

We have been analyzing the proposals presented by both teams regarding treasury management, holding specific calls with their teams to dive deeper into their offers. We believe this is an excellent initiative by the foundation, and the teams that have submitted proposals bring extensive industry experience, which they will make available through this new unit. Additionally, they offer an external and neutral perspective for the protocol in financial decision-making.

We've included a chart provided by SteakHouse, which we believe is an excellent visualization of the possible scenarios we can consider as a protocol.

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First of all, we believe both are excellent providers, so either option would be highly capable of carrying out the initial task they've been assigned.

For this reason, we would support the proposal from both teams, and that's why our vote has been positive for both.

Based on the conversations we've had, we would lean towards the proposal from SteakHouse, as we believe they bring added value on the financial and strategic side. They've put significant effort into understanding the project's situation and have provided an excellent analysis of its current state. Nevertheless, Kartparkey's proposal is excellent, and the team leading the project demonstrates a strong commitment to collaborating with the protocol, which makes them a truly outstanding option as well. We haven't had the opportunity to speak with Avantgarde, who are certainly another excellent team.

Key Conclusions on the Proposals

1. We believe that establishing this subDAO will have a positive impact on the protocol. It could provide additional revenue streams, allowing the project to reduce costs and better plan its token emissions. This is crucial for regaining market confidence and enabling the project to gain positive traction.
2. We believe that the costs associated with this subDAO are reasonable, provided that the teams ultimately responsible for executing these tasks are top-tier and can offer advisory services as well as facilitate agreements with other projects in the ecosystem. I don't think making the price a highly variable factor would be a good strategy for these services, as it's not a commodity. The final outcome will depend on the ability to generate returns for the treasury, which should significantly exceed the cost of the service.
3. Initially, this treasury would be built by including foundation tokens in staking, which ultimately reduces income for validators. While we understand that this solution seems the most viable in the short term, in the medium to long term, we believe it would be worthwhile to explore other revenue-generating opportunities to replace this method of financing. In any case, we consider that, at this point, the project's priority should be to create value, which should be reflected in the token price. Ultimately, this is far more relevant than staking fees. Right now, we believe value creation is key to reinforcing the project's leadership.

We believe that the success of a protocol like dYdX lies in attracting the best talent possible, and this new proposal allows for that. It is absolutely critical to build a solid financial structure that ensures the project's sustainability, operates as efficiently as possible, and provides financial support in strategic decision-making, considering its impact on the token's supply and demand, which ultimately affects its price. The experience these teams have with other protocols is a positive factor.

We believe this proposal is a Strategic Move for the Protocol's Future

, and it should encourage reflection on how we can use the protocol's resources in the most efficient way, while building a solid foundation for growth. In this regard, we've left some proposals in the forum that could be explored to achieve the greatest possible impact on key metrics, which should serve as a turning point for a new growth cycle for the project, capitalizing on the promising upcoming launches ahead