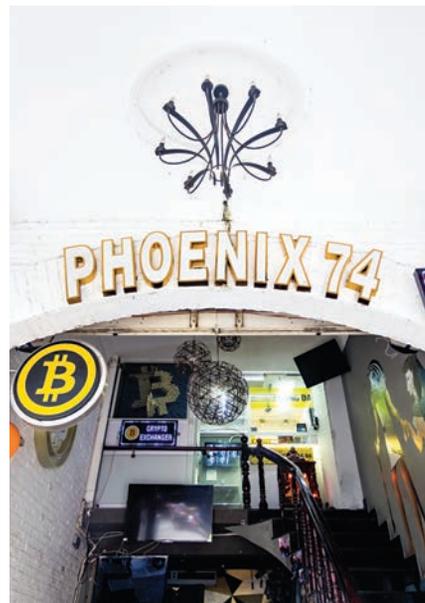


# On the Money

A café in Saigon that converts cash into bitcoin



**W**alking past the B sign that hangs from 74 Bui Vien, you'd be forgiven for thinking it's just an innocuous bit of branding for yet another coffee shop. But for those who do know what it means, it's an exciting symbol of tomorrow's world.

The B in **B Coffee** stands for bitcoin — a digital cryptocurrency that is already revolutionising our relationship with money. It was created in 2009, and users transfer money directly, without an intermediary such as a bank or government.

The exchange from user to user is recorded in a public ledger called the blockchain. This is where other bitcoin users verify the transaction through what is known as mining, thus releasing new bitcoins into circulation. Since its inception, bitcoin's value has skyrocketed. In June 2009, one bitcoin was valued at US\$0.0001 whereas today one bitcoin is worth over US\$2,000.

## A Pretty Penny

B Coffee has Vietnam's first and only 24-hour bitcoin ATM, which lets people insert cash into the machine before it transfers it into bitcoin. It will then appear in your digital wallet which can be used with your smartphone or device, enabling you to do all the things you'd normally do with a currency — from trading to buying goods or services. At B Coffee you can buy a coffee or a beer with Bitcoin through your device, and this could be just the beginning. Danny

Uvdmnte, who owns B Coffee, believes it's more than just a novelty:

"Cryptocurrencies are causing a stir," he says. "20 years ago when the internet began, people didn't know what they could do with it, then people found out what they can do with it and now people can't live without it, their whole life revolves around it. That's what I feel bitcoin will be. My life revolves around bitcoin."

He chose a spot on Ho Chi Minh City's famous backpacker street because more and more travellers are now using Bitcoin as a means of getting around without having to pay expensive transaction fees or suffering from fluctuations in exchange rates. Danny believes it's not only them that can benefit from bitcoin — it has practical possibilities that could transform the lives of the Vietnamese.

"A Vietnamese lady came in and bought US\$68,000 of bitcoin from me," says Danny. "Why? She wants to keep some of her savings in bitcoin. She bought them for around US\$1,000 per bitcoin so today they are worth double that. I think she has balls."

He adds: "Eight or nine years ago nobody knew anything [about Bitcoin], four years ago, some people knew, most didn't — they associated it with drugs or hackers. Now so many institutions are built around it. Attitudes are changing."

## A Cashless Society

As well as being a potentially shrewd investment, bitcoin could also open up

Vietnam's export industry to those without the financial means to send their products abroad. In bitcoin, the price in Vietnam is the same price as in the United Kingdom, or Australia.

"Once they are able to accept payment by bitcoin, they can sell their handicrafts, coffee or whatever, abroad. They can sell coffee and make some money — it's better for them."

But how do governments deal with a system that essentially bypasses them entirely? Regulation is expected in Vietnam by December 2017, but nobody is quite sure what it's going to look like. In China they have gone from having a 10% share of worldwide bitcoin trading in 2012, to an almost 100% grip on the world's Bitcoin markets. Investors there embraced it early on — and many are now reaping the rewards. For Danny, it's a case of if you can't beat them, join them.

Bitcoin has faced criticism, with various financial experts predicting that its current rate of growth is unsustainable, which could lead to an ugly crash. Others have pointed out that you can't touch or feel bitcoin, which could lead it open to manipulation and theft from hackers.

"Diamonds have no real value, too; it's what value people put on them. Every bitcoin is accounted for — it's transparent — through the blockchain everyone can see everyone's transaction. It's open." —*Thomas Barrett*

*B-Coffee is located at 74 Bui Vien, Q1, HCMC* 



PHOTOS BY BAO ZOAN