

Third bitcoin auction to be held in march



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The US Marshals Service announced that additional 50, 000 bitcoins will be auctioned on March 5, 2015.

This will be the third auction of bitcoins seized from Silk Road, worth almost \$12 million.

The Silk Road was closed in October 2013, after the authorities claimed it was an online bazaar for illegal drugs and other illegal activities.

The first auction in June was very a succes, whereas only 11 registered bidders took part in the the second auction in December 2014, however including more federated bids.

New York based firm SecondMarket won 48, 000 out of the 50, 000 bitcoins in the second auciton. The venture capitalist Tim Draper won almost all of 30, 000 bitcoins in the first auction but he secured only 2, 000 bitcoins in the December event.

The timing of the third auction comes as some investors are expressing concerns whether the digital currency is still a desirable investment. Over the last few months, price of bitcoin has declined. It witnessed a high of \$1, 150 when 2013 ended but the current value is near \$235.

The 50, 000 bitcoins that are up for sale in the latest auction were seized specifically from Ross Ulbricht's computer hardware. Ross Ulbricht, the mastermind behind Silk Road, was convicted in Federal District Court in Manhattan earlier this month.

The registration process for interested parties was scheduled on Tuesday. Lynzey Donahue, who is a spokeswoman for the US Marshals Service, said that it had to be moved to Wednesday as federal offices in Washington remained closed for weather-related reasons. The registration period will end on 2 March.

To be eligible bidders, individuals must show proof of identity and that they have the amount of cash needed. They will also have to certify that they are not related with Ross Ulbricht or Silk Road. Eligible bidders will be notified by the Marshals Services on 3 March.

Bidders for the March auction will have a 6 hour period on the day. They can submit sealed bids from 8 a. m. to 2 p. m. The window has been broken into slots. The first series will contain 10 blocks of 2, 000 bitcoins.

The second one will contain 10 blocks of 3, 000 bitcoins. The bidders can take part in both series. They can even place bids on multiple blocks. The winner or winners will be notified on 6 March.

The government has recovered total 173, 991 bitcoins from Silk Road, including 144, 336 bitcoins from Ulbricht's computer.

As per the impact on the BTC trading prices, the first auction did weight on the prices before and then it entailed a rebound.

The second auction did not have a sensible effect on the bitcoin price, which should be quite the same for the upcoming one, no major move is expected.