

ATTACHMENT X

communication group.txt

[6/10/2013 8:10:00 PM] Jeff (PR):
[6/10/2013 8:10:03 PM] Jeff (PR): like this?
[6/10/2013 8:10:03 PM] Josh Zerlan:
[6/10/2013 8:10:39 PM] Anthony Fast: Yep, I was just doing that by adding Dave to the other one I set up last week
[6/10/2013 8:10:44 PM] Anthony Fast: but this works
[6/10/2013 8:11:18 PM] Jeff (PR): going to make chip sales live if everyone is ready
[6/10/2013 8:11:39 PM] Jeff (PR): i got no info regarding shipping cost for chips so I just made it up.
[6/10/2013 8:23:11 PM] Jeff (PR):
<https://products.butterflylabs.com/65nm-asic-bitcoin-mining-chip.html>
[6/10/2013 8:23:32 PM] Jeff (PR): there is a minimum order of 100 chips. anything below that and you cannot proceed.
[6/10/2013 8:24:04 PM] Jeff (PR): when you add to cart, you get a subtotal which is the total cost of chips
[6/10/2013 8:24:13 PM] Anthony Fast: There's Dave
[6/10/2013 8:24:20 PM] Dave "The Knife" McClain: Fire and fall back!
[6/10/2013 8:24:43 PM] Jeff (PR): there is a line: Payment Due on Shipping which is the amount due once chips are ready to ship
[6/10/2013 8:24:55 PM] Jeff (PR): Customer pays 50% now + shipping
[6/10/2013 8:25:11 PM] Jeff (PR): then they will be invoiced when the order is ready
[6/10/2013 8:25:21 PM] Jeff (PR): once they pay the balance, the order is shipped
[6/10/2013 8:25:34 PM] Jeff (PR): (some of those details we are still working on, but we have time)
[6/10/2013 8:25:38 PM] Anthony Fast: I didn't see it offhand, but can we include that sample chips will be available
[6/10/2013 8:26:14 PM] Jeff (PR): you mean in the description?
[6/10/2013 8:26:31 PM] Anthony Fast: Yeah, in the description
[6/10/2013 8:27:01 PM] Anthony Fast: I'm not sure if that would go into consideration or terms of purchase
[6/10/2013 8:27:56 PM] Anthony Fast: Maybe under the ToP saying that sample chips will be available upon request, although I don't know when that might be.
[6/10/2013 8:28:19 PM] Dave "The Knife" McClain: on another note:
[6/10/2013 8:28:40 PM] Jeff (PR): do we send them samples?
[6/10/2013 8:28:48 PM] Dave "The Knife" McClain: Look what came up on my Google Alerts for Butterfly Labs:
[6/10/2013 8:28:51 PM] Dave "The Knife" McClain:
<https://bitcointalk.org/index.php?topic=230325.0>
[6/10/2013 8:28:58 PM] Anthony Fast: Sonny said we would today on the call
[6/10/2013 8:29:42 PM] Dave "The Knife" McClain: yeah he said a couple chips
[6/10/2013 8:29:45 PM] Dave "The Knife" McClain: chips
[6/10/2013 8:30:02 PM] Anthony Fast: Lulz at trolltalk
[6/10/2013 8:30:06 PM] Jeff (PR): this could get ugly. 100's of people asking for samples
[6/10/2013 8:30:31 PM] Dave "The Knife" McClain: I think it's only for paid orders
[6/10/2013 8:30:37 PM] Anthony Fast: Is that after the deposit or before?
[6/10/2013 8:30:41 PM] Anthony Fast: Yeah, echo Dave
[6/10/2013 8:30:43 PM] Anthony Fast: Dave
[6/10/2013 8:30:59 PM] Dave "The Knife" McClain: after deposit
[6/10/2013 8:31:01 PM] Jeff (PR): yeah. that bitcointalk thread is a joke
[6/10/2013 8:32:51 PM] Anthony Fast: So I think we can go with it if we mention sample chips, although I'm sure people will want some sort of idea when they would receive them
[6/10/2013 8:34:09 PM] Anthony Fast: Wow, St. Clair already placed an order for \$7500
[6/10/2013 8:34:25 PM] Anthony Fast: and says "Done, now let's do something substantial"
[6/10/2013 8:34:31 PM] Dave "The Knife" McClain: he was in the works
[6/10/2013 8:34:36 PM] Anthony Fast: Dude means busines. He's no Frank the Tank
[6/10/2013 8:35:14 PM] Jeff (PR): someone did
[6/10/2013 8:35:15 PM] Jeff (PR): ?
[6/10/2013 8:35:33 PM] Anthony Fast: I know he was, but he must have been refreshing that site from his boat off St Thomas

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[6/10/2013 8:36:00 PM] Anthony Fast: Yeah, Dave knows the situation with him, I just started conversing with him on emails
[6/10/2013 8:36:17 PM] Anthony Fast: He's going to buy a lot from what Dave says
[6/10/2013 8:36:25 PM] Jeff (PR): it's pending
[6/10/2013 8:36:32 PM] Jeff (PR): ah wire
[6/10/2013 8:36:34 PM] Jeff (PR): holy shit
[6/10/2013 8:37:21 PM] Jeff (PR): how did he find the page?
[6/10/2013 8:37:25 PM] Jeff (PR): did you send it?
[6/10/2013 8:38:46 PM] Anthony Fast: No, I actually just confirmed his email b/c he was worried about the service in the ocean off St Thomas, but Josh had already posted address in the forums
[6/10/2013 8:39:22 PM] Jeff (PR): ok
[6/10/2013 8:39:31 PM] Anthony Fast: He's on his game and has the money to burn
[6/10/2013 8:40:55 PM] Anthony Fast: <files alt="sent file "st clair email order.png"">
<file size="88074" index="0">st clair email order.png</file></files>
[6/10/2013 8:41:36 PM] Anthony Fast: He's the guy who is an energy trader who wants to build a mobile mining rig out of a shipping crate and go from one power station to another around the country.
[6/10/2013 8:41:45 PM] Jeff (PR): oh right
[6/10/2013 8:42:00 PM] Jeff (PR): what happened with the vietnamese guys?
[6/10/2013 8:42:56 PM] Anthony Fast: lol, yeah, I'm going to let Dave explain what happened with Frank the Tank and the Vietnamese guys. Dude is on drugs or something and Dave has a hilarious email exchange/story.
[6/10/2013 8:43:26 PM] Anthony Fast: Let's just say that is no more, however
[6/10/2013 9:06:12 PM] Jeff (PR): anyone notices anything wrong with this, let me know asap
[6/11/2013 10:11:21 AM] Josh Zerlan: The lowered price for chips has generated a lot more enthusiasm.
[6/11/2013 10:15:32 AM] Josh Zerlan: We can send sample chips to confirmed orders pretty quickly. Maybe we'll get a few hundred sent to us from Chicago... like Grade D ones or something.
[6/11/2013 10:17:19 AM] Jeff (PR): what limits should we put on the samples?
[6/11/2013 10:17:23 AM] Jeff (PR): only if you order?
[6/11/2013 10:17:31 AM] Josh Zerlan: Yes, you must have a deposit in for an order.
[6/11/2013 10:17:51 AM] Josh Zerlan: 1 chip per 100 ordered maybe?
[6/11/2013 10:18:33 AM] Jeff (PR): yeah. sure. we're limiting total chips sales to 100,000 so that would be 1000 samples possible, right?
[6/11/2013 10:19:01 AM] Jeff (PR): not that everyone would take that many
[6/11/2013 10:19:53 AM] Josh Zerlan: We'd have to assume they would, but yeah. For 7.5 million, I think we can spare a wafer :)
[6/11/2013 10:20:15 AM] Jeff (PR): cool. we'll add the sample text
[6/11/2013 10:20:54 AM] Josh Zerlan: Lets run it by Sonny and make sure he's on board, but I don't imagine that's much of a problem. we'll have to take that 1000 out of current stock though.
[6/11/2013 10:21:04 AM] Josh Zerlan: That's the only drawback
[6/11/2013 10:23:12 AM] Anthony Fast: Hey guys, I'm ready to work with you on this upgrade announcement whenever you get in today Josh.
[6/11/2013 10:28:58 AM] Jeff (PR): hmm
[6/11/2013 10:29:05 AM] Jeff (PR): 1k chips out of current
[6/11/2013 10:29:15 AM] Jeff (PR): why don't we just let them ask us for samples
[6/11/2013 10:29:21 AM] Jeff (PR): not advertise it
[6/11/2013 10:30:16 AM] Anthony Fast: Samples available upon request?
[6/11/2013 10:30:53 AM] Josh Zerlan: Sure, just let them ask, we don't even need to advertise
[6/11/2013 10:31:50 AM] Anthony Fast: Well, I already have emails asking us about samples from everyone who is interested so far
[6/11/2013 10:32:06 AM] Josh Zerlan: Just tell them we can send them 1 per 100 chips ordered
[6/11/2013 10:32:16 AM] Josh Zerlan: Upon order confirmation
[6/11/2013 10:32:32 AM] Jeff (PR): sending them from current stock would piss people off if they found out
[6/11/2013 10:32:37 AM] Anthony Fast: Ok, I was just thinking putting that out there

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in the listing would help alleviate that question automatically, but whatever works
[6/11/2013 10:32:52 AM] Anthony Fast: I agree with Jeff
[6/11/2013 10:33:01 AM] Josh Zerlan: We can't not send sample chips though.
[6/11/2013 10:33:07 AM] Jeff (PR): hmm
[6/11/2013 10:33:14 AM] Jeff (PR): we have a bin with bad chips?
[6/11/2013 10:33:24 AM] Josh Zerlan: It means all designs and testing is on hold until they get their chips and that would piss people off royally and torpedo a lot of sales.
[6/11/2013 10:33:33 AM] Jeff (PR): if someone complains we can offer to put the bad ones in their unit
[6/11/2013 10:33:59 AM] Anthony Fast: lol
[6/11/2013 10:34:04 AM] Josh Zerlan: Yeah, we can just say we are using the low binned chips for sample chips
[6/11/2013 10:35:09 AM] Jeff (PR): who do we talk to about getting "bad" chips?
[6/11/2013 10:35:26 AM] Anthony Fast: Avalon
[6/11/2013 10:35:28 AM] Josh Zerlan: We can talk to John or maybe AJ
[6/11/2013 10:35:43 AM] Josh Zerlan: I'm not sure if they come to AJ binned specifically or John just bunches them all together and sends them along
[6/11/2013 10:35:49 AM] Josh Zerlan: Haha
[6/11/2013 10:35:55 AM] Jeff (PR): lol
[6/11/2013 10:36:00 AM] Jeff (PR): good one
[6/11/2013 10:36:19 AM] Josh Zerlan: Herman Angstl's order is up for his Jalapeno. Going to have to make a move there.
[6/11/2013 10:36:29 AM] Josh Zerlan: I hadn't realized he still had a Jalapeno in queue, I thought we had more time.
[6/11/2013 10:36:42 AM] Jeff (PR): ok. hmm.
[6/11/2013 10:36:46 AM] Jeff (PR): what to do?
[6/11/2013 10:36:56 AM] Jeff (PR): box of fans?
[6/11/2013 10:37:15 AM] Josh Zerlan: I can send him the "We no longer will do business with you" form letter. That's gotta be a slap in the face since his order is literally now on hold when it should have gone out of production.
[6/11/2013 10:40:17 AM] Jeff (PR): you know. out of all the trolls, he's actually go the most reason to complain
[6/11/2013 10:40:27 AM] Jeff (PR): since he's actually a customer
[6/11/2013 10:40:42 AM] Jeff (PR): the others haven't even ordered and are just piling on
[6/11/2013 10:42:39 AM] Jeff (PR): but if we do this, I think we need to find some legal reason we can't send it
[6/11/2013 10:48:04 AM] Jeff (PR): btw, we need to also announce the chip credit system
[6/11/2013 10:48:56 AM] Anthony Fast: Yeah, the chip credit system will help a lot deflecting the chip sale announcement.
[6/11/2013 11:30:11 AM] Dave "The Knife" McClain: <contacts alt="[Contacts enclosed. Please upgrade to latest Skype version to receive contacts.]"><contact="s" s="darlajonocats" f="Jody Drake"/></contacts>
[6/11/2013 12:56:54 PM] Jeff (PR): <contacts alt="[Contacts enclosed. Please upgrade to latest Skype version to receive contacts.]"><contact="s" s="darlajonocats" f="Jody Drake"/></contacts>
[6/11/2013 12:57:23 PM] Jeff (PR):
[6/11/2013 12:58:03 PM] Jeff (PR): we are adding the GH upgrades to the applicable accounts. If you have a 25 GH product in your order, you have the option to upgrade with 5 GH
[6/11/2013 12:58:13 PM] Jeff (PR): if you have 50 GH in order, you can add 10 GH
[6/11/2013 12:58:21 PM] Jeff (PR): I am also making the new MR live
[6/11/2013 12:58:27 PM] Jeff (PR): 500 GH/s
[6/11/2013 12:58:33 PM] Jeff (PR): \$22,484
[6/11/2013 12:58:43 PM] Jeff (PR): no paypal on any of this
[6/11/2013 1:03:57 PM] Anthony Fast: Josh and Sonny stepped out for lunch
[6/11/2013 1:04:48 PM] Jeff (PR): k
[6/11/2013 1:04:56 PM] Jeff (PR): so this will be live soon
[6/11/2013 1:04:59 PM] Jeff (PR): be aware of it
[6/11/2013 1:14:01 PM] Jeff (PR): Anthony, you will be getting hammered about the new MR soonb

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[6/11/2013 1:14:06 PM] Jeff (PR): it's live on the products page
[6/11/2013 1:24:20 PM] Anthony Fast: awesome
[6/11/2013 1:24:46 PM] Anthony Fast: Should we announce that on our channels as well now and include that in the email update about upgrades as well?
[6/11/2013 1:25:33 PM] Anthony Fast: Can we also replace the old one on the front page too? Where are the chips sales goin to be?
[6/11/2013 1:56:18 PM] Sonny: :)
[6/11/2013 1:56:28 PM] Josh Zerlan: The legal reason we can use is the same as Paypal's or somethign similar
[6/11/2013 2:07:07 PM] Jeff (PR): we never send VI ad a miner. Can we do that? 5 GH?
[6/11/2013 2:07:12 PM] Jeff (PR): or 7 GH
[6/11/2013 2:07:15 PM] Jeff (PR): whatever we can do
[6/11/2013 2:07:32 PM] Anthony Fast: that guy deserves it
[6/11/2013 2:17:17 PM] Jeff (PR): Engadgenet wants to do a video interview in KC with us on June 25th
[6/11/2013 2:20:21 PM] Anthony Fast: Wow, that's awesome
[6/11/2013 3:34:37 PM] Josh Zerlan: Order page for minirig still says April
[6/11/2013 3:35:22 PM] Jeff (PR): refresh
[6/11/2013 3:35:30 PM] Josh Zerlan: You guys fixed it?
[6/11/2013 3:35:44 PM] Jeff (PR): yes. a bit ago
[6/11/2013 3:35:48 PM] Josh Zerlan: Ok cool
[6/11/2013 4:21:14 PM] Sonny: Jeff... the shipping on the mini rig should be one fee per rig... no multiple unit discounts on shipping.
[6/11/2013 4:21:17 PM] Jeff (PR): we also have to send a single to dave perry
[6/11/2013 4:21:22 PM] Jeff (PR): if we can
[6/11/2013 4:21:36 PM] Jeff (PR): we made an ad deal with him
[6/11/2013 4:21:37 PM] Josh Zerlan: Does he have a single on order or do we watn to send him a little single?
[6/11/2013 4:21:43 PM] Jeff (PR): full single
[6/11/2013 4:21:45 PM] Josh Zerlan: Oh ok, we can make that happen then
[6/11/2013 4:21:51 PM] Jeff (PR): trade for advertising
[6/11/2013 4:22:08 PM] Jeff (PR): i'll tell him to keep it quiet until things start moving
[6/11/2013 4:22:22 PM] Josh Zerlan: Ok
[6/12/2013 5:05:44 PM] Jeff (PR): Can someone catch me up on the arrangement that was made with forum guy who came to the office/
[6/12/2013 5:05:46 PM] Jeff (PR): ?
[6/12/2013 5:06:28 PM] Dave "The Knife" McClain: Anthony is talking to Josh on the phone right now. Josh is out of the office.
[6/12/2013 7:54:12 PM] Anthony Fast: <quote author="live:bfl anthony" authorname="Anthony Fast" conversation="#darlajonocats/\$467618e5559adc44" guid="xd6a4d8fe2542c58997e486a803a2932928acbd585b5fdc21abea3208ee989948" timestamp="1371084278"><legacyquote>[7:44:38 PM] Anthony Fast: </legacyquote>So were the contest winners LS units supposed to ship first or something? I was not aware of this until now. Can anyone confirm?<legacyquote>
<<< </legacyquote></quote>
[6/12/2013 7:54:28 PM] Josh Zerlan: No, they are not suppos to ship first.
[6/12/2013 7:55:14 PM] Anthony Fast: Thanks, just got that comment on FB and that was the first I had heard of it, but I haven't been here that long and you guys know what's going on with that
[6/12/2013 8:22:05 PM] Anthony Fast: So wait, they aren't supposed to ship first but they are supposed to ship early?
[6/12/2013 10:39:02 PM] Josh Zerlan: Not really, but we can probably slip them in somewhere when we get a few under our belt.
[6/12/2013 10:39:54 PM] Josh Zerlan: On another note, Daniel Moss wants to come and film the minirig going online for his film that he's putting together. It looks pretty legit and he is one of our long time customers. I think I spoke with you about it Jeff, but in any event, what is the time frame we are looking at for turning up a Minirig for the first time with the long boards?
[6/12/2013 10:45:58 PM] Sonny: we should have one running tomorrow... although it will be with short boards. Friday we get a larger number of long boards in and we

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[6/17/2013 2: 23: 46 PM] Nasser Ghoseiri: it looks complicated from a distance
[6/17/2013 2: 24: 10 PM] Nasser Ghoseiri: ...
[6/17/2013 2: 24: 52 PM] Josh Zerlan: We need someone that can do it... none of us knows how
[6/17/2013 2: 25: 00 PM] Nasser Ghoseiri: i know
[6/17/2013 2: 25: 19 PM] Nasser Ghoseiri: someone must be there to ignite the engine
[6/17/2013 2: 25: 31 PM] Nasser Ghoseiri: I suppose AJ could pay us a visit
[6/17/2013 2: 25: 51 PM] Nasser Ghoseiri: at this point, since we have the firmware, chips and everything
[6/17/2013 2: 25: 54 PM] Nasser Ghoseiri: we need to run for our lives
[6/17/2013 2: 25: 59 PM] Nasser Ghoseiri: every day counts from today...
[6/17/2013 2: 26: 12 PM] Nasser Ghoseiri: they more people receive, the stronger we'll be in place
[6/17/2013 2: 27: 02 PM] Josh Zerlan: I'm certainly not opposed to it.
[6/17/2013 2: 28: 24 PM] Nasser Ghoseiri: @Dave: Are you aware of bit-fury?
[6/17/2013 2: 29: 08 PM] Nasser Ghoseiri: basically @All: Are you aware of bit fury?
[6/17/2013 2: 30: 01 PM] Dave "The Knife" McClain: yes I have heard of BitFury
[6/17/2013 2: 30: 10 PM] Nasser Ghoseiri: very well
[6/17/2013 2: 30: 19 PM] Nasser Ghoseiri: it is possible that he may come out with some good chip
[6/17/2013 2: 30: 30 PM] Nasser Ghoseiri: to what extent that is true I don't know
[6/17/2013 2: 30: 40 PM] Nasser Ghoseiri: but we need some plan with a lot of buzz
[6/17/2013 2: 30: 49 PM] Nasser Ghoseiri: telling everyone that we'll be 28nm very soon
[6/17/2013 2: 30: 56 PM] Nasser Ghoseiri: so if came out with something superior
[6/17/2013 2: 31: 06 PM] Nasser Ghoseiri: customers won't get excited
[6/17/2013 2: 31: 11 PM] Nasser Ghoseiri: how can that be planned?
[6/17/2013 2: 31: 23 PM] Jeff (PR): we have to walk this line carefully
[6/17/2013 2: 32: 19 PM] Jeff (PR): we have to maintain current sales.
[6/17/2013 2: 32: 36 PM] Nasser Ghoseiri: yes avoiding osborne effect
[6/17/2013 2: 32: 38 PM] Nasser Ghoseiri: is important
[6/17/2013 2: 32: 56 PM] Jeff (PR): will there be an upgrade option ?
[6/17/2013 2: 33: 14 PM] Jeff (PR): also don't want to poke the trolls nest too much
[6/17/2013 2: 33: 38 PM] Nasser Ghoseiri: hmmm
[6/17/2013 2: 34: 05 PM] Nasser Ghoseiri: we will need an upgrade program to make sure people have strong incentive to stay with us
[6/17/2013 2: 34: 17 PM] Nasser Ghoseiri: even if temporarily, we have an inferior product
[6/17/2013 2: 36: 23 PM] Nasser Ghoseiri: or are there other ideas...
[6/17/2013 2: 36: 23 PM] Nasser Ghoseiri: ?
[6/17/2013 2: 38: 28 PM] Jeff (PR): how far are we from 28 ?
[6/17/2013 2: 38: 41 PM] Nasser Ghoseiri: @Sonny: Any info on that?
[6/17/2013 2: 38: 56 PM] Nasser Ghoseiri: I think we were supposed to go for it in like 3 weeks from now
[6/17/2013 2: 39: 22 PM] Jeff (PR): we still have to launch the voucher system for early adopters. this might be a good way to do it.
[6/17/2013 2: 39: 28 PM] Jeff (PR): offer this on new products
[6/17/2013 2: 40: 09 PM] Nasser Ghoseiri: with 28nm
[6/17/2013 2: 40: 18 PM] Nasser Ghoseiri: we will be sub 1W/GH
[6/17/2013 2: 40: 30 PM] Nasser Ghoseiri: that is, if we port actual design directly there
[6/17/2013 2: 51: 51 PM] Josh Zerlan: We can't do another pre-order thing
[6/17/2013 2: 52: 01 PM] Josh Zerlan: At least not for this next round.
[6/17/2013 2: 52: 05 PM] Jeff (PR): no
[6/17/2013 2: 52: 10 PM] Jeff (PR): no way
[6/17/2013 2: 52: 25 PM] Josh Zerlan: End of July/early August tape out for 28nm is the projected date... however, given what we've seen so far with that, I would not bet on it.
[6/17/2013 2: 52: 45 PM] Jeff (PR): where is tape out in process?
[6/17/2013 2: 53: 01 PM] Jeff (PR): is that pre or post fab ?
[6/17/2013 2: 53: 07 PM] Nasser Ghoseiri: pre fab
[6/17/2013 2: 54: 10 PM] Jeff (PR): the voucher program we are putting in for first 3 months might be a bust if we push them into a re-order and then launch new tech

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[6/17/2013 2:54:40 PM] Nasser Ghoseiri: it's best not to give anything until we have a chip this time I would say

[6/17/2013 2:54:59 PM] Nasser Ghoseiri: It reminds me of Wal Mart here, everytime they give me vouchers for something

[6/17/2013 2:55:11 PM] Nasser Ghoseiri: so many vouchers I lost track of what they are for

[6/17/2013 2:55:24 PM] Jeff (PR): wal mart in france. mon dieu

[6/17/2013 2:55:31 PM] Nasser Ghoseiri: I meant carrefour

[6/17/2013 2:55:39 PM] Nasser Ghoseiri: but I thought you might not know what I meant

[6/17/2013 2:55:48 PM] Jeff (PR): same shit huh?

[6/17/2013 2:55:50 PM] Nasser Ghoseiri: yes

[6/17/2013 2:56:04 PM] Nasser Ghoseiri: the issue I suspect is that if we announce 28nm

[6/17/2013 2:56:10 PM] Nasser Ghoseiri: osborne effect is very possible

[6/17/2013 2:56:24 PM] Nasser Ghoseiri: if we don't, and someone comes out with a superior chip

[6/17/2013 2:56:29 PM] Nasser Ghoseiri: it may affect our chip sales

[6/17/2013 2:56:37 PM] Nasser Ghoseiri: or give capital to competitors for a while

[6/17/2013 2:59:04 PM] Jeff (PR): although our record may help us with this

[6/17/2013 2:59:20 PM] Jeff (PR): if we announce people will think it will take a year before we have it

[6/17/2013 2:59:32 PM] Jeff (PR): and keep buying current models

[6/17/2013 3:00:37 PM] Josh Zerlan: As long as we provide a worthwhile upgrade path/trade in program, people will still buy the current product. Unlike Osborne, if you wait, you lose out. It's better to mine now with 60 GH/s than to mine with 600 GHs in six months.

[6/17/2013 3:01:11 PM] Josh Zerlan: Our key ability is going to be to be able to absorb the losses that an upgrade/trade in program generates.

[6/17/2013 3:01:19 PM] Josh Zerlan: Something we are uniquely able to do compared to everyone else.

[6/17/2013 3:01:26 PM] Nasser Ghoseiri: imagine

[6/17/2013 3:01:27 PM] Josh Zerlan: So everyone already invested in the BFL ecosystem will continue with us

[6/17/2013 3:01:28 PM] Nasser Ghoseiri: next week

[6/17/2013 3:01:34 PM] Nasser Ghoseiri: BitFury

[6/17/2013 3:01:37 PM] Nasser Ghoseiri: says we're successful

[6/17/2013 3:01:39 PM] Nasser Ghoseiri: and the chip works

[6/17/2013 3:01:43 PM] Nasser Ghoseiri: consumes like 1W/GH

[6/17/2013 3:01:51 PM] Nasser Ghoseiri: They are not in mass, no PCB there

[6/17/2013 3:01:53 PM] Nasser Ghoseiri: but chip is confirmed

[6/17/2013 3:01:58 PM] Nasser Ghoseiri: what will happen?

[6/17/2013 3:02:17 PM] Josh Zerlan: People will still buy what they can NOW. It's all about what you can buy right NOW, not what you can buy in 3 months.

[6/17/2013 3:02:56 PM] Nasser Ghoseiri: yes it's one strong point

[6/17/2013 3:02:59 PM] Nasser Ghoseiri: and in 3 months

[6/17/2013 3:03:04 PM] Nasser Ghoseiri: we may have 28nm

[6/17/2013 3:03:09 PM] Nasser Ghoseiri: we may not for some reason

[6/17/2013 3:03:16 PM] Nasser Ghoseiri: if we do and it works, we stay lead

[6/17/2013 3:03:18 PM] Nasser Ghoseiri: if not...?

[6/17/2013 3:03:22 PM] Nasser Ghoseiri: what are your thoughts?

[6/17/2013 3:03:43 PM] Josh Zerlan: If we can guarantee an upgrade path right now, even if they announce and then we say we are working on 28nm, you'll be able to upgrade... people will stick with us. Since they either have a BFL product now or can buy one now and then upgrade later, not losing their investment.

[6/17/2013 3:04:12 PM] Josh Zerlan: We need to make sure we have a 28nm product. If we don't, we need to focus on something other than bitcoin mining.

[6/17/2013 3:06:40 PM] Sonny: unless we stop the process, we're taping out at 28nm this summer.

[6/17/2013 3:07:07 PM] Sonny: the current plan is to keep the same form factor & bga compatibility

[6/17/2013 3:07:19 PM] Sonny: (that's the footprint they're working on)

[6/17/2013 3:08:57 PM] Sonny: If this bitfurry thing turns out to be real, we'll

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[10/8/2013 7:33:03 PM] Nasser Ghoseiri: this is bad
[10/8/2013 7:35:44 PM] Sonny: It's only slightly less desirable than delivering the 65nm because the end profitability is still pretty good even when considering the loss in 65nm hardware cost. Furthermore, we can mine with abandoned gear to recover costs... which is only a small fraction of the gross sale price which we retain.
[10/8/2013 7:38:18 PM] Josh Zerlan: And we don't suffer chargebacks
[10/8/2013 7:38:25 PM] Josh Zerlan: It's probably a netgain in the end.
[10/8/2013 7:38:29 PM] Sonny: correct... it eases customer anxiety.
[10/8/2013 7:38:38 PM] Nasser Ghoseiri: and put's more pressure on us
[10/8/2013 7:38:49 PM] Josh Zerlan: We can't be late with the Monarch
[10/8/2013 7:42:05 PM] Sonny: Also... apparently the power consumption of our chip is even lower than what we've published. The mock tapeout work with the foundry has found some additional power savings. We'll have updated simulation figures in the next day or two.
[10/8/2013 7:47:16 PM] Josh Zerlan: We shall not announce those until we demo a live chip
[10/8/2013 7:47:33 PM] Josh Zerlan: Should not rather
[10/8/2013 7:50:03 PM] Sonny: BitSafe update: It looks like we've got a handle on things again. Kirem has nearly completed his review of the firmware and believes he can complete that code. However, with Trezor nearing completion of it's development we've been able to study their firmware which is also open source. The idea at the moment is to merge the two firmwares and adopt the standards trezor has defined. Although this is a loss in owning the standard... it would allow us to come to market fairly soon. We would effectively not be competing on features, but instead we'd be competing in having a much sexier form factor.
[10/8/2013 7:51:02 PM] Josh Zerlan: Our marketing reach would stomp them, too. Also, I talked to Luke about doing the Bitsafe stuff, he's interested, but if we've got a handle on it, never mind.
[10/8/2013 7:51:50 PM] Sonny: The revised form factor is similar to a pebble watch face. Ours will have a similarly large touch sensitive screen and no physical buttons. The ink-paper screen consumes much less power and will always display the last known balance even when it's off.
[10/8/2013 7:52:04 PM] Josh Zerlan: That's cool, I like that.
[10/8/2013 7:53:45 PM] Sonny: I agree... it's a tidy package... very competitive against the Trezor, and with our marketing reach... this could be a very hot product for us soon.
[10/8/2013 7:54:20 PM] Josh Zerlan: I have people asking about it all the time
[10/8/2013 9:02:59 PM] Josh Zerlan: EMC is coming back online fully now. US1 is being a reverse proxy from Staminus. US2 is clear and will likely get DDoS'd and US3 is at Hivelocity with the option to put it behind a DDoS appliance when it gets hit. There's a new eu.eclipsemc.com server that is up and operating in Germany.
[10/8/2013 9:05:50 PM] Jody Drake: 469 shipped today
[10/8/2013 9:25:40 PM] Jeff (PR): with numbers like that it's good we're converting more to 28
[10/8/2013 9:26:34 PM] Jeff (PR): did anything happen on the windows server to speed the database?
[10/8/2013 9:26:43 PM] Jody Drake: Its more than I expected with our slow internet today
[10/8/2013 9:27:37 PM] Sonny: josh, is there anyway to spend a lot of money to resolve the bandwidth issue?
[10/8/2013 9:27:50 PM] Sonny: - or is it more than bandwidth?
[10/8/2013 9:29:31 PM] Sonny: We're also entering into the phase of the backlog where orders per day are 10x what they were the prior calendar weeks.
[10/8/2013 9:29:40 PM] Jody Drake: We'll see if Jonathons work did any good tomorrow
[10/8/2013 9:30:00 PM] Jody Drake: 52 Mini Rigs in March
[10/8/2013 9:30:20 PM] Jody Drake: 21 in Feb
[10/8/2013 9:30:23 PM] Sonny: 52 times three or just 52?
[10/8/2013 9:30:31 PM] Jody Drake: X3
[10/8/2013 9:30:37 PM] Jeff (PR): we need to contact them and see if they want to push all or some to 28nm
[10/8/2013 9:31:51 PM] Sonny: mini rigs can't chargeback, so I'd rather take the best option for us which is to deliver mini rigs. If they convert to monarch, that increases our costs now in new parts and ends up with less profit than we'd have

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otherwise. Let's not promote the upgrade to 28. Let them seek it out.
[10/8/2013 9:32:19 PM] Jeff (PR): but we are shipping them 3x the inventory
[10/8/2013 9:32:33 PM] Sonny: we've already paid for that inventory
[10/8/2013 9:32:55 PM] Jeff (PR): ok
[10/8/2013 9:38:23 PM] Jody Drake: we've paid for the inventory but the shipping and handling is a lot
[10/8/2013 9:39:04 PM] Jody Drake: What is our payroll now with all the overtime?
[10/8/2013 9:39:21 PM] Sonny: we're close to a quarter million dollars a month
[10/8/2013 9:40:14 PM] Jody Drake: 10 Mini Rigs
[10/9/2013 12:44:53 AM] Josh Zerlan: I need to be able to see what the actual problem is before I can say what can speed it up. I suspect it's a limitation of the software.
[10/9/2013 4:03:53 PM] Dave "The Knife" McClain: I have had three good conversations today with Institutional Customers.
[10/9/2013 4:04:48 PM] Dave "The Knife" McClain: Sergey is upping his order to 108 and depending on some information I need to provide to him regarding the number of cards per box/rack maybe more for Dec. Delivery
[10/9/2013 4:05:08 PM] Dave "The Knife" McClain: the other two are new people.
[10/9/2013 4:06:29 PM] Dave "The Knife" McClain: the first is Lukas Bradley. Josh and I met him this weekend in Atlanta. He is an entrepreneur that has a partner in Washington State that runs data centers.
[10/9/2013 4:06:59 PM] Jeff (PR): :)
[10/9/2013 4:07:04 PM] Jeff (PR): this is great stuff
[10/9/2013 4:07:15 PM] Nasser Ghoseiri: who is the second one?
[10/9/2013 4:07:27 PM] Dave "The Knife" McClain: one sec
[10/9/2013 4:09:16 PM] Dave "The Knife" McClain: Ok the second is a gentleman in NY that is looking to buy 50 cards with hosting contracts.
[10/9/2013 4:09:45 PM] Dave "The Knife" McClain: I did not offer a Dec. delivery at this point and he didn't ask for it.
[10/9/2013 4:09:59 PM] Dave "The Knife" McClain: If we determine we have space, I can go back to him.
[10/9/2013 4:13:32 PM] Dave "The Knife" McClain: My only concern with this guy is his motives. He spoke a lot about ROI.
[10/9/2013 4:14:04 PM] Dave "The Knife" McClain: I cautioned him a lot about going down that road based on calculators now.
[10/9/2013 4:14:42 PM] Jeff (PR): you didn't tell him ROI in a couple days, right? It takes a week now.
[10/9/2013 4:14:54 PM] Dave "The Knife" McClain: He also brought up an escrow agreement.
[10/9/2013 4:16:20 PM] Nasser Ghoseiri: did you make it clear that we only sell hardware, and can't guaranty ROI as it depends on infinite factors?
[10/9/2013 4:16:37 PM] Dave "The Knife" McClain: exactly
[10/9/2013 5:52:40 PM] Josh Zerlan: All EMC servers, except for the new EU server are protected from DDoS now. That's not to say a DDoS won't knock them offline, but it won't be catastrophic like before. It will just be automatically null routed until it subsides, which means fail over should happen almost instantly when a DoS hits.
[10/9/2013 9:26:03 PM] Jody Drake: Shipped 494 today
[10/10/2013 1:26:03 PM] Jeff (PR): any breakthroughs on making this go faster. It will take until end of 2013 at this pace
[10/10/2013 2:51:55 PM] Jeff (PR): i forwarded an email from Dwolla
[10/10/2013 2:52:32 PM] Jeff (PR): please take a moment to read it now
[10/10/2013 2:52:44 PM] Jeff (PR): Dave, please start w/d from Dwolla immediately
[10/10/2013 2:53:47 PM] Dave "The Knife" McClain: ok
[10/10/2013 2:54:10 PM] Nasser Ghoseiri: I wonder what will become of dwolla
[10/10/2013 2:56:21 PM] Nasser Ghoseiri: how will this impact us?
[10/10/2013 2:56:56 PM] Jeff (PR): if we get ACH up quickly, not much
[10/10/2013 2:57:04 PM] Jeff (PR): we did about \$50k in last 2 months
[10/10/2013 2:57:17 PM] Nasser Ghoseiri: how is the credit card setup going?
[10/10/2013 2:57:29 PM] Nasser Ghoseiri: Something tells me ACH won't be much of a help to the masses
[10/10/2013 2:57:38 PM] Jeff (PR): Dave had more info on that
[10/10/2013 2:58:06 PM] Nasser Ghoseiri: @Dave: All the roads end to you, how is the

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CC setup going?

[10/10/2013 3:00:30 PM] Jeff (PR): sonny. do you have a dwolla personal account?
[10/10/2013 3:00:33 PM] Jeff (PR): anyone else?
[10/10/2013 3:00:35 PM] Jeff (PR): I do
[10/10/2013 3:00:42 PM] Jeff (PR): maybe we should do some transferring
[10/10/2013 3:01:05 PM] Dave "The Knife" McClain: They need our financials for the last 3 months. I am going call our contact and see if we can expedite it.
[10/10/2013 3:01:42 PM] Jeff (PR): i have Dwolla reports and bitpay from last 3 months
[10/10/2013 3:02:11 PM] Jeff (PR): Dave can you send \$9999 to my Dwolla account? Anyone else have one?
[10/10/2013 3:02:22 PM] Dave "The Knife" McClain: I do
[10/10/2013 3:02:36 PM] Jeff (PR): i think we better move it out of BFL account
[10/10/2013 3:02:43 PM] Dave "The Knife" McClain: Ok
[10/10/2013 3:04:39 PM] Jeff (PR): what does everyone else think?
[10/10/2013 3:04:53 PM] Jeff (PR): you think it's safer in BFL or personal?
[10/10/2013 3:04:53 PM] Dave "The Knife" McClain: No they need our company's monthly financials.
[10/10/2013 3:05:05 PM] Jeff (PR): oh
[10/10/2013 3:05:33 PM] Nasser Ghoseiri: You want to retain Dwolla personal account?
[10/10/2013 3:05:42 PM] Jeff (PR): long enough to get the \$ out
[10/10/2013 3:05:59 PM] Jeff (PR): they only allow 10k per w/d out to a bank
[10/10/2013 3:06:19 PM] Nasser Ghoseiri: how much is there in total?
[10/10/2013 3:06:23 PM] Jeff (PR): there is \$37k in there now
[10/10/2013 3:06:37 PM] Jeff (PR): after dave just initiated one
[10/10/2013 3:06:50 PM] Jeff (PR): but i think the 10k has to clear before we can do another
[10/10/2013 3:07:06 PM] Jeff (PR): but if you transfer to a "customer" it's immediate
[10/10/2013 3:07:58 PM] Nasser Ghoseiri: technically as they're closing their relationship with us, then we should be able to ask them for a full wire? (It's like this in europe, no idea about there)
[10/10/2013 3:08:13 PM] Jeff (PR): should be
[10/10/2013 3:08:19 PM] Jeff (PR): but look at paypal
[10/10/2013 3:09:11 PM] Jeff (PR): they may determine that we need to keep some there for refunds or something
[10/10/2013 3:10:09 PM] Bruce Bourne: Hi Guys, I've been silent but watching this thread daily. I think if you look at the email from Dwolla you will see that until Oct 28 we are able to SEND funds, so Jeff unless you think they are going to freeze us (like PayPal) we should be fine. I don;t like the idea of transferring to personal accounts. Propose we make daily transfers to BFL bank account until we empty this Dwolla account.
[10/10/2013 3:11:45 PM] Nasser Ghoseiri: Hi Bruce, maybe that's not a bad idea as well, but if we can make sure they can't decide what they can do with our funds, the that'll be what I would prefer...
[10/10/2013 3:12:04 PM] Nasser Ghoseiri: Of course, we're talking only 37K\$
[10/10/2013 3:14:10 PM] Bruce Bourne: Understood that you want to keep it safe. It is just bad practice to move corporate funds into a personal account, even of an owner. You guys have hired me to help you professionalize your financial management practices... this is my advice - don;t commingle personal and business funds (or other activities). We can get evrything out of this account within a week even at \$10k per day.
[10/10/2013 3:15:40 PM] Nasser Ghoseiri: ok, we can send it to BFL account then
[10/10/2013 3:17:20 PM] Bruce Bourne: Thanks Nasser. Dave - you are going to need to indicate that the transfer to Jeff for accounting purposes is a loan, added to existing balance. Jeff - you will repay the loan by transferring the money to BFL bank account, okay?
[10/10/2013 3:17:36 PM] Jeff (PR): OK. No problem. I agree with that. I just don't want to get into a Paypa situation again.
[10/10/2013 3:17:48 PM] Jeff (PR): it was trasfered?
[10/10/2013 3:18:19 PM] Jeff (PR): transferred
[10/10/2013 3:18:29 PM] Jeff (PR): I was just talking about it.
[10/10/2013 3:18:31 PM] Bruce Bourne: I thought you said above Dave had initiated

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[11/6/2013 11:06:48 AM] Sonny: yeah
[11/6/2013 11:07:22 AM] Jeff (PR): good for hash trade
[11/6/2013 11:07:23 AM] Sonny: also... ASICminer published their financials today. Most people presume they're the big winners of the ASIC hardware game. They're not... not by a long shot.
[11/6/2013 11:07:45 AM] Nasser Ghoseiri: ?
[11/6/2013 11:08:18 AM] Sonny: And... ASICminer went conservative on their next generation just like Avalon did. They're both coming to market now with 40 & 55nm chips... Dead on arrival. :)
[11/6/2013 11:09:03 AM] Sonny: That leaves only us, hashfast & cointerra with top tier technology. Cointerra may not even make it to market.
[11/6/2013 11:09:13 AM] Sonny: HashFast is having big troubles.
[11/6/2013 11:09:17 AM] Sonny: That leaves Butterfly.
[11/6/2013 11:09:27 AM] Sonny: (in an ideal scenario)
[11/6/2013 11:09:38 AM] Nasser Ghoseiri: HashFast problem is only their packaging
[11/6/2013 11:09:58 AM] Josh Zerlan: Except, we don't even know if we've taped out yet :p
[11/6/2013 11:10:10 AM] Sonny: indeed
[11/6/2013 11:13:20 AM] Josh Zerlan: We need to consider posting a revised timeline at some point in the very near future. We will not be able to ship anything this year at this point.
[11/6/2013 11:13:47 AM] Jeff (PR): this is not good. again with this shit
[11/6/2013 11:13:55 AM] Jeff (PR): unreal
[11/6/2013 11:14:15 AM] Josh Zerlan: Jeff, I told you we would never make the unrealistic timeline we set out in the beginning, there was just no way it could happen.
[11/6/2013 11:14:49 AM] Nasser Ghoseiri: We still may be able to demonstrate before January
[11/6/2013 11:14:54 AM] Josh Zerlan: I thought we had planned on it?
[11/6/2013 11:15:02 AM] Josh Zerlan: Demonstrating is meaningless
[11/6/2013 11:15:06 AM] Josh Zerlan: For us
[11/6/2013 11:15:17 AM] Josh Zerlan: The only thing that matters is delivery. We can demonstrate all we want and no one will care.
[11/6/2013 11:16:29 AM] Nasser Ghoseiri: It's not as important as delivering, but it makes it clear to everyone that we will start shipping very soon
[11/6/2013 11:16:36 AM] Josh Zerlan: No it doesn't
[11/6/2013 11:16:39 AM] Nasser Ghoseiri: and makes sure they won't switch to anyone else should someone come out
[11/6/2013 11:16:44 AM] Josh Zerlan: We demonstrated our 65nm chip and didn't ship for 6 months
[11/6/2013 11:16:58 AM] Nasser Ghoseiri: we did ship, we didn't ship fast enough...
[11/6/2013 11:17:08 AM] Josh Zerlan: We have no faith or trust of the community. Nothing, nothing, nothing else matters except delivery.
[11/6/2013 11:17:49 AM] Nasser Ghoseiri: Delivery is the ultimate goal, and I don't think it'll happen before January
[11/6/2013 11:18:08 AM] Josh Zerlan: Right, so we need to post a revised timeline.
[11/6/2013 11:18:15 AM] Josh Zerlan: Lets be realistic about it this time, too.
[11/6/2013 11:18:31 AM] Nasser Ghoseiri: We need to wait for John before posting a timeline
[11/6/2013 11:18:47 AM] Josh Zerlan: Then take whatever he says and add two months.
[11/6/2013 11:18:54 AM] Nasser Ghoseiri: and he has been more silent than bricks in my wall the last few days
[11/6/2013 11:19:09 AM] Jeff (PR): wait for John? The guy doesn't say anything. ever
[11/6/2013 11:19:28 AM] Nasser Ghoseiri: We need to know when the process starts
[11/6/2013 11:19:29 AM] Josh Zerlan: Honestly, if we haven't even taped out at this point, I don't see us shipping a product until the very end of January at the earliest, more like middle of February.
[11/6/2013 11:20:19 AM] Nasser Ghoseiri: If we receive the chip before January
[11/6/2013 11:20:30 AM] Nasser Ghoseiri: then chances are very high that we'll be able to ship mid January
[11/6/2013 11:20:37 AM] Nasser Ghoseiri: unless there is a problem with the chip
[11/6/2013 11:20:46 AM] Nasser Ghoseiri: (which most likely will not be the case

anyway)

[11/6/2013 11:20:55 AM] Nasser Ghoseiri: but again, no word from john yet
[11/6/2013 11:21:24 AM] Jeff (PR): this guy is a pain. should have dumped him
[11/6/2013 11:21:51 AM] Josh Zerlan: Even if we get the chip before January, with the holiday in there, we won't get anything done on the part of vendors, etc... we won't have a product to ship until the end of January.
[11/6/2013 11:22:41 AM] Jeff (PR): another opportunity to seize the head spot and we're gonna fuck it up with this guy
[11/6/2013 11:23:11 AM] Nasser Ghoseiri: Parts will be purchased in advance
[11/6/2013 11:23:23 AM] Nasser Ghoseiri: there is uncertainty however
[11/6/2013 11:23:25 AM] Josh Zerlan: But will they be the right parts? We don't know
[11/6/2013 11:23:30 AM] Nasser Ghoseiri: yes they will be
[11/6/2013 11:23:35 AM] Sonny: The only component of the timeline that has changed is the tapeout. There is no reason to extrapolate that out to every other step in the process. Once we get confirmation that the foundry countdown has started, we'll be able to rationally calculate demo & shipping dates. When we do, we'll push that data out. Let's not get hysterical.
[11/6/2013 11:23:38 AM] Nasser Ghoseiri: I'll have the test board here in a few days from AJ
[11/6/2013 11:24:29 AM] Josh Zerlan: Sonny, remember we have the holidays in there. That will destroy any sort of shipping/work getting done/contacting people
[11/6/2013 11:24:41 AM] Josh Zerlan: The timeline was predicated on not hitting the holiday
[11/6/2013 11:24:50 AM] Nasser Ghoseiri: Now that we know about the holiday
[11/6/2013 11:24:53 AM] Nasser Ghoseiri: we must prepare for it
[11/6/2013 11:25:23 AM] Josh Zerlan: We have Christmas, New Years takes up basically all of the second half of December in terms of getting shit done.
[11/6/2013 11:25:35 AM] Nasser Ghoseiri: We need to know which staff will be present at the office
[11/6/2013 11:25:44 AM] Nasser Ghoseiri: we also need to arrange things in advance to ensure things will be done in time
[11/6/2013 11:26:25 AM] Nasser Ghoseiri: @Marc: You need to arrange things on production and assembly side
[11/6/2013 11:26:44 AM] Nasser Ghoseiri: now it's november, so it's a good time to plan stuff
[11/6/2013 11:30:33 AM] Sonny: OK, I just got an email from John Cheng... says he'll call me in a bit.
[11/6/2013 11:30:49 AM] Sonny: at the very least he hasn't run off with our money. :)
[11/6/2013 11:32:17 AM] Nasser Ghoseiri: Too early to say... where was he calling from? Canary Islands?
[11/6/2013 11:47:48 AM] Sonny: Jeff, Josh & I are all going to have our numbers fed to the call staff as soon as they get back from lunch. We'll get to hear the pitch and the accent quality.
[11/6/2013 11:49:13 AM] Sonny: Feedback is welcome for them to improve.
[11/6/2013 11:49:20 AM] Jody Drake: Tell them you have a problem with your order and see how they respond
[11/6/2013 11:49:51 AM] Nasser Ghoseiri: You mean they won't recognize your voice?
[11/6/2013 11:50:38 AM] Nasser Ghoseiri: Jason is a good candidate
[11/6/2013 11:50:45 AM] Nasser Ghoseiri: especially with his british accent
[11/6/2013 1:19:22 PM] Josh Zerlan: FFS is that our phone people calling me? If so, it's no wonder we have so many annoyed people. I want to beat the shit out of whoever is running that phone system.
[11/6/2013 1:19:40 PM] Sonny: what's FFS ?
[11/6/2013 1:19:42 PM] Josh Zerlan: 866-723-3108
[11/6/2013 1:19:46 PM] Josh Zerlan: For Fucks Sake
[11/6/2013 1:19:57 PM] Josh Zerlan: They have called no less than 25 times in the past 30 minutes.
[11/6/2013 1:21:56 PM] Sonny: Jeff, can you tell Odd to tune down their auto-redial?
[11/6/2013 1:22:29 PM] Josh Zerlan: Here they are again
[11/6/2013 1:22:42 PM] Sonny: so answer the phone
[11/6/2013 1:22:45 PM] Josh Zerlan: And again

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[11/12/2013 11:42:23 AM] Jeff (PR): this is all best case, assuming no more delays with them or anyone else

[11/12/2013 11:43:14 AM] Sonny: Best case would be a little faster, but not much. This is if everything goes as expected with reasonable norms in timing.

[11/12/2013 11:44:37 AM] Nasser Ghoseiri: I believe in any post we make

[11/12/2013 11:44:45 AM] Nasser Ghoseiri: it's best not to put ourselves in a weak position

[11/12/2013 11:44:59 AM] Nasser Ghoseiri: my only concern is a defect in the chip

[11/12/2013 11:45:04 AM] Nasser Ghoseiri: if that won't happen, we'll be ok

[11/12/2013 11:45:17 AM] Nasser Ghoseiri: the chance is not high, but still it may happen

[11/12/2013 11:45:23 AM] Nasser Ghoseiri: so whatever post we make

[11/12/2013 11:45:37 AM] Nasser Ghoseiri: it's best to somehow in a subtle way, leave a possibility for this

[11/12/2013 11:45:43 AM] Nasser Ghoseiri: any ideas how we can do that?

[11/12/2013 11:48:01 AM] Sonny: we have in our original terms of purchase... allowing for waiting til development is complete and the unknowns along the way.

[11/12/2013 12:10:47 PM] Sonny: From our order terms: "If you're uncomfortable waiting until the development is complete and the product is shipped, do NOT pre-order this product."

[11/12/2013 12:11:35 PM] Nasser Ghoseiri: yes i've seen it

[11/12/2013 12:59:18 PM] Josh Zerlan: We will not ship anything before February given the new timeline, it's impossible.

[11/12/2013 1:00:08 PM] Josh Zerlan: We need to start telling people they aren't going to see their products until March or later. There is no way we are going to make this soft or easy, we are going to take all sorts of shit and there's not a single thing that can be done about it.

[11/12/2013 1:00:29 PM] Sonny: Why not tell them next June?

[11/12/2013 1:00:32 PM] Josh Zerlan: We also need to offer refunds to those who want it at this point.

[11/12/2013 1:00:36 PM] Sonny: it's just as arbitrary as March

[11/12/2013 1:00:53 PM] Josh Zerlan: Well, I'm all for June actually

[11/12/2013 1:01:00 PM] Josh Zerlan: Then if we deliver in March, we look good.

[11/12/2013 1:01:19 PM] Josh Zerlan: Instead of giving them false promises for November when we didn't even tape out until November.

[11/12/2013 1:01:57 PM] Sonny: Clearly when we laid out that timeline, we fully expected tapeout sooner than November.

[11/12/2013 1:02:11 PM] Sonny: You, me - chronicle tech etc.

[11/12/2013 1:02:14 PM] Josh Zerlan: No, I knew we would not be taping out until late October at the earliest.

[11/12/2013 1:02:32 PM] Sonny: just like you know we won't ship before february.

[11/12/2013 1:02:39 PM] Josh Zerlan: I know we won't, yes, that's correct.

[11/12/2013 1:02:47 PM] Sonny: Both are guesses based on the pain of the past... not real data.

[11/12/2013 1:02:50 PM] Sonny: we have real data.

[11/12/2013 1:03:01 PM] Josh Zerlan: We have all the real data we need: John can't do anything on time, ever.

[11/12/2013 1:03:10 PM] Sonny: fair point

[11/12/2013 1:03:24 PM] Josh Zerlan: I said at the time we take what he tells us and double it

[11/12/2013 1:03:30 PM] Josh Zerlan: That would have put us right around November.

[11/12/2013 1:04:04 PM] Josh Zerlan: I realize marketing that might be problematic, but I'm not so sure we aren't taking more of a beating due to failed promises for delivery.

[11/12/2013 1:04:32 PM] Josh Zerlan: Once or twice, ok, people can live with that... but now it's just the way BFL is. We simply don't deliver when we say we will.

[11/12/2013 1:06:43 PM] Josh Zerlan: So what do we want to say publicaly?

[11/12/2013 1:08:47 PM] Josh Zerlan: Here's my thought, something like this:

[11/12/2013 1:09:58 PM] Josh Zerlan: Unfortunately, there has been a delay at the foundry. We are currently scheduled to get our first chips from the foundry around the 2nd of January, which pushes us out to the end of January at the very earliest for our first products to ship. As more information becomes available, I will continue to update.

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[11/12/2013 1:10:07 PM] Josh Zerlan: Alternately or additionally, I could go into technical details.

[11/12/2013 1:10:43 PM] Nasser Ghoseiri: Words

[11/12/2013 1:10:51 PM] Nasser Ghoseiri: "Unfortunately" is very negative

[11/12/2013 1:11:26 PM] Nasser Ghoseiri: We can announce that we've taped out on Friday

[11/12/2013 1:11:35 PM] Nasser Ghoseiri: and let everyone know how it goes

[11/12/2013 1:11:55 PM] Josh Zerlan: No, I don't think we should mention when we taped out. We were suppose to tape out in September. Telling them we taped out last week is suicide.

[11/12/2013 1:12:20 PM] Nasser Ghoseiri: Ok so we can say timeline from foundary was given to us officially

[11/12/2013 1:12:30 PM] Nasser Ghoseiri: and we'll have our hands on our silicon 2nd Jan

[11/12/2013 1:12:35 PM] Jeff (PR): and cointerra has a PR out about taping out last week

[11/12/2013 1:13:12 PM] Nasser Ghoseiri: What is the public expectation on our shipping?

[11/12/2013 1:13:20 PM] Nasser Ghoseiri: When do most people believe that we'll ship?

[11/12/2013 1:15:06 PM] Nasser Ghoseiri: josh?

[11/12/2013 1:15:41 PM] Josh Zerlan: In two weeks from now or so

[11/12/2013 1:15:56 PM] Josh Zerlan: I've managed that expectation to move to the end of December.

[11/12/2013 1:16:08 PM] Nasser Ghoseiri: ok it's not a disaster

[11/12/2013 1:16:20 PM] Nasser Ghoseiri: people are also desensitized regarding our delays

[11/12/2013 1:16:29 PM] Nasser Ghoseiri: difficulty won't skyrocket either

[11/12/2013 1:16:32 PM] Josh Zerlan: Depends on your definition... it's not radiation in the ocean and your fish, but it's not exactly a good thing.

[11/12/2013 1:16:48 PM] Josh Zerlan: This was our chance to rebuild our rep and that's gone now.

[11/12/2013 1:17:11 PM] Nasser Ghoseiri: If we really ship in January

[11/12/2013 1:17:16 PM] Josh Zerlan: We won't

[11/12/2013 1:17:19 PM] Nasser Ghoseiri: there will be no harm

[11/12/2013 1:17:22 PM] Josh Zerlan: I guarantee you we will not ship in January.

[11/12/2013 1:17:25 PM] Nasser Ghoseiri: that's up to us to make it happen

[11/12/2013 1:17:39 PM] Josh Zerlan: There is already harm in so far as we aren't shipping when we promised at the end of the month.

[11/12/2013 1:17:46 PM] Josh Zerlan: There is harm that we aren't shipping in December.

[11/12/2013 1:17:53 PM] Josh Zerlan: We are 3 months late and we haven't even started yet.

[11/12/2013 1:18:42 PM] Josh Zerlan: We can not tell people we are shipping in January, we simply can't. It's not going to happen and if by some miracle we manage to ship one or two units before January 31st, then all the better, we beat our latest estimate.

[11/12/2013 1:19:01 PM] Nasser Ghoseiri: I know it's far from optimal situation

[11/12/2013 1:19:03 PM] Nasser Ghoseiri: but this is our hand

[11/12/2013 1:19:12 PM] Nasser Ghoseiri: we have to play the best we can with it

[11/12/2013 1:19:22 PM] Josh Zerlan: Indeed, so lets play it properly this time and tell people a realistic timeline.

[11/12/2013 1:19:23 PM] Nasser Ghoseiri: We have a lot of units that don't hash

[11/12/2013 1:19:28 PM] Nasser Ghoseiri: fast enough

[11/12/2013 1:19:37 PM] Nasser Ghoseiri: maybe we can send one to each monarch client

[11/12/2013 1:19:52 PM] Nasser Ghoseiri: as a gesture

[11/12/2013 1:19:56 PM] Nasser Ghoseiri: the hashing power isn't much

[11/12/2013 1:19:57 PM] Josh Zerlan: Nobody is going to want those at that point, they will cost more to run than they generate.

[11/12/2013 1:20:05 PM] Josh Zerlan: Take up too much space, too noisy

[11/12/2013 1:20:27 PM] Nasser Ghoseiri: has anyone complained about our timeline?

[11/12/2013 1:20:30 PM] Josh Zerlan: The only thing people will accept by way of

appeasment is more hashing power

[11/12/2013 1:20:42 PM] Josh Zerlan: Yes, everyone complains about our timeline.

[11/12/2013 1:20:52 PM] Josh Zerlan: I mean that quite literally, everyone.

[11/12/2013 1:21:19 PM] Nasser Ghoseiri: ok these are the problems we have

[11/12/2013 1:21:22 PM] Nasser Ghoseiri: what is the solution?

[11/12/2013 1:21:47 PM] Josh Zerlan: There is no solution, beyond just telling people they aren't going to get their miner until February at the earliest and probably March.

[11/12/2013 1:22:13 PM] Josh Zerlan: And offering refunds

[11/12/2013 1:22:59 PM] Nasser Ghoseiri: as it is mentioned in the contract, we're not obliged to give refunds, as it's clearly stated that there are possibility of delays

[11/12/2013 1:23:11 PM] Josh Zerlan: Yes I know we aren't required, but it's the right thing to do

[11/12/2013 1:23:17 PM] Nasser Ghoseiri: at this point if we offer refund, people will take advantage of that

[11/12/2013 1:23:54 PM] Nasser Ghoseiri: if pressure started building

[11/12/2013 1:23:59 PM] Jeff (PR): we can't offer refunds.

[11/12/2013 1:24:00 PM] Nasser Ghoseiri: we'll consider that

[11/12/2013 1:24:05 PM] Nasser Ghoseiri: otherwise, I see no reason

[11/12/2013 1:24:12 PM] Jeff (PR): not unless PP releases a bunch of cash

[11/12/2013 1:24:27 PM] Josh Zerlan: We can't promise people November and not ship until February and not offer refunds. We didn't take PP for Monarch

[11/12/2013 1:24:35 PM] Josh Zerlan: We refund BTC

[11/12/2013 1:25:27 PM] Josh Zerlan: We can even refund it at the current rate for USD I suppose.

[11/12/2013 1:25:35 PM] Jeff (PR): no way

[11/12/2013 1:25:43 PM] Josh Zerlan: Why? We come out ahead.

[11/12/2013 1:25:45 PM] Jeff (PR): let's just close the office

[11/12/2013 1:26:06 PM] Jeff (PR): oh thought you meant sending them the equivalent

[11/12/2013 1:26:24 PM] Josh Zerlan: No, send them back the same USD value in BTC

[11/12/2013 1:26:36 PM] Jeff (PR): our policy has always been to send them the current rate

[11/12/2013 1:26:45 PM] Nasser Ghoseiri: jeff

[11/12/2013 1:26:55 PM] Nasser Ghoseiri: what legal actions can they take if we're late?

[11/12/2013 1:26:59 PM] Nasser Ghoseiri: for maybe a month or so

[11/12/2013 1:26:59 PM] Nasser Ghoseiri: ?

[11/12/2013 1:27:07 PM] Nasser Ghoseiri: " However, this is our second generation, so we have much greater clarity on the process and we feel our timeline to begin shipments towards the end of the year is solid."

[11/12/2013 1:27:39 PM] Josh Zerlan: Nasser, we were suppose to ship this month, we are going to be 3 months late. 1 month would be fine.

[11/12/2013 1:28:35 PM] Nasser Ghoseiri: where is it stated november or december?

[11/12/2013 1:28:40 PM] Nasser Ghoseiri: I can't find the term...

[11/12/2013 1:29:15 PM] Josh Zerlan: We changed it after Greg and company made the huge order. It originally said (and people purchased on) the November/December delivery schedule.

[11/12/2013 1:29:28 PM] Nasser Ghoseiri: ok

[11/12/2013 1:29:35 PM] Nasser Ghoseiri: how many units were ordered

[11/12/2013 1:29:38 PM] Nasser Ghoseiri: before we changed the term?

[11/12/2013 1:30:36 PM] Josh Zerlan: Jeff can probably answer that

[11/12/2013 1:30:42 PM] Nasser Ghoseiri: Jeff?

[11/12/2013 1:32:18 PM] Jeff (PR): i'll have to dig.

[11/12/2013 1:33:12 PM] Nasser Ghoseiri: ok

[11/12/2013 2:05:15 PM] Sonny: We never EVER promised we would deliver in November. If that's a meme that's established itself in the blogosphere, that doesn't make it so. We gave a range. Late november was the earliest possible in the range. That very clearly is not promising we'll deliver in November. Let's be clear about that.

[11/12/2013 2:05:58 PM] Sonny: 'End of year' was the statement of record.

[11/12/2013 2:07:08 PM] Sonny: Range = (November / December range... expect end of year)

[11/12/2013 2:13:18 PM] Jeff (PR): <http://www.butterflylabs.com/monarch>

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[11/12/2013 2:13:34 PM] Jeff (PR): here is what we put in after a few days of orders
[11/12/2013 2:13:49 PM] Jeff (PR): once we saw HashTrade come in with the large order we pushed out bulk sales
[11/12/2013 2:14:20 PM] Jeff (PR): technically, we will only have to explain ourselves to institutional
[11/12/2013 2:25:01 PM] Sonny: and that's no joke because that contract isn't fully in place... only a deposit has been placed. This gives them the opportunity to request changes.
[11/12/2013 2:25:27 PM] Sonny: Over half of our Monarch customers are already expecting Jan / Feb delivery.
[11/12/2013 2:25:43 PM] Jeff (PR): more probably
[11/12/2013 2:25:58 PM] Sonny: all the mining by the GH customers are too.
[11/12/2013 2:26:18 PM] Dave "The Knife" McClain: I do have a report from Paul that have Monarch orders broken down by date sold.
[11/12/2013 2:27:22 PM] Jeff (PR): monarch 300 page only have jan/feb
[11/12/2013 2:27:23 PM] Jeff (PR): <http://www.butterflyabs.com/monarch300>
[11/12/2013 2:27:28 PM] Jeff (PR): has
[11/12/2013 2:29:47 PM] Dave "The Knife" McClain: I shared it with Jeff and Sonny
[11/12/2013 2:29:52 PM] Jeff (PR): although this is in magento
[11/12/2013 2:29:53 PM] Jeff (PR):
<https://products.butterflyabs.com/1-gh-cloud-hosted-bitcoin-hashing-power.html>
[11/12/2013 2:30:05 PM] Jeff (PR): owever, this is our second generation, so we have much greater clarity on the process and we feel our timeline to launch towards the end of the year is solid.
[11/12/2013 2:30:45 PM] Jeff (PR): but:
[11/12/2013 2:30:46 PM] Jeff (PR): Hosting contract equipment comes from our bulk production of Monarch cards so contracts will begin to be served in the January / February 2014 time frame.
[11/12/2013 2:35:37 PM] Jeff (PR): we're not that bad off
[11/12/2013 2:35:43 PM] Jeff (PR): for most customers
[11/12/2013 2:36:24 PM] Sonny: From a technical point of view, we're ok. But as Josh points out... from a PR perspective... we're going to get a black eye.
[11/12/2013 2:36:49 PM] Sonny: Potentially unrecoverable.
[11/12/2013 2:44:21 PM] Sonny: For a company who's significant value is brand and industry reach... this is costly.
[11/12/2013 2:44:56 PM] Josh Zerlan: We can avoid it in the future by not promising "if everything goes perfect" timelines, because everything never goes perfect.
[11/12/2013 2:45:07 PM] Nasser Ghoseiri: I must clarify one thing
[11/12/2013 2:45:16 PM] Nasser Ghoseiri: we're operating on a pre-order basis
[11/12/2013 2:45:23 PM] Nasser Ghoseiri: we sell products which are under development
[11/12/2013 2:45:30 PM] Nasser Ghoseiri: having no delay is nearly impossible
[11/12/2013 2:45:44 PM] Nasser Ghoseiri: not only in our particular industry
[11/12/2013 2:45:49 PM] Nasser Ghoseiri: look at microsoft, intel, amd
[11/12/2013 2:46:13 PM] Nasser Ghoseiri: so we must make it clear to everyone so they can be clear on their expectation
[11/12/2013 2:46:23 PM] Josh Zerlan: I'm not arguing the technical side. I can work the technical side of this all day long with my eyes closed. The PR side of it, though, is something else entirely. It doesn't matter what's technically right or legally right...
[11/12/2013 2:47:10 PM] Nasser Ghoseiri: well we must based our PR around this fact
[11/12/2013 2:47:21 PM] Nasser Ghoseiri: which is what you said "If everything goes perfectly ok"
[11/12/2013 2:47:27 PM] Josh Zerlan: You can't base your PR around that fact.
[11/12/2013 2:47:31 PM] Josh Zerlan: PR is perception, not facts.
[11/12/2013 2:47:50 PM] Jeff (PR): you have to base it on worst case from now on. but then we don't get customers in this industry
[11/12/2013 2:47:58 PM] Josh Zerlan: The perception is we were to deliver in November or at the latest December.
[11/12/2013 2:48:12 PM] Nasser Ghoseiri: @Jeff: The problem is identifying the worst case
[11/12/2013 2:48:14 PM] Josh Zerlan: Jeff has it right... it's a rock and a hard place

production status.

[11/19/2013 5:15:23 PM] Nasser Ghoseiri: I think it kinda can. Trolls will fill all the internet with "BFL Fucked us again" etc

[11/19/2013 5:15:34 PM] Nasser Ghoseiri: we have to act as it's normal

[11/19/2013 5:15:36 PM] Nasser Ghoseiri: and predicted

[11/19/2013 5:15:51 PM] Nasser Ghoseiri: rather than "oops, We think there is a delay"

[11/19/2013 5:16:03 PM] Jeff (PR): do we know how many customers are supposed to get a card in Dec. ?

[11/19/2013 5:16:09 PM] Jeff (PR): besides Greg

[11/19/2013 5:17:15 PM] Sonny: nobody was guaranteed, it's not that sort of a situation. The expectations were we'd start shipping 'end of year'. Now the expectation is that we'll start shipping in January.

[11/19/2013 5:18:15 PM] Jody Drake: Do customers know whether they were expecting Dec? Seemed like it was vague enough to say, "Yeah, you weren't in the first group."

[11/19/2013 5:18:25 PM] Jeff (PR): is it possible we will get 1-2 units in Dec. ?

[11/19/2013 5:18:53 PM] Sonny: impossible because we won't have any chips from the foundry until January now.

[11/19/2013 5:19:17 PM] Nasser Ghoseiri: assuming they have no additional delay due to new year

[11/19/2013 5:20:43 PM] Dave "The Knife" McClain: I think it's important that once the post is written that I can have it before it's posted. So that I can send it to my institutional customers.

[11/19/2013 5:21:32 PM] Dave "The Knife" McClain: Much like how Greg had to find out that HashFast was going to be late via the forums.

[11/19/2013 5:34:09 PM] Bruce Bourne: Dave is right on that; we need to advise significant customers slightly in advance, and preferably personally if we can reach out to only a handful by phone. As for messaging, look back at what we've said before about timing and to the extent we gave ranges or used "about" or "approximately" we can use that to our advantage. Nasser is right - the more we can act like this is not inconsistent with expectations we will be better off.

[11/19/2013 5:38:45 PM] Jeff (PR): can we post something from global or from john about the delay?

[11/19/2013 5:38:57 PM] Jeff (PR): pass the buck a little

[11/19/2013 5:41:37 PM] Nasser Ghoseiri: We can say that our expectation of foundry to process our cheap earlier than their usual schedule was not met

[11/19/2013 5:41:50 PM] Nasser Ghoseiri: and they're processing it with their normal timeline

[11/19/2013 5:42:02 PM] Nasser Ghoseiri: so we expect to receive chips from them at <Date>

[11/19/2013 5:42:15 PM] Nasser Ghoseiri: *our chip earlier than usual

[11/19/2013 5:49:51 PM] Bruce Bourne: I wondered about something from them, Jeff, but the only concern would be are we opening them up to getting attacked by the customer base and that only distracting from them getting our work done? On the flip side, maybe that would prevent them from causing us similar problems again in the future.

[11/19/2013 8:57:37 PM] Jody Drake: We shipped 890 today

[11/19/2013 8:58:24 PM] Sonny: :)

[11/19/2013 8:58:26 PM] Bruce Bourne: Wow, that's a pretty good day. Mostly Jalapenos?

[11/19/2013 9:00:58 PM] Nasser Ghoseiri: very good

[11/19/2013 9:01:03 PM] Nasser Ghoseiri: btw AJ is changing all the bad boards

[11/19/2013 9:01:16 PM] Nasser Ghoseiri: he'll send like 10 to test, before we change all

[11/19/2013 9:01:33 PM] Jody Drake: A lot of Jalapenos, but tomorrow we start with a load of cases for the Singles

[11/19/2013 9:01:44 PM] Jody Drake: already delivered this evening

[11/19/2013 9:02:10 PM] Nasser Ghoseiri: what was delivered this evening? The test boards?

[11/19/2013 9:02:34 PM] Jody Drake: the cases we were waiting on today

[11/19/2013 9:02:41 PM] Nasser Ghoseiri: ah ok

[11/19/2013 9:02:51 PM] Marc Goodpasture: We have been out since Friday

[11/19/2013 9:03:07 PM] Marc Goodpasture: To build singles.

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[11/19/2013 9:03:40 PM] Nasser Ghoseiri: @Marc: Contact AJ regarding test boards. When they arrive, you need to test them to see if the problem was solved. Don't mistake them for normal units for shipping

[11/19/2013 9:04:48 PM] Marc Goodpasture: Yes, I will have them tested. How about changing the bad component from China?

[11/19/2013 9:05:13 PM] Nasser Ghoseiri: if this resistor change fixes the issue

[11/19/2013 9:05:27 PM] Nasser Ghoseiri: we can ignore the chinese issue (if it exists at all, and not just a theory)

[11/19/2013 9:05:36 PM] Nasser Ghoseiri: either way, we fixed 1 unit like this with the resistor replacement

[11/20/2013 10:31:45 AM] Dave "The Knife" McClain: We received the FedEx number to ship the machines to CapOne

[11/20/2013 10:32:27 AM] Dave "The Knife" McClain: The plan is to ship two pallets of 6 machines, shrink wrapped, strapped down, etc.

[11/20/2013 1:41:36 PM] Dave "The Knife" McClain: Thomas Van Ripper responded politely with a signed Release Waiver. His check will go out today.

[11/20/2013 1:54:31 PM] Dave "The Knife" McClain: I had Jody push the second order for the customer that filed the lawsuit ahead. It will go out today. It's about 10 days early but I thought the sooner we can show it shipped, the better.

[11/20/2013 1:56:20 PM] Nasser Ghoseiri: Thomas had asked for refund?

[11/20/2013 1:57:22 PM] Dave "The Knife" McClain: yes

[11/20/2013 1:59:08 PM] Dave "The Knife" McClain: We were late with his chip delivery because we missed his notice that he had paid for the last 50% of his order.

[11/20/2013 1:59:29 PM] Nasser Ghoseiri: ouch

[11/20/2013 2:59:33 PM] Josh Zerlan: We seem to have missed a number of people on the chip delivery.

[11/20/2013 2:59:37 PM] Sonny: had he paid in bitcoin for the 2nd half payment?

[11/20/2013 3:06:33 PM] Dave "The Knife" McClain: I just talked to Jonathon about it and we went down through his tracking spreadsheet. He has a number of orders waiting for the 2nd half payment. He went and searched to see if payment had been made and none had.

[11/20/2013 3:06:55 PM] Dave "The Knife" McClain: Josh if you have other information, please let me know so that we can act on it.

[11/20/2013 3:07:32 PM] Josh Zerlan: I just know a couple people have complained about it on the forums is all, I have no more information than that.

[11/20/2013 3:12:08 PM] Nasser Ghoseiri:
Re: YES, you can get a REFUND from BFL
Today at 05:15:12 AM
Reply with quote #582
After 8 weeks of no response from BFL to Amex and my refusing shipments of 11 singles I am happy to say that the chargeback process is complete and I am finally rid of BFL after 8 long months. Good riddance!

[11/20/2013 3:12:23 PM] Nasser Ghoseiri: Who has some info about this?

[11/20/2013 3:14:02 PM] Dave "The Knife" McClain: without an order number or name, it's hard to know.

[11/20/2013 3:14:28 PM] Nasser Ghoseiri: have we refunded 11 singles?

[11/20/2013 3:14:34 PM] Nasser Ghoseiri: that should be easy to track

[11/20/2013 3:14:46 PM] Nasser Ghoseiri: this was posted today

[11/20/2013 3:14:57 PM] Nasser Ghoseiri: so if we haven't heard from it, then we should be hearing from AMEX soon?

[11/20/2013 3:17:30 PM] Sonny: This sounds like a chargeback scenario where it took time for him to convince his credit card company to give him money... and they finally did.

[11/20/2013 3:18:11 PM] Sonny: So that will be a charge against our PayPal account and has likely already been given up by PayPal without our involvement.

[11/20/2013 3:19:37 PM] Nasser Ghoseiri: i see

[11/20/2013 3:19:40 PM] Nasser Ghoseiri: we need to know who it is then

[11/20/2013 3:19:52 PM] Nasser Ghoseiri: otherwise we may ship him the units ?

[11/20/2013 3:22:55 PM] Nasser Ghoseiri: I must mention that many people cancel with us, to buy units from ebay

[11/20/2013 3:23:02 PM] Nasser Ghoseiri: a mini-rig on ebay is like 11,000\$

[11/20/2013 3:23:04 PM] Sonny: This is part of the tension we experienced with

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[11/26/2013 11:03:32 AM] Josh Zerlan: Not at 1w/GH for our stuff... even if he's 30% more efficient than that, we're on par.

[11/26/2013 11:03:35 AM] Sonny: KNC was forced into it because their 28nm is a hard copy and not competitive with everyone else's 28nm. This is a win for us.

[11/26/2013 11:03:59 AM] Josh Zerlan: But it is competitive, that's the point. Efficiency doesn't matter at the moment.

[11/26/2013 11:04:04 AM] Josh Zerlan: Maybe that will change as you say

[11/26/2013 11:04:13 AM] Josh Zerlan: Maybe bitcoin will be \$1500

[11/26/2013 11:04:14 AM] Sonny: Josh, their 20nm won't be ready til summer.

[11/26/2013 11:04:26 AM] Sonny: Our 28nm will be ready much earlier than that.

[11/26/2013 11:04:28 AM] Sonny: We win.

[11/26/2013 11:04:42 AM] Sonny: 20nm is no competitive advantage.

[11/26/2013 11:04:55 AM] Sonny: it's similar performance much later

[11/26/2013 11:05:00 AM] Josh Zerlan: Well, if it's not released till summer, then ok, great

[11/26/2013 11:05:09 AM] Josh Zerlan: Where'd you see that release date?

[11/26/2013 11:05:33 AM] Sonny: In their press releases. Late spring / early summer.

[11/26/2013 11:06:04 AM] Jeff (PR): if we can get 16 out by then, it would be a win

[11/26/2013 11:06:30 AM] Josh Zerlan: Early fall at best for 16nm

[11/26/2013 11:07:05 AM] Josh Zerlan: I just looked at their press release. It's "End of Winter/Early Spring"

[11/26/2013 11:07:12 AM] Sonny: I get the pessimism, but it's impossible to have a productive discussion when you just assume the worst for us and the best for everyone else.

[11/26/2013 11:07:13 AM] Josh Zerlan: So... March

[11/26/2013 11:07:28 AM] Josh Zerlan: We won't ship until mid February or early March... so that's kind of a problem.

[11/26/2013 11:07:47 AM] Josh Zerlan: It's not pessimism, it's realism.

[11/26/2013 11:08:00 AM] Josh Zerlan: We have to be real about what John can and can't do and what the competition can and can't do.

[11/26/2013 11:08:22 AM] Josh Zerlan: We can't continue to be overly optimistic about our products and then get kicked in the nuts over and over. We need to assess the reality of the situation.

[11/26/2013 11:09:20 AM] Sonny: OK, the reality is that 20nm is only 15% better than 28nm. Their announcement is no game changer of any kind. It's freakin' great news for us.

[11/26/2013 11:09:42 AM] Josh Zerlan: Not if they ship in March, it's a huge advantage

[11/26/2013 11:10:00 AM] Sonny: I was expected them to take their war chest and make a really big splash with 16nm or Intel 14nm. All they did was fix their 28nm performance problem.

[11/26/2013 11:10:01 AM] Josh Zerlan: They have the credibility for shipping on time. They obviously have the manufacturing capacity, and they will have the better product.

[11/26/2013 11:10:20 AM] Sonny: OK, you win.

[11/26/2013 11:10:33 AM] Sonny: I'm gonna go get a job at McDonalds.

[11/26/2013 11:11:22 AM] Josh Zerlan: That doesn't even make sense. What I'm saying is that we stop trying to make the most efficient miner possible and consequently being the last to deliver and start making stuff we can get out the door in a reasonable time frame.

[11/26/2013 11:12:16 AM] Sonny: That strategy has been the winning strategy all the way through. No question about it. ASICminer / Avalon / KNC.

[11/26/2013 11:13:54 AM] Sonny: We haven't invested in that strategy along the way, but we can't change that by wishing. The IP we have is not borne of that effort. It's hand routed custom. We can't change that.

[11/26/2013 11:14:35 AM] Sonny: Furthermore, now that we're at the end of the node jumping game, it's that very efficiency which becomes a competitive advantage.

[11/26/2013 11:15:07 AM] Sonny: Queue the John sucks comments...

[11/26/2013 11:15:10 AM] Sonny: I get it.

[11/26/2013 11:15:19 AM] Josh Zerlan: We still haven't even taped out 28nm, though. We still have 16 and then by the time that's out, we're looking at 12 or 10.

[11/26/2013 11:15:47 AM] Josh Zerlan: Efficiency won't matter for another couple

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[12/13/2013 12:32:47 PM] Nasser Ghoseiri: I heard their next node will be Onm
[12/13/2013 12:33:05 PM] Jody Drake: Nasser, is that a joke?
[12/13/2013 12:33:08 PM] Jeff (PR): ha
[12/13/2013 12:33:19 PM] Sonny: So if they just open up their fab to everyone it's a whole new business model and lots of trouble. They're not geared up for it in spite of having taken a few steps in that direction.
[12/13/2013 12:33:37 PM] Nasser Ghoseiri: yes, it's a joke
[12/13/2013 12:33:59 PM] Jason Aspinall: Imao @Onm
[12/13/2013 2:07:48 PM] Marc Goodpasture: OK. We are burning our first batch of the 3 chip jalapenos. About 20% are burning at 10gh/s up to 13gh/s. Do we want to offer the habanero at 10+ gh/s?
[12/13/2013 2:08:48 PM] Jeff (PR): these are small boards? still back ordered?
[12/13/2013 2:09:30 PM] Marc Goodpasture: Yes but not many left.
[12/13/2013 2:10:42 PM] Jeff (PR): how many will we have to sell?
[12/13/2013 2:11:05 PM] Marc Goodpasture: 400-600 I would guess.
[12/13/2013 2:11:14 PM] Jeff (PR): by when?
[12/13/2013 2:11:48 PM] Marc Goodpasture: Starting now until the end of the month. But mostly next week.
[12/13/2013 2:12:03 PM] Jeff (PR): we can start shipping them next week?
[12/13/2013 2:12:23 PM] Marc Goodpasture: Yes. Even some today.
[12/13/2013 2:12:38 PM] Jeff (PR): does it cost more than the 5 GH to make?
[12/13/2013 2:12:39 PM] Marc Goodpasture: I have about 20.
[12/13/2013 2:13:20 PM] Marc Goodpasture: \$12 more for the 3rd chip. But they are the "C" chips we would have had a lot left over anyway.
[12/13/2013 2:13:45 PM] Jeff (PR): so if we sold these 2x power for same price as 5 GH, it would be ok
[12/13/2013 2:14:04 PM] Jeff (PR): in terms of cost vs. retail
[12/13/2013 2:15:31 PM] Marc Goodpasture: Sure. I just thought it a market opportunity.
[12/13/2013 2:16:21 PM] Marc Goodpasture: While supplies last. Needs to be said.
[12/13/2013 2:16:25 PM] Jeff (PR): yep
[12/13/2013 2:16:46 PM] Jeff (PR): let me kick this around
[12/13/2013 2:17:05 PM] Jeff (PR): any more info on long boards?
[12/13/2013 2:17:41 PM] Marc Goodpasture: AJ said they started them today. That's all I have at the moment.
[12/13/2013 2:17:46 PM] Jeff (PR): ok
[12/13/2013 2:18:02 PM] Jeff (PR): are we done selling 5 GH jalapenos now?
[12/13/2013 2:18:07 PM] Jeff (PR): forever
[12/13/2013 2:18:19 PM] Jeff (PR): once backlog is gone will it all be 10GH?
[12/13/2013 2:20:39 PM] Marc Goodpasture: We should finish the 5's and 7's backlog on Tuesday with what is currently in process.
[12/13/2013 2:21:43 PM] Marc Goodpasture: After that, We will still have about 2K more we can build and about 20% of those might be 10+gh/s.
[12/13/2013 2:22:11 PM] Marc Goodpasture: Just my guess. I need more time to tell.
[12/13/2013 2:22:22 PM] Jeff (PR): so we will have more inventory of 5 GH we have to get rid of?
[12/13/2013 2:23:11 PM] Marc Goodpasture: But mostly 7's+. Not many 5's with the 3 chips.
[12/13/2013 2:24:03 PM] Jeff (PR): ok
[12/13/2013 2:24:21 PM] Jeff (PR): if i start taking orders for these now, we can fulfill them quickly next week?
[12/13/2013 2:28:44 PM] Marc Goodpasture: Now I am getting a different story on how many there are. It might not be 20%. Let me see on Monday's batch. I do have 20 or so that can ship now.
[12/13/2013 10:24:48 PM] Josh Zerlan: We are really taking a beating over the "shipping immediately" thing and not actually shipping within a reasonable time frame. Mostly over the jalapeno's. Why did we advertise them as being available immediately?
[12/14/2013 6:26:58 AM] Jody Drake: we stopped selling the Jalapenos, but Marc doesn't get enough boards to ship anything immediately.
[12/14/2013 6:41:13 AM] Jody Drake: Should change to "shipping from stock"
[12/14/2013 6:42:30 AM] Sonny: The jalapenos were pulled from the product offerings the first day we used the term 'shipping immediately'.

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[12/14/2013 6:44:10 AM] Sonny: Some were sold with that title and criticism of that is justified. At the time we expected the rate of boards coming from Chicago would continue and the wait would be insignificant. Once we confirmed this was a problem, we pulled the product from the site.

[12/14/2013 6:45:15 AM] Sonny: Josh, also keep in mind that many customers send a/c or bankwire which takes several days to arrive, then a day or two to process into our system as we match bank records with client purchases. Then they can ship (and do) very quickly.

[12/14/2013 6:46:11 AM] Jody Drake: For Jalapenos, boards are not the only problem. A&E has consistently under delivered because they don't get enough cases from the anodizer

[12/14/2013 10:09:06 AM] Jody Drake: Our numbers for Jalapenos before was an estimate. I have now completed an audit of actual orders in the shipping lobby to ship.

We have 1683 ordered before Nov 25 to fulfill and 860 more between Nov 25 and Nov 29 when we stopped the Jal orders.

A&E never delivered yesterday, so we won't get more Jalapenos until about noon on Monday.

The most they ever ship us in a day is 480 and most of the time they can't make that (even though they say they can make 1,000 a day)

So I would not plan any announcement for Tuesday

We're givin' it all we can Cap'n but we ain't gonna make it in time.

[12/14/2013 10:11:43 AM] Jeff (PR): does A&E have a contract that they are not fulfilling?

[12/14/2013 10:14:34 AM] Jason Aspinall: From what I've read so far in this conversation, A&E need to change their anodisers...

[12/14/2013 10:14:37 AM] Marc Goodpasture: No. We had added to the number they need to supply several times due to continuing sales.

[12/14/2013 10:16:10 AM] Marc Goodpasture: They had 3 but one quit on them. Just last week they came back on line. They are having to ship items to Ohio to be anodized due to our volume and time constraints.

[12/14/2013 10:17:43 AM] Jody Drake: We have 171 Singles on order now waiting for production

[12/14/2013 10:19:28 AM] Marc Goodpasture: That's more than we had left before shipping yesterday so we got further behind.

[12/14/2013 10:19:33 AM] Jody Drake: About 100 Little Singles

[12/14/2013 10:19:39 AM] Jody Drake: Yes more orders came in

[12/14/2013 10:20:34 AM] Marc Goodpasture: Hard to plan anything when you don't have any visibility of new orders. All we see is a neverending backlog.

[12/14/2013 10:21:15 AM] Jody Drake: No matter how many we ship., we still have that many to ship.

[12/14/2013 10:21:35 AM] Jody Drake: Only Jalapenos and MiniRigs decrease in numbers because we don't take new orders

[12/14/2013 10:22:00 AM] Jody Drake: 7 or 8 more shipping days until Christmas

[12/14/2013 10:24:32 AM] Jeff (PR): the orders and sales are all in the system. I'll see about sending an emailed report of daily sales of each item to everyone

[12/14/2013 11:01:02 AM] Jason Aspinall: Obviously I'll be going over production numbers in greater detail when I'm over in early Jan, but can I have the total shipped figures for each of the products to date please?

[12/14/2013 11:01:54 AM] Jason Aspinall: Certain design decisions were based on anticipated sales, knowing quite how they panned out over the last six months will be certainly useful for future product design decisions

[12/14/2013 11:10:50 AM] Jody Drake: We also need to produce and warehouse a number of each units for RMA over the next year. We have RMAed about 1,000 units so far and about 20-30 units go out everyday now for replacement.

[12/14/2013 11:11:12 AM] Nasser Ghoseiri: @jody, what was the common failure?

[12/14/2013 11:11:27 AM] Jody Drake: Let me look

[12/14/2013 11:13:59 AM] Jody Drake: overheating, slow hashing, not recognized, burnt board. Jonathon or Paul can give you a more comprehensive idea.

[12/14/2013 11:14:38 AM] Nasser Ghoseiri: I see

[12/14/2013 11:15:43 AM] Dave "The Knife" McClain: There are so many that the boxes are just stacking up. No one has time to go through each box to determine if there is an RMA issue or just user error.

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should be fairly easy

[12/22/2013 8:22:39 AM] Jody Drake: Did you read? We have the units but they are running 10-12 gh

[12/22/2013 8:24:10 AM] Marc Goodpasture: We have about 300 10gh/s and 450 11-12gh/s

[12/22/2013 8:24:31 AM] Jody Drake: No more from A&E until after the New Year

[12/22/2013 8:24:33 AM] Josh Zerlan: Yes, I read that.. I'm asking why is it proving impossible to get regular Jalapenos?

[12/22/2013 8:24:44 AM] Jody Drake: A&E is off

[12/22/2013 8:24:44 AM] Josh Zerlan: Why are we even making Habaneros if we still have Jalapenos to ship?

[12/22/2013 8:24:57 AM] Josh Zerlan: We have people, yeah?

[12/22/2013 8:25:08 AM] Jody Drake: Cases

[12/22/2013 8:26:43 AM] Marc Goodpasture: We had 500-600 jalapenos that didn't make 4.5gh. When I found out the Chicago had been mixing the "B" and "C" chips I asked them to add an extra "C" chip to each board so we wouldn't have any more hashing below 5gh/s.

[12/22/2013 8:29:33 AM] Marc Goodpasture: Previous to my trip to CA I was being told there were only "A" and "B" chips. When Chicago admitted they had just been mixing "B" and "C" together, I asked that they quit so we could get some consistency. Apparently they decided to make sure. Now we don't get much that isn't 10 or more.

[12/22/2013 9:42:28 AM] Jody Drake: I got 6 clipboards for inventory

[12/22/2013 9:48:27 AM] Jeff (PR): So we don't list jabaneros for sale yet?

[12/22/2013 9:48:49 AM] Jeff (PR): I have to take singles down and that will leave us with rack mount only.

[12/22/2013 9:51:58 AM] Marc Goodpasture: I would put jalapenos and habaneros on and state January delivery.

[12/22/2013 9:53:10 AM] Jeff (PR): january 1 ?

[12/22/2013 9:53:47 AM] Marc Goodpasture: No date. Just January.

[12/22/2013 9:56:16 AM] Jeff (PR): we can't do that.

[12/22/2013 9:57:35 AM] Marc Goodpasture: We have the habaneros now but won't have more jalapenos until January.

[12/22/2013 9:57:59 AM] Jeff (PR): january has 31 days

[12/22/2013 9:58:05 AM] Jeff (PR): that's quite a spread

[12/23/2013 4:34:03 AM] Sonny: Guys, I'm thinking we should consider refunding all the jalapenos that were sold on black friday... while still delivering the units.

[12/23/2013 4:35:03 AM] Sonny: They bought them with the expectation they were going to get them right away. Even with the time it takes to track & process their bankwires etc... we're still delivering beyond their reasonable expectation.

[12/23/2013 4:35:15 AM] Jody Drake: We will be delivering 10's and 12's to p\Jalapeno purchasers today

[12/23/2013 4:35:31 AM] Sonny: yeah, but today is almost a month after they purchased.

[12/23/2013 4:35:47 AM] Sonny: How many of them are ther that bought on black friday?

[12/23/2013 4:36:14 AM] Jody Drake: We aren't even to the Black Friday orders yet

[12/23/2013 4:36:23 AM] Jason Aspinall: Ouch

[12/23/2013 4:36:43 AM] Jody Drake: We still have about 500 total including Black Friday to ship

[12/23/2013 4:36:46 AM] Sonny: right, but the people who bought before black friday didn't buy with the expectation of immediate delivery.

[12/23/2013 4:36:55 AM] Sonny: So how many bought on black friday alone?

[12/23/2013 4:43:02 AM] Jody Drake: Arounf 280. we did ship Eric Pilnocks order of 30 Jalapenos

[12/23/2013 4:43:43 AM] Jody Drake: 4 Jal running at 12 is about a Single

[12/23/2013 4:44:03 AM] Jody Drake: So they will get substanstial value even if they waited

[12/23/2013 4:44:41 AM] Jody Drake: Why not refund te ones who ask?

[12/23/2013 4:45:09 AM] Jody Drake: Refunding everyone could cause a worse backlash from everyone else

[12/23/2013 4:45:20 AM] Sonny: because we failed to live up to our promise

[12/23/2013 4:45:51 AM] Sonny: Inspite of all the controversy of the past, we have never failed to honor the terms of our promise until now.

[12/23/2013 4:45:58 AM] Jody Drake: So we have compensated them by shipping 12 gh

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[12/23/2013 4:46:26 AM] Sonny: there is no compensation for not getting your christmas present delivered in time when that was what you bought.

[12/23/2013 4:46:59 AM] Sonny: We sold performance before, not delivery dates.

[12/23/2013 4:47:05 AM] Sonny: This time we sold based on delivery.

[12/23/2013 4:47:23 AM] Jody Drake: How will we refund 280 people? Write checks?

[12/23/2013 4:47:57 AM] Sonny: Normally, I would go to you to ask that question.

[12/23/2013 4:48:08 AM] Sonny: is there doubt about how to do it?

[12/23/2013 4:48:13 AM] Jody Drake: We are handicapped without PP

[12/23/2013 4:48:26 AM] Jody Drake: BitPay orders are no problem

[12/23/2013 4:49:12 AM] Sonny: Let's let Bruce chime in on this as the CFO before we act.

[12/23/2013 4:49:19 AM] Sonny: I just wanted to raise the idea.

[12/23/2013 4:50:22 AM] Jody Drake: Almost \$77,000

[12/23/2013 4:53:03 AM] Jody Drake: immediate delivery for a 1 month delivery and 2 months or more for an 8 month delivery don't seem that much different. I'm not saying we were ever clear with our customers. I'm saying that their perception is that they have always been duped by us.

[12/23/2013 6:25:04 AM] Dave "The Knife" McClain: BitPay is not that easy unless we change our exchange rate with them. Meaning, we convert 100 % of the BTC to USD on all orders. We would need to have them hold some BTC or send some BTC to them to complete the refunds.

[12/23/2013 6:26:20 AM] Sonny: Jody, is it safe to assume most of those purchases were made with bitcoin?

[12/23/2013 6:26:36 AM] Jody Drake: No

[12/23/2013 6:26:47 AM] Dave "The Knife" McClain: No there are quite a few that used ACH.

[12/23/2013 6:27:21 AM] Sonny: if you were to guess in percentage, what would that be?

[12/23/2013 6:31:44 AM] Dave "The Knife" McClain: If were a gambler, i would say the largest would be ACH.

[12/23/2013 9:58:23 AM] Jeff (PR): and we need to check if those ACH were already refunded.

[12/23/2013 9:59:11 AM] Jeff (PR): Vlad is putting in a new check. When ACH orders are moved to Production, he will query the ACH system to be sure the account is still funded and not refunded

[12/23/2013 9:59:43 AM] Jody Drake: great!

[12/23/2013 9:59:45 AM] Nasser Ghoseiri: what will be done with the units that are not shipped?

[12/23/2013 9:59:57 AM] Nasser Ghoseiri: we'll ship them as ordered?

[12/23/2013 10:00:18 AM] Jody Drake: We will ship most of the orders today

[12/23/2013 10:00:23 AM] Nasser Ghoseiri: ok

[12/23/2013 10:33:32 AM] Jeff (PR): so the jabaneros are spoken for now

[12/23/2013 10:37:52 AM] Marc Goodpasture: All of the 10's anyway. We still have lots of 11's and 12's. Will let you know how many. And it's habanero with an "H".

[12/23/2013 10:38:57 AM] Nasser Ghoseiri: I guess our next generation of these should be called "Habanna" to keep the rhyme going

[12/23/2013 10:39:11 AM] Nasser Ghoseiri: *Habana

[12/23/2013 10:40:36 AM] Jeff (PR): we have 11s and 12s sitting on shelf right now?

[12/23/2013 10:40:47 AM] Jeff (PR): can we ship them tomorrow?

[12/23/2013 11:17:59 AM] Jody Drake: We have a limited number.

[12/23/2013 11:18:33 AM] Jeff (PR): even ACH takes a couple of days to clear

[12/23/2013 11:18:39 AM] Jeff (PR): we don't take wire

[12/23/2013 11:18:51 AM] Jeff (PR): only bitcoin would have to ship before xmas

[12/23/2013 11:19:12 AM] Jody Drake: We cannot tell people that they will ship before Christmas.

[12/23/2013 11:47:43 AM] Jody Drake: It is snowing again and it could happen as soon as you promise to ship before Christmas we will not be able to ship anything. We need to quit promising to ship things on the "best possible scenario" because in my recollection we have not hit even one best possible.

[12/23/2013 11:49:28 AM] Sonny: we never promised to ship in time for christmas

[12/23/2013 11:49:45 AM] Sonny: (just to answer your statement... I want to be clear)

[12/23/2013 11:50:05 AM] Jody Drake: Jeff just said "ship before Christmas."

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[12/23/2013 11:50:34 AM] Sonny: But when we say ships immediately, and we don't get it out for a month... that's something altogether different.

[12/23/2013 11:50:37 AM] Jeff (PR): we just don't tell them a shipping date and just ship them soon

[12/23/2013 11:51:13 AM] Jody Drake: We were talking about Habeneros, not the Jalapeno orders

[12/23/2013 11:54:11 AM] Jason Aspinall: The shopping cart on the website needs to function much like Apple's

[12/23/2013 11:54:25 AM] Jason Aspinall: if we have stock on the shelves, then the goods ship within 2 days

[12/23/2013 11:54:45 AM] Jason Aspinall: otherwise before order placement, the website predicts a possible delivery slot

[12/23/2013 11:55:08 AM] Jason Aspinall: for instance, try and buy a Mac Pro right now, their website states "ships february", and only that

[12/23/2013 11:55:59 AM] Jason Aspinall: though, this does mean becoming a bit more savvy with the production process taking into account variables such as A&E and AJ constantly moving goal posts

[12/23/2013 11:56:58 AM] Jason Aspinall: As Jody said above, hitting shipping dates hasn't been one of BFL's greatest achievements to date

[12/23/2013 11:57:47 AM] Jason Aspinall: yet there's /always/ the urgency to ship like yesterday because of the perceived loss of revenue based on the hashing power ordered -v- the difficulty continuously rocketing up

[12/23/2013 12:29:01 PM] Jeff (PR): how many habanero can we put in stock?

[12/23/2013 12:48:06 PM] Jody Drake: We don't know until we fulfill the backlog. It depends on how many Jalapenos (5-7gh) Mark can recover before we have to use the Habaneros

[12/23/2013 2:48:00 PM] Marc Goodpasture: We are shipping all of the 10's to finish out the backlog. We have 375 11's on the shelf, ready to ship. We will have another 375 11's and 12's when we get new cases in Jan.

[12/23/2013 2:48:52 PM] Jeff (PR): so we have 375 we can put on site?

[12/23/2013 2:49:22 PM] Marc Goodpasture: Yes. But not to ship before Christmas.

[12/23/2013 2:49:26 PM] Jeff (PR): right

[12/23/2013 2:49:27 PM] Jeff (PR): no prob

[12/23/2013 2:49:43 PM] Jeff (PR): not saying anything about shipping

[12/23/2013 2:49:48 PM] Jeff (PR): just limited quantity

[12/23/2013 2:49:51 PM] Marc Goodpasture: We will have a hard enough time just shipping what we have now.

[12/23/2013 2:50:19 PM] Marc Goodpasture: Yes, limited quantity. Shut it down after 375 until January.

[12/23/2013 6:16:21 PM] Jeff (PR): Let's make sure our BitSafe ad isn't this lame <http://techcrunch.com/2013/12/23/presenting-the-samsung-galaxy-cringe/>

[12/23/2013 6:18:35 PM] Sonny: holy god... is that a joke?

[12/23/2013 6:18:55 PM] Nasser Ghoseiri: it better be

[12/23/2013 6:24:29 PM] Dave "The Knife" McClain: Creeper McCreeperton

[12/23/2013 6:24:38 PM] Marc Goodpasture: Ok, it looks like we got the jalapeno all caught up. Jody will give us the exact numbers. It took all of the 10's to do it. I used the 12's cases to ship more 10's and lower. We have about 300+ 11's on the shelf.

[12/23/2013 6:25:21 PM] Marc Goodpasture: We have about 200 singles still and another 100 that haven't been put in cases (but are ready.)

[12/23/2013 6:25:48 PM] Marc Goodpasture: I don't have a count on the little singles but we have a few.

[12/23/2013 6:26:17 PM] Jeff (PR): are the singles assembled?

[12/23/2013 6:26:40 PM] Jeff (PR): we were talking about putting all single boards into racks

[12/23/2013 6:27:33 PM] Jeff (PR): if they are assembled and we can send them out I'll put them live on the site again

[12/23/2013 6:28:14 PM] Marc Goodpasture: These were assembled last friday. Saturday and today we mostly worked on jalapenos.

[12/23/2013 6:28:24 PM] Jeff (PR): so they are shippable?

[12/23/2013 6:28:42 PM] Jeff (PR): from my perspective i just need to know what I can sell on the website

[12/23/2013 6:29:17 PM] Marc Goodpasture: Make everything ..while supplies last. We

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in august... so yes, we need to come up with that as well.

[3/4/2014 12:09:03 PM] Josh Zerlan: Just double up their hashrate?

[3/4/2014 12:09:13 PM] Sonny: past six months - yes.

[3/4/2014 12:09:28 PM] Sonny: I can't think of anything else we can do there.

[3/4/2014 12:09:38 PM] Josh Zerlan: Yeah, me either.

[3/4/2014 12:10:14 PM] Josh Zerlan: What is the last day that is eligible for refunds?

[3/4/2014 12:10:55 PM] Jeff (PR): i'm worried that if we bring up refunds publicly it's gonna get ugly and put ideas in people's heads

[3/4/2014 12:11:01 PM] Josh Zerlan: Also, will we refund in the same method they paid in?

[3/4/2014 12:11:23 PM] Josh Zerlan: BTC in BTC (at whatever the current rate is, not the rate they paid) and Bank wire with bank wire?

[3/4/2014 12:11:33 PM] Josh Zerlan: How do you mean, Jeff?

[3/4/2014 12:11:33 PM] Jeff (PR): we will lose on BTC

[3/4/2014 12:12:17 PM] Jeff (PR): I mean if people within 6 months cannot get refund, they will get angry and we'll end up with the same complaints

[3/4/2014 12:12:52 PM] Josh Zerlan: We are offering the 6 month refunds period... I'm not sure I follow?

[3/4/2014 12:13:10 PM] Jeff (PR): that doesn't stop people from calling an attorney

[3/4/2014 12:13:24 PM] Josh Zerlan: If they get a full refund? What do they have to call an attorney for?

[3/4/2014 12:14:03 PM] Josh Zerlan: Especially when it's pretty clear there are no refunds and we are doing this out of goodwill.

[3/4/2014 12:14:17 PM] Josh Zerlan: And for a limited time.

[3/4/2014 12:14:23 PM] Jeff (PR): the guy that is just within 6 months will get an idea that he is due

[3/4/2014 12:14:41 PM] Jeff (PR): and we are opening up the idea of refunds publicly

[3/4/2014 12:15:13 PM] Josh Zerlan: I don't know that we have another choice really and I think it will generate a lot more goodwill than it will cause problems with the edge cases of those people that ordered on day 181

[3/4/2014 12:15:26 PM] Josh Zerlan: Especially when they paid 1/2 the price

[3/4/2014 12:18:03 PM] Sonny: I'm assuming we're in a position where we don't have a choice. Correct me if I'm wrong.

[3/4/2014 12:19:39 PM] Jeff (PR): who should byline the article B0 is crafting?

[3/4/2014 12:19:44 PM] Jeff (PR): Josh?

[3/4/2014 12:20:16 PM] Sonny: I hadn't thought about it, but.. yes.

[3/4/2014 12:21:18 PM] Josh Zerlan: Here is a draft:

<https://forums.butterflyabs.com/post-staging/8062-monarch-update-draft.html#post77823>

[3/4/2014 12:21:29 PM] Josh Zerlan: My plane is boarding, I will be back online as soon as I can.

[3/4/2014 12:21:40 PM] Josh Zerlan: Leave notes either in that ofrum or on here for changes additions etc...

[3/4/2014 12:25:43 PM] Josh Zerlan: I am not done with it just need to pack up the computer

[3/4/2014 12:25:44 PM] Jason Aspinall: We need to utilise Google Docs more for these collaborative issues... Josh can easily formulate the forum post in a Doc, share to all and sundry for review, then copy/paste into a forum post.

[3/4/2014 12:26:27 PM] Jeff (PR): yes. i am never in the forum and can't see it unless i log in. Not sure mine is in lastpass

[3/4/2014 12:27:20 PM] Jason Aspinall: Regarding refunds - people pay the ticket price of \$999 not BTC/£/YEN/Drachma/Lira/etc... so whatever actual currency they used is irrelevant - they get \$999 back at the prevailing rate, today.

[3/4/2014 12:28:12 PM] Jason Aspinall: (the \$999 is just an example) - but the lingo on our site must stress this refund currency issue implicitly

[3/4/2014 12:28:31 PM] Jason Aspinall: I'm sure I've mentioned this in the past

[3/4/2014 12:28:38 PM] Jeff (PR): this is what we do. but in this case it's better for them than us

[3/4/2014 12:28:47 PM] Jeff (PR): the price has dropped

[3/4/2014 12:29:10 PM] Jeff (PR): not sure where it was in Aug

[3/4/2014 12:29:29 PM] Jason Aspinall: well, yes, that's an issue for us...but the point is, the customer cannot hold us liable to refund 100BTC that was used to make

up the \$999 payment

[3/4/2014 12: 29: 44 PM] Jason Aspinall: (again, hypothetical figures)
[3/4/2014 12: 29: 49 PM] Jeff (PR): our policy has always been in USD
[3/4/2014 12: 29: 57 PM] Jeff (PR): no matter the method
[3/4/2014 12: 30: 01 PM] Jason Aspinall: sweet
[3/4/2014 12: 33: 46 PM] Jody Drake: You don't mean that only people that are more than 6 months waiting get the extra hardware at the end. We need to give the extra hardware to anyone who paid the original full price. It is this price point more than the wait time that has ticked off the customers.
[3/4/2014 12: 34: 20 PM] Jody Drake: especially the ones who paid full price just before the plummet in price
[3/4/2014 12: 34: 29 PM] Nasser Ghoseiri: I have an idea
[3/4/2014 12: 34: 39 PM] Nasser Ghoseiri: how about increasing our prices on our cards?
[3/4/2014 12: 34: 46 PM] Nasser Ghoseiri: We're delivering higher performance now
[3/4/2014 12: 34: 55 PM] Nasser Ghoseiri: so for new orders, we increase the price for 30%?
[3/4/2014 12: 35: 17 PM] Jeff (PR): if BTC goes to \$1k that will work. But not now.
[3/4/2014 12: 35: 19 PM] Sonny: the idea there Jody is that we give everyone the special upgrade kit that gives them effectively double performance. They get the high performance waterblock kit for free.
[3/4/2014 12: 35: 39 PM] Jeff (PR): this is everyone at the higher price, Jody
[3/4/2014 12: 35: 39 PM] Nasser Ghoseiri: what is the market offering for 1TH?
[3/4/2014 12: 35: 51 PM] Jeff (PR): refunds are just for 6 mo +
[3/4/2014 12: 36: 07 PM] Jody Drake: So the higher price are all over 6 months?
[3/4/2014 12: 37: 00 PM] Jeff (PR): umm. no
[3/4/2014 12: 37: 08 PM] Jeff (PR): prices went up end of Nov.
[3/4/2014 12: 37: 32 PM] Jeff (PR): Everyone from that point back gets upgraded kit.
Everyone at 6 mo+ have option for refund
[3/4/2014 12: 37: 50 PM] Jody Drake: OK. That's what I wanted
[3/4/2014 12: 38: 14 PM] Jody Drake: waterblock and extra hardware?
[3/4/2014 12: 38: 40 PM] Sonny: no... the waterblock is the extra hardware that gets them the performance equal to two cards.
[3/4/2014 12: 39: 02 PM] Jody Drake: So who gets an extra Monarch at the end of the line?
[3/4/2014 12: 39: 08 PM] Jeff (PR): It's an overclock kit.
[3/4/2014 12: 39: 12 PM] Jeff (PR): they get that free
[3/4/2014 12: 39: 20 PM] Sonny: only anyone who has waited six months or more
[3/4/2014 12: 39: 51 PM] Jody Drake: All October and November customers are going to go ballistic
[3/4/2014 12: 40: 44 PM] Jeff (PR): they get free upgrade
[3/4/2014 12: 40: 51 PM] Jeff (PR): more GH
[3/4/2014 12: 41: 00 PM] Jeff (PR): just not the option to refund
[3/4/2014 12: 41: 09 PM] Josh Zerlan: We can't get 1.2th out of a card can we?
[3/4/2014 12: 41: 32 PM] Sonny: we can probably get 1.2 with two radiators.
[3/4/2014 12: 41: 47 PM] Josh Zerlan: We also need to create a new sku for the Super monarch or whatever we call it
[3/4/2014 12: 41: 49 PM] Jody Drake: The people who ordered at \$2100 are going to get the same increase in GH for half the money paid in Oct and Nov
[3/4/2014 12: 42: 02 PM] Jeff (PR): a SKU for the overclock kit
[3/4/2014 12: 42: 11 PM] Jeff (PR): you get the larger radiator
[3/4/2014 12: 43: 03 PM] Jeff (PR): that makes it easy for us to assign a value to the upgrade and just add it to their cart
[3/4/2014 12: 43: 58 PM] Jody Drake: You said there were so fewer orders in Oct and Nov it shouldn't be that much more to give them another unit if they paid \$4600
[3/4/2014 12: 46: 19 PM] Josh Zerlan: We are going to need a new sku for the overclocked monarch though. So we can ship the people a new product that is an upgrade, not just a kit.
[3/4/2014 12: 46: 31 PM] Sonny: No, the people who ordered at half price *DON'T* get the upgrade kit for free.
[3/4/2014 12: 46: 41 PM] Jeff (PR): Jody, the people who ordered at 2100 are not getting the increase. At least not the same thing
[3/4/2014 12: 47: 10 PM] Jeff (PR): we reduced prices in late Nov. I said everything

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before that point

[3/4/2014 12:47:41 PM] Josh Zerlan: What is the actual cutoff date?

[3/4/2014 12:48:13 PM] Jeff (PR): for which?

[3/4/2014 12:49:07 PM] Sonny: It's the date we dropped our prices... black friday. The day after thanksgiving.

[3/4/2014 12:50:45 PM] Josh Zerlan: Ok good that makes it easy... I will just day anyone who paid the \$4k price is eligible

[3/4/2014 12:51:00 PM] Josh Zerlan: That leaves dates out of it

[3/4/2014 12:51:19 PM] Josh Zerlan: So there are no edge cases like Jeff was talking about

[3/4/2014 12:52:32 PM] Sonny: 6 months or more gets refund or double hardware. If you're inside of the six months and paid the high price, you get the waterblock performance kit which gets you about 1 TH. If you paid the 2,100 price, you can upgrade to the performance waterblock but you have to pay for it.

[3/4/2014 12:53:47 PM] Sonny: Everyone is given some special consideration for their group except the guys who paid the least... and that in fact is it's own special value.

[3/4/2014 12:54:50 PM] Sonny: We come out of this having shown consideration for the people who have waited the longest. We're offering refunds and not 'trapping' people due to our delays.

[3/4/2014 12:55:01 PM] Sonny: This is a PR friendly situation for us and it's defendable.

[3/4/2014 12:55:01 PM] Jody Drake: IS Dave available here?

[3/4/2014 12:56:27 PM] Josh Zerlan: We need a new monarch sku to upgrade people to though

[3/4/2014 1:01:00 PM] Bruce Bourne: I've tried to read through this string, and it seems clear to me that either their is not complete understanding or there is not complete agreement as to what we are planning to do. Maybe a conference call would be a better medium for discussion. I have a meeting now and a conference call after that, but at 4pm I can be available, if someone can set up a call.

[3/4/2014 1:02:21 PM] Jody Drake: The price dropped at the end of December. The people in December are the angriest

[3/4/2014 1:11:26 PM] Nasser Ghoseiri: I'm available for the call

[3/4/2014 1:28:27 PM] Jeff (PR):

http://techcrunch.com/2014/03/03/mt-gox-source-code-leaked-by-hackers-along-with-team-information-customer-data/?utm_campaign=fb&ncid=fb

[3/4/2014 1:49:18 PM] Jason Aspinall: <http://picosong.com/Y7di/> << staggering!

[3/4/2014 2:01:03 PM] Sonny: Hopefully to save everyone from spending the time to investigate this last link... it's a recorded meeting in japanese between Mt Gox and their bank.

[3/4/2014 2:27:23 PM] Josh Zerlan: I am in the Dallas airport now waiting on a new flight. I won't be in Austin until about 4:40 CST at the earliest.

[3/4/2014 2:28:51 PM] Jody Drake: Will Dave be available then also?

[3/4/2014 2:30:38 PM] Josh Zerlan: Yes most likely

[3/4/2014 4:41:39 PM] Josh Zerlan: I am available for call now

[3/4/2014 4:41:46 PM] Josh Zerlan: Dave is at the hotel

[3/4/2014 5:06:03 PM] Nasser Ghoseiri: I'm available now

[3/4/2014 7:01:17 PM] Josh Zerlan: I am trying to write up the description of the Mining by the GH compensation. How are we going handle that portion of it? Double the hashrate but charge them for the hosting? If so, what formula do we use for that?

[3/4/2014 8:17:38 PM] Sonny: well, for the six months offer, it's just straight double the gh.

[3/4/2014 8:17:48 PM] Sonny: for inside the six months, we don't do anything

[3/4/2014 8:18:12 PM] Jody Drake: I am typing up our notes to email shortly

[3/4/2014 8:20:56 PM] Bruce Bourne: I'm reading Josh's draft now.

[3/4/2014 8:25:08 PM] Bruce Bourne: Sonny - what we ended up with for Mining by the GH was 6 months get double the GH ordered OR a refund. We did not discuss whether we charge anything for the hosting, but I am assuming we do not, since they paid \$10.83 per GH and we are going to give them twice the GH. However, that begs the question about the hosting cost related to a hosted purchased card - in that case, I think we are providing another card or 50% off one (depending on wait time), but the hosting for the additional card will cost extra. Is that right?

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[4/7/2014 10:40:08 AM] Jason Aspinall: <face palm>
[4/7/2014 10:40:47 AM] Jason Aspinall:
<http://shakingthetree.files.wordpress.com/2011/03/2010-05-17-facepal-m-hi-res.jpg>
[4/7/2014 2:03:14 PM] Nasser Ghoseiri: We had a 21\$ sale today, a huge step forward
[4/8/2014 3:56:17 PM] Josh Zerlan: Page still says we are shipping in March. Can we please change it? Third time I bring it up
[4/8/2014 3:56:25 PM] Josh Zerlan:
<https://products.butterflyabs.com/homepage-new-products/600-gh-bi-tcoin-mining-card.html>
[4/8/2014 3:57:09 PM] Josh Zerlan: I don't have access to change that page or I would do it
[4/8/2014 3:58:30 PM] Jeff (PR): what are we changing it to?
[4/8/2014 4:47:02 PM] Sonny: Orders now will get late June shipping.
[4/8/2014 4:47:44 PM] Sonny: But that section is talking about when monarchs go into production which is now April.
[4/8/2014 4:48:29 PM] Jeff (PR): so we say May?
[4/8/2014 4:49:58 PM] Jeff (PR): is May ok?
[4/8/2014 4:50:12 PM] Jeff (PR): this gives us a week extra
[4/8/2014 4:55:56 PM] Bruce Bourne: I certainly support May. And I would not narrow it to early or late, 1st week or 4th. Just May, until we know with more certainty.
[4/8/2014 5:07:55 PM] Sonny: sure
[4/9/2014 10:57:26 AM] Jason Aspinall: Anyone know if John Mutrux is around today, he doesn't appear to be answering any of his Skype messages, from yesterday?
[4/9/2014 11:37:33 AM] Jody Drake: He is out on an errand. I'll get him to look at skype when he gets back
[4/9/2014 11:38:06 AM] Jason Aspinall: S'okay Jody... I've managed to touch base with him
[4/9/2014 11:39:03 AM] Jason Aspinall: I was talking to Justin about an un-related matter and asked if John was about, next thing, John's popping up on Skype - Justin must've contacted him via cell phone or similar
[4/9/2014 1:27:33 PM] Jeff (PR): Can somebody find jody for me?
[4/9/2014 1:51:14 PM] Jeff (PR): Josh. Can you weigh in on this?
[4/9/2014 1:51:14 PM] Jeff (PR):
<http://www.theverge.com/2014/4/8/5594266/how-heartbleed-broke-the-internet>
[4/9/2014 1:51:40 PM] Jeff (PR): how it relates to us
[4/9/2014 1:53:30 PM] Jeff (PR):
[http://blog.laspas.com/2014/04/laspas-and-heartbleed-bug.html](http://blog.lastpass.com/2014/04/laspas-and-heartbleed-bug.html)
[4/9/2014 2:02:31 PM] Jeff (PR): update: Remus, our server admin updated OpenSSL this morning
[4/9/2014 4:52:57 PM] Jeff (PR): we really need to look into this:
[4/9/2014 4:52:57 PM] Jeff (PR):
http://liffehacker.com/laspas-now-tells-you-which-heartbleed-affected-passwo-1561522244?utm_campaign=social_flow_liffehacker_facebook&utm_source=liffehacker_facebook&utm_medium=social_flow
[4/9/2014 4:54:50 PM] Jeff (PR):
<https://laspas.com/heartbleed/?h=products.butterflyabs.com>
[4/9/2014 4:55:22 PM] Josh Zerlan: If you are using 2FA, you aren't affected by this on any site you use 2FA one. One more reason why you should be using 2FA anywhere and everywhere you can and why we need it on our sites.
[4/9/2014 4:55:55 PM] Jody Drake: Speak English. What is 2FA
[4/9/2014 4:56:09 PM] Josh Zerlan: Also, the link you posted is showing the cloudflare cert.
[4/9/2014 4:56:24 PM] Josh Zerlan: 2FA = Two Factor Authentication. Either Google Authenticator or Yubikey is an example.
[4/9/2014 4:56:52 PM] Jeff (PR): yes. we have a plugin for magento but it's only for admin side
[4/9/2014 4:57:15 PM] Josh Zerlan: We need a user side solution. People have millions of dollars worth of stuff in their accounts and we aren't securing it.
[4/9/2014 4:57:38 PM] Jeff (PR): do you know how to set it up?
[4/9/2014 4:58:13 PM] Josh Zerlan: I don't know anything about Magento unfortunately.
[4/9/2014 4:58:20 PM] Josh Zerlan: It's easy to implement though
[4/9/2014 4:58:26 PM] Jeff (PR): and i don't know how to check this without

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<file size="72499" index="0" tid="3799558961">Screen Shot 2014-05-19 at 16.20.34.png</file></files>

[5/19/2014 10:21:19 AM] Jason Aspinall: ^^ Interesting recommended article for me on that page I just visited!

[5/19/2014 10:21:31 AM] Jeff (PR): ha

[5/19/2014 10:21:38 AM] Jason Aspinall: Quite!

[5/19/2014 10:21:39 AM] Jason Aspinall: lol

[5/19/2014 10:29:39 AM] Jody Drake: When will Bruce and Jeff be on the Bridge again?

[5/19/2014 10:30:04 AM] Sonny: tomorrow

[5/19/2014 10:30:10 AM] Jody Drake: thx

[5/19/2014 10:45:14 AM] Jeff (PR): <http://bitcoinnmagazine.com/>

[5/19/2014 10:51:54 AM] Sonny: :)

[5/19/2014 10:52:19 AM] Jeff (PR): it will be in print also

[5/19/2014 12:32:26 PM] Jody Drake: When will Josh make another announcement about shipping. We can't just not answer emails and practically the only question they ask now is WHEN?

[5/19/2014 12:42:47 PM] Jeff (PR): Ugh

[5/19/2014 1:03:38 PM] Sonny: I don't think we should be ignoring emails. We need to come up with an appropriate response reflecting the condition of the day.

[5/19/2014 1:03:53 PM] Sonny: Jeff, can you suggest something?

[5/19/2014 1:06:07 PM] Jeff (PR): Monarch production is imminent. One thing for sure is we have a very powerful and flexible chip here. It took some time to nail down the initial configuration code, but looks like we're close.

[5/19/2014 1:06:50 PM] Sonny: 'close' is a tricky word

[5/19/2014 1:07:05 PM] Sonny: we are close, but it can be interpreted to mean we aren't.

[5/19/2014 1:07:33 PM] Sonny: imminent is both accurate and less ambiguous

[5/19/2014 1:10:40 PM] Sonny: I'd like to say we'll be starting to ship this week.

[5/19/2014 1:10:52 PM] Sonny: - but that's not absolute until we get past a couple more tests.

[5/19/2014 1:11:35 PM] Jody Drake: thx. That helps

[5/19/2014 3:03:51 PM] Jody Drake: We need a product manual online for the Monarch. Who is going to write it or discuss the product with Jonathon so he can write it?

[5/20/2014 6:04:44 AM] Jason Aspinall: And, as if by magic, www.hardbit.cn doesn't exist anymore

[5/20/2014 6:07:07 AM] Jason Aspinall: Guys... we have an issue to deal with: http://cointeltegraph.com/news/111411/china_releases_hardbit_hardware_wallet

[5/20/2014 6:07:26 AM] Jason Aspinall: Here's my screen-grab of the website, just incase it changes when you see it

[5/20/2014 6:07:39 AM] Jason Aspinall: <files alt="Posted files">

<file size="1078827" index="0" tid="3891581043">Screen Shot 2014-05-20 at 12.07.27.png</file></files>

[5/20/2014 6:08:14 AM] Nasser Ghoseiri: yes

[5/20/2014 6:08:19 AM] Nasser Ghoseiri: we all knew this was coming anyway

[5/20/2014 6:08:37 AM] Jason Aspinall: People ripping off our product look?

[5/20/2014 6:09:05 AM] Jason Aspinall: the hard-bit website doesn't load, suggesting as I said the other day, to be fake

[5/20/2014 6:52:16 AM] Sonny: it was the news site who did the sloppy imagery. Their article talks about the bitsafe and it's easier to use UI... so I don't think this is theft on anyone's part. Just sloppy journalism.

[5/20/2014 7:07:00 AM] Sonny: Bitcoin hit 458 today.

[5/20/2014 7:07:05 AM] Jason Aspinall: Fair comment... I think we could do with firing off an email to coin telegraph, pointing out the error of their ways

[5/20/2014 7:08:24 AM] Sonny: If this is a sign of the bottom having been defined at 440... the expected increase to follow would do us well as we begin shipping our Monarchs.

[5/20/2014 7:08:39 AM] Jason Aspinall: Indeed

[5/20/2014 7:39:43 AM] Sonny: Another interesting observation from that article is that when they mentioned butterfly labs, they didn't point out any of the popular criticisms even though they published an article against butterfly labs yesterday.

[5/20/2014 7:40:13 AM] Sonny: Again - the bitsafe seems to be mostly immune to BFL hate.

[5/20/2014 7:49:20 AM] Jeff (PR): this site is troll city too

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Trollit depresses the hell outta me

[5/21/2014 8:13:23 AM] Jason Aspinall:

<http://khon2.com/2014/05/20/man-buys-kansas-home-using-bitcoin/#songcoin>

[5/21/2014 8:14:37 AM] Jason Aspinall:

<http://www.reddit.com/r/Bitcoin/comments/26403v/butterfly-abs-executive-purchases-500000-home/>

[5/21/2014 8:15:59 AM] Jason Aspinall:

<http://www.ihavebitcoins.com/headlines/butterfly-abs-executive-purchases-500000-home-bitcoin/> < Nice nose job there Josh ;)

[5/21/2014 8:17:45 AM] Jason Aspinall:

<http://www.cbs3springfield.com/story/25568078/bitcoin-used-to-buy-500000-olathe-home>

[5/21/2014 8:17:57 AM] Jason Aspinall:

http://www.reddit.com/r/Bitcoin/comments/2640ru/bitcoin_used_to_buy_500000_kansas_home/

[5/21/2014 8:24:42 AM] Jason Aspinall: Ok I'm done in... 7-8 pages sifted and that lot above is pretty much it

[5/21/2014 8:27:53 AM] Jason Aspinall: In slightly 'happier' news, at least the trolls appear to be rightfully giving KnCMiner a good kicking:

http://www.reddit.com/r/Bitcoin/comments/260in3/kncminercom_puts_butterfly_abs_bad_reputation_to/

[5/21/2014 8:29:13 AM] Nasser Ghoseiri: should we up-vote it? :)

[5/21/2014 8:29:20 AM] Jason Aspinall: I have (Y)

[5/21/2014 8:29:27 AM] Jason Aspinall:

<https://www.fairlay.com/event/category/bitcoin/butterflyabs/>

[5/21/2014 8:41:37 AM] Jody Drake: No, we should not upvote the foolish lies on reddit.

[5/21/2014 8:42:46 AM] Jody Drake: Gives power to the posts.

[5/21/2014 11:26:16 AM] Jeff (PR): did we get boards?

[5/21/2014 11:28:10 AM] Marc Goodpasture: We got boards. Bruce is waiting on Nasser to begin testing.

[5/21/2014 1:02:59 PM] Jeff (PR): ok

[5/21/2014 1:53:52 PM] Jeff (PR): Another day flying by. What's happening?

[5/21/2014 1:56:10 PM] Sonny: testing away

[5/21/2014 2:15:13 PM] Jason Aspinall: The silence is deafening

[5/21/2014 2:15:38 PM] Dave "The Knife" McClain: still testing

[5/21/2014 2:56:31 PM] Sonny: Observation: There seems to be an increasing trend of alt currency conversion into bitcoin. If you watch the daily percentage change of all the crypto currencies... each time bitcoin goes up, the alt coins tend to not go up as much. When bitcoin goes down, the alt coins tend to go down more as a percentage.

[5/21/2014 4:15:08 PM] Marc Goodpasture: Bruce and I met with Brian from AL Huber on the power/cooling building improvements. We are "go."

[5/21/2014 4:16:13 PM] Marc Goodpasture: We need to clean everything out of the first burn room ASAP. The quicker it's gone the sooner we start. I'll take care of the racking but we have the game show equipment and the networking equipment that need to move.

[5/21/2014 4:16:30 PM] Marc Goodpasture: We can probably accommodate them in the middle room.

[5/21/2014 4:16:57 PM] Jeff (PR): can we move on friday?

[5/21/2014 5:09:37 PM] Jeff (PR): is the board working?

[5/21/2014 5:10:01 PM] Marc Goodpasture: Just spoke with Jonathon. We are working on it.

[5/21/2014 5:10:11 PM] Marc Goodpasture: The move.

[5/21/2014 7:42:05 PM] Marc Goodpasture: AJ sent us 9 more boards for tomorrow

[5/21/2014 7:46:46 PM] Jeff (PR): Are we shipping them to customers?

[5/21/2014 7:52:22 PM] Sonny: We're not there yet.

[5/21/2014 8:15:58 PM] Jeff (PR): Next week now?

[5/21/2014 8:16:29 PM] Sonny: The magic formula has not been defined.

[5/21/2014 8:16:45 PM] Sonny: Once it is, we can schedule shipping down to the minute.

[5/21/2014 8:17:04 PM] Sonny: For the moment, we're still swapping mosfets & resistors to see what works.

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[5/31/2014 3:40:28 AM] Nasser Ghoseiri: then the heat kicks in
[5/31/2014 3:40:39 AM] Josh Zerlan: So... what happened in the initial design if we can't even run the board at it's designed speed and less than it's designed ower?
[5/31/2014 3:40:40 AM] Nasser Ghoseiri: 520GH
[5/31/2014 3:41:08 AM] Nasser Ghoseiri: I don't get your question
[5/31/2014 3:41:30 AM] Josh Zerlan: The board was designed to run at 600 GH @ 350w. It seems that it can't even get close to that
[5/31/2014 3:41:54 AM] Nasser Ghoseiri: the internal planes consume too much heat
[5/31/2014 3:42:17 AM] Josh Zerlan: How did we not know that? I thought that is what hte resistor test boards were for?
[5/31/2014 3:42:45 AM] Nasser Ghoseiri: that's a long story josh
[5/31/2014 3:43:07 AM] Josh Zerlan: Ok, but it's a question I get asked repeatedly. What do you want me to ansewr with?
[5/31/2014 3:43:32 AM] Nasser Ghoseiri: the resistor was to test the general functionality of the board
[5/31/2014 3:43:40 AM] Nasser Ghoseiri: those resistors easily melted
[5/31/2014 3:43:51 AM] Nasser Ghoseiri: however, they allowed us to test the VRM at like 100W
[5/31/2014 3:43:54 AM] Nasser Ghoseiri: which the VRM was OK
[5/31/2014 3:44:11 AM] Nasser Ghoseiri: only a chip can pull 400Amps from the VRM
[5/31/2014 3:44:31 AM] Nasser Ghoseiri: these issues showed themselves at a higher current
[5/31/2014 3:44:46 AM] Josh Zerlan: man , we are going ot take a lot of crap over that.
[5/31/2014 3:45:07 AM] Nasser Ghoseiri: it doesn't change things now
[5/31/2014 3:45:08 AM] Nasser Ghoseiri: remember
[5/31/2014 3:45:12 AM] Nasser Ghoseiri: even ATI and AMD
[5/31/2014 3:45:18 AM] Nasser Ghoseiri: they haven't made a 600W GPU
[5/31/2014 3:45:31 AM] Josh Zerlan: Yes they have
[5/31/2014 3:45:33 AM] Nasser Ghoseiri: the issues we have are so subtle, not many documents of it exist
[5/31/2014 3:45:41 AM] Josh Zerlan: The nVidia Tesla cards will pull 600w when overcl ocked
[5/31/2014 3:45:47 AM] Nasser Ghoseiri: overcl ocked
[5/31/2014 3:45:52 AM] Nasser Ghoseiri: also, what's the core voltage there?
[5/31/2014 3:45:53 AM] Josh Zerlan: But they still work
[5/31/2014 3:45:58 AM] Josh Zerlan: Dunno off hand
[5/31/2014 3:46:07 AM] Nasser Ghoseiri: core voltage on those is usually 0.9V or 1V
[5/31/2014 3:46:13 AM] Nasser Ghoseiri: so it means max 600Amps
[5/31/2014 3:46:15 AM] Josh Zerlan: I'm just repeating what the people on the forums are going to say
[5/31/2014 3:46:23 AM] Josh Zerlan: I'm not making any comments on the situation
[5/31/2014 3:46:30 AM] Nasser Ghoseiri: here, it's 950Amp minimum
[5/31/2014 3:46:33 AM] Nasser Ghoseiri: not overcl ocked
[5/31/2014 3:46:36 AM] Nasser Ghoseiri: you see..
[5/31/2014 3:46:43 AM] Nasser Ghoseiri: again, we can't convince them this way
[5/31/2014 3:46:46 AM] Nasser Ghoseiri: they don't really care
[5/31/2014 3:47:11 AM] Josh Zerlan: You are right... we have to say something though and they are not going to take weak answers much longer if at all.
[5/31/2014 3:47:20 AM] Josh Zerlan: Unless we can start shipping, people want information and a video
[5/31/2014 3:47:30 AM] Josh Zerlan: It doesn't look like we'll be shipping for awhile, so we need information.
[5/31/2014 3:47:30 AM] Nasser Ghoseiri: I'll do the video today
[5/31/2014 3:48:27 AM] Josh Zerlan: Are you cooling your test board with water or air?
[5/31/2014 3:51:53 AM] Nasser Ghoseiri: water
[5/31/2014 3:51:59 AM] Nasser Ghoseiri: the chips are super cool
[5/31/2014 3:52:07 AM] Nasser Ghoseiri: it's the VRM and internal planes that need cooling
[5/31/2014 3:52:10 AM] Nasser Ghoseiri: and no way to cool them
[5/31/2014 3:52:16 AM] Nasser Ghoseiri: so they pass their heat either to the chips
[5/31/2014 3:52:23 AM] Nasser Ghoseiri: or to the MOSFETs and inductors

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[6/9/2014 10:03:29 PM] Josh Zerlan: Where are we at with shipping?
[6/9/2014 10:03:34 PM] Josh Zerlan: I need to post something to the forums tonight.
[6/9/2014 10:15:33 PM] Josh Zerlan: Can we please start shipping/double shipping tomorrow or at least start the process? We can't wait any longer. Time is up.
[6/9/2014 10:15:44 PM] Josh Zerlan: If we have a board version that will hash, we need to ship it.
[6/9/2014 10:30:52 PM] Josh Zerlan: <http://imgur.com/mQaapYY>
[6/9/2014 10:53:35 PM] Bruce Bourne: Josh - Sony and I met tonight and will reconvene tomorrow morning. We are likely to allocate mining by the gigahash to people instead of double shipping - it has a variety of advantages. You'll need to hold off on posting anything, unless you want to say where we are with the board and that we are working on a variety of solutions. More info tomorrow.
[6/9/2014 10:53:58 PM] Josh Zerlan: How long is that going to take to deploy?
[6/9/2014 10:56:38 PM] Bruce Bourne: Not sure, that is why we need to meet tomorrow, with Marc. I'd think that this week we'd begin assembly and deployment to NetSolus, then activate Monday in phases. There is of course no way we can satisfy the entire queue, so we have to roll it out at a measured pace, then when good boards are available to ship we'll roll off the early people, ship them good boards, and put the next people in the queue into MBGH for the time it takes to make even more good boards.
[6/9/2014 10:57:24 PM] Josh Zerlan: Ok... I have been pretty sick these last three days, so I'm kind of out of the loop, but the forums are starting to boil over again.
[6/9/2014 11:00:44 PM] Bruce Bourne: We'll have something for you tomorrow - you can post tomorrow evening.
[6/10/2014 12:45:36 PM] Josh Zerlan: So... ?
[6/10/2014 12:46:16 PM] Jeff (PR): Can you come to office
[6/10/2014 12:47:09 PM] Josh Zerlan: Yeah, I can for a bit. I am dealing with a rooted server at the moment, but I'm waiting on a response from support on migrating some stuff off that box so we can nuke it. I'm still not feeling great either, but a hell of a lot better than the past few days.
[6/10/2014 12:47:13 PM] Josh Zerlan: I will be there shortly.
[6/10/2014 12:47:35 PM] Jody Drake: your jacket is here, Josh
[6/11/2014 7:12:04 AM] Sonny: Monarch update - Wednesday morning:
[6/11/2014 7:13:15 AM] Sonny: Nasser is in the final stretch of the job distribution code re-write. We'll be able to measure the performance boost it gives us today.
[6/11/2014 7:13:40 AM] Sonny: Kyong & Nasser identified something very important in the board layout.
[6/11/2014 7:16:53 AM] Sonny: It's a point of high resistance immediately under the mosfets which don't have a thermal path out. Effectively, the wires are too thin there, so when we go above 500 GH, it starts to radiate heat directly up into the mosfets. The PCB has already been updated to resolve this and will be in the 1,000 boards we start into manufacture tomorrow.
[6/11/2014 11:00:59 AM] Nasser Ghoseiri: Some Update:
[6/11/2014 11:01:29 AM] Nasser Ghoseiri: A test was run to measure the resistance that was suspected to be high and troublesome
[6/11/2014 11:01:32 AM] Nasser Ghoseiri: *troublesome
[6/11/2014 11:01:36 AM] Nasser Ghoseiri: it turns out to be the case
[6/11/2014 11:04:40 AM] Bruce Bourne: Do we have the solution for that? Is it easy and quick, or difficult and lengthy?
[6/11/2014 11:04:51 AM] Nasser Ghoseiri: it's a PCB fix
[6/11/2014 11:04:55 AM] Nasser Ghoseiri: the fix is already done
[6/11/2014 11:05:02 AM] Nasser Ghoseiri: we'll be sending to AJ for manufacturing
[6/11/2014 11:05:18 AM] Jeff (PR): the fix is done or the design of the fix is done?
[6/11/2014 11:05:28 AM] Bruce Bourne: And how much do we gain from this?
[6/11/2014 11:05:34 AM] Nasser Ghoseiri: the fix was applied to the PCB design
[6/11/2014 11:05:37 AM] Nasser Ghoseiri: it will be sent to AJ
[6/11/2014 11:05:56 AM] Nasser Ghoseiri: @Bruce: we should gain some considerable heat reduction
[6/11/2014 11:06:04 AM] Nasser Ghoseiri: provided the internal planes are built as ordered
[6/11/2014 11:06:12 AM] Jeff (PR): how much?
[6/11/2014 11:06:17 AM] Jeff (PR): enough for 1 TH ?

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each. One rack has been cloud mining since last thursday. they are coming by today to pick up the first one to take it to hosting here in KC.

[7/8/2014 10:33:15 AM] Jeff (PR): cloud mining for who?

[7/8/2014 10:33:40 AM] Marc Goodpasture: The others, they will take as many as they can get. We are building 3 - 5 a day and need 18 to use up the first 700 "L" boards.

[7/8/2014 10:34:30 AM] Jeff (PR): we need to put customers on ASAP

[7/8/2014 10:34:36 AM] Jeff (PR): so need to know about that

[7/8/2014 10:35:09 AM] Marc Goodpasture: I will let all know what they take later today.

[7/8/2014 10:35:35 AM] Jeff (PR): what about the cloud mining comment?

[7/8/2014 10:35:51 AM] Jeff (PR): can you clarify?

[7/8/2014 10:36:29 AM] Jurie Pieterse: @Marc, so there is one rack ready with 23.4 TH to allocate immediately to customers for cloud mining?

[7/8/2014 10:38:20 AM] Marc Goodpasture: 39 boards more like 13 to 14 TH.

[7/8/2014 10:38:37 AM] Jurie Pieterse: @Marc, you mean it's been burn testing since Thursday, moving to Greg today when we can allocate it in the cloud, once they complete setup?

[7/8/2014 10:38:59 AM] Marc Goodpasture: It has been mining to our account.

[7/8/2014 10:39:15 AM] Jeff (PR): ugh

[7/8/2014 10:39:23 AM] Marc Goodpasture: It has been mining to the Cloud account, I think.

[7/8/2014 10:40:45 AM] Sonny: To clarify - it is *NOT* burning in to our burn in account.

[7/8/2014 10:42:19 AM] Jurie Pieterse: Is it mining to a wallet? What wallet account then?

[7/8/2014 10:42:36 AM] Jurie Pieterse: We're switching it off later today to transfer the rack to cloud mining facility?

[7/8/2014 10:42:47 AM] Jeff (PR): can we switch it off now?

[7/8/2014 10:44:24 AM] Marc Goodpasture: Yes, if you want

[7/8/2014 10:45:48 AM] Marc Goodpasture: Yes, it will go to the cloud mining facility.

[7/8/2014 10:50:48 AM] Bruce Bourne: Someone clarify for me where this mining has been pointed since Thursday. Jeff and Jody (and I guess Jurie too) need to know what has been completed each day so they can allocate to Cloud Mining customers.

As for Cloud Mining facility - I am talking to Greg in 10 minutes. He wants us to take the local facility for 2 years, but it is more expensive than the St. Louis facility and we don't need it for that long. There is a possibility this stuff gets moved very soon, so I will update you on that as soon as I have info.

[7/8/2014 11:33:34 AM] Marc Goodpasture: <files alt="sent file "photo(57).JPG""><file size="2615731" index="0">photo(57).JPG</file></files>

[7/8/2014 11:33:49 AM] Marc Goodpasture: This is what the 39 monarch rack looks like.

[7/8/2014 3:17:50 PM] Jody Drake: Customer viewpoint:

[7/8/2014 3:17:51 PM] Jody Drake: Guys cointerra is about to lower 2Th miners price to \$1500 for summer blow out sale and they ship now. Bitmain sell 1Th for \$1700 at 600W at the wall now. At some point you have to understand your failure to deliver made your product obsolete and take some responsibilities for being so late. Just refund everyone and sell it as an in stock item for fair market price when you have it. Quit making ppl upset and hold them by balls because we gave you money to develop and took risk.

[7/8/2014 3:23:19 PM] Sonny: I wouldn't call that guy a troll. It's a reasoned point.

[7/8/2014 3:25:47 PM] Jody Drake: Would it be unreasonable to refund anybody. Ship those left standing and then sell out of stock?

[7/8/2014 3:26:24 PM] Jody Drake: Think of the PR benefits

[7/8/2014 3:26:32 PM] Sonny: We're considering variations on that theme in great detail.

[7/8/2014 3:26:50 PM] Jeff (PR): we're working on something now

[7/8/2014 3:52:32 PM] Jody Drake: A guy decided to have a house built after he paid for his order. Today he asked us to change his address to his new house because he is moving into it.

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[7/8/2014 3:53:21 PM] Jeff (PR): so he's staying in the queue?
[7/8/2014 3:53:50 PM] Jody Drake: so far, but he thought a house would take longer to build than a Monarch
[7/8/2014 3:53:57 PM] Jurie Pieterse: Send him a housewarming card from CS
[7/8/2014 3:55:17 PM] Jody Drake: He's in Texas. You can take him a potted plant
[7/8/2014 3:55:37 PM] Jody Drake: or a Butterfly Bush
[7/8/2014 3:55:52 PM] Jurie Pieterse: Ha ha ha!
[7/8/2014 3:58:02 PM] Marc Goodpasture: For some reason now Netsolus has decided to move the monarch racks out of town. Now they want to maximize the number of units they pick up.
[7/8/2014 3:58:51 PM] Jeff (PR): huh?
[7/8/2014 3:58:55 PM] Jeff (PR): where?
[7/8/2014 3:58:56 PM] Marc Goodpasture: They have decided to pickup tomorrow 10-10:30am all we have ready which should be 5-6.
[7/8/2014 3:59:20 PM] Marc Goodpasture: He said maybe Nebraska or someplace else.
[7/8/2014 3:59:35 PM] Jeff (PR): or someplace else?
[7/8/2014 3:59:37 PM] Jeff (PR): do they not know?
[7/8/2014 3:59:42 PM] Jeff (PR): hold on
[7/8/2014 3:59:49 PM] Jeff (PR): wtf is up with this?
[7/8/2014 3:59:56 PM] Marc Goodpasture: I don't think he has decided, yet.
[7/8/2014 4:00:20 PM] Jody Drake: hope its not where they got covered with dirt before
[7/8/2014 4:04:53 PM] Jurie Pieterse: Sounds like we need a GPS tracker on our equipment. Also @Marc, not sure how they're packaged up but looking at the racks I'd be concerned how much damage equipment could be in for on a long journey.
[7/8/2014 4:05:56 PM] Bruce Bourne: Let me respond to this for a second - it is COMPLETELY the opposite of the discussion I had with Greg this morning, in which I agreed to stay in their overly expensive local facility.
[7/8/2014 4:06:26 PM] Bruce Bourne: They must be wrong. Or Greg was BS'ing me. I will find out which it is.
[7/8/2014 4:06:51 PM] Bruce Bourne: And I will let you know.
[7/8/2014 4:12:35 PM] Bruce Bourne: I've sent an email to greg, who is probably on a plane based on what he told me this morning. marc, I've told him I want an answer before anything goes out the door tomorrow. Jurie's point about damage in transit is precisely one of the reasons I agreed to pay extra to keep it in town. Others were for speed of activation, customer satisfaction, troubleshooting, etc.
[7/8/2014 10:22:48 PM] Jurie Pieterse: Talk about not being transparent, Bitmain doesn't even have a person attached to their press releases. No phone, no company location, no people or executives, and not even a PR agency contact.
<http://www.digitaljournal.com/pr/2035504>
[7/8/2014 10:24:05 PM] Sonny: the largest bitcoin exchange (bitfindex) out of asia is the same way. Completely anonymous.
[7/8/2014 10:25:11 PM] Sonny: Some consider the strategy of not giving people a target to attack, then let the quality of service speak for the credibility of the company.
[7/8/2014 10:25:15 PM] Sonny: It's a strange new world.
[7/9/2014 3:46:34 AM] Josh Zerlan: Bitmain is shipping, they don't need contact information.
[7/9/2014 8:49:57 AM] Jason Aspinall: Anyone know if Jonathon is around today? I cannot seem to get online with Hamachi to get into FishBowl.
[7/9/2014 8:50:47 AM] Jurie Pieterse: He is out of town, but apparently can provide some support remotely at times when he is available.
[7/9/2014 8:52:02 AM] Jason Aspinall: Thanks Jurie... I've left a message on his Skype, just wanted a heads up if he's likely to read it today/tomorrow..
[7/9/2014 8:52:42 AM] Jody Drake: Contact him by email
[7/9/2014 8:53:10 AM] Jody Drake: He's responding quicker by email
[7/9/2014 8:53:21 AM] Jody Drake: jonathon@butterflyabs.com
[7/9/2014 8:53:49 AM] Jason Aspinall: Thanks Jody!
[7/9/2014 8:55:55 AM] Jason Aspinall: Given we have workers effectively all over the place and we rely upon Skype as a medium of communications, I think we should have some Skype Etiquette 'guidelines' in place..
[7/9/2014 8:59:51 AM] Jason Aspinall: Very often I see people "online" but completely unresponsive. If that worker is away from the desk for a protracted