Syscoin

Decentralized marketplace services

MESSARI

Syscoin is a network for decentralized marketplaces looking to enable secure value transfers for a wide range of goods and services.

The platform launched its first service Blockchain Foundry in Sept. 2017 allowing users to establish marketplaces and buy or sell goods. Syscoin provides wallets, payment and escrow services, identity management, encrypted messaging, and other features that can allow users to transact in a decentralized manner.

Project Overview

Name	Syscoin
Issuer	Syscoin
Category	Platform token
Sector	General purpose
Sale Start	07/19/2014
Sale End	08/16/2014

Token Overview

Name	Syscoin
Symbol	SYS
Type	Litecoin fork
Initial Distribution	120,000,000
Current Supply	533,173,902
Max Supply	880,000,000
Emission Type	Ongoing decaying

Resource Links

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

Project Background

Syscoin was created as a blockchain protocol that expanded on the concepts of Bitcoin to include additional services, like smart contracts, to enable the creation of a decentralized marketplace. The project launched in 2014 as a fork of the Litecoin network. Soon after the completion of a token sale and launched the network its funds were allegedly stolen by the operators of Moolah, the exchange that held the proceeds of the sale. Over the next two years the team worked to build Syscoin 2.0, which was launched in May 2016.

The launch of the 2.0 network included a new graphical interface and wallet, replacing the previous command line interface. In Aug. 2017, the Syscoin team created Blockchain Foundry as a separate entity to help realize their goal of creating a marketplace platform. In Sept. 2017, Blockchain Foundry released its first product Blockmarket, a blockchain based ecommerce solution. Follow the successful launch of Blockmarket Blockchain Foundry raised $3.3 million to continue developing Syscoin and explore other blockchain technologies. While the current focus of Blockchain Foundry is the development of Syscoin there is a chance it eventually moves away from the company leaving the team with a lack of funding.

In order to help build the marketplace platform originally imagined Blockchain Foundry was created by the development team and launched its first product, Blockmarket, in Sept. 2017. In Dec. 2017, following the launch of Blockmarket, Blockchain Foundry received private equity funding of $3.3 million to continue development of Syscoin and expand into new segments.

On April 30, 2018, Syscoin released an upgrade to the network (3.0) which includes the ability to create unique fungible and non-fungible tokens on top of the blockchain. [1]

[1] Source: https://medium.com/@BlockchainFoundry/syscoin-3-0-is-live-bbbe88e76ef3

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Technology

Syscoin provides the underlying technology to allow users to buy or sell goods in a decentralized manner. This includes marketplaces, payment and escrow services, encrypted messaging, aliases, and digital certificate signing and authorization. All of the Syscoin marketplace tools and features are available via Blockmarket, including the alias identity system.

Identity management, through the use of the alias system, is a focus of the project. Users are required to create a Syscoin wallet and fund it with SYS tokens to participate in a market. Instead of using the wallet address for transactions, users establish a username of their choice that is tied to the wallet. The team believes this can enhance user experience and provide a certain level of anonymity. Participants that wish to establish a marketplace complete the same steps and the wallet alias is used as the marketplace address.

The current implementation of Syscoin is built around a series of smart contracts based on Bitcoin's scripting system. When version 2.0 was launched the underlying mining algorithm was switched from scrypt to Bitcoin's SHA-256 algorithm with a 60 second block time. In addition to core smart contracts, the platform integrates various anonymity technologies aimed at privacy including TOR routing and zero-knowledge proofs (zk-SNARKs).

During an update on April 30, 2018, the team announced the integration of "masternodes" on the network. These nodes were introduced in anticipation of increased activity in the marketplace. To ensure the ledger is fully synchronized real-time and transactions are relayed efficiently at high volumes. Masternodes will also be responsible for future governance decisions in the network, like voting on upgrade proposals. To participate as a masternode users are required to stake a specific amount of SYS tokens. Operators are compensated for running a masternode with 75% of the block reward, with the other 25% going to traditional miners.

In addition to masternodes, Syscoin introduced a new technology aimed at allowing zero confirmation transactions using directed acrylic graph (DAG) technology. This technology, called Z-DAG, was created by the Syscoin team and has not been used in any other blockchain implementation to date.

Distribution

Syscoin conducted a token sale from July 19, 2014 through August 16, 2014, during which it raised 1,500 Bitcoin (BTC). A total of 120 million tokens were sold during sale with the remainder of tokens to be created through ongoing mining rewards. In 2068 the final block reward will be distributed resulting in a total supply of 888.0 million SYS.

Post sale, Moolah CEO Ryan Kennedy was accused of stealing 750 of the 1500 BTC raised. Syscoin has been in ongoing litigation since Oct. 2014 in an attempt to recover the funds. Despite a number of rulings in their favor in U.K. courts, litigation remains ongoing and funds have been recovered. [1]

[1] Source: https://www.ccn.com/alleged-moolah-fraudster-ryan-kennedy-faces-first-court-hearing/

Team

Dan Wasyluk
CEO at Blockchain Foundry Inc.

• Previously at Decision Lens

Sebastian Schepis
CIO at Blockchain Foundry Inc.

• Creator of Syscoin

Jagdeep Sidhu
CTO at Blockchain Foundry Inc.

• Previously Alpha Technologies, LMI Technologies, and Brightside Technologies

Chris Marsh
CFO at Blockchain Foundry Inc.

• Previously at Richardson GMP and GMP securities

Brad Hammerstron
CMO at Blockchain Foundry Inc.

• Previously marketing director at Syscoin

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AdditionalResources

• [Blockchain Foundry Medium](#)

• [Blockmarket Destop](#)

• [Blockchain Foundry Support](#)