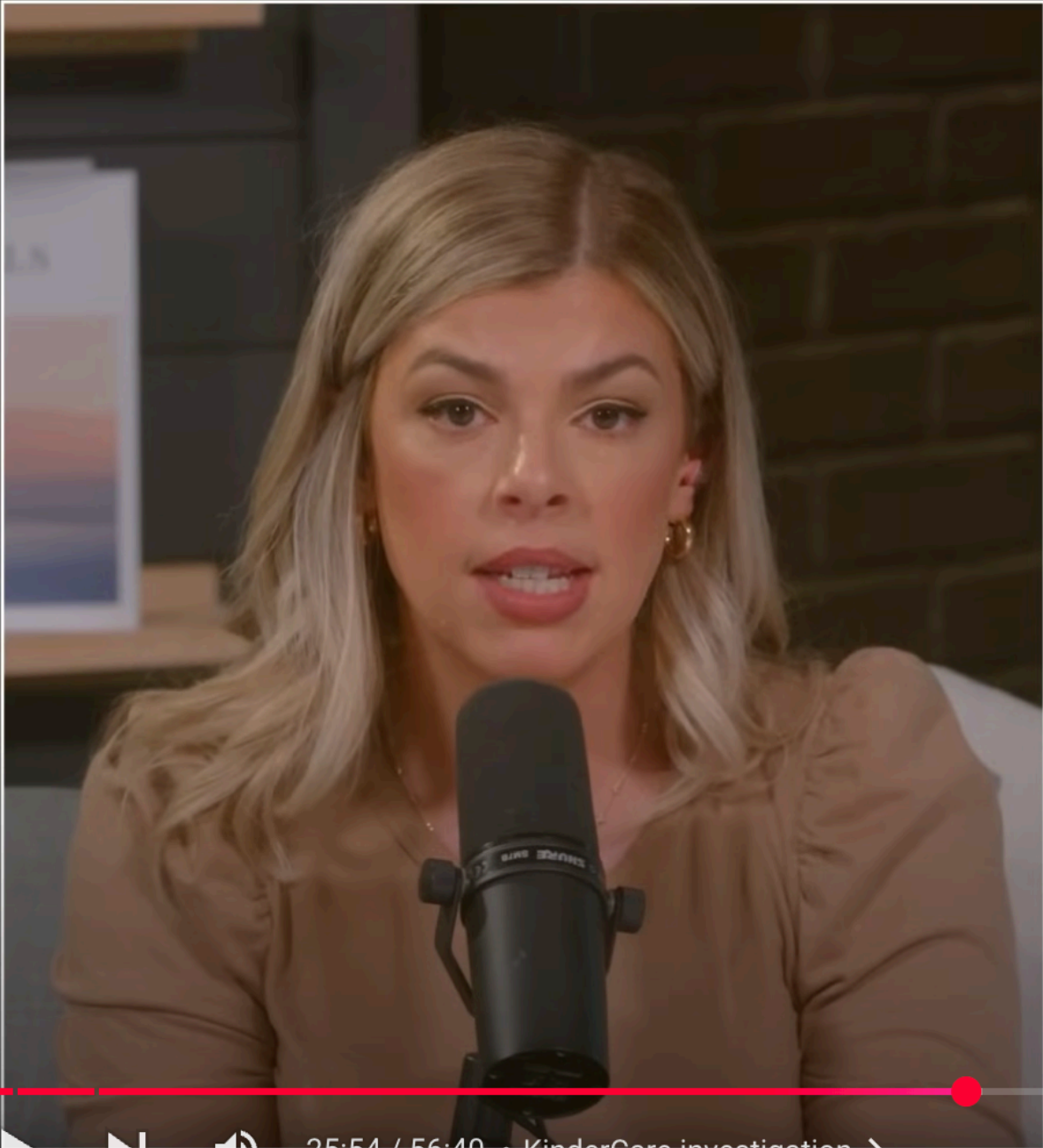
[@elonmusk](#) [@DOGE](#)

IMPACT














Search






25:54 / 56:40 • KinderCare investigation →







Allie Beth Stuckey 


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 **Allie Beth Stuckey** 
[@conservmillen](#)

Friends, I need your help making sure
[@elonmusk](#) and [@DOGE](#) see this

A new, shocking report by an investigative journalist has revealed systemic child abuse at KinderCare, the nation's largest daycare provider. The \$2 billion company was taken over by a Swiss private equity firm in 2015, went public in 2024, and continues to receive hundreds of millions of our dollars in government subsidies every year.

This article is free for everyone. [Subscribe](#)

STOCK PERFORMANCE

Market Summary > KinderCare Learning Companies Inc

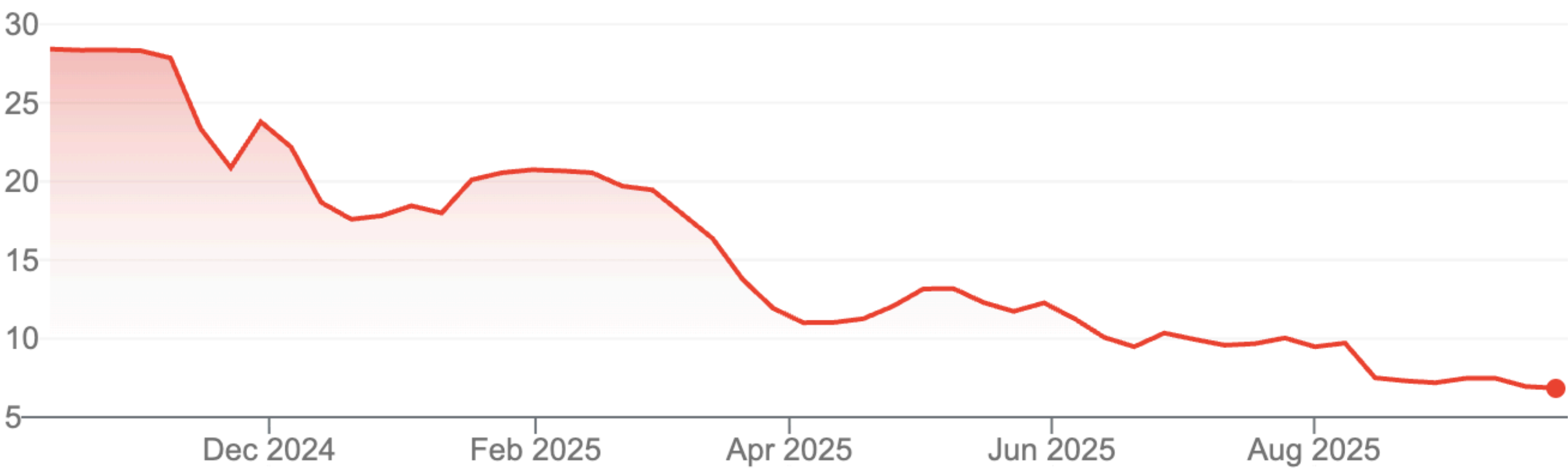
6.85 USD

+ Follow

-21.57 (-75.90%) ↓ all time

Closed: Sep 23, 5:56 PM EDT • Disclaimer
After hours 6.88 +0.030 (0.44%)

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



SIGNET JEWELERS

- World's largest retailer of diamond jewelry
- 2,700 stores under brands including Zales, Kay, and Jared
- Middle-income consumers, engagement rings
- \$93 million ADV, very liquid and borrowable
- \$3.90 billion market cap / \$95 per share

Not Investment Advice. Do Your Own Research.

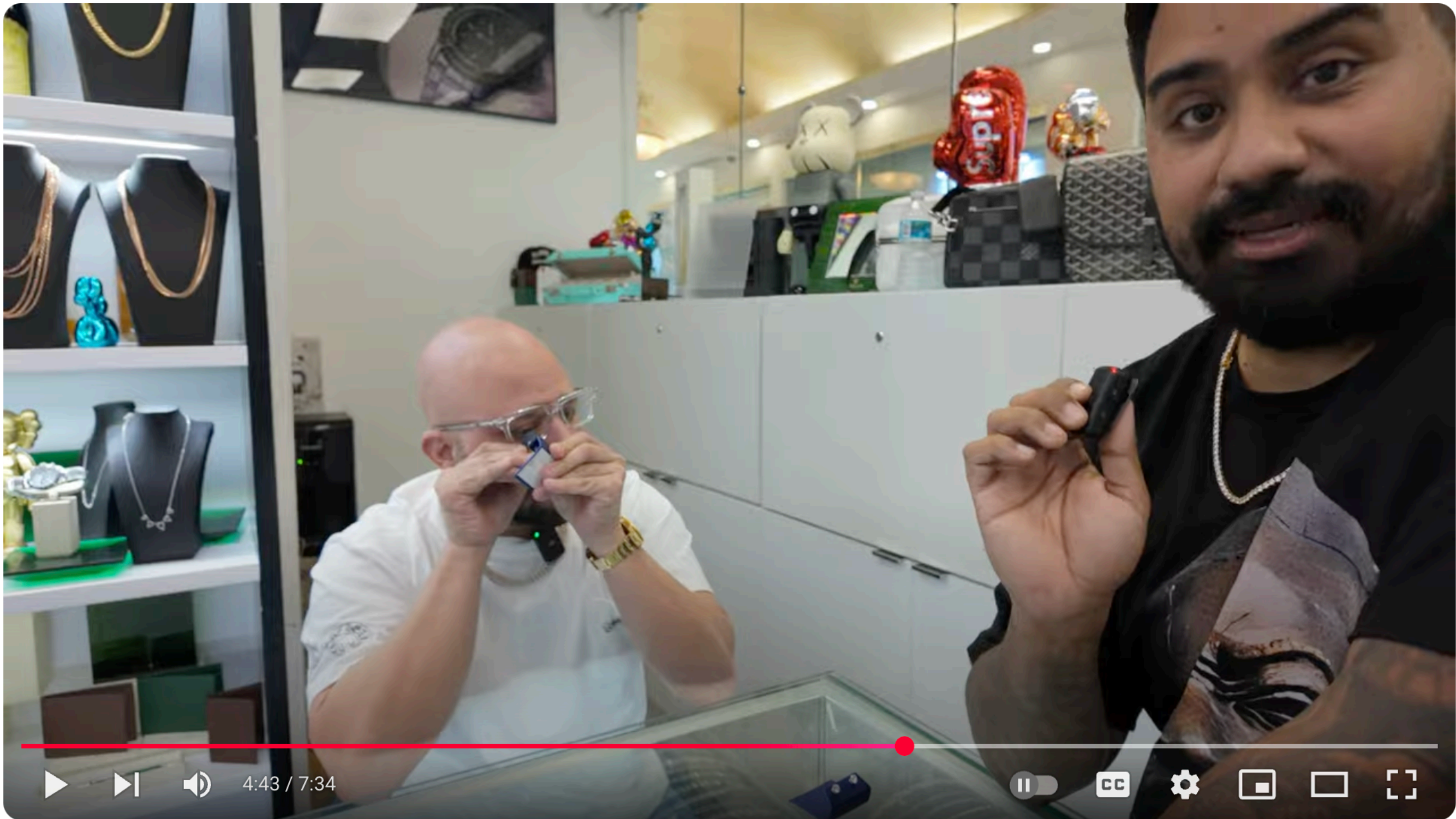


LAB-GROWN DIAMONDS



(Left: lab-grown diamond equipment. Right: natural diamond mine in Botswana.)

IDENTICAL DIAMONDS




Industry / Security & Crime

New York Dealer Charged With Swapping Lab-Grown Diamonds for Naturals


Can REAL Jewelers Tell The Difference Between Lab & Natural Diamonds?

 Gus Villa Jewelry
206K subscribers

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 246



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7,587 views Feb 1, 2025



Lu 
@liwetweets



Lab grown diamonds are chemically, physically, and optically identical to natural diamonds, without throwing Congolese children in open-pit mines.



Young Denzel @MarkB_LifeStyle · Apr 2, 2024

Getting your girl a lab diamond engagement/wedding ring is insanity

9:07 AM · Apr 3, 2024 · **3.5M** Views



185



24K



119K



3.5K



Jacob Rowe 
@Jaro_rogue

Anyone who didn't see this coming hasn't talked to anyone younger than 35. The argument of "Hey I can get you a ring that looks better, is chemically the same, is 1/10 the price, which will save us thousands to spend on Honeymoon/Wedding/House, etc." is landing very well.



Ramit Sethi 
@ramit



Agreed. Lab-grown is seen as default now.

Btw, every year I ask hundreds of thousands of people what they love to spend money on. I never, ever hear "jewelry"



BuccoCapital Bloke  @buccocapital · Jan 11

Talking to younger folks, lab-grown diamonds are increasingly normal

Feels over for the "real" thing

De Beers Group has amassed its biggest stockpile of diamonds since the 2008 financial crisis, laying



p's challenge in reviving demand for
en as the pinnacle of luxury.

Chinese demand, intensifying
from lab-grown alternatives and the

READERS AGREE

Wed, Feb 26, 2:45 PM



Thanks Edwin, sounds great! I recently purchased a lab-grown diamond. Unless there's a huge amount of people who buy natural diamonds specifically for the suffering involved in their production... I don't think that industry has long left.

Best phone number to reach you at?

world couldn't change our mind.”

Thu, Jan 16, 10:55 AM



I don't have a paid subscription to Bear Cave (unemployed exec MBA student here), but:

1. I love your weekly newsletter
2. I'm getting married this year. I'm not a millennial- my fiancée and I are both Gen X. And we are ABSOLUTELY buying a manmade diamond. We went shopping this month for a ring, and I can get her a 4 carat Asscher cut ring for about \$5 grand with a reputable jeweler. And we can bling out the engagement ring and wedding band.

Why would I pay far more just for a ring out of the ground? It makes no sense. It's not just a millennial thing. I can't see anyone with sense choosing a natural rock over a manmade rock. All the marketing in the world couldn't change our mind.

Thank you for doing what you do. I will subscribe once, ahem, I get a job. You do great work.

WALL STREET JOURNAL

SZ

AA

Alex A

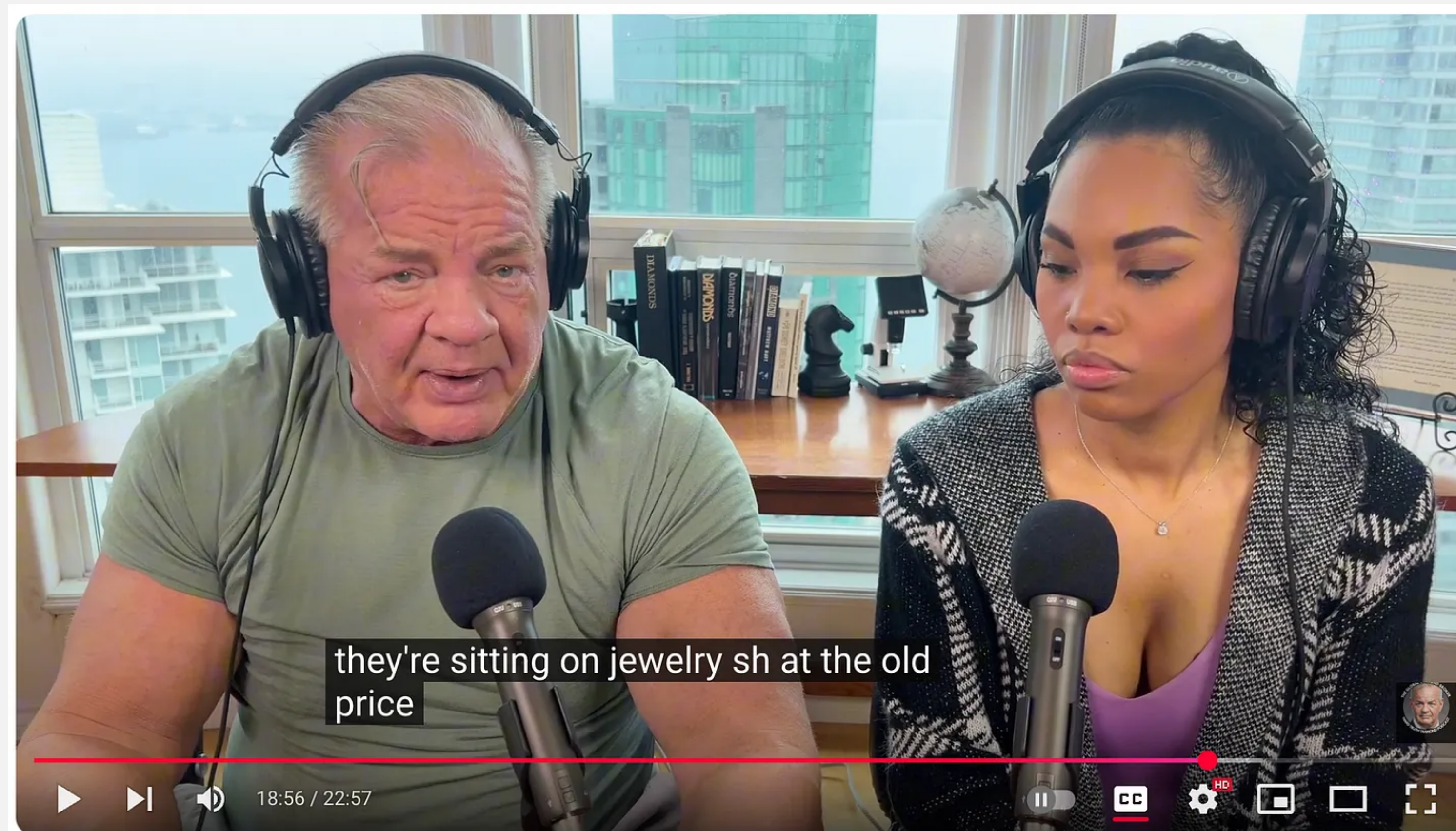
17 July, 2025

This article amounts to the CEO of a horse and buggy company telling you that motor vehicles lack the authenticity of real animal-powered locomotion. It's a last gasp desperate attempt at keeping their marketing psy-op going.

Lab grown diamonds are indistinguishable from natural diamonds for all intents and purposes, other than the price tag. It's time for these old companies based on nothing but hot air to die off.

👍 36 · Share

COLIN FERGUSON, GLOBAL DIAMOND BROKER



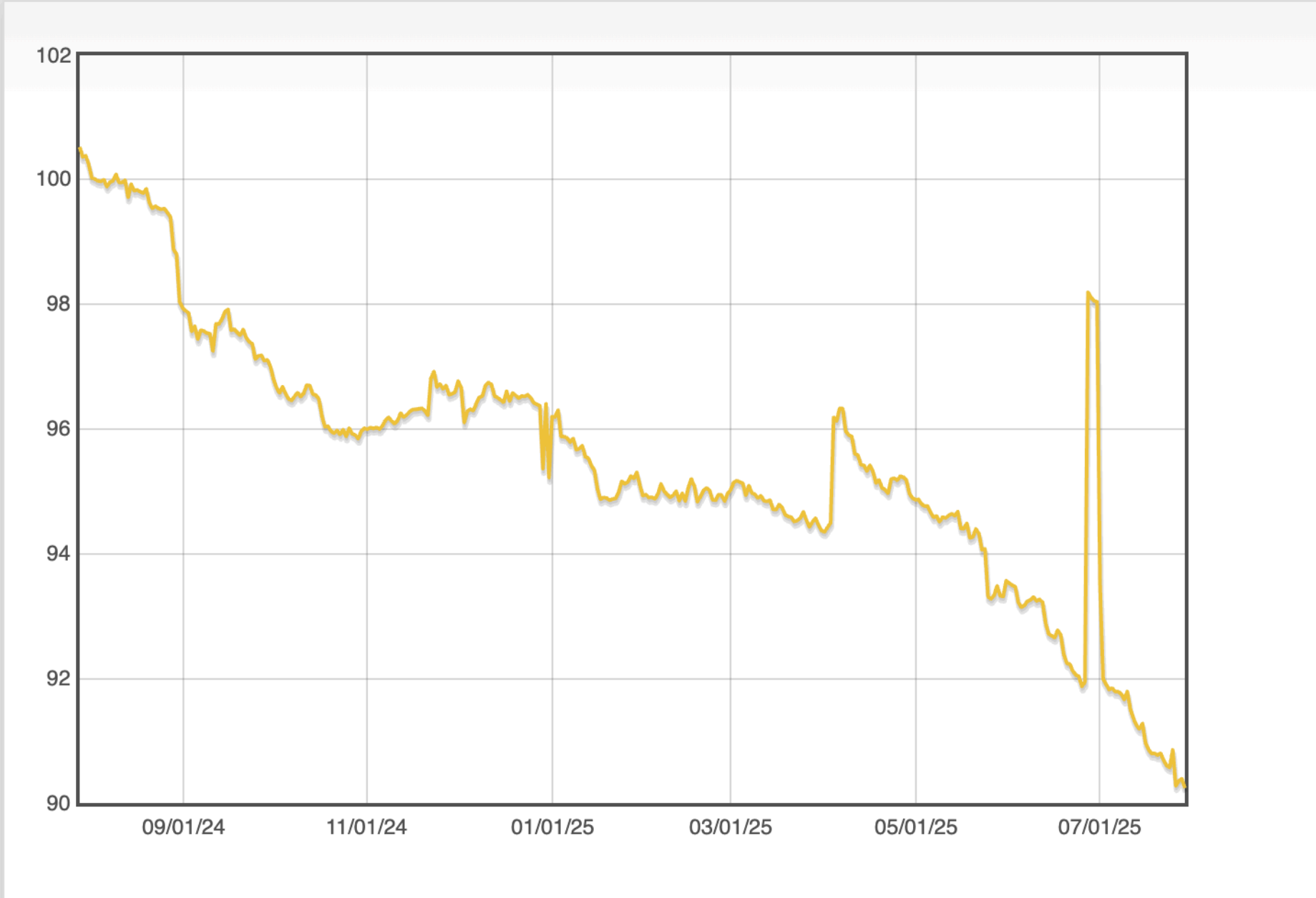
Episode [#130](#): The Hard Truth Diamond Podcast - More of a DIVE in 2025?

DIAMOND PRICES

IDEX

IDEX DIAMOND INDEX - TODAY'S CHANGE 90.31 ↑ 0.09%

COMPARE TO ▾ TIME PERIOD 1 YEAR ▾

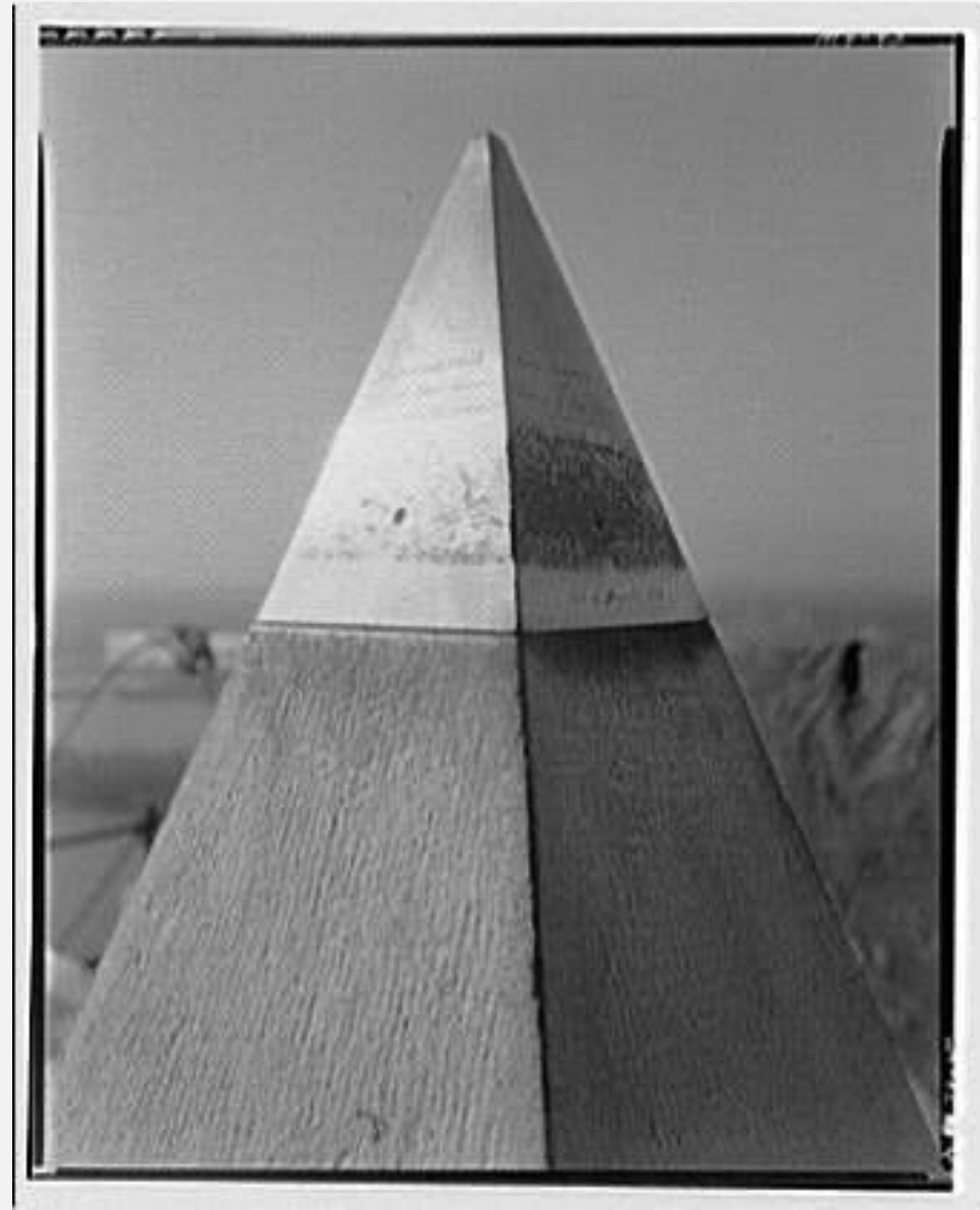


% change of the average [ROUND natural diamond carat price](#) of D-I color and VVS2-SI2 on PriceScope.com since Jan 1, 2008 - Jul 1, 2025



“DIAMONDS ARE INTRINSICALLY WORTHLESS”

- “Diamonds are intrinsically worthless, except for the deep psychological need they fill.”
--Nicky Oppenheimer, the former chairman of De Beers (1999)

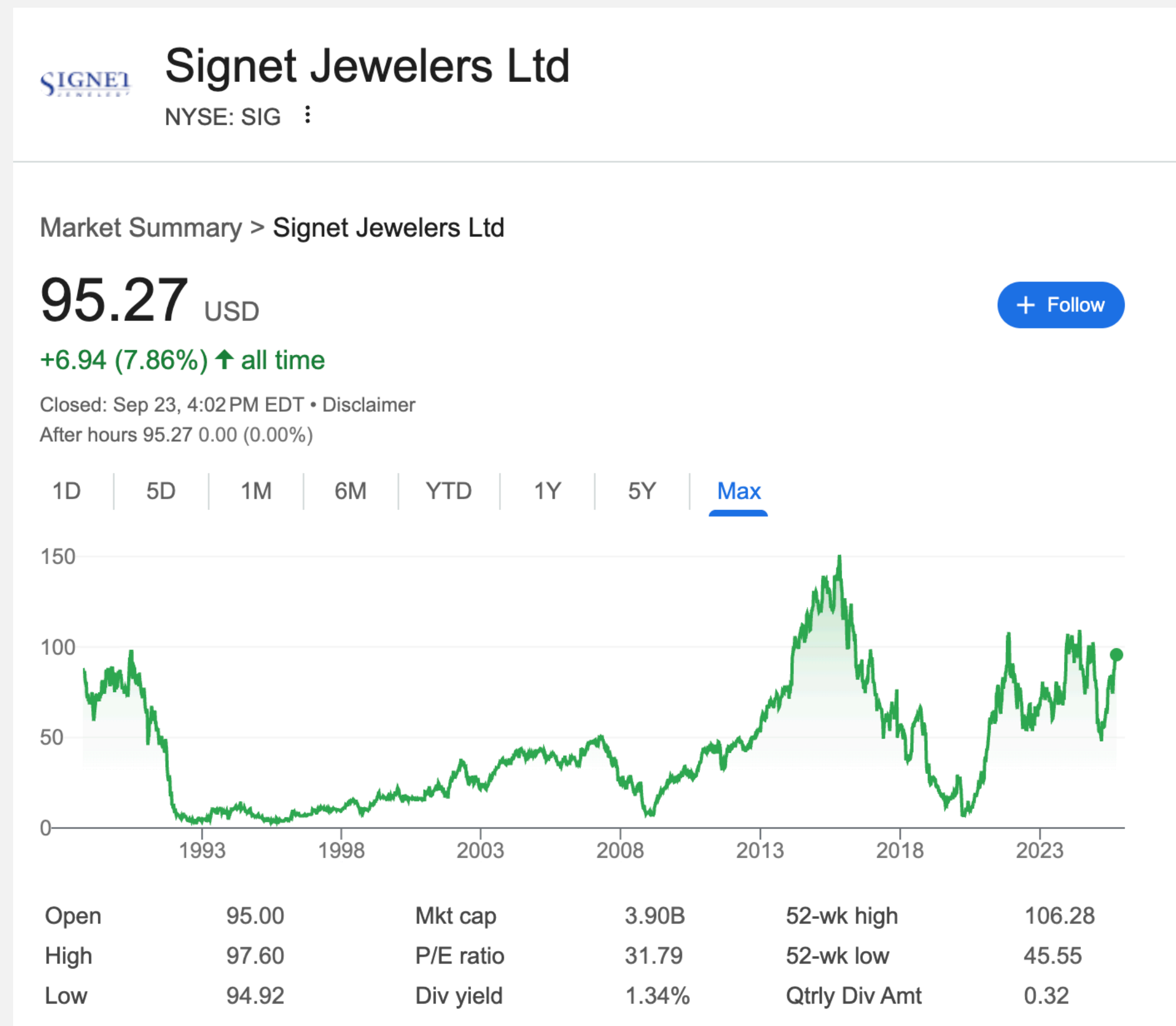


SIGNET POSITION

- Initiatives to save natural diamonds: 1) Re-education of salesforce, 2) Warning labels on receipts, 3) Ad campaigns
- \$2 billion in inventory on its balance sheet
- Highest-margin revenue comes from extended service agreements, which Signet sells on items like engagement rings
- Temporary benefit from lab-grown diamonds, long-term negative

SUMMARY

- Lab-grown diamonds are the future
- The growth of lab-grown diamonds drives down the price of both lab grown diamonds AND natural diamonds
- When diamonds are cheap and abundant, no one will want them
- Signet is poorly positioned



QUESTIONS!

- Happy to answer any questions!
- TheBearCave.substack.com
- Edwin@585research.com
- Twitter: @StockJabber



THE BEAR CAVE

