Dash Core Group
Q4 2017 Update

How this Call Works

- **We record this call** and share it on the Dash [Youtube channel](#)

- Audience microphones are muted

- Questions can be submitted on the chat window

- Moderator: Ryan Taylor, CEO

- Operator: Robert Wiecko, Head of Project Management

What We'll Cover

- Welcome and Introduction

- Goals + Strategy

- What is Evolution

- Team Updates

- Metrics

- Summary

- Community Questions

Why We're Here

Goal

Increase financial freedom and opportunity, by providing a payments network that lets everyone do more

Value

The Dash network provides the easiest-to-use payments-focused blockchain for individuals, merchants, businesses, and developers. Dash Digital cash provides control over payments.   The Dash ecosystem provides access to opportunities.

Benefits

- Fast: <2 second Instant Send transaction, <13 minute standard transaction
- Cheap: near-zero fees (.0001 Dash per InstantSend, .00001 Dash per standard transaction)
- Secure: blockchain cryptography, with optional privacy enhancements
- Choice: send anywhere, any time
- Access: 650+ merchants, 40+ exchanges, 137 countries
- Services: ATM, debit card, bill payment, consumer, compliance, and broker services
- Transparent: Self-governed, self-funded, open-source, public blockchain network

Strategy for Growth

Product
Understand user needs and solve user problems

Create simple, easy ways to use Dash

Launch Evolution

Ecosystem
Market directly to individuals and merchants

Develop merchant and channel business partners

Drive development projects to Accelerator

Organization
Build a great organization, great teams, great people

Establish New Zealand trust organization

Professional Employee Organization on-boarding

Scale business activities (finance, business dev, marketing)

Network
Advance academic partnerships and scaling research

Experiment with Dash Labs on future technologies, projects

Evolution: What We're Working On

Evolution is an update to the Dash protocol (v13) and includes new Dash products that prioritize user-experience. The goal is a payments platform that will make Dash so easy anyone can use it.

Protocol Upgrades
DIPs (protocol specs)
Code: DashCore, DAPI, DashDrive

DashPay Wallet (Android / iOS)
Create accounts with human user names, store contacts, sync across devices, and send payments, all on the blockchain.

Purchase from websites and mobile apps with ease, from any device, with only a few clicks .

DAPI-SDK
Create applications with an SDK to make DAPI interactions simple.

Access the network from light clients without sacrificing security.

Add Dash payments to websites or mobile apps, plug in a few lines of code & you're running.

Design Requirements
Users register with a username and passphrase to interact on the network.
User data-state is maintained in the Masternode P2P network, eliminating the need for users to hold information outside of the network.
Merchants don't need to integrate the data structures required to connect and interact with Dash users.
API, not P2P-based clients: No requirement (or need) for clients to interconnect directly or be discoverable in the protocol, removing the need for end-users to require special software and interact as a node in the network.

Software Development

Q4 Achievements

Workshop in Hong Kong
Launch of Evolution Development

Integration of Evolution Components
Internal v.13.0 Masternode build

Massive work done on Bitcoin backports
Repaying technical debt quickly

People
7 new devs (2 Backend, 2 UI/UX, 3 Mobile)

Q1 Plans

Design
Publish Evolution DIPs
Release Tech Specs

Development
Align process
Re-start Agile workflow
Implement Scrum

Delivery
Copay transition
Evolution Alpha Integration Testing
Internal Devnet implementation

People
Hire backend developers, QA engineers, UX designer

Business Development

Who We Help and What We Offer

Individuals

For financial technology fans in modern economies to underbanked users in destabilized economies. Every day users and every day transactions.

Dash Wallet

Easily move your money whenever and wherever you want, instantly with near-zero fees, secured on blockchain technology.

Merchants

For e-commerce store owners to point of sale retail transactions.

Dash Payments

Expand market access and integrate new customers with ease. No third-party infrastructure, chargebacks, or delays. Near-zero fees.

Businesses

For business-to-business and business-to-consumer providers of payment products and services. Card networks, card issuers, payment gateways, exchanges, brokers, processors, independent sales vendors, and API providers.

Dash Integrations

A ready-made payment network, with instant settlement, built-in security, free of costly infrastructure.

Developers

For developers, startups, and innovators to improve industries and benefit end-users.

A ready-to-use software API

Dash Accelerator

An easy-to-submit proposal process that takes 0% equity

How We Plan to Grow

Strategy

Identify opportunities to scale efficiently

- Focus on business partners
- Target channel partners, fiat on-ramps
- Create easy experience for merchants

Develop where Dash makes most impact

- Distressed markets
- Destabilized economies
- Unbanked populations

Build global presence + regional managers

- US/CAN
- LATAM
- EMEA
- APAC

Relationships

Partner Program

Increased transactions, customers, business opportunities

Personalized support, strategic planning, joint activities

Business Solutions + Dash Integrations

End-to-end solutions for payment pain points

Account management

Strategic marketing & promotion

Integrate partners in business solutions

Merchant Acceptance + Dash Payments

Simple and standardized processes

User-friendly merchant on-boarding

Supportive marketing & promotion

Q4 Achievements

People
Hired Global Business Development Director

Fiat gateway expansion
Uphold, Mercury Cash, Quoine, Kuvacash

Channel partner expansion
Alt Thirty Six

Consumer Services
Wirex

Q1 Achievements to Date

People
Hired Regional Manager – Business Development (US/CAN)

Fiat gateway expansion
BitInka

Channel partner expansion
GoCoin, StrikeSocial, Bitnovo

Consumer Services
Piiko, Morphtoken, Bitrefill

Q1 Plans

People
Build LATAM + EMEA team

Tools + Data
Get tools in place
Define metrics

Engagement Plan
Create customer journey maps
Collect partner feedback
Design product & service offerings

Onboard Additional Partners

Marketing & Communication

Q4 Achievements

Rebranding
Ogilvy branding and marketing campaign
Ogilvy user research on logos and icons

Public Relations
Contract with WPR renewed

Conferences
Money2020 Vegas, Zug, Kiev, Warsaw…

Press
Mainstream and crypto-media

Wiki and dash.org
Extensive Wiki content updates

Q1 Plans

Rebranding
Finalize visual design and style guide
Onboard research and design firm (brand + product content, website redesign)

Marketing plan
Develop marketing plan first draft

Conferences
Event calendar

Ad campaign
Online advertisement tests and user research

People
Hire marketing managers

Business Organization

Q4 Achievements

Legal Entities Setup
New operating legal structure

Recruitment Support
Recruitment tool and process
Roles definition

Delivery Model
Definition and improvements
Scrum implementation launch

Hiring and on-boarding
10+ new contributors onboarded

New Org Structure
Definition of the management
structure

Q1 Plans and Goals

People
Hire CFO, CMO, CTO
Retention program

Organization
Finalize NZ trust structure
PEO on-boarding
Contractor / employee conversion

Finance
Diversify banking relationships

Delivery Model
Scrum implementation workshops

Reporting
Internal reporting
Community updates

Research partnerships
Develop research w/ ASU Engineering
Explore projects w/ ASU Business School

Intellectual Property
Patents

Finance

Income Statement

To provide a more relatable accounting picture, Dash's accounting is denominated in USD

Core team collected ~$4.26 million from the network in 2017 (as measured at the time of distribution) – this includes escrow for various third-party projects

Because of the price increase during the period, Dash experienced $11.2 million in currency gains; currency gains were more financially significant than our budget system draws

Uncategorized expense and income are generated by DASH to BTC trading [the difference is trading losses of $1,279]

Other expenses included $50k donation to ASU and a proposal advance to Alt36

Profit and Loss January - December, 2017	Total
Income	
Dash Budget System	4,257,523
Uncategorized Income	338,238
Total Income	**$4,595,761**
Gross Profit	**$4,595,761**
Expenses	
Advertising	27,983
Bank Charges	846
Commissions & fees	27,710
Dues & Subscriptions	42,223
Freight & Delivery	75
Insurance – Liability	681
Legal & Professional Fees	871,765
Office Expenses	8,471
Promotional	1,798,073
Rent or Lease	31,015
Repair & Maintenance	492
Stationery & Printing	91
Subcontractors	1,834,261
Supplies	149
Travel	143,316
Uncategorized Expense	339,517
Total Expenses	**5,128,496**
Net Operating Income	**-532,735**
Other Expenses	
Miscellaneous	641,907
Exchange Gain or Loss	-11,192,378
Total Other Expenses	**-10,550,471**
Net Other Income	**10,550,471**
Net Income	**10,017,736**

Balance Sheet

Cash assets at the end of Q3 2017 totalled ~$10.1 million, up from ~$0.08 million at the end of 2016

Significant reserves existed at the end of the year in the business development budget, the core team salaries budget, and the external contractor budgets

Because of currency gains, we discontinued funding requests for most budget categories in 2017

Excluding escrow services, DCG requested only 2,301 Dash in Q4 as we continue paying expenses from our existing balances

Dash

Balance Sheet

As of Dec 31, 2017

	Total		Total
ASSETS		**LIABILITIES AND EQUITY**	
Current Assets		Total Liabilities	0
Bank Accounts		Equity	
Bitfinex - BTC	34,541	Opening Balance Equity	3,602
Bus Dev - General	3,390,281		
Conferences & Travel	636,592	**Retained Earnings**	**75,213**
Core Team Salaries	2,294,911	**Net Income**	**10,017,736**
Checking Account - USD	76,950	**Total Equity**	**10,096,551**
Checking Account - EUR	289	**TOTAL LIABILITIES AND EQUITY**	**10,096,551**
Evo – External Contractors	792,648		
HR Outsourcing	810		
Infra – Applications	207,151		
Infra - Datacenter	139,397		
Legal	808,886		
Marketing & Communication	339,999		
Marketing – Branding	354,968		
Property Lease	72,373		
Public Relations - General	163,425		
Research	783,329		
Total Bank Accounts	**10,096,551**		
Total Current Assets	**10,096,551**		
TOTAL ASSETS	**10,096,551**		

Metrics

How the Currency Performed

Dash - Digital Cash	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	By Quarter	By Year
Supply (m)	6.99	7.20	7.39	7.59	7.81	**+2.9%**	**+11.7%**
Price ($)	11.23	74.56	179.53	331.01	999.91	**+202%**	**+8,803%**
Market Cap ($)	**78.5M**	**536.6M**	**1.32B**	**2.51B**	**7.8B**	**+211%**	**+9,847%**
Daily Price Volatility (σ)	2.3%	6.9%	6.2%	5.2%	5.8%	**+12%**	**+157%**
Avg. Daily Trading Volume ($)	1.2M	13.4M	32.6M	51.9M	154.7M	**+198%**	**+13,170%**

How the Currency Performed

Dash – Digital Cash	2014	2015	2016	2017
Dash Supply (m)	4.99	6.10	6.99	7.81
Price ($)	1.91	3.31	11.23	999.91
Market Cap ($, m)	**0.010**	**0.020**	**0.079**	**7.808**
Daily Price Volatility (σ)	11.3%	4.7%	3.2%	6.0%
Avg. Daily Trading Volume ($, th)	445	96	629	63,136
YoY growth rates				
Market Cap		+112%	+289%	+9,847%
Daily Price Volatility		-58.3%	-31.8%	+86.8%
Avg. Daily Trading Volume		-78.4%	+554%	+9,933%

How the Network Performed

Dash Network	Q4 2016	Q1 2017	Q2	Q3	Q4	QoQ Growth	YoY Growth
Usage							
Active addr. / day (th)	8.74	18.94	24.88	28.89	39.20	**+16%**	**+201%**
Trans. / day (th)	1.24	3.12	4.89	5.91	8.91	**+21%**	**+282%**
TPV ($, B)	0.08	1.47	6.43	14.30	16.29	**+14%**	**+21,079%**
Health							
Network congestion	0.3%	0.7%	1.0%	1.1%	0.7%		
Avg. hashrate (PH/s)	0.001	0.002	0.004	0.031	1.195	**+686%**	**+18,575%**
Social Media							
Reddit subscribers (th)	2.6	4.2	6.1	9.3	17.5	**+87%**	**+577%**
YouTube subscribers	5.2	10.4	14.9	17.8	21.5	**+21%**	**+311%**
Twitter Followers					267K		

How the Network Performed

Dash – Digital Cash	2014	2015	2016	2017
Usage				
Active addr. / day (th)	3.68	9.16	8.46	27.98
Trans. / day (th)	1.66	1.41	1.39	5.71
TPV ($, B)	0.82	0.18	0.33	38.49
Health				
Network congestion	0.2%	0.4%	0.3%	0.8%
Avg. hashrate (PH/s)	0.000	0.000	0.001	0.308
Social Media				
Reddit subscribers (th)	n/a	n/a	2.6	17.5
YouTube subscribers	n/a	n/a	5.2	21.5

Trends
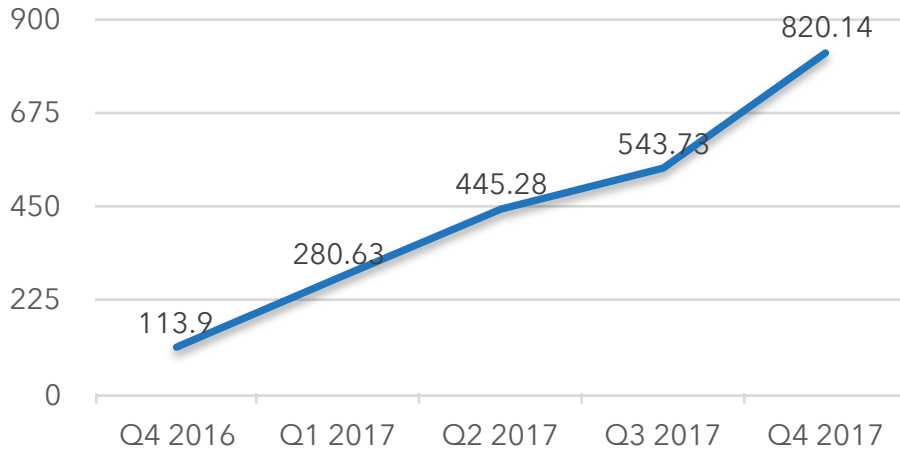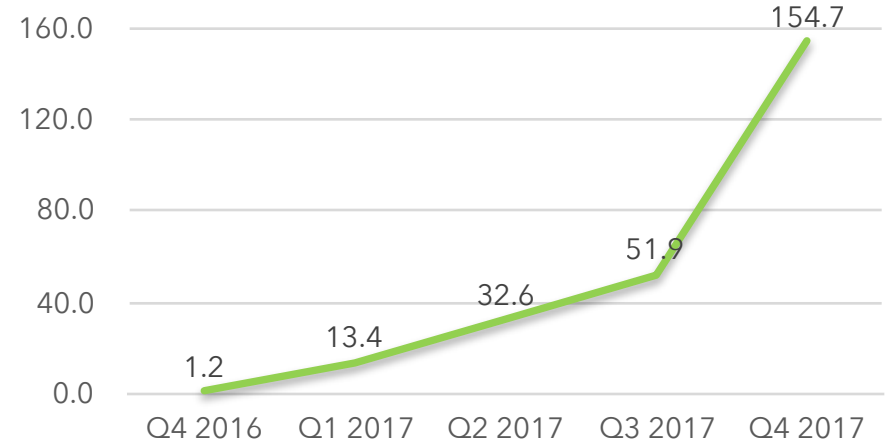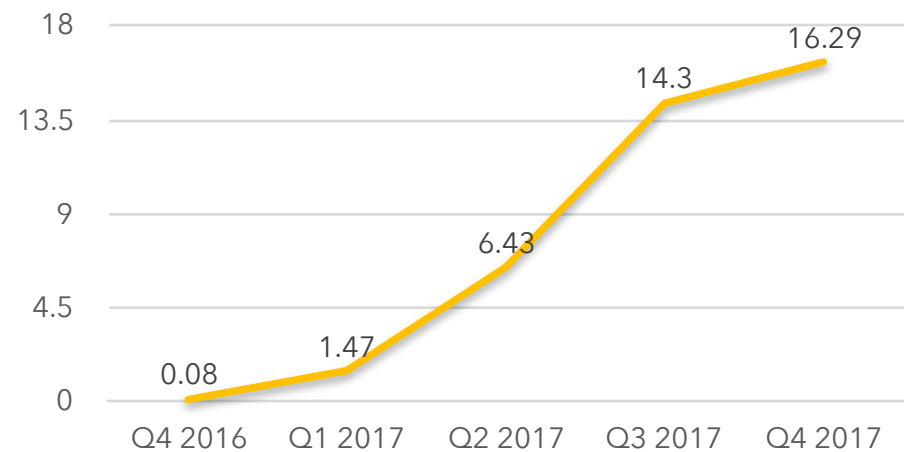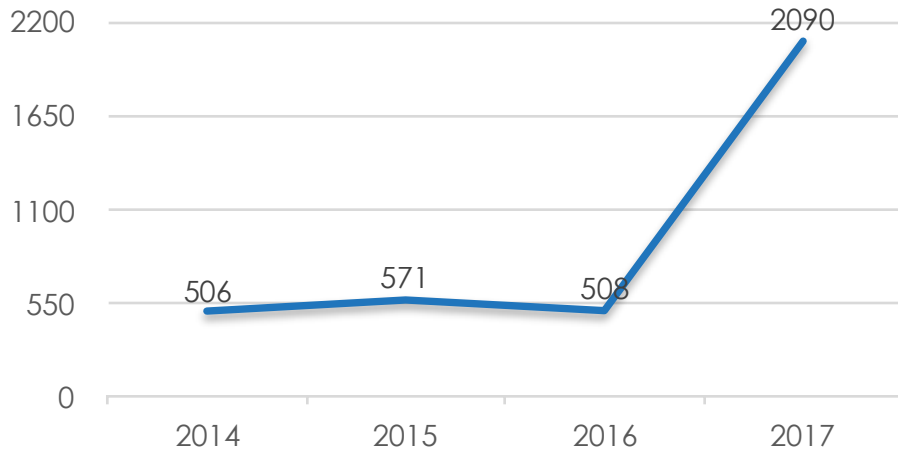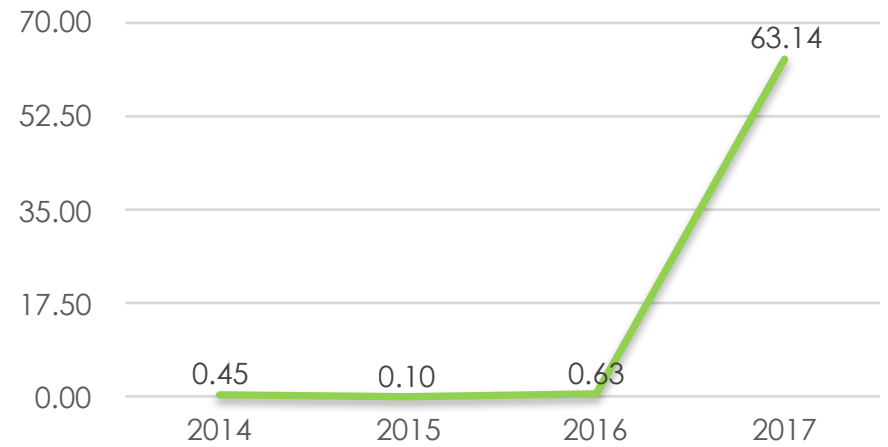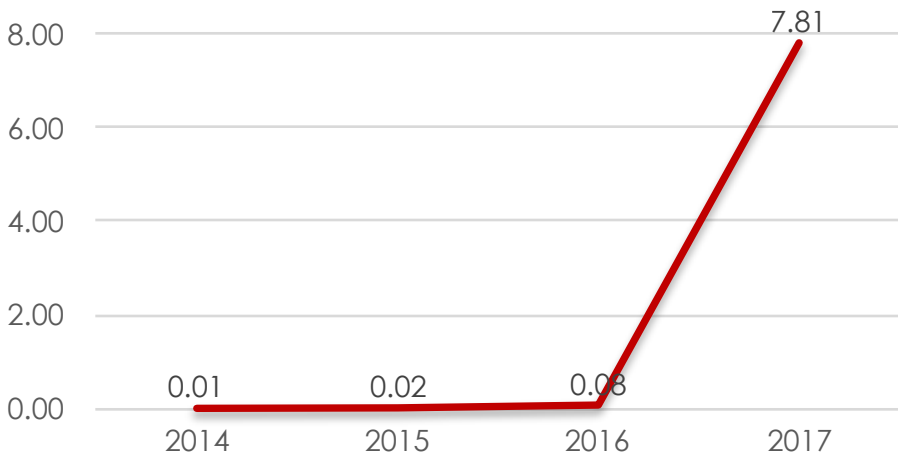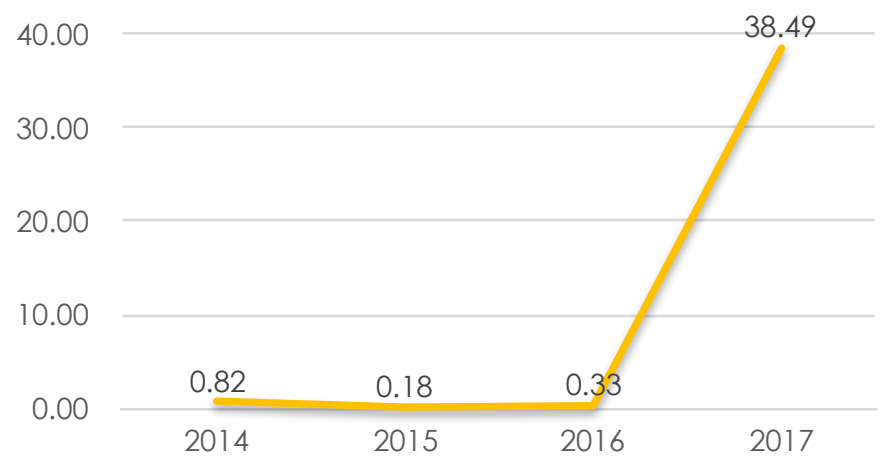
CEO Summary

Q&A Session

DASH

ampp	• What type of proposals does the core team feel is lacking in the community Q4 2017 & Q1 2018?
	• How satisfied is core with the growth rate of the team to date?
	• How much growth do we expect to see in 2018?
thedesertlynx	As far as Github commit access (including Evolution's private repo), sporks, and other essential access, is there a contingency plan to pass these on in case of a catastrophe befalling the Core team so that Dash continues on without losing years of development work?
GrandMasterDash	What are the most pressing improvements needed to the treasury system?
bigrcancda	• Who would spear head and can we get support from core to have a full time communications and support team that would be dedicated to updating our development status as well as customer and merchant support?
	• Is there a plan to create a merchant support team? Again currently fragmented and not easily discovered.
TanteStefana	• When will 12.3 be in open testnet?
	• When will 13 be in open testnet, or how long after 12.3 do you project it will take?

bhkien   What do you think are our target users to attract?

strophy   When you pitch Dash as a potential payment system to a vendor/integrator, how much comparison to our competitors is involved? Are entities like Dash Core as a central point of contact seen as an advantage or disadvantage from their point of view? In general, how do you approach these meetings?

t0dd   The Evolution team is probably the right size at this point. But, other teams are likely needed: Integration team, mobile, desktop, web team, crypto-security-analysts, merchant tools team, sales engineering, etc. Maybe it would be good to move some of these outside of Core Group. The challenge: Dash Corp Group is already challenged with engaging with the community, it will be possibly even more challenging to work with outside entities.

(anonymous) Have you planned to have one or more structures that can serve as parent company to projects funded by the treasury?

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