Quarterly Report
Q3 2021

October 4th, 2021

Contents:

Mission, Vision, and Values

In our first quarterly report we shared our mission, vision, and values statement to serve as a guiding light throughout our growth and development as an organization. We will continue to highlight these at the beginning of every report to keep our ultimate goals fresh in mind.

Our Mission

Decentralize the ownership structures of the world's marketplaces.

Our Vision

Deploy a platform for the creation and operation of communal marketplaces as decentralized entities, build network effects around the platform via a suite of ancillary services and by fostering a third-party developer ecosystem, and leverage these network effects to supplant privately controlled marketplaces with districts that allow for open participation in the governance of markets.

Our Values

1. **Transparency** - Open and honest communication provides each person the opportunity to contribute in the most meaningful way.
2. **Autonomy** - We supply the tools and information to do the job, but trust one another to get that job done.
3. **Inclusion** - We welcome participation from all colors and creeds, across all borders and nationalities. We are empowered by the diversity of our ideas because competition breeds strength.
4. **Decentralization** - We seek the path of broadest consensus, and work to align motivations through incentives, not instigation.

Product

Ethlance

This quarter we embarked on a complete rework to introduce core-async support in place of our previous clojure synchronous implementation as well as completing support for ERC20 token invoices on Ethlance. We also added ETH payment support for Ethlance invoice payments. This included time spent figuring out errors especially with respect to the variable storage.

The Ethlance ERC20 invoice is fully integrated. We couldn't use an array for the effort formulation for payments, but once a method to circumvent this was developed, progress came much faster. We then finished ERC20, ETH, and ERC721, and most recently the ERC1155 payment support for Ethlance.

Beyond that, we clarified and improved a couple of functions on the job contract, including the arbiter sections (quotes and payments) and also implemented adding job candidates and canceling invoices.

We refactored our servers smart contracts library, in order to get multiple events from a single transaction out.

Getting closer to wrapping up arbitration contracts. Paying arbiters works, but we're simplifying methods in order to speed this up. We implemented adding funds to the job contract after job creation, and refactored our data structure to be more suitable to handle fund states here. Once this is complete, we just need to finalize fund withdrawal and then we'll move on to integration, feedback, and polishing.

Meme Factory

Meme Factory is next in line for a full application refresh. In particular, we are focusing on scalability solutions that can lower the cost to participate for users. We spent several dev cycles doing deep dives on all current scalability solutions in the space, from optimistic rollups to L2 chains to entirely different L1 chains.

After much discussion and research, it seems the simplest path forward is to use Polygon to achieve lower fees with easy EVM compatibility and the potential for a complete bridge of NFTs between mainnet and Polygon in the future.

Currently are diving deep on some of the more exotic features, like phone number verification through Oracalize, to see if they translate easily onto Polygon.

d0xINFRA
Focus this quarter was updating libraries and dependencies along with some new developments. Research was done regarding managed containers and a pagerduty type setup for static web pages. Work was also done to fix issues related to docker images, make progress on Graphana logs and metrics, AWS implementation improvements, and fixed a longstanding issue with transaction replacements.

District Registry
The District Registry received a ton of support from the community of developers in our recent participation in the Gitcoin hackathon, and work in the past month has been directed by the results of this. We tested and finalized the Snapshot governance integration for the District Registry, however, we encountered several issues upon mainnet deployment that required contract refactors. While these issues seemed fixed locally, deployment was stalled due to the volatility and expense incurred by fluctuating gas prices.

Streamtide
StreamTide has been in the design and spec phase for the past few months, and now we're ready to move forward towards development.

We finalized the feature set and designs with Griflan, and have an entire UI and UX flow built out. We've also finalized technical specifications and have just begun on the journey of developing smart contracts.

Name Bazaar
The final push towards launching on mainnet was the theme of this quarter for Name Bazaar. After our friends at Vacuum Labs fixed some bugs, our team executed a soft launch. We currently are preparing for the public launch by working with artists on a special edition NFT as well as speaking with large ENS name holders to secure early listings.

Community

During Q3 we moved forward with front end designs of Stream Tide, Hired a new Smart contract dev just for the project and started moving forward with the new district. We bagan moving forward with the relaunch of Name Bazaar and saw a number of community initiatives surrounding content creation.

Community-Led Initiatives
Some of the art from a past contest was listed for sale to help raise money for Gitcoin Grants. Art can be seen from artists [AKN Girl](), [Pill](), and [IcanbeDanny](). We published two articles detailing the upcoming release of [Name Bazaar.io 2.0]() written by community member [Rasuki x]() as well as [another post on NFTs]() by community member [Uno8]().

If anyone is interested in contributing content to our blog, feel free to reach out! We would love to see what articles and content you have in mind.

Stream Tide
Stream tide designs have been finalized with the community getting a first hand look at what it takes to build their own district from the ground up. Be sure to check out the stream as Brady documents the journey from start to finish. This will be an invaluable resource for anyone who is serious about their own District proposal.

Meme Factory
Meme Factory submissions continued forward even with high gas fees and a number of new artists have begun to solidify their position on the Meme Factory leaderboard. Earning ETH, DANK, and even cross promoting other communities.

The Live Stream

As in past quarters, we continued to donate all stream revenue to Gitcoin grants. If you aren't sure who to support on Gitcoin, you donate to the Dapp Digest stream and you will be directly supporting grants on Gitcoin.

We hosted guests Ethdenver founder, Kent Barton to discuss the Web3 ecosystem and all things DAOs, his time at Shapshift, DEFI, and everything in between. We also hosted Matthew Chaim. He's a killer songwriter and the creator of Elektra DAO. We also published a number of stream clips on our Youtube channel that gives people a look at the antics and educational content available on the Dapp Digest. Huge shoutout to our community members Rob Boss, Kyle Crusoe, Root, and Rasuki for their help in sourcing and building the clip library.

Marketing

Once we had gathered enough data and information from our ongoing assessments, and optimized and streamlined our communication and marketing profiles and channels, we could start pushing more content in order to revive the community and increase community engagement.

Prior to launching more content we also spend some time reviewing the github, and other dev resources to ensure that developer onboarding for new devs would be as smooth and easy as possible, once we started pushing more frequent content. For this we created a new Github Repo 'the new project template' to facilitate new developers onboarding with a clean slate framework. We also proceeded to update some of the outdated wordings and links on the live front end, as well as the educational portal.

We proceeded to relaunch our Youtube channel with uploading a majority of prior Twitch Dappstream Episodes to Youtube as well as cut out clips from every stream into a new format: The Dappstrem Clips, which we started posting daily.

With more engagement on the Dappstream, we revised the loyalty program for viewers, initiated new community contest and incentive structures for new members. We also increased the posting schedule for Reddit (which had more genuine engagement than other social channels) and reconnected with the community there. With over 100 votes, our Reddit Community asked us to hold an AMA with us to catch up on the latest developments, so we held a Dev&Ops Team AMA LIVE on our Twitch Stream (twitch.tv/dappstream) hosted by Brady and Alex. Lots of questions were answered and the community really rallied behind the team once again.

Shortly after we launched the 'Dapp Digest Token Logo Contest' to activate and unite the community behind our community token initiative for the DappStream.
With more and more community led initiatives taking shape we also decided to relaunch an updated Ambassador Program, loosely defined by set rules but rather on a 'feel it out' basis, where community members are under no pressure to produce, but are rewarded with higher bounties if they contribute to the community in a meaningful way. We have seen amazing progress out of the program with many blog articles being written, district0x Gitcoin Quests going live and Kudos NFTs being minted by our top 3 ambassadors.

Lastly, we moved forward with a Gitcoin partnership by joining the GR10 Hackathon as a Lead Sponsor and launched the Hackathon campaign on our discord and socials.
With a fully fledged 8 week Hackathon campaign we drew interest from the dev community and actively participated in the Hackathon and Gitcoin community. The result were several new features added to Meme Factory and a new snapshot voting portal for our Registry.

Financials

Balance Sheet

ASSETS

CURRENT ASSETS*	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
BTC	$1,769,149	$2,285,054	$2,058,789	$5,364,711	$9,407,015	$6,051,812	$8,616,798
ETH	$1,331,305	$1,841,778	$2,920,962	$5,933,181	$9,579,150	$15,548,913	$18,828,977
DNT	$712,277	$1,097,042	$1,642,458	$8,676,106	$52,468,200	$23,868,000	$27,864,000
GRT	$0	$0	$2,000,000	$24,000,000	$114,666,667	$36,200,000	$47,166,667
KEEP	$64	$82	$1,279,688	$312,500	$485,417	$214,388	$340,733
Stable Coin	$0	$0	$0	$0	$0	$1,964,296	$1,964,296
Prepaid Expenses	$252,000	$238,000	$119,000	$0	$324,000	$216,000	$132,000
TOTAL CURRENT ASSETS	$4,064,795	$5,461,956	$10,020,896	$44,286,498	$186,930,449	$84,063,409	$104,913,471

LIABILITIES

CURRENT LIABILITIES	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Short-Term Debt	$0	$0	$0	$0	$0	$0	$0
TOTAL CURRENT LIABILITIES	$0	$0	$0	$0	$0	$0	$0

*Based on USD values taken from Etherscan or Coinbase on the first day
of the following quarter.

Income Statement

INCOME	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Revenues	$0	$0	$0	$0	$0	$0	$0
Cost of Goods Sold	$0	$0	$0	$0	$0	$0	$0
GROSS PROFIT	$0	$0	$0	$0	$0	$0	$0

EXPENSES	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Contractor Wage	$276,000	$180,333	$140,250	$119,582	$578,445	$244,955	$235,100
Technology and Development	$4,762	$10,034	$572	$5,823	$44,649	$31,690	$33,304
Marketing and Sales	$0	$0	$0	$2,125	$0	$86,128	$21,290
General and Administrative	$29,727	$29,449	$28,981	$30,254	$22,994	$69,767	$35,574
Other	$0	$0	$0	$0	$0	$0	$0
TOTAL EXPENSES	$310,489	$219,816	$169,804	$157,785	$646,088	$432,540	$325,268
OPERATING PROFIT	-$310,489	-$219,816	-$169,804	-$157,785	-$646,088	-$432,540	-$325,268

Summary

There have been some landmark developments this quarter that greatly increased our overall capabilities and offerings. Our focus on developing d0xINFRA and commitment to it moving forward not only streamlines our internal development, but also allows us to better serve projects wishing to build on our infrastructure. We have also revitalized our community through multiple avenues and are optimistic about our snapshot governance integration, especially after all the activity we have cultivated through the Gitcoin hackathon and the money we raised through art from our contest for Gitcoin grants. Beyond that, we are happy with the progress on the other individual projects and look forward to continuing that momentum into next quarter.

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Learn More

For more information about the district0x network,

- Head to our Onboarding Terminal for all links at a glance
- Check out our Education Portal for all things #web3
- Join the official Discord server or Telegram channel
- Watch our YouTube intro video and live stream on Twitch.tv
- Subscribe to email updates or to our Subreddit forum
- Follow us on Twitter, Facebook and Instagram