Hello Everyone!

We'd like to formally introduce Entropy Advisors, a governance operations focused business that will be working exclusively with the Arbitrum DAO over the coming months. This company is being built by Matt Fiebach and Sam Martin, and bootstrapped with the help of the Arbitrum Foundation as a grant recipient.

We were the first two employees at <u>Blockworks Research</u>, where we built a Saas-based research product offering deep investment insights to institutional crypto investors via long-form research, onchain analytics, and a governance screener. Matt spearheaded the services and governance operations, while Sam focused on the product and day-to-day operations. We scaled a team from 0 to 14 people, grew a daily newsletter and a twitter/X account to 10's of thousands of readers/followers, launched and hosted the 0xResearch podcast, and more. We have developed vast networks within the crypto industry, and plan to leverage that network and experience to help the Arbitrum DAO operate more efficiently, effectively, and professionally.

We have identified some pain points within Arbitrum DAO through our experience working directly with the DAO over the past year. Some of these problems include:

- DAO Alignment
- Arbitrum DAO does not have a neutral party to broker proposals, ensure high quality RFP applicants, and generally serve as the steward for proposals. The DAO doesn't know the ulterior motives and incentives of proposal authors, and there is often a lack of alignment between both of these entities.
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- Collective Action Problem & Proposal Stalemate
- Situations where there is a recognized need or solution that would benefit the broader ecosystem, but individual actors lack sufficient incentives to take action due to asymmetric benefits/costs. There is a lack of dedicated resources to execute strategies and see them through the lifecycle.
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- Procuring & Maintaining Contributors
- The Arbitrum DAO has trouble attracting full-time, high quality talent given its lack of ability to hire/employ these individuals. There is no incentive to be a full-time DAO contributor. Even with economic incentives (eg ARDC,) many of the top businesses within the industry at their respective specialty miss on these opportunities simply because they are unaware of the opportunities.
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- • Strategic Partner Onboarding & Growth
- The Arbitrum DAO primarily relies on the Foundation as its BD arm, but having an additional Arbitrum aligned entity to assist in finding strategic partners could yield a richer set of partners to choose from.
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- • Stakeholder Relations
- Information pipelines are broken between key stakeholders of the Arbitrum network including the Delegates, Protocols, the Foundation, Offchain Labs, and other service providers.
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We started Entropy Advisors to alleviate some of these problems within the Arbitrum ecosystem. This list is non-exhaustive, and we would love to know if the community sees any pain points that Entropy could help solve. Candidly speaking, we are here to help the DAO in any way that we can!

Feel free to reach out to Sam <u>sam@entropyadvisors</u> | <u>Twitter</u>) or Matt (<u>matt@entropyadvisors.com</u> | <u>Twitter</u>) if you ever want to chat, need a helping hand, or anything else.