

CRYPTIUM LABS

BEYOND  
BAKING

@awasunyin

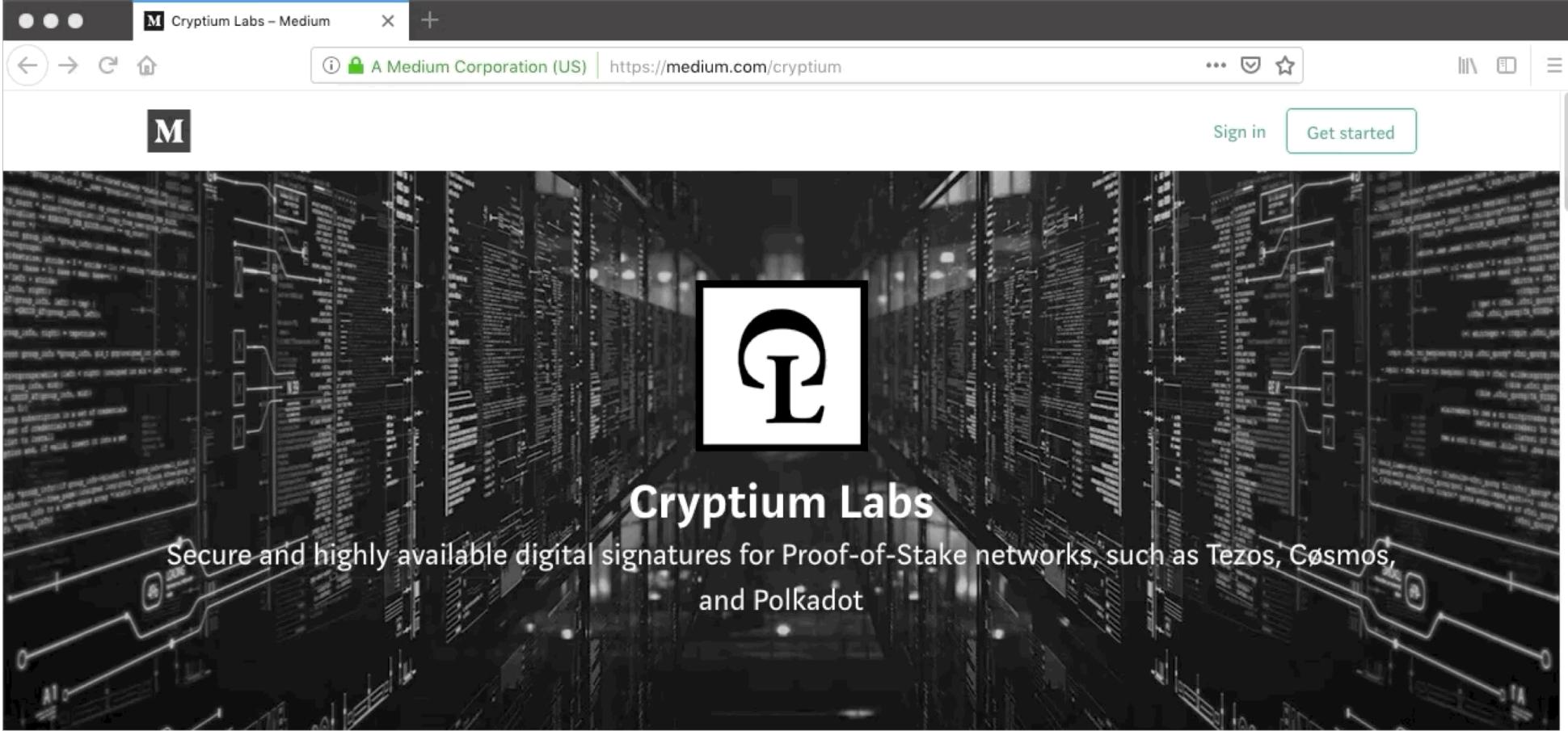
Hello, Seoul!  
A bit about myself...

- Founder @  
**Cryptium Labs**
- Researcher @  
**Cosmos**
- Data Scientist &  
Software Engineer  
@ **Chainalysis**



# About Cryptium Labs

- Proof-of-Stake Validator,
- Baker on Tezos since Cycle 11
- Based in Switzerland
- Community Development



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S snapshots on Tezos  
— What Happens  
When I Change the**

# Recap on LPoS: What are bakers?

- Entities who participate in consensus and governance
- A minimum of 10,000 XTZ (1 Roll) at *stake*
- Benefit from inflation (baking and endorsement rewards)
- Can influence their likelihood of earning rewards by increasing their number of Rolls:
  - By accepting delegations (not at stake)
  - Once *overdelegated*, by increasing the self-bond

# The Current State of Baking

- Over 456 bakers from around the world
- Charge a service fee of 0% - 40% for delegations
- Some offer Baking-as-a-Service or Bond-Pools or token
- Some offer complementary services, such as wallets



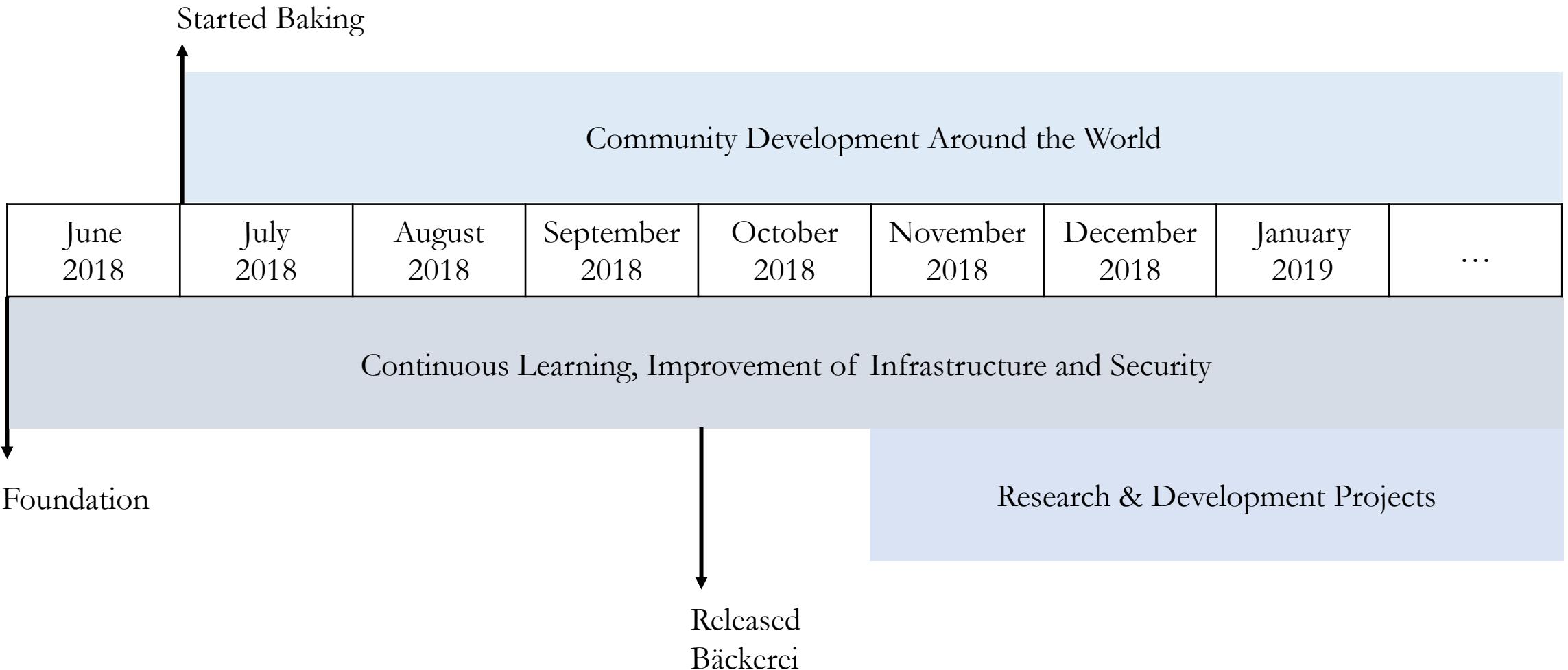
# The Issues with Baking

- Most bakers are *passive*
- A large portion running on cloud instances
- Most competition via % fees
  - Race to the bottom
- Baking is not profitable
  - Example of Tezos Community



# Why did we start baking?

Actually... it was kind of an accident



II. There will be many chains  
but one ecosystem

I. Proof-of-Stake will be an  
alternative to  
Proof-of-Work

# The Future of Baking We Want to See...

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Security	Product Diversity	Community	Ecosystem Development	Protocol Development
<ul style="list-style-type: none"><li>▪ Less reliance on cloud providers</li><li>▪ More solo bakers</li><li>▪ More stress testing and improvement on existing setups</li></ul>	<ul style="list-style-type: none"><li>▪ Baking-as-a-Service and bond-pools “on-chain” without custody requirement</li><li>▪ Derivatives or tradable staked assets</li></ul>	<ul style="list-style-type: none"><li>▪ Educate the broad and diverse Tezos community via teaching instead of “advertising”</li></ul>	<ul style="list-style-type: none"><li>▪ Safer wallets</li><li>▪ More development tooling</li><li>▪ More applications</li></ul>	<ul style="list-style-type: none"><li>▪ Via on-chain governance</li><li>▪ Optimisations</li><li>▪ Changes in the design of the protocol integrating latest research</li></ul>

To be useful to the  
networks

Simply put.

# Bakers are long on the network

There is a lot more we could do.