

**EPISODE 1246**

[INTRODUCTION]

**[00:00:00] JM:** Proofs of authenticity that are stored on a blockchain. Unlike fungible tokens, such as cryptocurrencies which are interchangeable, non-fungible tokens aren't inherently equivalent to any other token. Because they are unique, they can be used to represent any unique asset. Their presence on a blockchain enables an NFT owner to trade the asset and prove they are its owner. One such use case for NFTs is artwork, and the company Showtime is bringing artists and creators together to showcase their work. Crypto art is verified with NFTs and therefore can't be authentically reproduced. This lets artists sell their original work to prospective buyers.

With Showtime, you can discover and follow new crypto artists, browse the trending page and like, comment and share artwork. The platform shows a variety of art styles and experience levels. In this episode we talked to Alex Masmej, co-founder and CEO at Showtime. Before Showtime, Alex worked as an advisor at TapIn and operations at MetaCartel DAO. We discuss non-fungible tokens, the world of crypto art, and the growth and future of Showtime.

[INTERVIEW]

**[00:01:05] JM:** Alex, welcome to the show.

**[00:01:06] AM:** Thank you so much, Jeffrey. Excited.

**[00:01:09] JM:** Today we're talking about your NFT platform, and I'd like to start off with a little bit of coverage of what NFTs are. Can you just give an overview of what a non-fungible token is?

**[00:01:19] AM:** Definitely. I guess the definition of an NFT is pretty wide-ranging, because even the name itself, non-fungible tokens, is anything that is not fungible. And so for those who don't know, fungible means like a money-like aspect. Something that you can exchange interchangeably I guess. Like one euro or one dollar is the same anywhere, like it's the same

dollar. It's the same value. NFT is precisely not this. And so if you think about it, anything that is not money is potentially an NFT. So it's pretty wide. I would say, yeah, like NFT today is something that you can own and in this era it's basically a digital art that is very popular. And what you can own, you can trade and you can sell. And so that's kind of the innovation here is like for the first time on the Internet you're economically independent and you don't have to rely on a platform. You can own something regardless of the platform just like on the blockchain and just trade it and sell it, and as an artist it's pretty liberating.

**[00:02:26] JM:** Does it matter what blockchain these NFTs get written to?

**[00:02:33] AM:** I think it does matter because like a blockchain without going too much into the details like is important for trust. Like a blockchain has to be credibly neutral. Like for instance we saw headlines recently about people selling a piece of art for 69 million dollars, and it was sold on Ethereum, because Ethereum is a pretty decentralized blockchain. It's like credibly neutral, which is like the characteristic that you want for a blockchain. And why is this important? Well, if you are the person buying a piece of art for 69 million, like you really want to make sure this will be up and running in 10 years' time. Like if this is a random blockchain that just like dies in two years because no one cares or there're no users, like you will feel really bad. And so I feel like for very expensive purchases, it really matters like how long this blockchain will last and hopefully forever. It seems like Ethereum and Bitcoin will always have fans that will maintain the blockchain regardless, and that's really, really good for wanting to own things online because you really want them to not be shut down.

**[00:03:52] JM:** Can you talk about how the NFT growth has matured over the last let's say four years, four or five years, from your vantage point? What has been the growth trajectory and what have been the important milestones?

**[00:04:08] AM:** So it's been pretty insane. So if we go back to the very start of NFTs, I think there is CryptoPunks, which was even created before the ERC-721 standard, which is the basic NFT standard. So it was just like small characters, very low resolution, pretty fun to own. And so collectibles were really like the first use case of NFTs, which is it's not artistic. It's just rare, and it's rare and it's unique and you can trade them. And so CryptoPunks were the big moment. And then sometime past that was probably like 2016 CryptoPunks and a year later there was

CryptoKitties, and CryptoKitties was a huge moment in the crypto space because for the first time ever it went a little bit mainstream. There was some articles about CryptoKitties talking about it and how like it's those small cats that you can trade on a blockchain. And for the first time like it was something that people were talking about beyond just the blockchain tech. And so that was interesting because it really showed the premises of NFTs are consumer-facing. NFTs are quite simple to understand. And so that's a huge gateway drug to crypto, which is usually very complex and theoretical.

And so after CryptoKitties there was like a few years since 2017 where like not much happened, but some digital art platforms were created, OpenSea was created, which is like a Google for NFT to search all collections in a pretty comprehensive way. And for me as an entrepreneur like diving into the space in 2019, like I saw NFTs as a consumer-facing primitive, and so I was very excited of finding a startup there because I really love doing something for consumers who might not know about crypto. And what I saw in the data was that in July 2020, NFT volume started growing exponentially. So that dates back to July 2020. And so I see the space continuously growing and I'm like, "Wow! Is this ever going to stop? Like I need to get on this thing."

And in December, November, I start thinking about Showtime, my current project, and it turns out that it was awesome timing, because in February the NFT space just exploded to – I think in July 2020 it was a hundred thousand dollars of volume. And I was telling investors already in December that, "Oh, the NFT space grew a thousand X," thinking like that was huge. But I think like as of this month it's something like 600 million dollars or something. Like it's just insane. The volume has just been skyrocketing like crazy, and this is really exciting.

**[00:06:54] JM:** Explain what Showtime is.

**[00:06:58] AM:** Sure. Showtime is an NFT social network to discover and browse digital art. So that's the current product for now, which is a little bit like Instagram for NFTs. So you can have a profile, you can follow people. You can see your NFTs across all platforms whether it's SuperRare OpenSea, Foundation, Nifty Gateway. You can see all of those on your profile. And it's a way to connect with people. You can follow people. You can like NFTs, comment on NFTs, share NFTs. And so we really wanted to be like a social layer on top of that new primitive so

people could connect and feel like a more social place in this very transactional world that is crypto and NFTs. And so, yeah, this is the current Showtime product, and we're really excited about the future of decentralized social media, creator tokens and tons of other things that we can dive further into.

**[00:08:03] JM:** So do you think of it as like an Instagram for NFTs or is it like a marketplace for NFTs?

**[00:08:11] AM:** It's more a social network on top of NFTs. Right now you don't have the ability to create an NFT or you don't have the ability to trade an NFT, but it traces back to every platform. You can just bid on any platform or view the NFTs on any platform. But yeah, like we are more on top of the marketplaces. And so you can just follow everyone's profile, portfolios, see their collection. But yeah, it's a social network rather than a marketplace.

**[00:08:41] JM:** So if I create my profile on showcase, how are my NFTs linked to that profile?

**[00:08:53] AM:** You connect your wallet, which is a one-click process to sign a transaction. It's free to do, and that way you prove to us that you own that wallet. And so then your profile is automatically created and your NFT show up that you own on that specific address. You can also add another address that you want to display NFTs for multiple addresses on Ethereum. And then we support all kinds of wallets like Metamask, WalletConnect, Coinbase wallet, like tons of wallets supported. And also we let people who are never using crypto before to be able to log in even if they don't have a wallet. We just let them login with email, and that's pretty interesting because they don't have an NFTs of course if you log in with email, but you can already start liking and you can start sharing NFTs and following people even without a crypto account. And in the background we generate for them an Ethereum address that might be as useful in the future. I really see Showtime as a gateway drug for consumers.

**[00:10:05] JM:** Tell me a little bit more about the interactions that you've seen on the platform since launching it .

**[00:10:11] AM:** Sure. So it seems to us that the most successful feature we've had so far is profile. Like people never had a way to display all NFTs from all platforms and have a way to

follow them and to have notification on like who followed them, who commented on their NFTs. And so it seems to us that the thing that people are excited about is sharing their profile with Showtime and sharing it on Twitter or Instagram and asking people to follow them back. And they really see Showtime I think as their portfolio. Because when you're diving into the NFT space, there're multiple platforms. And if you go on at least two platforms, then you want a place that aggregates all your work. And so we're trying to be that portfolio page, that home page for their NFTs. And so it seems like this is the feature that people do is like they create their profile and they share it everywhere.

**[00:11:07] JM:** Are there network effects to Showtime or like just like any other social network? Or since it's based on – Since it's built on I guess any – It's built on other blockchain. It's built on blockchain. So technically anybody could read the same data sets, right? Like is there really any network effect there?

**[00:11:29] AM:** Well, we think there is because – So first of all, like right now, we are not very decentralized. The only decentralized thing of course are the NFTs itself. But the data we have on social data like is proprietary. Like we plan on decentralizing everything and really making this an infrastructure for social media, a decentralized social media protocol, which will be extremely exciting to kind of provide a developer sandbox for anyone to create a social network on top of our social graph. But for now, like Showtime is where you have your followers. People are used to our UI. And so sure, we can be copy-pasted, but it seems to me that people probably like have their followings on showtime. And if you don't innovate past our current products, I don't see a reason for people to switch. But of course, like in crypto, like it's quite public. People can maybe scrape our data and copy paste Showtime, but they probably will have to innovate and give something new for people to switch. But yeah, definitely, like forking and getting users to move away is probably easier in the crypto space than in any other industry. So we have to keep innovating. We have to keep shipping, and it's kind of like our team is doing, like we're really shipping fast and iterating very rapidly because definitely it's a fight.

**[00:12:49] JM:** Tell me about the harder technical problems you've had to solve thus far in building Showtime.

**[00:12:55] AM:** So the harder technical problems we faced were you have to curate a ton of data, because there's hundreds of thousands of NFTs. And so first we're relying on the OpenSea API, but we also are saving a lot of our data because it just makes it a lot faster as well. So we cache a lot of blockchain data. But then, yeah, how to index NFTs? There's many missing collection on – There's not many missing collections on OpenSea, but we choose not to download every collection by default. So like sometimes there's some missing because there's just too much data to sort. Then the NFT standard is not the same. Like some people make the creator or buy NFT. Some people make the seller-buy NFT. So creator attribution is quite tricky to scale. And then I guess, yeah, like this entire NFT blockchain data is very messy and sorting through it is quite a task. And then of course like trying to cache blockchain data in a more scalable way that is not centralized would be pretty cool, because right now it's on OpenSea, and like OpenSea is just a startup. It would be pretty cool if you could have a way to catch blockchain data that is resistant 100% of time and more decentralized so that it cannot go down. I think that would be pretty useful and reassuring for users and for us as well. Yeah, those are some challenges.

And I guess another challenge is we're going to integrate some crypto features. And so the challenges like how to make those features cheap, even free to use for users? It involves a lot of things, like that means that users can only sign transaction. Like if they ever pay, that's a bad user experience. Like when you order a Uber, you don't pay directly for AWS fees, right? And so we need to abstract the transaction fees. We need to abstract the wallets and tons of things so that it's easier for users to digest and use crypto.

**[00:14:56] JM:** And as you build off of that foundational platform of basically having a profile for people to show off their NFTs, what are the next features? What are the next products on the platform that you feel you need to build?

**[00:15:12] AM:** Definitely. So depending on when this podcast is out, we probably will have a newsfeed feature that we are really excited about. We really tease our community a ton on this feature. And so a newsfeed feature will be really exciting. And also like I think it's pretty clear because we're hiring for a mobile engineer, but we're really excited about a mobile app because like I think a lot of our traffic comes from mobile and we definitely need to act on it because people are generally excited about browsing NFTs on mobile. And it's where the consumers are.

And if we want to accelerate blockchain adoption, we need to go where users are, and definitely mobile is a huge priority. And then we have tons of ways that we can integrate more crypto products into Showtime that we are really excited about. Like even what I've done, me personally as a founder, before Showtime was creating my own cryptocurrency Alex, and it really helped me align incentives between people who shared some of my risks against sharing some of my upside because it's an encompassing agreement. And so thinking about creator tokens and creator coins for the future of Showtime is very interesting.

**[00:16:25] JM:** Interesting. Could you tell me more about what why would that be useful? Why would it be useful to give anybody – Let's say you give anybody on the platform a one-click ability to create their own token? Why would that be useful?

**[00:16:38] AM:** It would be useful because it would align incentives better between the same way that founders and investors have this relationship of like I'm giving you a bit of my equity against money up front so I can sustain myself and really do what I love and it benefits both of us in the long term. I think we can replicate that same strong relationship between creators and their audience and their community, and that's extremely exciting to us, because like right now it's really hard to monetize for a creator to start. Like you don't have money to start. And what's cool is that you don't actually need that much money to start in life for many things. Like even for me the Alex token was simply twenty thousand dollars. Like it's nowhere near startups, seed rounds or investment rounds, and so we don't need that much money to get started as a creator. But if you have that small amount to start with, it could be very beneficial. And so I don't want to say too much about our exact feature, but somewhere around those lines where we can free creators from day one to focus on what they love best.

**[00:17:52] JM:** While we're on the subject, what do you think of what Bitcloud is doing?

**[00:17:58] AM:** Yeah, Bitcloud is very interesting. Definitely like as one of the first person, if not the first person to create a token for myself, Bitcloud is definitely a great step towards that. I think they had a bit of a rocky start though because they didn't ask for content. Like I was trading even my own name on Twitter. Like they script my data and made me trade and people were trading on my own name without asking for my content. And so a lot of people got a bit annoyed by that, and I understand. But they still got that creator token, buying and selling,

investing in people, investing in their cloud, in their reputation. I still think like it's a very interesting idea to explore and it's fascinating. Definitely, like they are hitting at some part of the future that we also agree with at Showtime. We will probably do it a bit differently, but you'll see it very soon, because we also have plans towards what they're doing.

**[00:18:57] JM:** What would it mean if I have multiple types of tokens associated with my name for different platforms?

**[00:19:04] AM:** Well, I guess one thing about this is the future of your online presence probably will be multiple identities. I think Balaji had a great talk on **[inaudible 00:19:15 name of platform]** online and like the different shapes of who you are. And so maybe it would be okay if you have multiple identities and multiple tokens. I would say though, just like NFTs have this social contract where if you post one NFT on one platform, you don't do it on another one. And so it seems to me that if you're creating a token around your work on Showtime or Bitcloud, like you probably will only choose one because it might just get messy if you have multiple ones and like multiple stakeholders to satisfy and things like this. I guess Bitcloud is pretty low maintenance because you don't even have to do anything. It's just people betting that you will be more popular. So it's interesting as well.

**[00:20:02] JM:** This is not the first project that you've built in the crypto space. You also founded an NFT loan program called Rocket? Can you talk a little bit more about that?

**[00:20:17] AM:** Sure. So this was like a long time ago. I mean, like it's only 2019, 2020, but that was like my start in the crypto space I guess, going full time late 2019. And I just realized one thing, which is like if you wanted to use DeFi, which was really like the hot thing at the time. There was a lot of innovation with compound, which is an algorithmic interest rate platform. Like the only way to get loans in DeFi to do like you know crypto transactions and make money on Ethereum was you needed to put more collateral in than you get out. So like you needed to put like a thousand dollars of Ethereum to get \$500 back. And so I thought that's kind of unfair for like the very long tail of people who don't have that much money. Like it's just for wealthy people I guess and speculators and traders.

And so I thought, “Well, what thing can we put as collateral and get a loan against that is not money?” And at the time I thought NFTs would be pretty interesting because if you have expensive digital art, it would be like a pawn shop where if you don't repay that loan we would liquidate your art, but at least like you're not selling your NFT for money that you then stake into a DeFi protocol. And so I started Rocket, which was pretty interesting. We got MedaCore to agree to do like a massive virtual real estate, like open worlds type land where it's like a Minecraft where like your own property. And it's really interesting because MedaCore is the guy who bought people artwork for 69 million dollars, which is pretty insane that I was collaborating with him at the time. And yeah, like we agreed on a loan of twenty thousand dollars against a ton of his real estate. So it was like super interesting that you are not using money as a collateral. You are using real life digital things I guess, NFTs, and getting loans against those, and if you didn't repay we would liquidate it on OpenSea. And so that was an interesting experience. But at the time the NFT space was very tiny and I didn't feel like it was a very big idea to pursue. But it definitely improved my entrepreneurial skills I guess. Like being with a team, etc. We didn't raised funding. I had some like small investors like talk to me, but it was still very early. So we didn't pursue that further

**[00:22:50] JM:** It actually seems like an idea that's totally ripe for right now.

**[00:22:56] AM:** Definitely, yeah. Basically what happened is like I was pioneering NFT collateral, but now companies like NIFTEX, NFTfi, NFX are actually doing some things to make NFTs a bit more liquid and thus being able to have a loan against your NFTs. And so definitely I think it's a ripe idea for right now. I just feel like I'm more of a consumer-facing founde. And so building a social media. I spent a lot of time on social media for the past few years. It's probably a better fit for myself. But definitely if you can improve that model and really automate the pricing of NFTs and making like not too high collateral ratio, that would be pretty cool to just unlock money out of nothing, right? Kind of like Airbnb created money out of idle homes. If you can create money out of idle NFTs, that's a pretty big idea. I agree.

**[00:23:55] JM:** Yeah. I mean, I guess one problem with getting a loan for an NFT is like, as you said, the valuation of an NFT, because I think for something like an NBA top shot or a Bepple, it's more well understood that this is something you could borrow against because this is a high-value NFT. Everybody would agree on that. But if you have one of these more like lesser known

pieces, I think there's all kinds of opportunities for fraud where somebody would create an NFT and then have a bunch of fake bids against it and the market is not really a true representation of the value. So borrowing against that market stated value doesn't really make sense.

**[00:24:43] AM:** Definitely. Yeah, for sure. And this is probably why like usually those platforms that I just cited are mostly about NFT collections that are pretty well-known where there is like a floor on the price that you can see and sense. And so there is some liquidity. But yeah, definitely, you're right.

**[00:25:02] JM:** So can you give me a little bit more sense of the stack of Showcase? I know it's not a super complicated app right now, but maybe you can just tell me the stack of technologies you're using?

**[00:25:15] AM:** Definitely. So we're using React on the frontend with Next.js. On the backend is Django. We use the OpenSea API for endpoints for NFTs. Google, Cloud+ plus. I think I went over most of the stack. And we're going to integrate I guess crypto in some ways, but it will just be like events that are fired on the Ethereum blockchain just back to us as endpoints. And that's pretty much it. We don't have a crypto stack just now, but we're thinking about crypto things. But it's a pretty normal web app I would say.

**[00:25:52] JM:** What are the other areas of innovation in the NFT space that you're most excited about right now?

**[00:26:03] AM:** So I would say there's a couple others. Like I think meta versus open worlds are really exciting because they are kind of like economically independent worlds. Like the future of our civilization if, it is mostly online, it will probably evolve towards virtual reality. And if that's the case, we don't want Facebook to really own that world. It would be pretty dystopian. But if you are economically independent, you have your own real estate, your own job where you work, live and play, crypto will play a huge part. And a lot of things that you own in that world are NFTs. And so it's a little bit longer term I guess, but it's definitely super interesting. And then, yeah, like the creator economy of course like Showtime, Digital Art, we are social media, but like things to help you create your digital art in a funny way would be very interesting products. And Bitcloud is interesting of course. It's not just NFTs, but it's creators, creator tokens and coins.

Then domain names is pretty interesting as well. Like you own a domain name. So it's a great NFT use case. It's unique as well. What else? Yeah, collectibles, game items are pretty interesting too. If you have a Fortnite skins that you can use on other video games in this one world, a bit like Roblox, that would be pretty interesting as well.

So yeah, for me, it's the future of social media content. NFTs are the future of virtual real estate, the future of also authentication of real-world items, kind of like a supply chain. It's a lot of things. And I'm just excited also by the fact that Ethereum is about to scale this year with Ethereum 2 **[inaudible 00:27:49 name of program]** optimism, which are layer 2 solutions. And this will make the NFT space completely explode, because right now digital art is the only economically viable thing that you can make on the blockchain. But as soon as this is not the case anymore, the use cases for NFTs are about to blow up, and that's extremely exciting.

**[00:28:09] JM:** So what does that explosion lead to?

**[00:28:14] AM:** So that explosion will lead to any kind of social media, not simply digital art, but any kinds of videos, photos, memes will become NFTs, and that's exciting because basically like this will disrupt Instagram and other social media. And we hope that Showtime is at the forefront of that revolution. Something else is we think that attribution online of like who owns this memes, like is this deep fake real or is this a true deep fake? Like attribution and crediting will be solved partially with NFTs. Royalties online will be solved with NFTs as well. So the revolution of social media content will be huge. And then, yeah, like it will just make products like Minecraft, Roblox, Fortnite be able to have their trading items, gaming items totally with NFTs and just like make them economically interpretable and make people able to make a living of those games. And so it will make video games certainly look a lot more like real-life. Because if NFTs are free and easy to integrate with games, some people can literally live and work. If you're like a virtual gallery for instance, like you bought NFT digital art and you're making this gallery in VR and you make people pay. Then now like you literally have a virtual job, and that's something that was just not possible before. And as soon as NFTs become much cheaper, the Internet economy is about to get wild. And a lot of things that you wouldn't be able to do because platforms would just make money off you, now you can, and it's going to be fascinating.

**[00:30:00] JM:** So your view is that like every piece of content gets like basically stamped as an NFT as it's created.

**[00:30:14] AM:** Well, I mean, by definition, an NFT is a transaction on the blockchain when it gets created and that has a time stamp. And so if videos are NFTs, then we no longer need to worry about deep fakes because we can just have like maybe a computer vision algorithm that shakes for similar videos and the oldest one is the original one. And so that would help sorting out what is true for what is untrue. And so that's exciting. And then just like even giving credits to people, like we see on TikTok people reopening videos and like comments of Gen Z, young people like shouting and saying, "Hey, like this is a fake video, etc. Remove it," blah-blah-blah. Like with NFTs it will just be straightforward like what is legit and what is not because you will know the original owner across all platforms. They will have like one social profile. And so just like giving credit to people online and not copy-pasting and profiting of people online I think will be hopefully solved by NFTs.

**[00:31:18] JM:** What else is going to be made possible by the scaling of Ethereum?

**[00:31:23] AM:** I guess it's going to scale a lot of things. Even DeFi, which was like the infrastructure – The financial infrastructure that will replace banks has been extraordinarily growing, but because it was expensive and slow, it was still a worse product than Robinhood. So I expect DeFi to replace every single fintech, neobanks in the next five years as Ethereum scales. So that. And then also gig economy I'm very excited about. I think people were laughing at decentralized Uber or decentralized Airbnb in 2017, ICOs that were mostly scammy. But this will happen. And the ownership economy, the fact that in crypto companies don't IPO, but they create a cryptocurrency that is tied to their equity, is fascinating, because it's the natural state of things. Like don't Uber driver deserve a bit of shares of Uber when Uber went public? Probably they would need some, like it just makes sense. Like they made Uber what it is today, right? Same for Facebook users. Like any network effect-based platform need to give out some equity to the very people that made that project successful in the first place. And I don't blame Uber or Facebook or Airbnb for not giving stocks to their driver, host or users, because it was not possible. But with crypto, it's easier than ever to incentivize people and giving equity in your platform to make it this public good that is like a crypto protocol where people who operate that network also deserve a fair share for their work. And that sounds really exciting to me and it just

is empowering for users online. And also it just reduces world inequality if you think about it, because Uber drivers are paid in currency. Currency always goes down with inflation and is less valued with inflation, versus stocks always go up. Like quantitative easing in terms of financial procedures by the government, stocks usually go up. And so it just increases equality between entrepreneurs and investors and the users. And so if anyone has the same stock, at least there will be some fair way of doing capitalism and redistributing wealth that I think is really beneficial for the world and also is beneficial for new companies that will go on to disrupt the current social media giants.

**[00:34:11] JM:** Do you think that the current excitement about NFTs is sustainable? Or is there any chance that this is just a fad?

**[00:34:21] AM:** I don't think this is a fad, but I can see how this hype will die down. And the number one reason is people don't massively care about expensive digital art, which seems to be what the headlines are talking about constantly. And so definitely like NFTs are not just that and most people don't have money to buy digital art anyway. And so although this section of NFT is going to revolutionize art and the way you buy and sell art online, it's a little bit of a hype cycle because that's not the end goal. That's not – Like the massive opportunity for NFTs is more online content and media as a whole, not just digital art. And so definitely it feels like a bit of a hype cycle for sure. Like you're not going to see pieces going for 60 millions or more every day. But I think the goal of that PR cycle was that it made people aware of NFTs. It made people want to jump in this trend and like really diving down into what is sustainable. What is beyond the hype? And that's the interesting part for me? And even before the hype at Showtime, like we always thought this would revolutionize social media and would onboard billions to crypto, but definitely this hype helped in exposure, but that's not the end goal. Just like in 2017, like ICOs were just a hype, right? And then it died down. But what came out of it is DeFi and the future of finance as we know it. And if this trend is digital art, at least it's a bit better because it's not scammers anymore who are like doing fake startups. It's people selling their creation. And that's actually much, much better. So not only the hype is a bit better, but it will lead to something sustainable. And so I think it's great and I'm happy. Yeah, there's a small hype. It's gonna die down. But NFT is a strong tech and it's here to stay.

**[00:36:27] JM:** You mentioned DeFi a little bit earlier, and I'd love to get your perspective on what is happening in DeFi and is there a path to maturation that goes beyond DeFi being kind of a casino?

**[00:36:46] AM:** Yeah, definitely. I think the past few years we got key infrastructural blocks of DeFi that any app or any developer can leverage. So Uniswap is a decentralized exchange. It's extremely capital efficient with their new release, Uniswap v3. Compound is amazing for interest rates and boring and lending. Synthetix is an amazing protocol for synthetic stock trading. Mirror as well is similar to Synthetix. And so we got those building blocks. And I think we can repackage those into savings accounts or tons of financial products even other than those protocols like OpenIn options or UMA for derivatives. Like I think a lot of those things especially as Ethereum scales will be repackaged into fintech products without people even knowing that it's crypto. And it's much, much better products, because it turns out that when you pull funds, you just can get way more capital efficient. It can be anyone on the planet participating in a financial product. And so it just makes for faster cheaper, like cheaper to maintain, and thus cheaper fees as well and just more efficient financial products. And it's transparent as well. So you don't feel cheated. You don't feel like it's opaque. And so it's a casino right now while it was last year this summer – Last summer, because people were speculating on yield farming and like we just discovered how to incentivize people to use DeFi projects. And so there was a small hype. But really it's nothing but a casino. It's more like the next world's financial infrastructure and it's the next savings account or trading with your friends or paying for social media NFTs or things like this. And so it's definitely maturing and we got the building blocks right, and now it's going to scale, and now startups are going to build on top of those protocols and offer really user-friendly products. And that will really make it from like an insider crypto nerd type things to a consumer-facing industry.

**[00:39:08] JM:** So in the world of social media, the later stages of social media have turned into this world of creators and influencers. And I'm wondering what you think the corollary of that is in the NFT world. Is it like curators or art collectors? What does that look like?

**[00:39:32] AM:** Yeah, like even without crypto, we're seeing like TikTok tock having like a creator fund, or Twitter experimenting with super followers. Patron just raised a lot of money. And so it seems like platforms are realizing that people don't really care about organizations or

institutions. They really care about people, and influencers, creators, whatever name it is, anyone that does something that people like and people follow their passion or something they really care a lot about. And so I feel like probably collectors is not the right term. Maybe collectors is the right term for NFT's current hype with digital art. My strong belief is that advertisers will be the future of NFT collectors, because if a piece of content is very popular on Showtime for instance, then it's worth buying for an advertiser as kind of like an advertisement brick, an ad break or an advertisement slot or something, and it's a better model than Instagram because here the creator directly gets paid by an advertiser. It's a much smoother way of collaborating. And so, yeah, that's kind of what I think is the future is like advertisers will find their way into NFTs because they have the money to pay. And if that creator shares royalties with some of their fans, then advertisers will have a much better image in crypto, because what would happen is that people would rejoin having money from an advertiser and maybe they would be more likely to spend it on the advertiser's product. Maybe the advertisers will buy NFTs in their own cryptocurrency so that you are incentivized to buy some of their products for instance. And so a lot of really new ways of merging advertising and buying an NFT will emerge, and I'm very excited about this, and we're thinking about it a lot that short time.

**[00:41:37] JM:** All right. Well, just to wrap up, any other predictions about the future of crypto? The future of NFTs? You have a unique vantage point. So I'd love to get your perspective on anything far-flung.

**[00:41:50] AM:** Yeah. I think, well, it's going to take a very long time, but crypto is about to replace the entire internet stack, every gig economy startup. Bitcoin is probably the next world reserve currency. It's probably going to a million dollars in 10 years. Ethereum probably is going to eat the world in many ways as the new financial infrastructure. NFTs will replace any things that you own. The Metaverse is going to be the reality of many people's financial lives and professional lives and even social lives. And so it's exciting that the internet is no longer owned by giants, but it's owned by people, and the platforms underlying our public platforms, which are protocols. Yeah, those are some of my wide visions for the space and it's going to be much easier to make money online. I think that's kind of like the TLDR, and it's much better, because that would just be enormously beneficial for the economy. It would also make it much easier for tons of people in this world who have a smartphone but don't have access to a bank. That's also a very big mission of crypto. And so, yeah, like capitalism is about to get much more fairer and

the distribution of wealth is about to be much more natural. Like right now it's almost like a bug that tons of money are giving to entrepreneurs and investors and not enough to users, and we don't have to think as this as altruistic, because of course the founders and investors are going to be extremely wealthy. But yeah, it's an improvement on capitalism that is long overdue and really excited to see what world it's going to shape. And also I think because forking and competing protocols are very prevalent in this space, hopefully it doesn't lead to some black mirror type scenario where if the company goes rent-seeking and bad, it can just be forked away by a better one. And so I'm excited to see this as well and like see how people are keeping each other accountable via protocols who can lose their mode very quickly if they turn evil. So you really can't be evil in this industry.

**[00:44:01] JM:** Okay. Alex, thanks for coming on the show. Great talking to you.

**[00:44:05] AM:** Yeah. Thanks so much, Jeffrey. That was really nice. Thank you so much.

[END]