

Hedgy closed new funding round



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Block Chain Derivatives startup Hedgy has raised \$1.2 million in new seed funding from a group of 10 investors that includes Draper Fisher Juvetson partner Tim Draper, chief-executive officer of Salesforce Marc Benioff and Sand Hill Ventures.

Along with the recent announcement, Hedgy has also launched a new derivatives product aimed at commercial bitcoin miners.

The miners that use the derivative can effectively lock in a future price at which they can sell bitcoins, using a smart contract to settle the transaction on the bitcoin block chain.

Deducing the price metrics from TradeBlock, the new product is the result of a collaboration with distributed bitcoin mining company of United States, MegaBigPower and London-based Crypto Facilities, a bitcoin derivatives exchange founded by former executives from Goldman Sachs and BNP Paribas.

MBP is the first mine of United States to utilize the derivative. Crypto Facilities buys the bitcoins mined by MBP, which are then sold by way of two-of three multi-sig contracts.

The chief-executive officer of Hedgy, Matt Slater explained that the product helps miners address the issue of price volatility as they look to sell coins on the market.

He stated that his startup has been working with the founder of MBP, Dave Carlson, who also serves as an advisor to Hedgy, for months on the

derivative and explained that the solution can help other industrial mining companies better to manage their financial risks.

Slater further stated, “ Our core focus right now solving this problem for miners. And Dave, being one of those most well respected and biggest miners in the space, you know, if we can solve it for Dave we can solve it for other miners as well.”

Slater also added that Hedgy has gained interest from other bitcoin miners, as well as companies in the broader digital currency space, about the use of smart contracts to alleviate concerns about price fluctuations.

Last year, Slater stated that he believes that his startup is important to the industry because it tries to solve the biggest problem of bitcoin for merchants and other interested in bitcoin, which is volatility.

Tim Draper praised the Hedgy Team and anticipates a significant role for blockchain- powered smart contracts to come.

He further described, “ Hedgy is awesome. Great team, exciting mission. Smart contracts are going to be fundamental to contracts of any kind in the future, and bitcoin makes it all possible.”

The new funding includes a previously disclosed \$764, 000 raised by the Boost VC Tribe 4 graduate.