Sefear Grant Review

Proposal: 📄 Shimmer - Hackathon Proposal (Unchanged Version 90.000 USD)

Funding Decision: No

Decision Summary:

- At this time I think the funding request will have a **Low Long-Term Impact & High Opportunity Cost** for the Shimmer Community Treasury (further details below).
- **Scoring System Points:** 13 / 15 minimum required points. (Tier 3 level request)
    - Relevance to the Shimmer/IOTA Ecosystem: 3
    - Plan and Funding Model: 2
    - Execution: 4
    - Verifiability and Quality of the Team: 3
    - Overall Quality & Originality of the Idea: 1
- Concerns about the amount requested, current treasury funds, and the high opportunity cost for the community treasury.
    - Current Market Cap of Shimmer (assuming $85M holds) only permits low tier values within the "tier & funding requirements"
    - This being a $90k Tier 3 request means it will take a substantial amount of funds from the treasury vs. multiple prospective tier 1 or 2 requests.
    - Concerns about overall impact of this project – see further points below.
- Concerned about the current business model of the requested Hackathon:
    - **Lack of sustainable revenue generation plans** (current or future) presented.
    - One-time 2-day event. Likely to produce **highly perishable skills**/levels of knowledge for participants about Shimmer. Without a robust talent development pipeline this knowledge will be lost – see below point.
- Concerned about the timing of this request in this particular stage of the Shimmer Ecosystem's lifecycle.
    - 2-day flash event is a **quick** and **momentary** promotion of Shimmer to relatively inexperienced developers.
    - There is no robust & immediate pipeline to continue developing the stated 200 newly introduced participants to Shimmer.
        - Lack of established projects building on Shimmer who can hire and continue training and developing these students/participants.

- - ■ Lack of funds to take high risk bets on promising looking hackathon projects that have not matured enough to truly test their value-creation or product-market fit.
- Certain "Key Criteria" for funding this project (as outlined in [Shimmer Community Treasury Grant Committee - Version 2](#)) failed or did not have adequate information to fulfill the criteria. The Principles & Objectives of concern for this request were:
  - To enable projects to establish successful and **profitable** business models on Shimmer. ✖
  - The committee will prioritize projects with the highest potential and positive impact on the ecosystem compared to the received funding. ❓
  - Projects that can guarantee a backflow of capital/investment into the community treasury will be evaluated more positively. ✖
  - All funded projects must be open source (under MIT, GNU or Apache 2.0 license). Projects in development must allow the grant committee to access any private repos for review. These projects will only receive 50% of the proposed budget until they fully open-sourced their code. ❓
  - The requested budget must match industry standards for comparable tasks. If a proposal requests way above fair market value, the committee will go into a dialogue with the team to request adjustments. The committee may either reject such a proposal or cut the funding to settle at fair market value. ❓
- The applicant **did not outline a minimum of 3 key milestones** for funding. The short nature of the event also does not allow for quantifiable milestones to be assessed by the Treasury Committee adequately to measure success/impact.

Suggestions for EasyA to have a future successful application:

- Have an established revenue stream or path outlined towards a self-sustaining future. The treasury must prioritize long-term viable businesses to add continuous value for the Shimmer ecosystem.
- Related to the above: Consider recurring events and a business model that will be able to accommodate them. A one-time event does not satisfy long term growth objectives of the Shimmer ecosystem or developers looking to add value towards it.
- Open-source projects from your event. As stated in the criteria above, all projects and their code must be open sourced to receive full funding and benefit the ecosystem at large.
- Once all the above are accounted for, consider applying at a later date. Right now, the Shimmer community treasury is limited due to market conditions, and the lack of a strong pipeline of projects looking to either hire or take high-risk bets funding hackathon winners. These conditions may change in the future, and this hackathon event may be able to provide more impact for the ecosystem for the money spent.