

Bedrock's Development Challenges

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Reminder: As of this writing, Bedrock is an *idea*, not a practicing business entity. The website has been designed to reflect the anticipated working structure, which is in current development, but which is still far from operation. (*Individuals considering Bedrock for the first time are urged to read our other documentation before perusing this discussion.*)

Bedrock will obviously face many challenges in the creation of this new business—a *new method of transacting business*. Bedrock hopes to amass a team of adept and committed people, fully persuaded of the logic of its concept, to deal with its challenges, build its structure, and launch it in the marketplace. ***What is envisioned?***

CONTENTS

[The programming challenge](#)

[The privacy challenge](#)

[The security challenge](#)

[The practicality challenge](#)

[The legal challenge](#)

[The economic challenge](#)

[The marketing challenge](#)

[The personnel challenge](#)

[The profit challenge](#)

[The development challenge](#)

[The funding challenge](#)

[The scheduling challenge](#)

[Supporting Bedrock's development](#)

FULL-TEXT DISCUSSION:

The programming challenge

- The base software should ideally be open-source, in order to ensure the widest possible on-going guarantee of its integrity.
- The encrypted transaction database blockchain will be distributed world-wide. Validation of transactions will be remunerated by the transaction fee (paid by the sending client from his or her Nugget account). There will be no “mining,” in the sense of bringing additional token units into existence.
 - Similar protections must be afforded the encrypted client database.
- Bedrock must take advantage of all technological advancements to ensure global accessibility around the clock – “24/7/365” – and near-instantaneous speed.
- Bedrock’s promised “amenities” – a customizable standard transaction form; a client bulletin board; an internal e-mail system; a global database of useable arbitration firms; and a Help Desk – will each need to be created and sustained on a regular, on-going basis.
- Client software appropriate for mobile access – smartphones, tablets, etc. -- will require significant programming labor.
- Translations of the Bedrock interface materials into non-English languages will become a permanent continuing challenge.

The privacy challenge

- Customers will be *required* to access the system via “onion routing,” in order to protect themselves and other clients. This will present an initial hurdle that Bedrock support staff must diligently endeavor to mitigate. Onion routing will ensure strong end-to-end encryption in both directions.
- Two-factor authentication could also be required at login. [TBD]
- Clients will be ultimately responsible for the maintenance of their user identification information and passwords.
 - Systems such as 12-word recovery lists should be added, to help avoid catastrophic client memory failures.

- Bedrock will strive to ensure every client's full comprehension of the finality of this policy, and the urgently recommended steps to ensure future access. However, in the last analysis, access will be the client's responsibility.
- Similarly, contingency arrangements regarding incapacity and inheritance are the client's responsibility; but again, Bedrock will endeavor to assist.
 - It is the client's responsibility to inform his or her assigns or beneficiaries of the Bedrock authentication procedures.

The security challenge

- The program and databases need to be impregnable to casual experimenters ("hackers"), to political operatives attempting to deny service to the system, to both petty and organized thieves, and to bureaucratic intrusions.
- The physical vaults must be selected with security against burglary, fraud, political interference, and natural disasters in mind.

The practicality challenge

- The program must ensure maximal clarity, speed, and reliability.
- Updates to the client programs must be sent to all clients for *automatic* uploading.

The legal challenge

- Bedrock will locate a "corporate home base," where it will be officially registered.
- Bedrock will create an official, binding set of By-Laws.
- Bedrock will open one or more bank accounts, to process incoming and outgoing fiat currencies as needed. The laws of the countries where the institutions are domiciled will be strictly obeyed.
- The By-Laws will delineate the creation and function of a Board of Governors, the first members of which must be appointed.
- The Board of Governors will retain a "General Arbitrator" to serve as its primary legal advisor, and also an "Appellate Arbitrator," as the "court of last resort" in persistent client disputes.

- A comprehensive fundamental contract must be created for Bedrock and its clients.
- Regular outside auditing procedures must be initiated.
- A database must be amassed, regularly updated, and published on Bedrock's private client website, of "Client Arbitrator" firms around the world which are willing and able to deal with Bedrock's extra-national ethos and practice.

The economic challenge

- Bedrock must devise a schedule of maintenance and transaction fees that will be attractive to clients and will also clear operating expenses, recompense development outlays, and contribute to the nest-egg.

The marketing challenge

- Bedrock must explain the *positive* benefits for individual, organization, and business clients: in addition to storage of bullion, digitization permits *usage* for regular commerce, collateral, and making loans.
- Bedrock must work with external service agencies to promote the availability of such auxiliary client needs as arbitration, general exchange, payment processing, credit and debit cards, and insurance.
- Customer doubts must be addressed: newness; access difficulty; lack of legal/political redress; bad-actor fears.
- The particular benefits that distinguish Bedrock's service from those of cryptocurrencies and fiat money must be emphasized.
 - Likewise, the benefits of Bedrock compared to more conventional bullion vaults and digitized bullion services, must be explained.
- Bedrock's client support organization will endeavor to explain the superiority of extra-national private governance in the protection of client property rights. It will explain the procedures of private arbitration, and suggest considerations that clients may need in selecting specific firms.
- Decisions regarding the initiation of publicity and advertising must be made. How far in advance of the actual commencement of business should potential clients be alerted to Bedrock's promise?

The personnel challenge

- Ideally, employees, the vaults, the security staff, the consultants, independent auditors, and arbitration firms will be persuaded to accept remuneration solely in Nuggets.
 - However, as Bedrock and its Nugget are establishing themselves, it will clearly be necessary to remunerate people and businesses in the various fiat currencies. Bedrock will need to use not only the funds it garners from the sale of Nuggets accumulated through fees and charges, but from funds presented to finance its initial development.
 - Careful budgeting and scheduling of development will be required of its management.

The profit challenge

- Bedrock will be a low-margin business with a high development overhead. Many such enterprises are profitable, but ... it's a challenge.
- Management and transaction fees must be acceptable to its clients, even as they pay for themselves, re-pay development costs, and aggregate working capital.

The development challenge

Some basic questions:

- Should Bedrock be conceived as a not-for-profit cooperative, rather than a business?
 - In either case, every transaction must pay for itself and add to working capital.
- Should Bedrock deliberately “start small?”
 - The smaller the bullion amounts at such times, the less the temptation to plunder.
- Should Bedrock consider, from the beginning, working with a second commodity – that is, silver?
 - It might achieve significant economies of scale. The same client database (with additional complexity), vaults, internal and external services, could be

employed for both. The second commodity would have a completely separate token with a different name – *e.g.*, an *Argent*. The parameters of the transaction database for gold holdings could be ported wholesale to a separate silver transaction database.

- Keeping the two transaction database blockchains completely independent of each other would be essential.
- Bedrock policy would *never* suggest an exchange *ratio* between the two tokens. The relative valuations of the tokens, as of gold, silver, and all other goods and services – is entirely the clients' business.
- Alternatively, Bedrock could deal *only* with silver bullion.
 - A digitized silver bullion system would have less visibility than a gold system – for better or worse.
- Should Bedrock meet with any success, it's likely that a competitor will quickly offer an analogous service with alternative commodities.

The funding challenge

- How might Bedrock be funded through the planning and development stages prior to full implementation?
 - The author has no background in such matters, but knows that businesses – including hundreds of cryptocurrency ventures that sound far more dubious than Bedrock – manage to secure development funding. Potential avenues:
 - Venture capital
 - Interest and equity arrangements
 - Donations with promises of future reductions of fees
 - Free-will donations through crowd-sourcing

The scheduling challenge

- Bedrock must organize its planning to accommodate all the above challenges, and set goals to bring its new product to the marketplace as quickly as possible.

These challenges to the creation of Bedrock Digitized Bullion System may seem daunting, but they are similar to many successful new businesses. They will require dedicated effort by many knowledgeable and talented people for some time. We are trusting that the credibility and utility of Bedrock's program should inspire many to unusual effort.

Ways to support Bedrock's development

If you are persuaded that Bedrock has not only a viable idea, but *the right* idea, a revolutionary idea that will help secure your future while it helps to restore fiscal sanity, you may be wishing it were already available to you and in general use. There are ways you can help expedite its progress, both with and without making overt financial contributions.

- **Keep in touch** with Bedrock, by [adding your e-mail](#) to our general mailing list. (This would not necessarily be the same as the address you might eventually use as a client, but it will be kept private and encrypted.)
- **Mention your interest** to family, friends, and acquaintances, and encourage them to explore Bedrock for themselves.
- **Pursue your own education** on such subjects as the social benefits of stable exchange, protection of personal privacy, and the technology behind encryption and cryptocurrency. (Our "[Resource Library](#)" would be one good place to start.)
- **Offer your [suggestions and comments](#)**. We're eager to hear from you!
- [Let us know](#) if you might want to become a Bedrock "Pioneer Client," once the development "Stage 2" (as described in the *Whitepaper*) is reached that will allow holding Nuggets but not yet exchanging them.
- We are exploring methods in which people might invest in Bedrock's development, in the expectation of interest or equity. [Let us know if you would be interested](#) in any such arrangement.

- We are also exploring an arrangement whereby current contributions could be rewarded by assurances of future reductions in Maintenance or Transaction Fees. **Let us know** if this has any appeal to you.
- Finally, until Bedrock becomes a self-sustaining business, **simple free-will contributions would be appreciated** in aid of its complex, extended development.