

Storj uses blockchain technology and peer-to-peer protocols to provide decentralized, secure, private, and encrypted cloud storage.

The ERC20-based STORJ token, distributed through a token sale in May 2017, is used to facilitate the provision and receipt of data storage and related services on the network. Founded in 2014, the Storj team consists of over 25 members, including recently appointed interim CEO Ben Golub, former CEO of Docker, and operates as Storj Labs (BVI) Ltd., which builds tools and APIs for users to interface with the network.

Project Overview

Name	Storj.io
Issuer	Storj Labs
Category	Utility token
Sector	Distributed storage
Sale Start	05/19/2017
Sale End	06/19/2017

Token Overview

Name	Storj
Symbol	STORJ
Type	ERC20 token
Initial Distribution	125,000,000
Current Supply	133,425,000
Max Supply	425,000,000
Emission Type	Fixed

Resource Links

- [Website](#)
- [GitHub](#)
- [Twitter](#)
- [Telegram](#)
- [Reddit](#)
- [Medium](#)
- [Whitepaper](#)

Project Background

Storj is a distributed cloud storage platform that connects users needing to store files with others that have excess hard drive space available. The project aims to provide a more secure and efficient model compared to existing centralized services by using techniques like client-side encryption and sharding.

The network relies on two open source applications: StorjShare and Bridge. StorjShare allows users, known as farmers, to rent out excess storage space while Bridge is the application used by those that wish to purchase this space. Transactions are completed using the STORJ token but, the platform has the flexibility to use other payment methods like bitcoin, ether, or fiat currencies.

By distributing file storage across a diverse set of nodes, Storj believes the platform can reduce impacts from infrastructure failures, security breaches, and unauthorized access while also adding censorship resistance and lower costs.

Technology

The core technology of Storj is a peer-to-peer smart contract system that allows users to exchange computer storage for payment. "Clients" on the network purchase excess hard drive space from "farmers," that set prices for their services via the StorjShare application. Payments are made in STORJ tokens which are used for micropayments between clients and farmers as well as for other network services.

To ensure privacy files are encrypted on the client-side before upload and split into smaller portions, known as shards, and spread across the network. Clients maintain the only copy of the encryption key after upload.

Over the duration of a contract the protocol allows clients to check that a farmer still maintains their file and that it is retrievable. If a farmer is able to provide cryptographic proof that a file is on their system they receive payment for that period. If they are unable to provide this proof the client does not pay. These ongoing audits are referred to as a "heartbeat."

Distribution

Prior to release of the STORJ token, a legacy token, SJCX, existed with a 500 million supply, of which 50 million was distributed and the remaining 450 million retained by Storj Labs.

In 2017, a total of 500 million STORJ tokens were introduced and the legacy token SJCX was discontinued, alongside a migration from the Bitcoin onto the Ethereum blockchain. A total of 72 million STORJ was distributed to the public through the pre- and main sale, raising \$30 million for the project.¹ A further 20.66 million SJCX remained outstanding and were eligible for conversion into STORJ and a 1:1 rate up until Dec. 2017. The 450 million SJCX tokens held by Storj were converted into 450 million STORJ tokens during this time.

A total of 125 million STORJ tokens have been publicly distributed to date. This includes 2.99 million STORJ tokens paid out to service providers, 72 million STORJ sold to the public, and 50 million legacy SJCX tokens, which includes legacy SJCX reserved for conversion.

Following these distributions Storj retained 375 million, of which 75 million have been burned, leaving the project with 300 million tokens. Of these, 245 million remain locked until June 20, 2018, having initially been scheduled to be released on Dec. 20, 2017. The remaining 55 million tokens are unlocked and available for use by Storj to pay service providers, including farmers.

As a result of the burning of 75 million tokens, the total token supply stands at 425 million.

There remains a lack of clarity regarding the release of the remaining tokens held by Storj, following the decision to extend the lock up period until June 2018. The project has indicated that they have enough funds to operate until this date, at which time they can better evaluate the project's timeline.

As the sale into the market of a significant portion of tokens can provide downward pressure on the price of STORJ, this uncertainty regarding the timing of token release by the company is something to be mindful of. The aim of the company is however to be more transparent and to provide a more detailed token distribution plan for the remaining reserves, before the end of the new lock-up period.

In addition to the token sale Storj Labs has raised a total of \$4.8 million through two seed rounds. The first round was completed in May 2016 and included investors Tyler Scriven and TechSquare Labs. The second was in Feb. 2017 and included Techstars, Tank Stream Ventures, Qualcomm Ventures, and BnkToTheFuture as investors.²

Team

Ben Golub

Executive Chariman and Interim CEO

- Joined in March 2018 after serving as CEO of Docker, the software containerization platform

Shawn Wilkinson

Founder and Chief Strategy Officer

- Founded Storj in his dorm room in 2014
- Formerly CEO (until May 2017) and CTO

John Quinn

Founder and Chief Revenue Officer

- Previous experience as a technology focused investment banker, managing director at a private equity firm, and active seed investor

Philip Hutchins

CTO and Principal DevOps Architect

- Joined Storj in March 2016 after serving as Director of DevOps at BitPay Inc.

Matthew May

CFO

- Joined Storj in July 2017 after working at EY and PWC

¹ Source: <https://storj.io/tokensale.html>

² Source: <https://www.crunchbase.com/organization/storj#section-locked-marketplace>

Analyst: Dan van Eck (@erlichlisztman)

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Advisors

Anand Babu Periasamy
CEO and Co-founder at Minio Inc.

Warren Weber
Former Senior Research Officer
at Federal Reserve Bank of Minneapolis
Economics PhD from Carnegie Mellon University

Bo Shen
Founder of blockchain VC firm Fenbushi Capital

Tyler Scriven
Managing Director at Techstars Atlanta
Former Chief of Staff at Palantir Technologies

Michael Cohn
Managing Director at Techstars Atlanta
Former founder and CEO of Cloud Sherpas

Investors

Techstars
Tank Stream Ventures
Qualcomm Ventures
BnkToTheFuture
Tyler Scriven
TechSquare Labs

Additional Resources

- [Token sale details](#)
- [Whitepaper](#)
- [CoinDesk: \\$300 Million Lockup: Storj Clarifies Token Economics in Surprise Reveal](#)
- [Blog: An announcement about storj token lock ups](#)
- [Blog: Token sale wrap-up details](#)

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