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**Michael:** [00:00:00] Set em, let em loose. Oh, we're

**Marty:** loose. We're loose. A bunch of loose geese right now, gentlemen, for the afternoon, another on ramp announcement on TFTC. Welcome back, gentlemen. Thank you. Thanks for having

**Michael:** us

**Marty:** again. It's weird saying welcome back since we do a show once a week together

**Jesse:** now. It's true. And we've been talking for two hours already today.

**Michael:** Yes. But you're the full captain now. I

**Marty:** am the full captain. And, uh, since this is my show, in my domain, I do want to get some critical feedback. How do you guys think the last trade is going? Ooh,

**Jesse:** that's a fun topic. Uh, I think it's going really well. I think that, I mean, we have several thousand people listening to our shows every week.

And I think that speaks to the fact that people are interested in the business side, the finance side of, of Bitcoin. Um, and hopefully we're scratching that itch for people. [00:01:00]

**Michael:** It's been, it's been interesting. I didn't know how to think about it other than I just came from the core principle that I think we all have really cool conversations behind the scenes, like about business and Bitcoin and over dinners and drinks.

And I thought other people would want to have those conversations or come on and talk about their side of the business that most people don't get to hear from. Um, the, the biggest shock has been that everybody that I know that's tangentially like related to industry listens. So somebody's listening. Uh, so that's, and they've said good things.

So that's been pretty cool. A long

**Mitch:** time listener, first time caller, uh, but I, I was, I genuinely do learn something or learn, I get like those couple of, you know, soundbites or tidbits that I do, you know, makes me rethink, um, or, you know, have a different perspective, I sort of builds, you know, the ideology, uh, you know, a little step deeper.

So thank you guys. It's helpful.

**Jesse:** That's awesome. There's our listener right there. Our one and only listener. Thank you. Thank you.

**Marty:** It's been [00:02:00] fun for me being able to scratch that particular itch within Bitcoin business focus, macro focused. Obviously I do that from time to time here on TFTC, rabbit hole recaps, much more technically focused.

And so it has been fun. We've been doing this since what? May, June, six months.

**Michael:** Yeah.

**Marty:** Almost six months in.

**Michael:** Yeah. I've learned something new. I think that one of the coolest parts, I think where people appreciate, and we're probably going to have to go back and listen to certain ones, like on the trusses, like the McClintocks and Gavin Furies.

It's like only if you've been around long enough, you know, these guys are out there and they're just like at the top of their game in the traditional world and then they found Bitcoin and now they're just like merging it together and it's just, it's awesome to see and then also to partner because then it just helps you from a professional sense leapfrog because having those like experts are huge in this industry, specifically legal, like you don't have a good lawyer in this space, you're kind of, you know, going way off the wrong path or against the current.

[00:03:00] Yeah,

**Jesse:** that might be, that might be the, the thing we've stumbled into. With the last trade is that like we've been able to bring in professionals who are at the top of their game who have found Bitcoin and are have gone deep on Bitcoin and are just kind of they're doing their thing in the Bitcoin world.

And these are voices that you don't hear from a ton normally on on your typical Bitcoin podcasts and so talking about like revocable and irrevocable trust setups and you know why they're important for Bitcoiners to be thinking about now rather than. Five years from now, that's a topic that, you know, isn't really out there enough.

And so, you know, being able to, to bring in an expert on that, uh, McClintock and, and, and make a whole show about it, I think is, has been valuable to our listeners.

**Marty:** Yeah, and it's been fun to see who brings out of the woodwork the people that reach out and say hi listen to your pod It's pretty crazy. I mean, I've experienced that throughout the years with [00:04:00] TFTC and RHR But I think the last phrase expanded that universe to an even wider audience Which is

**Jesse:** cool to see yeah, and you're doing a great job hosting it Marty.

So, thank you

**Marty:** That was gonna be my next question. Are you guys thinking about replacing me at any point soon? If

**Jesse:** you leave it Logan, yeah, maybe if we can get Logan instead of you

**Michael:** Logan, it's actually for it It's funny if Marty, I don't know what we would do, uh, part of going into this, like, you know, we, there's strategic reasons, business reasons and all that, um, I mean, it was like, well, the commitment, but it really like has been fun because you take all the pressure off, like you're a master at managing the conversation.

So we just get to come in and like. Talk about stuff. Uh, but it's been like almost cathartic like to just go and just to have a conversation about Bitcoin every week Um, so yeah, it's been fun. You've done a good job. We'll keep

**Marty:** you around. All right All right, good to know good to know I'm gonna tell my wife one job secured Well, we're not here to talk about the [00:05:00] last trade we're here to talk about The big announcement obviously here with Michael and Jesse from on ramp.

We've also got Mitch Koshman from BitGo with us You guys have been working on something Pretty big behind the scenes. Uh, this is the announcement episode for that, which is coming out alongside a bunch of PR and I'm sure a bunch of other events that are happening in Vegas next week and for months to come.

What have you guys been working

**Jesse:** on? Yeah, we, we have been, I'll, I'll, I'll start it off and Michael, you can jump in whenever, and we can just tag team it here. Um, we have been working on a suite of products centered around multi institution custody. So at OnRamp we've been focused on for the last year, building out a best in class solution for.

Multi institution custody. And we are now in a new era, [00:06:00] we believe at OnRamp, we're in a new era of Bitcoin custody because to date there's been self custody and third party custody, and they each have their pros and cons. Um, with self custody, you can have outstanding security, but there are certain technical challenges and operational challenges involved in maintaining that security and, and setup.

With third party custody, you're trusting an institution unilaterally. They control your coins. And we've seen with FortressTrust and the whole long line of prior failures that sometimes that trust is misplaced. Because sometimes they're re hypothecating your Bitcoin or they haven't actually set up security with best practices and get hacked.

So there are risks there. And now with multi institution custody, it leverages the... Excellent security of, [00:07:00] of multi sig, uh, and instead of having a multi sig arrangement where you hold all or all of, or the majority of the keys, um, it's institutions holding the keys on your behalf as a, as a client and on ramp coordinates that and has partnered with the best, uh, Bitcoin custody companies in the world, BitGo being, uh, one of them and, and our infrastructure partner as well in order to, uh, have a multi institution custody setup where keys are held by OnRamp, BitGo, uh, CoinCover or Kingdom Trust as the third.

Um, and two of three of those keys are needed in order to control the assets in the client's vault. And the client is the only one with the, the authority to, [00:08:00] to, um, request a transaction. And, and, uh, each of those institutions that ends up signing that transaction has to verify with the end client through their specific, um, processes that this is a valid trans, Transfer request.

And so now that opens up a whole new, um, world of products that are all based on multi institution custody. Um, because W in the spring. We lo at the start of this year, we launched a, a, um, a, a simple spot Bitcoin fund that used this multi-institution custody model for how we were custodying the Bitcoin.

Uh, and we found that there were a lot of, there was a lot of interest, a lot of demand for other types of, um, Bitcoin products specifically. Uh, custody. So for people who already have Bitcoin, whether that's individuals or institutions or corporate treasuries, [00:09:00] uh, that are looking for it, perhaps a better form of custody or to diversify their how they're holding their coins.

Um, multi institution custody is attractive to them. And now we have a product. That, that meets those needs and is designed specifically for that use case. In addition to that, we also have a private wealth offering, uh, and have figured out how to meet the needs of RIAs, um, in terms of providing a, a Bitcoin turnkey asset management platform that incorporates, um, you know, the, the, the on-ramp way, the on-ramp approach to how we're, uh, Um, managing Bitcoin assets and also, you know, uh, Focusing on Bitcoin only specifically, um, and yeah, so that's the, that's the set of products that we have announced today or yesterday.[00:10:00]

Um, and we're here to talk about them.

**Michael:** Yeah, I think, um, I think maybe. There's a, there's a few things, I think, uh, where it relates to BitGo and Mitch, and there's a lot of incredible, um, things that have just been happening behind the scenes. And we had Mitch on, um, the last trade, and so the order is going to get a little clunky, but we're recording and launching OnRamp, uh, and these new products on Thursday morning, and the last trade will come Friday.

So if you're interested in learning more, that'll be there. Um, but to Jesse's point, and we kind of glossy over this, because it's really outside from a Bitcoin. standpoint, but it's really like foundational and part of the market structure is just a pooled asset vehicle, which is effectively what we first started, uh, in the spot Bitcoin trust, um, you know, even ahead of this BlackRock ETF and similar model grant or trust, um, with a couple key things that we felt were necessary and that the market we've had a lot of inbound requests [00:11:00] for it is effectively, you know, a Bitcoin only asset management firm for a lot, for a number of reasons that this audience knows why is important.

Um, but then also the custody model. Uh, you know, not being a single, having a single point of failure and then also allowing for delivery of the BTC. And so we have that fund. Um, we launched, we had a lot of demand internationally along with domestically for, you know, the fund products, international fund custody, but then also just additional private wealth services to really help from a, from a core bitcoin way of like, how do you get access to private?

deals to inheritance planning, revocable trust, and all the things we've grown over our network and can help play quarterback for somebody that's holding substantial wealth along with what Jesse alluded to is the RIA offering, um, to basically be a partner. And it's really interesting because these things existed.

There's a lot of firms out there that help and provide, uh, like the, the. Industry parlance is TAMP or turnkey asset management program. But what we're doing, we're, we're taking the on ramp approach is one [00:12:00] offering Bitcoin only to offering it with the best, uh, qualified custody and insurance with BitGo and execution, but then three really marrying and what we found.

Um, as part of our core like offering, it's not a product, but it's ultimately turned into is our research and content arm, which is really led by Jesse, Brian Cabela's Jackson contributes. And then the terminal that we recently launched to help asset allocators really look at and just understand what the hell's happening here, uh, in Bitcoin and why it's tied to foundational fundamentals.

And so we're pulling all that together to offer, uh, this multi institutional approach from the ground up. But what really is exciting and, you know, we could probably like throw it to Mitch, um, after sharing this is that when we were working with BitGo, the initial approach And that we, we did, and this is part of bit goes course services and best in class tooling is they participate in holding a key and then open up their platform for others to do similar models to this.

Uh, if they, if they [00:13:00] want, or they can set up an exchange and, you know, manage their keys in certain ways with really good tooling, how do you like manage the whole process? But BitGo saw what we were doing. It really, um, leaned into the fact that what if we created this model? But every institution had their own onboarding and authentication process.

Before ever signing and going into that deep cold storage to move the funds. And so that was always our core vision. But the reality is you need partners to make it, uh, part of the reality because the requires operational, like not only chops best in class, but then it just has to be like infrastructure set up for that.

And so that's where we're, I think most excited is this underpinning is foundational for all financial products. We'll offer, we're starting with these three core, but then ultimately we see the stemming. But it's this idea that we onboard an individual and then we get them onboarded through their unique process to onramp and BitGo's [00:14:00] partnership to get them onboarded with BitGo and the wallets are built and we can help with execution or we can hand that off depending if you already have BTC and then you just get to decide based on your jurisdiction if you want your Um, recovery agent, your backup agent to be in the U.

S. or outside of the U. S. But then at the end of the day, any time you want to move, withdraw or participate in your asset, being in your custody, it requires you to come to on ramp and then would require you also to go to bit go and go through their best in class authentication and trust processes before assets, whatever even start to, you know, movement, the movement of assets would would begin.

And so that's where we're really excited. And maybe I'll let Mitch jump into kind of share a little bit of that. I'll, I'll,

**Jesse:** I'll first, uh, highlight a little bit more of what you were talking about at the end there of like, it's, it's important for us to, to try to get across to the market, like what this solves for of, um, the, the rehypothecation scenario of [00:15:00] FTX having paper Bitcoin and people ending up with a zero because, um, they thought they had Bitcoin on FTX and, and it was double counted for and not there.

Um, yeah. That is not possible if, uh, when, when Bitcoin is deposited into an on chain vault, um, that is controlled by two of three institutions, and each institution needs the authorization from the end client in order to move those funds, to sign for those funds, then The end client ends up controlling that, uh, and so you cannot lend out that Bitcoin, um, and rehypothecate it like FTX did in that scenario.

So you've protected against, you know, one of the big problems that we've seen with Bitcoin custodians, um, over the last decade by having this, this setup that puts the power back in the end users. control. [00:16:00] And ultimately it's about, you know, making sure that client assets are sitting on an on chain vault until the client tells multiple institutions that they want that money moved.

Uh, and until then, it's going to sit there in an on chain vault.

**Mitch:** BitGo, um, you know, we've, we've been in the industry for, for, for 10 plus years. We've had, you know, some, some great Bitcoiners, uh, work on our Bitcoin wallet from Jamison Lobb to Brandon Black. Uh, and ultimately we made the decision that, you know, It's great being able to secure the assets that we do. Um, you know, with our hot wallets and our cold storage.

Uh, but we wanted to open up our wallets and, you know, like companies like on ramp, build great products and services really based, you know, with, uh, our wallets and our key signing technology, uh, as the foundation. Um, so, you know, when we're talking about assigning a transaction, uh, you know, what does that entail [00:17:00] once, you know, when we're User has, you know, confirmed with onramp and onramp has signed a signed a transaction onramp then goes and tells us BitGo You know, we have a half signed transaction here.

What we're doing is we're accepting partially signed Bitcoin transaction PSPT we've invested pretty heavily to and in our Bitcoin wallets to be able to do that We're accepting that half signed transaction and then we you know, the way that key is held You've got a you know an arm guard in front of a bank grade vault where Then, you know, once, you know, we, your admin policies have been adhered to, once we get that, that, um, you know, that notification, you know, from on ramp to, um, you know, to go sign the transaction, we then video verify, um, you know, end user and customer of on ramp.

Once we get that confirmation, we go into the vault, that key that we are holding and sharded, uh, multiple times, uh, Different people have access to, to different shards. Um, once [00:18:00] each of those shards, uh, you know, gets resigned, get signed, keys are constituted. Um, Bitcoin will make the signature and, um, you know, transaction will get broadcasted out to, uh, to, you know, through our Bitcoin nodes and onto the blockchain.

So it's a pretty intensive process. Um, but you know, the, the process that assets that, you know, are worth the amount that, you know, we all. You know, envision and, you know, believe they will be, um, you know, we treat them, you know, with the, you know, the standard and care that, uh, that they demand.

Yeah,

**Marty:** it's a pretty involved process, but I think it's important to dig into why it's important to have these layers of involvement, both from the on ramp verification to the signing of your part of the PSBT to then handing it over to Bitco and having them go through their process to complete the transaction and broadcast it to the network.

What? Type of benefits does this provide the end user that you guys are targeting? [00:19:00]

**Michael:** I think from a layman perspective, we can go into the nuance. It's basically like the three, whatever the person's best three companies, let's pretend gold, uh, Coinbase is the standard, right? Michael Saylor holds his Bitcoin there.

You effectively get three Coinbases. There's processes behind every authentication before keys are ever signed and moved. And so ultimately, like I always think about your audience, Marty, and, and, uh, a lot of folks that are holding keys and doing a lot of things that would never use something like this, where I always think about this is this is the product for my mother in law.

Uh, or the friend that has not been able to get in the space because they've been concerned with, well, what if they go under, what if they rug me, what if they rehypothecate the collateral and all of these things that we're talking about from redundancies to fault tolerance or how we thought about building up this business so we can get the trade offs of both sides of, okay, I'm not ready to take self custody, I'm not ready to learn every learn the different aspects of it, but I'm also not ready to trust a single custodian.

Bye. Bye. Bye. Is there a better way that I can get material [00:20:00] allocation without feeling, um, like what, what's happened? Basically we keep saying the past 12 months, it's really the past 15 years. You can go all the way back to Gox, Kodriga, all the different exit scams. Like people inherently understand, like, there's something, you know, wrong with the central entity holding the asset.

It's just like, well, what is the solution? And we feel like we've, uh, we're onto something with being able to solve for

**Jesse:** this. Yeah. And to, to spell that out, like there, there's really, there's, there's two types of, um, Of people. Um, there's people who understand and have done their homework and are technical enough to be confident with a self custody setup.

Uh, and if that's you, awesome. And if you're listening to this, frankly, that's probably you, like you're, you have the chops, you've, you've done the homework, um, and you can handle your own self custody and that's fantastic security. But for a lot of people, um, the barrier to [00:21:00] entry for self custody is daunting.

And you can screw it up, um, and it also can, you can be deterred from taking on, on, you know, a Bitcoin allocation because you hear about, you know, how you have to have multiple hardware wallets set up and they're supposed to talk to each other in some weird way. And, and it sounds like a bunch of homework.

It sounds like a major technical project to dig into. And so you just put it off and you decide, you know what, maybe Bitcoin's not for me. I think that's most people. That's most people who don't have Bitcoin today, um, certainly. And as a result of that, you know, a lot of people, um, haven't, haven't taken a dive into Bitcoin and, and gotten an allocation.

Um, so, you know, there's, there's people who, who are capable of self custody and if, and great, if that's you, fantastic. Um, and then there's the people who default to. [00:22:00] A third party custodian, whether that's leaving their, their coins on Coinbase, whether they think, you know what, GBTC is the right thing for me.

Um, but that also includes a huge group, a huge group that just decides, you know what, I'm not capable of self custody and, and these other custodians like FTX scare me. And so as a result, I'm just not going to touch Bitcoin. And I think that our solution, the on ramp multi institution custody model, um, provides the ease for, for investors.

Uh, indivi, whether that's individuals or, or institutions, the ease of third party custody, um, but the security of a best in class multisig self custody approach. Uh, and that's specifically because, um, in this multi, uh, in the on-ramp, multi-institution custody model, on-ramp, and none of the [00:23:00] entities involved have unilateral control over.

Your coins and so ultimately you retain control and that it solves for the Achilles heel of the third party custodian model where, you know, because they can be rehypothecated because they sit in a specific entities control, they can be hacked on. You can lose your funds as the end user. Um, this model solves for that.

So it opens up Bitcoin. allocations to a huge group of people, uh, individuals and, and institutions who have to date not been willing or able to take on Bitcoin as an, as an asset because they're unprepared for self custody in their kind, third party custody, unpalatable.

**Marty:** And so from the end user's perspective, I think it's pretty obvious that this is An optimal custody [00:24:00] solution in terms of trade offs, you're distributing risk, key risk among multiple institutions. If one goes down, you're not shit out of luck. The other two can move your Bitcoin. You can reset up the multi sig quorum with another key agent.

I think another question, which we didn't touch on on the last trade and probably is important to touch on here, going to the other side of that market, like the key agents, what gives them confidence to participate? In this type of quorum, there's probably many out there who fancy themselves as very good security engineers, and they've created a robust.

solution in house, what would make them confident that they should enter into a multi institution quorum like this? I'll throw that to you Mitch.

**Mitch:** I think it's, you know, I think if you're a Bitcoin or someone who's paying attention to this industry, I don't know how you can look at multi institution custody and not think that this is the future of custody.

Um, you know, ultimately at BitGo, we made the decision to support [00:25:00] this stuff because, you know, our CEO Mike Belshi was, was the person who, Who pioneered using, you know, multi sig for, for Bitcoin wallets and You know, the sort of applauding and, you know, enabling, you know, innovation, uh, using multi sick. Um, you know, how could we not, uh, help lift these, these companies up and support them?

And, you know, if we fundamentally think that This could be, you know, the future of custody. And I personally, you know, do believe so, you know, how do we not support that model? That's a model that we, we absolutely, um, you know, need to need to make sure that they go is also a part of, you know, I think it's important to us that, you know, as this gets built out, um, because been doing this for 10 years.

Um, we are, we are very, very good at, you know, keeping keys safe. Um, we have not had a security incident, you know, over, over, you know, The course of our lifetime, um. Ensuring that, that [00:26:00] safety, uh, and that, you know, all, you know, that decade of work goes into, uh, you know, these models and, you know, they're done as securely as possible to ensure that, you know, we get this right the first time.

Uh, I think that was important to us, uh, ultimately, you know, while we're all companies, we're all trying to make money, I think doing, you know, bringing trust to digital assets is, you know, is. What we, you know, from a company, you know, value standpoint, that's number one. And I think, you know, we're adhering to that ethos with, with what we're doing here and, you know, if this is the future, you know, let's make sure that's unsecurely.

**Michael:** Yeah. And there's this real recognition that this opens up a large pool of capital. Like I can't help because I'm, you know, been listening to this pod TFTC for five, six years and put my, my like freak hat on and be like. I mean, this is, doesn't sound right. Like I can hold my keys. And I think that while it's true, there's a, there's a case for, you know, the price [00:27:00] appreciating and being a little worried about that.

Let's put that one aside. Um, and to just think through from like an institutional allocator or somebody that's high net worth that is just generally used to a world, their worldview is that if I buy something, it doesn't go away. It doesn't go to zero. It's not going to, if it, somebody hacks my account, cause I'm a boomer and they get in, it just gets reversed.

You know, I just press a button and then I call them and they reverse the charge. And we, we just have been building and been in this space. Jesse's been running a fund. He's been writing for, for close to half a decade. Uh, I've been building in the space for close to half a decade and working and, and seeing all these conversations, you start to realize there's like pattern recognition in this, um, conversations in, in individual's heads as they look at it, uh, as this, at this asset.

And so we, we put this together, we believe it to be. Right. And what, what's needed on what capital, but something happened like close to a month or two months ago, um, where we had been working based on what the market want, you know, the feedback on other vehicles. Cause that's ultimately what [00:28:00] we're doing is we built an asset management platform with a trusted brand.

We're aiming to build trust in the industry by providing content and research and advisory services to the market. And then it's built on the foundation of a better form of custody to reduce counterparty risk. And so while we were looking at that, and it's like, well, what are the vehicles that can unlock large pools of capital that has historically not come in and then are looking to come in, but pause because of all the FTX.

Things that happen and that will be ready, but they need to feel comfortable with it. And so we started and we found, you know, again, the fund aspect because some people just need security exposure versus spot for a number of reasons we can talk about if we need to. And then there's spot Bitcoin and that spot Bitcoin could be for an individual as long as well as other exchanges who we brought on a few clients that we can talk about as well.

And then, uh, on the, you know, wealth side, whether it's a private wealth individual or somebody that's an RIA that needs exposure, all of this. Where that ties in is, uh, we had a large pension intermediary that I feel comfortable in talking about because he came on the [00:29:00] last trade, um, Clinton Cameron Cartwright.

And this individual and his boss are, uh, very knowledgeable in traditional finance or asset managers. They've been in this industry, in the financial industry for, I think, close to 30 plus years. They were part of the 08 crisis. They, uh, looked very deeply at, you know, First principles thinking of what's going on and they were gold guys.

They found Bitcoin. And so they're very educated and they're in a position where they're talking to pensions, but they're looking for a counterparty that they can in good faith go to. And again, not sharing anything that wasn't already said on a pod. I would really encourage if, if any of this is interesting to listen to that podcast.

Um, I think it was like three episodes ago on the last trade, but it was just awesome because he didn't, we hadn't. Announce these products. We were just working on them with the vision that this is what the market wanted And he reached out because he actually happened to be a freak and uh the algorithm on YouTube put the last trade in front of him until we [00:30:00] got on and he starts talking about the last trade and loving the content but then went into What he's looking for, and he can't work with anybody because of all of the tenants and pillars that we're focused on when it comes to Bitcoin only and just understanding that like his core constitute core thesis is like, how can you work with somebody if, if they don't fully understand why Bitcoin is the asset, because then that just signals other misunderstandings.

And if you're ultimately going to be a fiduciary. How comfortable can you be in parking your capital? Uh, and then the other aspect is obviously the counterparty risk because these are pensions This is large swaths of capital into the tunes of you know, multiples of billions of dollars if this go, you know Whoever takes on their capital.

So that's that's big. But then last is in kind delivery and Again from a very first principles. It's not that he wants the bitcoin. It's that he understands that At a time of need, like a GFC, you're going to want the Bitcoin. You're going to want to prove that your counterparty has it. And he's just thinking, why wouldn't you be able to take it?

You could take my money in. You know, [00:31:00] you can take my BTC and why can't you give it back out? And so he came to us basically with a problem, not a, not a solution. He said, this is what I'm looking for. And we're like, well, yeah, I mean, this is, this is our core foundation of how we're thinking about it. And so anyway, that was a long way of basically saying that's where I'm really excited.

We're really excited about this is because we've just had this vision of the future of what we've been doing and building in this space. And it's been fun to see organically people come and reach out, looking at that same vision, which is an educated person. And so I think as the market. Gets more and more educated as we've seen These products start to make more and more sense because the old world of doing things Clearly doesn't work as we've seen the past You know again 12 months or 15 years of this like central entities holding all the assets and just trusting them to like be whole When you need your Bitcoin

**Jesse:** Yeah, I, yeah, I think Michael's right here that, uh, this may sound like a crazy new, um, half baked idea, uh, to, to some people listening, but the more you think about it, the [00:32:00] more time you spend in it, thinking about how this unlocks huge pools of capital that have previously found Bitcoin inaccessible or, you know, not willing to go there, um, you know, it starts, you start to realize that this is, this is how Bitcoin goes through the next phase of the adoption curve.

You know, it's, we've, we've bootstrapped from nothing to a 500 billion asset to match gold would be a 12 trillion asset. Obviously, we all know that there's a lot of potential beyond, uh, just matching gold. And, um, so, you know, any way you cut it, we're early on in that adoption curve. And that means the bulk of the adoption curve is still ahead and all those adopters are still ahead.

How do we cross the chasm from the very technical? People who are capable of setting up their own multi sig, um, and, and listening to TFTC as a result of being very, uh, technical [00:33:00] early freaks. Um, how do you go from those folks to the mainstream, to the institutional capital allocators, the investment committees, where they've got seven people sitting on an investment committee, they can't touch Bitcoin because one, they don't want to be in GBTC.

Um, And two, if they're going to do self custody, who's going to hold the keys? You got seven people, who's going to set it up? You know, like that, that's, that's some of the problems that are out there that for Bitcoin to continue to mature as an asset, um, have to be solved. And, and they're solved by making, um, security and ease come together.

And that's what multi institution custody, uh, is able to do. And, and, uh, and, and it's, it's possible because of. Marty, to your question earlier of like, um, our key agent partners, uh, and an infrastructure [00:34:00] partner, BitGo, um, recognizing that this is, this is an important new wave of how, of how Bitcoin custody can and will be done, uh, and leaning into that.

And so, you know, we, we owe a big thanks to Mitch and his team at BitGo for recognizing. You know, they're steeped in 10 years of learning about Bitcoin custody and Multisig from the very beginning and realize that this is an important new chapter in, in how Bitcoin custody can be done for some people, and it's not the right solution for everybody, but I think increasingly it will become a bigger and bigger part of how people who Thank You know, capital that has yet to come into Bitcoin finds its way into Bitcoin and specifically finds its way into the right ways of holding Bitcoin, the ways, you know, the type of, um, you know, like our fund where you can take in kind of redemptions instead [00:35:00] of like the BlackRock ETF where certain people can take in kind of redemptions and that can always change.

Um, or GBTC, where nobody can take in kind redemptions. And so, uh, you know, we're excited about, about what this unlocks for the, for the market, for the capital allocation landscape. And, um, and, you know, really, really appreciative of, of Mitch, um, and all of his work, his work and his team's work for helping make it possible.

I appreciate

**Mitch:** it. I mentioned on the last trade, but I think we, we have an asset here that it was a, you know, blog I read by you guys that the risk is not just the asset price going to zero, but fundamental loss of the asset. Um, you know, private keys being lost and, you know, your, your balance goes to zero, even if, you know.

Bitcoin is appreciating in value and in order to onboard these people who are on the sidelines, you need to, you need to build for [00:36:00] for that risk and to reduce that counterparty risk. Our CEO, Mike Belshi at Pacific Bitcoin a couple weeks ago said right now we're built for. You know, for securing billions and billion dollar waltz and, you know, in the next market cycle in the next few market cycles, we need to be ready for trillion dollar waltz and there's work that needs to be done to, you know, to get there.

And personally, I believe that multi institution custody and, um, you know, what we can do here. Uh, is, is fundamentally better from a counterparty risk perspective and will help unlock the capital that ultimately gets us to, you know, trillion dollar wallets. So I thank you guys for, uh, for setting the foundation to, uh, to go make that a reality.

**Marty:** I like this meme. Trillion dollar wallets. It just sounds

**Michael:** good.

**Jesse:** Meme it into reality here.

**Michael:** There's a, there's a theme that, you said [00:37:00] meme, theme. We were talking about the early part of the pod, I think one of the things that makes Last Trade really special is bringing different ideas. That haven't really been talked about.

And there's this quote. I knew it was somewhere. I looked it up. It's, um, so the engine of human progress and prosperity has been, uh, when ideas have sex with each other, Who said that? Who said that? It's, uh, there's different flavors of this, right? It's Matt Ridley. Um, but I just remember that was like one of the, the more like kind of.

Prolific or get get people's engines humming, but i've always thought like there's lots of things like me and jesse have different, uh, Uh styles and that's different ideas Um, there's bit go and belch being a technologist and then also using the core But then understanding bitcoin which are two different ideas But one that I think is really misunderstood not really quantified and it's such a huge opportunity for anybody listening is While funds and asset management and all this stuff isn't sexy, it's literally been around for thousands [00:38:00] of years, or at least like asset management and banking and all of those things.

And then funds for however long. But the problem is that all these people that have come in. Crypto people, so they don't get it. And so they just, they either sell you a bunch of things that aren't Bitcoin and you can go to websites and see Solana decks, top 10 metaverse down 80%. And they have the goal to like still sell you it.

And like they've raised hundreds of millions of dollars and they have a Bitcoin fund, but that gets a little percentage, whatever. And then they can't really educate you properly, even if they wanted to, or even if they understood, because when the market turns against them, they don't, there's nobody there to like, say, Hey, like, let's walk through what's happening.

It wasn't Bitcoin. It was FTX because they put them in FTX. So they put them in Solana. So that's just a problem in itself that most of the crypto people. That understand funds and traditional finance ended up in crypto. And then the other side of this, and this is the shout out to our good friend, Odell and the freaks.

It's like, fuck those people. Like I want nothing to do with that. I don't want anybody [00:39:00] holding my keys. I don't want any of it, which is perfectly fine. The problem is that like, that's not how all the money's going to come in. If we just. don't develop the products and solutions. And this is the, the sex of ideas of like, we are core Martin.

Then Marty's one of them. And like, we, you go through these progressions, either get left behind or not left behind, but you either just like stay in certain camps or you continue to like grow with the trajectory of these things and I won't lump Marty there, but I feel like Jesse and I would anchor to that of like, you know, Mitch talked about it.

He was an early cost a client. On the previous pod and like that's part of the pattern recognition and understanding of how hard this was and does it have to be hard for his mother and his other people to get exposure to this asset. So I think that's ultimately what we're doing here is taking the fundamental understanding of Bitcoin, how we think it will scale, reducing counterparty risk, but then taking the traditional world of asset management and the vehicles that are needed from an international perspective or domestic U.

S. perspective and marrying them together to provide the products that don't blow up and people get burned. Yeah,

**Marty:** no, I mean the whole [00:40:00] meme like Bitcoin's not for everyone is never really set well with me. I really like to anchor to as long as you have the optionality and We're sufficiently distributed at the node level the hash rate level and the key level that all will be fine people It's an open source protocol People have different preferences.

They have different levels of risk tolerance. They're going to interact with Bitcoin in different ways, whether we like it or not. And again, since it's an open source protocol, any of this is possible. You just have to accept that as fact. And going back to Bitcoin isn't for everyone meme. Like, it's never sat well with me because I do think if we have the best money that's ever been created in human history, we should try to get it.

into as many hands as possible, despite the limitations at the protocol level, despite the limitations of the infrastructure at any given point in time. Our North Star should be trying to get it into as many hands as possible and creating unique [00:41:00] solutions like multi institution custody gets us closer to that.

And then obviously we still have limitations at the protocol level and second layers that we need to figure out, but I'm confident over time as we reach those limits, people will find creative. Ways, maybe they'll, uh, have ideas having sex or something like that. And they'll figure out how to scale this at the tech level as well.

**Jesse:** Yeah. You know, Bitcoin is for everyone. It's just maybe not the purest form of Bitcoin. Yeah. Um, Bitcoin is for everyone. It just depends on when you get into it and what kind of tooling exists at that point in time. Um, you know, as, as things keep getting better in how. You know, user facing apps, um, and products are set up.

It gets easier and easier to interact with Bitcoin in some capacity, right? Like you can have exposure to [00:42:00] Bitcoin without ever really using on chain. Um, and then it becomes a purist question of like, is that truly using Bitcoin? Is that, does that mean you're a Bitcoiner? Uh, and you know, it's a, it's a valid point that like.

You can have a definition of being a Bitcoiner that does not include that. I think that's totally valid. Um, but you can still have access. People who are not quote unquote purist Bitcoiners can still have access to Bitcoin and use it in some capacity. Um, and I think that trend will continue to evolve.

And frankly, it's, it's part of how this asset wins. Um, you know, it's, it's by penetrating the adoption curve that. Um, you know, this thing becomes the de facto money for the world, and then, you know, the, the future version of the world that we all hope for flows from that. Um, [00:43:00] and so I think adoption through better tools and, and, uh, products and easier to use tools and products.

Is how we get to that end state of, you know, Bitcoin as a unit of account that everything's priced in Bitcoin because Bitcoin is a savings vehicle for everyone. So, you know, this is part of that journey. I,

**Mitch:** I think Bitcoin is not for everyone today, but we need to build the world that Bitcoin can be for everybody when they need it to be.

And it's, you know, it's up to us to build the products and services. that, you know, are there for, you know, for people when, when they're ready, um, you know, to go make that leap. And whether, you know, whether it's self custody or, you know, multi institution custody or really whatever we haven't even thought of yet.

Um, we've got to make this easier for people and, you know, until it is, you know, we're not going to reach [00:44:00] that point of hyper Bitcoinization that, you know, ultimately, you know, we're all hoping for and, you know, excited for. Yeah,

**Marty:** I can hear. Many of the freaks clamoring right now. The biggest risk, if we're putting our adversarial thinking caps on, and really trying to poke holes in this, is yes, you may have multi institutional, multi institution custody.

Key risk is distributed amongst those institutions, but at the end of the day, the state comes. It goes to those institutions and says, hey, you can't move this Bitcoin out. You guys are going to have to abide by that mandate, um, which gets into the whole idea of multi, multi jurisdictional, multi institution, multi sig custody.

So with that in mind too, I mean, how, uh, Michael, I know you've thought through this, like, how do you approach that and steel man that argument?

**Michael:** Yeah, I mean, this is my [00:45:00] favorite topic because it's, um, it's my favorite topic on the Bitcoin side because, Or just in general, one, because there's no, I'm convinced after like thinking about this and we've onboarded a lot of folks into the custody and talk through it, that there's no perfect solution to Bitcoin.

There's just like perfect trade offs and those are different for every individual. Uh, and, and it's like whole concept that there is like, like custody and is always moving for an individual just based on whether what's the allocation size, the price, the risk factors and all of these things. So there's never like the right form of custody can always change.

Um, there's a few different ways to answer. Like one is if there's something jurisdictionally happening and you're already working with institution, you're probably. already been rugged, um, because that single institution has failed you. I think there's a, another understanding that's important about self custody is the thing that keeps everybody honest.

Um, so this ability to have a valve that you can take delivery, whether it's to test the system or to, to take it. [00:46:00] Um, there's jurisdictional keys that will ultimately happen. CoinCover is a partner. They sit in the UK. They're incredible. There'll be others, but I, where I, where I think this is like the less.

Maybe PC or like where this all goes and it's kind of been something that's fascinating and we need to, um, I need personally to read more about it is like this whole free banking, uh, concept and there's free banking and I guess it can mean a lot of things. I ultimately think it means like trust and, and, um, confidence, which we're ultimately trying to build here at OnRamp.

I think we're doing a pretty good start from the feedback we've gotten, but it's ultimately that like. People fulfill their obligations and what are their obligations in a future state? And one of them might be that they're gonna sign no matter what and that's why it's valuable and so I think that's where this all ends up is It all comes down to incentives and if your incentive is to do it and we talked about it on The last trade and we've talked to investors about this about you know, it's a common thing that's come up historically since you know been in this industry of like, what about [00:47:00] nation state, you know, adoption?

It's like, eh, well, yeah, that's a problem. But that's also why we're based here in Texas, because Texas has a certain stance on property rights. And I've actually had institutions reach out after that. It's like, Hey, can you send me some of the material to explain a little bit more about the property rights?

Because one of the things we cited was just, you know, Kyle Bass and pulling the bill in plus and more. Gold bullion for you Temco down from, uh, New York to the first, um, Sovereign State Bullion Depository in North America here in North Austin. And so ultimately, I think that's where it all ends up. It ends up is jurisdictions, trusted, and then ultimately counterparties that sit in those jurisdictions that are just known to fulfill the obligations and the ones that don't, they're the same ones that end up getting rugged and don't fulfill the obligation, whether it's because they're, you know, insolvent, didn't deliver, and that's how the market determines who are the counterparties.

Bitco has been around for 10 plus years because they continue to sign. They continue to do things and there's other institutions like that. And so I think that's the long term answer is the, the, the firm that sets themselves up from the game theory and always fulfills [00:48:00] will, will be the longstanding firm and it's also why it's important to only pull to hold one key.

**Jesse:** Yeah. Yeah. And to add onto that, uh, Marty of like sort of addressing the hypothetical directly of, um. So, you know, in that scenario, let's say, let's say you've got your three institutional key holders and let's say they all happen to be in the same state or something like that. And, and, uh, state or federal regulators come and say, um, give us, you know, give us those, those keys now.

Um, that's, that's, you know, a risk, right? Like that, that's a risk with the current like third party custody set up where a single institution holds all the keys. And so that that's a risk right now, um, if you were to be, if you had all of your key holding entities in the same jurisdiction, um, that's a risk with multi institution custody.

However, it does [00:49:00] require coordination across time, right? Like that, that action has to happen on the same day effectively, and that makes it harder, right? Like that requires a greater coordination for Yeah. Law enforcement, um, or regulators or, you know, whatever agency is acting here. Um, so that right there is like an order of magnitude harder just to make sure that you've got.

All that happening at the same time, you know, all your ducks in a row in terms of your paperwork and, and you, you act at the same, the same moment in time, right? Like, like a raid happening in three different locations at the exact same time. That, that's harder than sending a letter saying, Hey, we're your regulator, send us your assets, uh, to a, to a singular third party custodian.

Um, and then of course, when we add in that jurisdictional layer, it becomes an order of magnitude. Uh, harder beyond that. So, you know, a hundred times harder than, than a third party custodian [00:50:00] holding all the assets, because now you have to coordinate across time and across jurisdictions. Meaning you have to have an action at the same hour of the same day by multiple different, um, authorities acting in, in, in several different jurisdictions.

And so you can see how it's still possible, but it's so much harder to execute that kind of, um, action. Uh, you know, by, by the state or by federal governments, um, than it is with a, a, a, you know, a single custodian holding the keys to all the Bitcoin, um, where all it takes is a letter from, from a regulator saying, Hey, we, we need that, give it to us and they have to comply.

Yeah,

**Michael:** I think that's actually, um, it reminds me, it's not apples to apples, but of the block size subsidy debate, or like that we need inflation or television in the sense of, again, not apples to apples, but it's very similar in since like engineering around something that we [00:51:00] haven't seen, not to say that it can't happen, uh, what we've seen more of is exchanges.

again, go down, be insolvent, all the things we know. Uh, so you want to Jesse's point, a step function increase in security to prevent that. And that's where you have the keys outside and not a single institution holding all of them. But it's the same concept of like, if you get too cute or too complex, complexity is the enemy of security.

And if you hold, if you do too much crazy stuff with your multi sig setup, that's how funds get lost. And so I do think there's a natural balance. And there again is no perfect solution. There's just perfect trade offs. And I think this like. Form this model is form fit for that. And then ultimately will increase as you think about it.

And Mitch can talk to some of the work they're doing, you know, with time locks when that's really built out. I still think it's early. I think a lot of that stuff is like multi sig in 2018 and 19 personally. But then I think, uh, the quorum size. And the participation from the, the entities and a lot of things will, will, um, develop over time.

But when you think about what is the natural spot, and I [00:52:00] think Logan had pulled it up earlier of that reducing friction and counterparty risk while increasing security. And that's where we really like this model, at least for the, for the foundation to start on ramp. I

**Mitch:** just really to piggyback here, cause I, I mostly agree with, with, with both of you guys.

Also, you know, we get this question a lot at BitGo is, you know, Primarily, you know, market shown us, you know, that the biggest issue that we have to secure against is the loss of funds. Um, you know, we have not seen, you know, on great scale, you know, nation states seizing, you know, assets from citizens, but with Bitcoin, obviously in history, it has happened.

Um, but I think first and foremost, protecting against those security concerns, um, you know, is the priority. I think, you know, you guys have the right mindset, you know, to focus. Ultimately, this is phase one. Um, I can absolutely see, you know, phase two, three [00:53:00] splitting between jurisdictions, um, and building out, you know, this product and watching it evolve.

Um, but, you know, as obviously, you know, big pointer, but I've got libertarian ideals and I'm cautious about the stuff as well. And I think if, you know, obviously custody is a spectrum and if you're, if this is concern number one for you, then, you know, self custody probably is the route for you. Um, if you want, you know, If you don't want the concerns of self custody, then, you know, you look at the, you know.

The range of custody options as being one of them, but ultimately, like, at least my, you know, individual opinion here is I don't think we're anywhere close to, you know, the U. S. government seizing this stuff overnight. I think, you know, government and particularly the U. S. government, you know, tends to operate a bit slowly.

Um, you know, you see that, you know, with, You know, anything from regulation in this [00:54:00] country to, um, you know, liquidation of assets and things like that, like it's slow. It's purposeful for a reason. Um, you know, it's, it's to make sure like their decisions matter. They're careful about it. And I don't necessarily think, you know, You're going to have, you know, two hours to go, which are your Bitcoin, uh, you know, and move it offline.

If there ever was some sort of issue, I think we're, we're gonna have some, you know, some time to, to prep for that reality. I mean, look at the, you know, what's going on with the ETF right now. We, we all are of the mindset that, you know, the approval is coming soon. Um, you know, everyone's looking at those January dates.

Um, you know. We're going to get to it when, you know, when the infrastructure is right, um, and, you know, it's not going to be a light switch event. So that's sort of, you know, at least from an individual perspective, where, you know, what I think about that

**Michael:** issue. And that is a nod to self custody, right? It's just like...

The fact that you can take delivery and it sits outside of [00:55:00] the system always is that like question if I am going to push draconian measures on a society or constituents, like, well, that is always your last, you know, ditch effort and you have to be prepared for it. I think what's more likely is you get a, uh, government backed ETF that locks all the Bitcoin, that, uh, that, that might be a more likely version of any kind of, um, you know.

What we're talking about here with the confiscation or request to not sign or any, any of the things that are associated with like attacking Bitcoin. I

**Mitch:** think ultimately though, like you mentioned the ETF again, like it's, it's up to us as an industry to go. Build, you know, the ETF is going to be a great vehicle for a lot of people, and it's, it's up to us to build the competitor, you know, of why it makes sense to go with a model like multi institution custody, where you have, you know, more control of the assets, um, you know, and explaining, you know, [00:56:00] why that matters, uh, because ultimately, you know, if Everyone just goes the ETF route.

We have, you know, digital gold and you know, that's great. And price goes up, but it's, it's not fixing money. It's not, um, really using the asset to, to what it was designed to be. So, uh, you know, it's on us as an industry to provide those products and provide those options for users to, you know, to hold their Bitcoin in ways, you know, outside of the ETF and, you know.

**Michael:** Can we go, can we go out the box, uh, to have a conversation? I wanted to, ask Marty. Uh, this is a key thing that comes up and I know everybody gets it. It's like, but I'm gonna ask Marty directly. Do you think we can out compete BlackRock?

**Marty:** Well, it's funny you ask, cause I was just about to bring that up. I do think we can.

And building on part of the conversation we had on the last trade, it goes back to how effectively can we market [00:57:00] this type of product to the market, to end users. And like front on them, like, and how quickly can we do it? Cause I think all of us on this call would agree. It's a step function improvement in terms of ways to get exposure to Bitcoin compared to any TF, where you really just have an IOU on Bitcoin sitting in coin desks or coin desks, coin bases, uh, wallets, and you don't really even, uh, yeah, you just have like.

Paper exposure at the end of the day. It's been the meme on TFTC and RHR for years. The BTC is the ETF. Like if you're going to get exposure, get direct exposure. That gives you the ability to take custody. And we've, I said this on the last trade after the lightning summit in July. In Nashville, like I do think there is a strong case to be made that we should caution people away from the ETF because yes, they may view it as this digital gold [00:58:00] asset, uh, right now, but as we're seeing on the lightning network and other second layer solutions that are coming and what we just launched at TFTC with our site with the lightning monetization tools, like you are actually going to want to use Bitcoin and to do that is going to Demand that you actually have the asset to send you're not gonna be sending You're not gonna be paying lightning invoices from from a blackrock ETF.

So whether or not we can beat blackrock in Stewarding people towards products. That'll give them that ability is a question yet to be answered whether or not we should is a definite Yes, I I am confident that via, uh, succinct direct communication, we can beat BlackRock at

**Michael:** this game. I, uh, I haven't said this out loud, I'm hoping I don't get in trouble, Mitch, is I, uh, [00:59:00] I asked it because...

I, in my bones, know that, I'm not saying OnRamp beats BlackRock, but the right solutions do because ultimately, it's basically betting on people being educated and getting educated. If everything stops today, and all the information and all the writing and all the things everybody's producing and content stop.

We probably don't, but as long as the market continues to get educated, and this is again, just pattern recognition from before BlockFi was the best example, rehypothecation lending, the market started to price in what that means is the same way that counterparty risk taking delivery and all of those things start to disseminate to the market, get across.

And then you start learning there's other solutions and you see the flow. It's just a free market. Bitcoin's the best money that's ever been created. The market is starting to coalesce around that in the same way that when you build better financial products, the market will go and BlackRock probably doesn't get rugged at first.

It's going to be these other like ETFs that are sitting on, you [01:00:00] know, maybe a different exchange, took a cut of corner, maybe rehypothecated the collateral. Um, the part I was going to say about getting in trouble. So I don't think that's the ambitious part. I think the ambitious part was that like when we talked with Mitch and BitGo is, it's all the vision was excited in my head.

It was like, man, I hope. I wonder if they're like, these guys are going to compete with BlackRock on the, on the fund. Uh, cause we have ambitions for the fund. Like the fund is very, like people need that exposure. They want it. They don't want to go buy Bitcoin. They don't want to set up custody and authentication.

They just want to click a button, it sit there and that's perfectly fine. But then they're going to wake up one day and they're going to be like, I want the Bitcoin to pay Marty's paywall or the things that he's building at mash, it's like, I need it. And so building the mechanism from, again, a first principles.

standpoint makes sense because it's a better product. Forget about like being tied to the Bitcoin Ethos. It's just like it's better. It can be done. There's precedent for this in the ecosystem in the traditional financial ecosystem with gold and silver amongst other commodities. And so it was this thought, well, like if Bitco, uh, Bitco sees that, then [01:01:00] like Coinbase right now, GBTC 600k, if the ultimate winner's there, there's probably hundreds of thousands, not millions, but that's not the flow.

You get the flow and the custody. It's. Well, then where did people take the delivery? It's like, it's right there with Bicco. Like you just like, you can offer a better product. So that anyway, that was like when I first had this, like, what if that's like their angle or whatever? And then, uh, I know it wasn't more than likely, but it's a very interesting.

It's very interesting concept because I really think about GBTC holding 600k BTC printing Bitcoin. Somebody's going to win that from a better product and the price is only 25, 28, 000 and they're holding 15 billion plus or whatever. What happens when it's 10x from that? That's somebody sitting on 150 billion in Bitcoin generating fees.

That's the opportunity for that. Just like one product

**Mitch:** on the question of like. Are we going to contend? Are we going to beat BlackRock? Or, you know, I look at it as a [01:02:00] space for both of us to, to play here. Uh, but, you know, I think you can't work in this industry without, you know, a bit of optimism. Uh, you know, it can be trying to fix money, you know, without, without optimism, without a bit of an edge to you.

And I think as long as we harness that, as long as, you know, you know, like you said with the social media and the memes and as long as that continues, but, you know, we've got to harness that to. Keep educating. Um, you know, doing the work that you guys do, uh, you know, with the research with the terminal, um, you know, and keep pushing that information out there, reaching more ears.

I think, you know, ultimately, I think the ETF is going to be for some people. That's great. I'm glad to have them on board and in the way that, you know, we can, but, you know, ultimately I do You know, the optimist in me is, you know, believes that there will be, you know, uh, a second path for, for, for those who actually truly understand the asset and, you know, want to leverage it to the capabilities that [01:03:00] are, that we can.

**Marty:** It's nice to see that my winner's mentality speech, uh, was embedded into you, Mitch.

**Mitch:** I'm a surrealist, so I just, with the, the I want to make sure we win, and it's not a digital goal. It's more than a digital goal. We fix money. And that's, that's my mindset. Um, and I think as long as, you know, we got great people like you guys, um, you know, doing the hard work.

Yeah. Helping those people we do it.

**Jesse:** I, I didn't say before Mitch, but you know, I think that, I think that if Bitcoin makes it to digital gold, then it is almost certain to win by fixing money. Like, you know, I think that path dependence of all it has to do is make it a little bit further and then it's going to make it to the end.

Um, is there. So I don't know. I, I sort of, I sort of view in a lot of my writing and what I try to focus on is like people need to, people need to view it as digital gold first, [01:04:00] like the people who don't yet have any Bitcoin and still think it's monopoly money, they just need to come around to this is digital gold in your early and then, you know, come on into the tent, like, you know, whether that's, hopefully it's through a good, uh, Bitcoin vehicle.

Hopefully it's by buying spot Bitcoin. Okay. And holding it in an on chain vault, that'd be ideal. If not that, hopefully it's through a good spot Bitcoin vehicle like the OnRamp Bitcoin Trust. And, you know, that even allows for some people who are going to get in, get exposure via, uh, via BlackRock and they're going to start learning about Bitcoin and they're going to become bullish.

Like, you know, that can be the value proposition of BlackRock is, uh, orange pilling Wall Street. Top of the funnel. Uh, what was that marty top of funnel? Yeah top of funnel top of funnel blackrock helps. Um I think the real winners are going to be the people who don't get exposure via ETFs. Um, [01:05:00] you know, so sort of doesn't, you know, flipping that from the perspective of like which company wins, it's which, which users win.

The users who don't go in via an ETF are going to be the real winners, I think.

**Michael:** I was gonna say, it's why, like, nobody really, uh, says this, but it's like every company if they're going to be successful has to be an education company in this space for the next 10 years. Like, you have to be able to educate, explain all these concepts on like why you don't want an ETF, right? Because everything from a pattern recognition from traditional finance is like, this is the easiest way to get it.

And you got to get ahead of that and figure out the ways to articulate like, hey, this asset has other properties and you may want to, you know, take delivery of it or need it.

**Mitch:** That's what I mean. Sorry, that's what I reference is the hard work is like you guys are having this conversation every day with new people entering the space, like the company's name is on ramp.

It's to unwrap to to Bitcoin. And, you know, It's a privilege to enable you guys, but, but ultimately, like you [01:06:00] said, you're gonna be educating for 10 years that, you know, that's, it's heavy stuff, but it's reality. And, uh, unless, you know, you got to keep throttling that, otherwise we're not going to win. So there's a lot of work to do to go on ramp and onboard everybody to, to the industry.

But, you know, I do think we get there.

**Marty:** I'm six years into educating people on this show, and it's, uh, it's a drag ten more. It's not a drag. It's a labor of love, but it's, uh, it's a, it's a process showing up being there. It's important, but it's fun. I got 10 more years left in me. That's what we got to do.

**Michael:** Yeah. It's also insanely, insanely rewarding. Like imagine, like we all love this, no matter what we say. It's like, you talk about the conversations and it's just like having thousands of conversations on like onboarding consultations, conversions, like helping them move over. It's like never gotten tired of it.

Cause somebody's eyes are always like glimmer, glimmer. Like, what are we doing? Like we're taking possession, like we're [01:07:00] taking money. You know, the whole thing is just, it's like the thing. Once you find it, you just latch on to it. Because it's going to, what's going to give you the energy to get past all like the bullshit when it, when it comes.

**Marty:** That's a real Bitcoin dopamine hit. It's not the likes on Twitter. It's the aha moment going off in somebody else's eyes where you're like, yeah, yeah.

**Michael:** That's why Larry Lepard is so amazing because that's just like, he's a microcosm of like, The, the generation that you get to see behind the scenes that see it and there's just something magical about somebody that thinks that they saw everything in their life, like it was it and then they see this and it's like, Oh my God, I have another like 30 years.

I mean, the people that have reached out from trad five that have like, want to dust off their, um, what did they, what did they carry? Bookcases. What are the, what are the briefcases briefcases? Yeah, yeah. They want to dust off one of these bad ones. Wow. They don't want to dust off the briefcase and they're sitting there retired and they're just like, look, I know exactly how to position this for all the people that are looking is just been [01:08:00] insane.

Uh, it's, it's really the ultimate signal for us as far as like the talent that's interested in jumping on board.

**Jesse:** A lot of those folks listen to your show, Marty. So they're listening to this right now. And yeah, the closet freaks who have, uh, had a successful traditional professional career and, uh, and think that Marty might be onto something here.

**Marty:** They're all closet, uh, Alex Jones fans as well. I hear.

**Michael:** When the price ran from, from 10, when it started moving, it was like the first nod. My mother in law ever was like, maybe he's onto something that does the most I got. And then the second one was when she saw the product, she's like, you know, he might be on to something.

Cause I might use it. It's something I would use. Like, that's the most you

**Jesse:** get. Yeah. That's part of where this all came from too. It was like, so I was running a crypto fund. That, you know, I started in 2017 as a crypto fund because that's what I [01:09:00] believed in at that point in time, got my ass handed to me in 2018, had to figure out, oh, this is not about technology and all the crypto talking points.

This is just about money, and then I had to learn about money for the first time, even though I have an MBA and I never learned about money, um, and, you know, then you end up as a Bitcoin maximalist. That's the path that everybody walks. That's the path that I walked. And so my fund became a Bitcoin holding fund.

Um, and my investors didn't need me to do that. So I told them, you don't need me to hold Bitcoin. You can take self custody. A quarter of them did. Three quarters of them didn't. They didn't want to deal with it. Then a lot of them are boomers and they don't want to deal with it. And they wanted my conviction in their inbox every month.

Um, you know, telling them why this is still a good thing to include in their portfolio. And that's, you know, that, that's the solution that we originally built was for people like that, [01:10:00] for, you know, the, the, the types of people like Michael's talking about here, his, his mother in law would fall into that sort of general category of like, they, they don't want to deal with it, they want exposure, they want somebody to set it up for them, right.

But they don't want to like wade into Bitcoin themselves. They're not ready for it yet. You know, maybe they get ready for it. And I think that's one of the funny things about Bitcoin is like to do it, right. You have to learn a ton, but when you're just starting, you're not going to learn. You don't know a ton.

You've just begun. So how do you get started? Right. How do you get, find the right on ramp into this asset class? It allows you to keep learning. With a Bitcoin only educational focus and enables you to take on whatever self custody choices you want in the future, because you can take in kind redemptions from from our on ramp Bitcoin trust, um, you know, and and also helps you grow into this asset by helping you [01:11:00] learn about the various idiosyncratic considerations around Bitcoin.

And all the financial services products that, that, that are tied in with that and also helps you learn about the industry in general. Like there's a lot to learn, um, and you just don't know that on day one. Like there's no way to be prepared to set up self custody right on day one. And so as a result of that, we have a lot of people sitting in GBTC or, you know, millions of Bitcoin sitting on Coinbase.

And, you know, thankfully that those numbers have been decreasing because, because frankly, that, you know, there are enough people stacking sats, sucking that, um, supply off of the exchanges and putting in the cold storage, uh, which is a fantastic trend that's happening. And, you know, hopefully vehicles like what on ramp has built.

Enable that to that trend to continue so that we're pulling um, Pulling supply off of [01:12:00] exchanges and putting it into on chain vaults because that's how it should be done Yeah, just a

**Michael:** double click like really Underscoring that i can't believe you just said double click double click double click on that like really underscoring that um Anecdotally, like it's known in the industry that a lot of people coming in or exit liquidity, like when the market's flying, you, you buy, and then you're just selling in your burn for the next cycle because you're like, what did I do?

Why did I do it? And either there's lots of reasons we don't have to go, it could be, you know, the, wherever you bought, didn't understand it and they were selling you something else. Um, but it's ultimately when the price is moving against you is when you need the education the most, because we all know that's when, I mean, that's just standard, you know, Investment 101, right?

You buy when everybody's selling, you sell whenever it's like when the price cuts in half or by, you know, 75 percent is ultimately at 16 or 17 K with this recent all time low or the low. And, uh, it was funny because I don't know if you remember, and I maybe won't call out the assume a real large [01:13:00] firm.

said, we don't need, they're like smarts, like we don't need you guys for the research and advice and all this stuff. The thing, we need you guys to jump in and share stuff when the market's cutting in half, that we're not the only ones saying like this thing. It's like helping our guys on the market goes, and if you think about it, it's very hard for people to do that because E, A, they either don't understand it or B, they're selling people a bunch of.

And so to be able to say, Oh, this is why, and it's tied to these things, not Bitcoin just goes fundamentally against everything that they're doing. And so this is a real core tenant of our value prop is the ability. And we're seeing it. It's almost like turning into a product. It isn't, but so many firms, exchanges, financial institutions are reaching out to us to partner on the education, to either get it to their clients hands or figure out to co kind of like market, because it just helps in the adoption.

And ultimately the AUM, because the more people know about this. It's only one way you can start to set a percent next. You know, you're on a pod, you're running two pods and 10 businesses and you just launched a media company. Cause you're all in times 10. [01:14:00] Yeah, that's actually one thing

**Marty:** I want to bring up.

I mean, we mentioned it on the last trade, it might be the phrase of, uh, the shows we mentioned on the last trade, but, uh,

**Michael:** like

**Marty:** if not you, then who, like just from all three of you, like how crazy does it feel to be working on these particular products at this. particular point in time, considering where we were just six years ago, like six years ago.

I mean, famously couldn't get a job walking dogs for me personally. Uh,

**Michael:** Jesse, Mitch doesn't know that story.

**Jesse:** I didn't know that story.

**Mitch:** I was at IBM or six years ago, but what's

**Michael:** the story?

**Marty:** Oh, I was woefully unemployed for about 18 months. I tried to jump. From finance to tech and got a job as a software sales guys did good at that But I really wanted to work up to the product management level of the tech industry and I decided to quit the software sales job thinking I was [01:15:00] easily gonna be able to find a product manager job Apparently if you've never built anything or led a team in tech, it's really hard to get a product management job And so I didn't get one for like 18 months This is in 2016 to 2017.

Uh, I've got a finance background and economics degree. I'm a pretty smart guy. I like to think I haven't gotten to Bitcoin in 2013, uh, was staying up to date on everything that was going on there. And yeah, in 2017, like literally rock bottom. Couldn't get a job in the tech industry Had been unemployed for so long and that that gap in my resume where people like alright, what the fuck is wrong with you?

Desperately went out to get a dog walking job, and I couldn't put the French bulldog harness on the fake French bulldog So I did not get the dog

**Jesse:** Image right there to be disqualified because of a mannequin French bulldog

**Marty:** It happened And it was rock bottom for me. I walked him from Dumbo to Williamsburg with my head, [01:16:00] head down low. Like I have to go tell my wife I couldn't get a dog walking job. I started the bent the next week and here we are today.

Yeah. Wow.

**Jesse:** Yeah.

**Michael:** At that point, like

**Marty:** if you were to tell 26, yeah, 26 year old Marty, he just failed at putting a harness on a fake dog. We would be here right now working on the things that I'm working on personally, whether it's the media, the venture side of things, I would have been like, you're fucking crazy.

But again, the newsletter started because it was like, everybody's texting me, emailing me, calling me like, what's going on with Bitcoin? The price is going up. And I was like, all right. If you can't find information, uh, to, to better understand this, I'll go create it for you. That's how the newsletter started.

**Michael:** The amount of awkward Thanksgivings and family conversations you had is just probably like insane.

**Marty:** Yeah. Yeah. My, my in laws definitely think I'm crazy.

**Michael:** Sorry Mitch.

**Mitch:** I, I, [01:17:00] I'd say, you know, I, I told a little bit about, I'm sort of. On the last trade, my, my, my Bitcoin story and I ended up here, but, you know, ultimately 2020, I was in Argentina when, you know, that world was collapsing, you know, everyone, I had to get home, but I saw the impact of inflation there and ultimately knew that day that saw the value for Bitcoin and wanted to work in this industry.

It wasn't until 2020. Two, um, inspired by the Bitcoin conference. But like I, the work that I get to do, like you told me even a year ago, like this was the dream of, of doing the work that I do today, which is helping, you know, these companies push the industry forward and really set up the rails and make new change, you know.

That, that will, I believe, materially matter. It's like, I'm so stoked to wake up every Monday morning and, you know, and go [01:18:00] work on this stuff. So, I, you know, anyone listening that doesn't work in the industry, I, I, you know, it's hard. It, you know, it, it's hours, it's, you know, you never know who's going to blow up the next day.

But, ultimately, I, I wouldn't trade this for the world. And, um, You know, encourage, uh, if you're thinking about it, go try to make a leap.

**Michael:** You try to work for BitGo. It just as a nod, uh, BitGo has been incredible to work with. Like I generally mean this, um, it reminds me of my, my days a little bit Google, but mainly like as bad as the knock we work gets or got, they had the best human capital I'd ever worked with.

And it makes sense if you think about like, it was the hot thing. So it was pulling from traditional finance and traditional tech back in 17 and 18. And I just remember us. It was real world infrastructure, uh, similar to like a BitGo, there's real infrastructure in place that were different than like a SaaS company or something that's just selling something that's more ephemeral.

And, uh, this like [01:19:00] culture and passion, which I would imagine translates from like a, you know, Bitcoin ethos and the things that BitGo works on, just bred the, the engine of the company from crazy days, but it was like moving mountains. Because everybody was aligned and every interaction I've had with their team from Mitch to, um, ping on the marketing side across the board.

So if anybody's looking to break into the space, I can't speak highly enough of like their team and also just executing. It makes sense why they've been around for, you know, 10 plus years and are leading the way on a lot of this stuff.

**Mitch:** I think it, you know, appreciate that, but like largely, you know, being in the industry for 10 years is going to attract top talent.

Like we are, we are not Bitcoin only. Um, you know, personally, you know, my views are, or at least Bitcoin first. Um, I like innovation somewhere else. I'm not going to stop it, but, you know, I want to work on money here. Um, but yeah. Ultimately, like we, we get the privilege of hiring a lot of top talent, um, who are great at what they do.

[01:20:00] Um, and you know, it's, it's a privilege to, to get to work with those people every day and you're not going to see that in a sector, you know, I worked for IBM and that's been around for over a hundred years. You're like, it's great. It's reliable, but you know, you're not going to get that. Those people who are inspired and truly, you know, struck with the opportunity that they've got, because, you know, it's not groundbreaking, you know, at the point it's mature industries.

Um, and unless you're working in something like this, I don't think you, you get that lightning bolt.

**Michael:** Yeah. You get the guy that can't put the collar on the mannequin.

**Marty:** It was a blessing in disguise.

**Michael:** No, it was a great, I was joking. It was, it was the, it was the greatest blessing in disguise. All this stuff, we all know that it's working and it's like, everything's path dependent, all the good things and bad things that happen, like let us all this exact spot that we're here.

**Marty:** Everything happens for a reason. It's funny though. [01:21:00] Jesse and I came from complete opposite ends. He had to get like a reverse MBA lobotomy. And I had to, uh, fail at getting a dog job, dog walking chair.

**Mitch:** Yeah.

**Jesse:** Yeah. I, I was in the, I was in the ivory tower and, and I had to choose to, uh, leave the ivory tower and then decide that the ivory tower is wrong about everything.

So that was my journey, the opposite direction. But yeah, then, then here we are, Marty, you and I get to write about, um, the most fertile day. You know, like possible landscape of topics, uh, for intellectual stimulation and, and, and article ideas, uh, ever because, I mean, um, on the last trade, we were talking about how this is, you know, this is part of, um, this is the American revolution.

This is a spirit of, of the American independence movement. Um, but it, but it's further, it goes back further than that. This is like, this is Martin Luther, you know, Satoshi [01:22:00] posting the, um. The white paper, October 31st was the equivalent of Martin Luther pinning up the 95 theses on the, on the cathedral door saying, um, you know, the, the authority, uh, has gone too far and we're, we, the people are taking back our rights in that context in, in, in Christianity.

Um, and then the, you know, the Declaration of Independence is it is the same spirit, uh, focused on a different area of a different topic. It was, it was, um, it was patriots asserting the, you know, independence to govern themselves and freedom from autocracy. And then Satoshi posting the white paper is the Declaration of Monetary Independence.

Which is, you know, part of [01:23:00] this lineage. It is equivalent in significance, in my mind, to those two prior documents. And I think in 100, 200 years from now, it will be looked back on with the same sort of reverence. And so, our opportunity in the here and now is to be a part of propagating that message. I mean, it becomes a little bit of proselytizing, but that's the reality of it, is that we are We are helping to take the declaration of monetary independence and translate that into a better, brighter future built on that ethos.

Um, and so there's, there's nothing more rewarding in that sense and nothing more exciting in terms of being able to write about any topic.

**Mitch:** Yeah. Hell yeah.

**Marty:** We're going to win. Gentlemen, all three of you. Very excited for you all doing what you're doing. [01:24:00] Very pumped. For OnRamp, where you guys are launching in collaboration with BitGo and others.

We owe

**Michael:** you a thanks because you, uh, you saw the vision early in the stuff we were talking about and came on and had us on the first and decided to become an advisor and then, you know, co host the last trade. And, uh, I think most people think you're full full time, uh, working with on ramp. Uh, so no, we appreciate you seeing the vision and, and also just, um.

Extending, you know, there's a credibility. You've been in the space for a very long time and you saw that this is something that needed to be in the market. And so it goes a long way in helping us, you know, get that message out, which we think is an important one. I truly

**Marty:** do believe this needs to exist. I was writing about a two years before on ramp was even an idea.

So shout out to me.

**Michael:** Um, I don't know if that one's true. You got to send me at least a year. I'll send you. I think I, I think I was incepting this in your mind, uh, as part of that. So maybe, maybe, [01:25:00]

**Marty:** maybe I'm

**Michael:** remembering right now. Yeah. You're a different re remembering.

**Jesse:** You're going to have to go back and give credit to Michael in that post, whatever it is you wrote.

Because it's sometimes we

**Michael:** get concerned about like Marty leaking the alpha. There's a lot of alpha that, that exists in these, uh, these walls that when we have these conversations and sometimes make it to the bent, we got like, Hey, Marty, put it back in the box.

**Marty:** It's part of my job here. It's part of my job.

It's, uh, the alpha is sealed in an airtight container in my mind. Okay.

**Michael:** Part of part of this launch is we do have to shout out that we will be in Vegas for money 2020 with the big Oh team hosting an event Monday night. So if anybody's around That's interested in attending. We've just posted some stuff on social but reach out and we'll do our best to Get the attendance, right?

**Marty:** I know we said as we said on the last trade a lot But the conversations were actually pretty different. So definitely go check out that episode as well gentlemen. Congratulations [01:26:00] I'll definitely see you next week for the last trade Have fun in Vegas. I'll let you know

**Michael:** if I can go send your wife, send your family our best.

Uh, you got to get home to them and, and, you know, I'll have my wife, send your wife a text asking if you can come to hang out with the boys in Vegas for a couple of days and we'll just talk business. Nothing, nothing

**Marty:** else. Yeah. We'll see how that goes over. We'll see how that goes over. Um, Mitch, it's been a pleasure speaking to you for the last three hours now.

Um,

**Mitch:** it's been really fun.

**Michael:** Awesome to

**Marty:** hear. Thank you for some insight into, uh, into Bitco. It's really cool to see what you guys have built and how you guys are innovating moving forward. All right, Jesse, I saw you mumble. No,

**Jesse:** no, I, well, I was gonna, I was gonna mention that. Like, I don't know. People don't, uh, people don't realize that Bitco is 20 percent of Bitcoin transactions.

I didn't realize that. So, you know, learning about Bitco is part of. [01:27:00] Learning about knowing Bitcoin.

**Mitch:** That's what brought me, like it was that stat and sort of understanding the significance that we have to the industry is one of the reasons I picked Bitco. So

**Marty:** that's a lot of, that's a lot of touching on the Bitcoin network right there.

**Michael:** All right. It's been a

**Marty:** pleasure. That's all we got today. Freaks. Peace and love.