# dYdX Short-Term Boost Program (STBP)

After pouring through the comments to the [Ecosystem Development Program](#), which has just been voted into effect, we identified a few key areas that could need support through an additional complementary

custom-tailored grants program.

To address these challenges, StableLab proposes a six-month $1M Short-Term Boost Program to enhance dYdX community growth, develop trader-specific tooling and governance and security research to unlock the potential of dYdX Chain.

## Summary

The dYdX Short-Term Boost Program includes:

- $1M in dYdX for grant distribution

- A council of three independent entities

- Focus on Community & Growth, Traders & Tooling and Governance & Security

- The ability for the community to adjust the allocation of funds to the three tracks at the start and at the three-month mark

- StableLab will manage the program and use its analytics capabilities to monitor the progress of grantees.

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dYdX STBP

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## Detailed proposal

dYdX is currently the number one decentralized perpetual futures exchange. Thanks to grant programs like the [DEP](#), dYdX was able to attract talent and innovation. We want to play a role in ensuring all aspects of the ecosystem are served well and that community funding is used in the most transparent and democratic way possible.

StableLab is proposing this program as a complementary short-term pilot, building on the successes we've seen managing the 67M $ARB Short-Term Incentive Program (STIP) and successfully launching the Long-Term Incentive Program. Arbitrum is aggressively spending community funds to boost the ecosystem and secure its place in the cut-throat competition between Layer 2 networks.

We will now break down the program into its components and explain how they work together to create buzz and attract talent.

## The council of experts

STBP will be overseen by a council of three independent entities (people or businesses) selected through an application and voting process. We expect the nominations and elections to generate a flurry of social media, forum activity, and positive buzz. Council members will receive as compensation $4,000 worth of dYdX per month, which will attract high-caliber candidates.

The council member selection process has two phases:

1. The application phase - After StableLab publishes a Request for Applications on the forum, candidates will have two weeks to apply by replying to the forum post. Candidates will need to demonstrate experience in community growth, DAO governance, or validator operations or be recognized Web3 developers.

2. After the two weeks have passed, the community can elect the three council members by [approval voting](#). Approval voting is known to be the most inclusive voting mechanism. The poll should run for another five days, from Monday to Friday.

The council is responsible for:

- Screening applications and filtering out spam, malicious applications, or other applicants not deemed eligible.

- Presenting well-informed opinions about the pros and cons of applicants in an easily digestible manner so that community members can decide which applications they want to zoom in on.

- Monitoring grantor deliverables and reporting to the community. StableLab will aid this task by providing on- and off-chain analytics and dashboards.

- Halting payment streams to grantors who stop fulfilling their obligations or exhibit questionable behavior.

A second-order effect we hope to achieve with the council is to get prominent members of other ecosystems to become active in dYdX. The application process can generate a lot of social media activity and interest and could be a clear win for dYdX.

## Program Funding Tracks

The program consists of three distinct tracks, with the dYdX community at the center. The dYdX community can decide the distribution of funds to the three tracks, with StableLab providing reports and data-driven insights thanks to our analytics resources. Our aim is to ensure the community makes informed decisions and that every token spent contributes to meaningful outcomes.

The three tracks we propose are the following:

### Track 1: Community & Growth track

This track will empower projects that deliver growth to dYdX v4 along key verticals:

- Community Growth through questing protocols or similar incentive programs

- Delegation and Delegate incentives

- Community Engagement through regular AMAs or other places for the community to gather

- Creator programs for video or long-form text that reduce barriers to entry

It will fund promising proposals that tackle one or more of these growth challenges and monitor their impact closely, ensuring they deliver on their promises. Examples of promising candidates here include questing protocols, trading competitions, activity incentives, and similar community-focused proposals.

We expect grants in the $10,000 to $100,000 range here.

### Track 2: Traders & Tooling track

Another grant program will fund tooling development for traders and trading strategy research. dYdX wants to offer the best trading experience, period. Part and parcel of that experience are tools traders need to design and execute the most profitable strategies and document their experiments. This track will fund promising development efforts while tracking delivery to the community by setting appropriate milestones.

This could be for developing integration into charting tools such as TradingView, analytics, position setting tools, trading journaling tools, book-keeping and account management tools, and other similar proposals.

We expect grants in the $20,000 to $250,000 range here.

### Track 3: Governance & Security track

The third track focuses on validator diversity, governance, legal security, and technical research needed to make dYdX Chain the most robust and secure possible. We expect a few larger, long-running grants in this category that have asymmetric payouts in the long run.

We would fund legal research, validator diversity incentives, liquid staking token proliferation or development, and fundamental research here.

Further enhancing ways for delegates to work with validators in a mutually beneficial way could also be funded as part of this track.

We expect grants in the $10,000 to $100,000 range here.

## The community at the center

We will use community engagement and poll token holders to determine which portion of the funds should be allocated to each track. The community retains executive decision-making power, powered by data-driven insights from our analytics product and expert guidance from the council.

We plan to run the program in two waves of three months each. This will bundle applications in two submission periods, which will help with social media recognition and establishing dYdX as a vibrant ecosystem.

## Operational cost

We propose a 35,000$ a month operational budget to be used as follows:

Position

Description

Cost per month

Management

Top-level responsibilities and operations of the STBP by StableLab

$13,000

Council seats

Compensation will be needed to attract top-level talent. Three seats total. $4,000 per seat per month.

$12,000

Analytics

Using StableLab's in-house data analytics team and upcoming product to ensure every token is well spent

$10,000

Total

$35,000

The operational cost would not be part of the grant volume in order to maximize the impact the STBP can achieve. The total cost of the program for six months would be $1,210,000 in dYdX.

StableLabs responsibilities are operational. We will:

- Prepare the RFA for the council members
- Deploy the on-chain polls for all aspects of the STBP
- Work with applicants to ensure they understand the process and are clear about where their progress
- Work with the council to ensure they have insight into the applications and have the necessary information available to screen promissory applications
- Report to the community about the progress of applications and compile the recommendations and analyses of the council members
- Create in-depth reports about the performance of grantees
- Make sure the whole program stays on track

## About StableLab

StableLab is a firm specializing in protocol governance operations and analytics. We contribute to over 20 protocols and ecosystems with exceptional diligence and participation metrics. Partners include Arbitrum, Optimism, Aave, Uniswap, 1inch, Balancer, Element Finance, InstaDapp, Lido, and MakerDAO.

StableLab has participated in every poll on every proposal for all the ecosystems we cover and provides explanations on every vote as long as we are active there. We participate in the entire governance process, from initial discussions, proposal creation, and feedback rounds to on- or off-chain polls.

Apart from ensuring well-informed decisions, we author proposals where possible. Our focus is on minimizing unnecessary expenses or growth opportunities.

We prioritize governance that drives value to token holders.

StableLab has recently had experience in shepherding similar efforts with[Arbitrum's LTIPP](#) and [Safe OBRA](#). Our upcoming

analytics product will ensure the best outcomes through copious on-chain sleuthing.

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## About StableLab Analytics

StableLab is building a governance analytics platform and is currently working with Arbitrum and one other protocol on building out our solution. We would be delighted to bring the capabilities of our in-house data scientist to bear on making sure the community can make informed decisions about which grant track delivers the outcomes that matter.

Below you will find some screenshots of the work in progress as well as of ongoing analytics work.

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Screenshot of a design study for our upcoming analytics product.

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Analysis of the impact of different initiatives we did for Arbitrum.

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More details from the same analysis.

## Distribution of Funds

Should the proposal be approved by tokenholders, StableLab would first organize the election of the council of experts. StableLab would then request a disbursement of one million dollars worth of dYdX tokens to a Keplr multi-sig managed by StableLab and one representative of each of the entities in the council, plus one other representative of the community. The resulting multi-sig would have 4 out of 5 signer requirements to start payment streams to grantees. The program would offer a $200/month compensation for the community member, paid by StableLab.

That way, funds are always secure, and neither StableLab nor any other party will ever have direct access. We will stream funds to grantees or resort to milestone-based payouts to ensure only actual work gets funded.

See the schema below.

Stablelab Pte. Ltd. is incorporated in Singapore and can legally manage the grants program due to the favorable legal conditions in our jurisdiction of incorporation.

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## Next steps

Let us sum up this proposal once more.

The six-month dYdX Short-Term Boost Program seeks $1 million in $dYdX to fund three grant tracks:

1. Community & Growth

2. Traders & Tooling

3. Governance & Security

It will be managed by a council of experts comprised of three entities from the Web3 space.

StableLab will have an operational role and provide on- and off-chain analytics and reporting to help the community make informed decisions.

The community can adjust funding between the three tracks, while the council has oversight over deliverables and can screen applicants.

We encourage the dYdX community to give critical feedback to this proposal, which we will incorporate. Given positive community sentiment, we plan to put this proposal to an on-chain vote early next week.

If DMs are preferred, we're happy to answer any questions via Forum DM to [@rspa](#).