

## **BRIAN ARMSTRONG: Wallet with Bitcoin**

### **1. Personal story**

Brian Armstrong is the new technological guru and first executive in the coin industry, leading a company that exists as a secure wallet of Bitcoins.

This individual describes itself as a nerdy kid which, in contrast to the interviewer, wasn't bullied in school. However, after his experience in the school where he didn't gather an enormous group of friends, he got accepted in the Rice University, specifically in the economic degree.

Unlike other well-known people like Mark Zuckerberg or Bill Gates, Brian Armstrong finished its degree. While he already was a clever student, he often defined himself as nerdy, passionate for the industry whose only purpose for building a network was to learn more in the industry.

Following its college degree, he started working, being Airbnb the most well-known company. During its working experience he behave following the same strategy that in college, building a network to learn more for its real passion, start a business.

However, it wasn't until he read an article about a new coin called bitcoin where he was mesmerized. Being a passionate of startups, technology, apps and more (he claims that himself and some of its closes friends had a business idea every 6 months), he started during its extra hours developing an app to store the bitcoins.

At last, it wasn't until 2012 when he decided to fully commit to this new prototype which seemed to have an impact in the digital currency. Since that year, the company has kept growing at the same pace of the bitcoin. However, even if the bitcoin is really volatile, the company was created with the purpose of easing the using of bitcoin as a real currency, something which will be impossible if there is such volatility.

Nowadays, with 38 years old, the CEO of the company is known by being a leader in the future of finance and by some controversial, mainly during the social movements. Basically his idea is that a company shouldn't intervene or position itself towards one side in any social movement, so basically act if it wasn't part of the society, something which has drawn some criticism and damaged its capital value, even more than 60 people leaving the company.

## **2. Three best accomplishments**

### **Doing it, not be afraid to throw everything**

Even if his group of friends had an idea every 6 months, he never actually invested time and money into it. So, when this came by and he started developing it I believe it was a great sacrifices and courage to get its hands on it and do it. Not only because he was the first one to do it, also because it was in an industry where only a few people know how it functions. On the other side, it is an industry that even today is uncertain and is govern by speculation.

Overall, making the step forward in such a unstable industry, taking the huge risk of managing the main asset in this industry and coping with the responsibility to keep it secure, as well as allowing it to easy the transaction.

### **Building a secure, efficient app.**

Building an app is easy, however, making it secure and reliable to manage the money and investment of others is rather difficult, specially in such a hit as bitcoin.

The wallet Armstrong build is secure, reliable and has the confidence that Google or other big tech companies couldn't achieve. It does this by using a combination of a bank functionalities with a limit of reserves online and keeping the rest offline. At the same time, it uses other practices like having two keys in order for the user not to lose the access in the app and at the same time prevent hackers from entering the app.

This security and the fact they have been able to do it so fast while keeping the flexibility and adaptation that this volatile market needs is amazing and the key success factor.

### **Make accessible and simple to the world**

Bitcoin is not an easy asset to exchange, it has several passwords, doesn't have a central bank which supports it and the value is based on speculation at the moment. However, the company that Armstrong founded makes the exchange easy.

Firstly, it acts as a wallet with all the different requirements to exchange the asset and helping to use bitcoin as it was supposed to be used, as a currency.

Secondly, it has some bank practices and backup financially which makes the currency be close to the normal currencies that are more usual, like euro. With that security and availability, users are keener to invest their money in this currency.

At last, the speculation is battled with orders to sell and buy bitcoins, helping the user in overall terms. Basically, they prevent the users to get caught without selling their assets when they are about to lose money or left with nothing.

### **3. Five sentences that caught my attention**

#### **“My friend and I had a business idea every six months”**

Being a non-essential fare, it surprise me how constantly they were looking for ideas and having a reliable one every six months. This fact shows how important is to know that a good idea can come at any time and wherever someone is. In fact, the idea that made Brian Armstrong famous came out of an article he read while being in a family meeting.

#### **“He deserves a lot of credit” (Talking about an external contractor which is not employee of the company)**

This phrase shows two things, the first one that everybody needs a team in order to have success, and secondly, that not a lot of financial support is needed to make real an idea.

While the first one is clearly seen during all the interview, giving credit to its companions, and even claiming that without this specific contractor nothing could had been possible.

Secondly, the fact that he uses contractors and that for the first year it demonstrates how having a huge financial background is not the main thing in a Startup. In fact, during the interview they talk about how they didn't get any financing from the outside until well entered the first year of the company.

#### **“My cofounder was a Goldman Sachs trader”**

With this phrase and the context that it had shows how most of the teams need to have a lot of difference between them so they can be complementary. While he had more expertise in the digital department and the startup world, his cofounder is known thanks to its expertise in the economy and, of course, bitcoin.

#### **“We are not able to reach the demand all of the times”**

I chose this phrase to show the importance in the security and the behavior adopted from banks and normal economy due to the use of reserves. This system ends up with a situation which demand, when people want to sale or buy, can't be reached or there is a delay. However, they prioritize security over instant revenue.

#### **“Volatility is an issue for getting other people to buy normally, however I don't mind using bitcoins to buy stuff”**

This last phrase is the reason why personally I believe bitcoin will never be a reliable currency like euro. Not having a central bank which supports and regulates the currency has this effect, which gives a range of value to the currency, making it a gamble to buy something with bitcoin