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# Satoshi

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## DEFINITION of Satoshi

The satoshi is the smallest unit of the [Bitcoin](#) cryptocurrency. It is named after [Satoshi Nakamoto](#), the creator of the protocol used in blockchains and the bitcoin cryptocurrency.

## BREAKING DOWN Satoshi

Unlike the physical versions of global currencies, such as the British pound or U.S. dollar, cryptocurrencies predominately exist in the digital world. Despite this difference, a [cryptocurrency](#) can be divided into smaller units, just as the pound is broken into pence and the dollar into cents. In the case of bitcoins, the smallest unit available is called the satoshi.

The satoshi unit is named after Satoshi Nakamoto, the anonymous person (or persons) that published a white paper in 2008 that jumpstarted the development of the bitcoin cryptocurrency. The paper, "Bitcoin: A Peer-to-Peer Electronic Cash System", described the use of a [peer-to-peer](#) network as a solution to the problem of double-spending. The problem – that a digital currency or token can be used in more than one transaction – is not found in physical currencies, as a physical bill or coin can, by its nature, only exist in one place at a single time. Since a digital currency does not exist in the physical space, using it in a transaction does not remove it from someone's possession.

The satoshi represents one hundred millionth of a bitcoin. Small denominations make bitcoin transactions easier to conduct, makes extremely fine transactions readable. The