



BAY BUCKS

Money Designed for a New Economy

Re-thinking our monetary system: Bay Bucks and the New Economy

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Where We Are Now





Bernard Lietaer



“Government-enforced **monopoly** of a single type of currency, **created by banks** through loans attached to **positive interest rates**, and naturally or artificially kept **scarce**.”

--- Bernard Lietaer

“What is the Problem with our Current Money System?”



Charles Eisenstein



- “Today’s national and supranational currencies have become a **blight** on this planet. Created through **interest-bearing debt**, controlled by **financial elites**, tracked by the **surveillance state**, and necessitating **endless growth**, money as we know it is a primary agent of inequality, injustice, and ecocide.”
 - -- The Next Step for Digital Currency



Our money...



- Is the root of our present day evils.
- Until we face up to it and create a new kind of money, we cannot succeed in creating a new economy.



Economic Justice: How to Get There



Promoting a healthier monetary system requires the use of three different kinds of currencies alongside our national currencies:

- (1) an inflation-proof **global** complementary currency designed to stabilize the world economy
- (2) **business-to-business** currencies designed to counteract the effects of conventional money shortages during periods of economic crises and contraction
- (3) **community currencies** that address a variety of social problems and strengthen the fabric of society.

--- Bernard Lietaer

“What is the Problem with our Current Money System?”



New Kinds of Money

- Irish banking strike in the 70s
- Swiss WIR
- California in 2008



- There is nothing inevitable or enduring about the money we use today. It has and can change in an instant. The trick is how to smoothly transition away from it.



What are WIR and Bay Bucks?



- Both are **regional Business-to-Business** currencies designed to counteract the effects of conventional money shortages during periods of economic crises and contraction.
- Bay Bucks is based on the proven Swiss WIR model.
- Mutual credit systems.



Bay Bucks is a better means of exchange

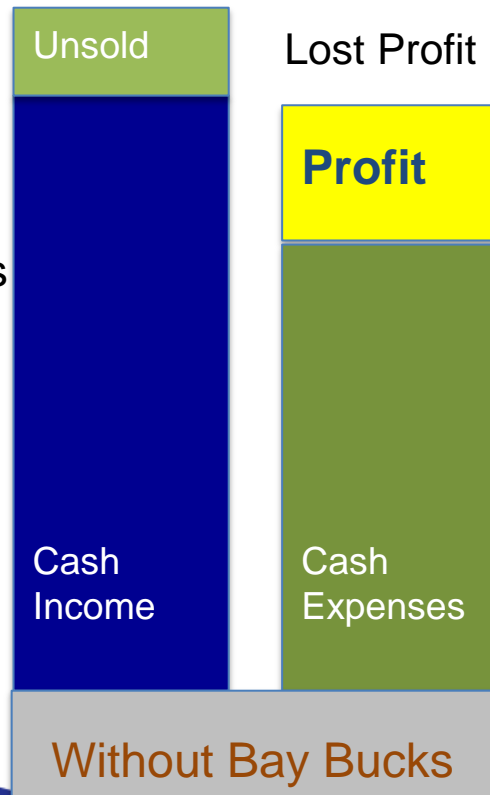
- **No scarcity:** Members of Bay Bucks have the ability to create money when they need it
- **No interest:** No transfer of wealth from poor to rich
- **No hoarding:** Designed to flow. Most profitable strategy is to keep net balance close to zero.
- **Non-inflationary:** Every buck created is backed by the creator's own products and/or services.
- **Collaborative:** Businesses help each other move their excess inventory, and save costs.
- **Local:** Makes buying local good for the bottom line.



How does it work?

Unsold is:

Idle Capacity
Empty Rooms
Unfilled Appointments
Vacant Seats
Excess Inventory



A typical business would have cash income and expenses. The difference between them is the cash profit.

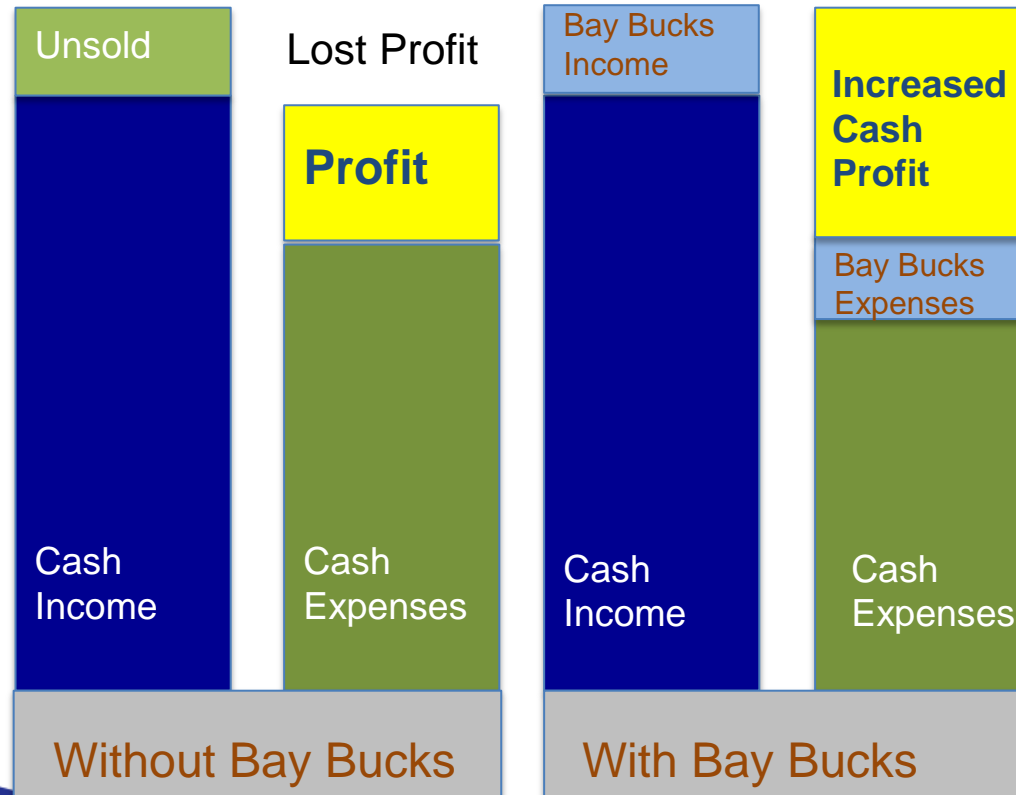


How Bay Bucks Increases Business' Cash Profits

Incremental sales in Bay Bucks



When a business uses incremental Bay Bucks income to offset some of its cash expenses, it enjoys an increase in cash profits.



Bay Bucks Income is:

- New Sales
- New Contracts
- New Customers
- Optimized capacity
- Your competitors' Sales



Before & After Bay Bucks

Assuming 50% Gross Profit Margin (for hard goods)

Numbers	Before	After
Cash sales	\$1,000,000	\$1,000,000
Additional sales in Bay Bucks	\$0	\$160,000
Total Sales	\$1,000,000	\$1,160,000
Cost of Goods Sold (50%)	\$500,000	\$580,000
Gross Profit Margin (50%)	\$500,000	\$580,000
Cash Fixed Costs (rent, etc)	\$225,000	\$225,000
Cash Variable Costs (raw materials, etc)	\$225,000	\$65,000
Bay Bucks Variable Costs (offsets cash variable costs)	\$0	\$160,000
Trade Fees	\$0	\$19,200
Total Expenses	\$450,000	\$469,200
Net Profit	\$50,000	\$110,800
Net Profit Margin	5%	10%



What are its impacts?

Fool me once,
shame on you;
fool me twice,
shame on me.

CHINESE PROVERB

TheSilverPen.com

- Counteract the financial crises unleashed by Wall Street.
- Enable local businesses to continue operating during downturn.
- Enable re-localization of the economy.
- By changing our money, we lay the groundwork for a new shared prosperity.



Why Regional?



- Grew out of Transition San Francisco
- People live and work in different cities.
- Need the North Bay for agriculture, and the South Bay for manufacturing.
- Hence we staked out the bioregion within ~100 mile radius as an achievable sustainable region.
- If we want a new economy, we must create it ourselves.



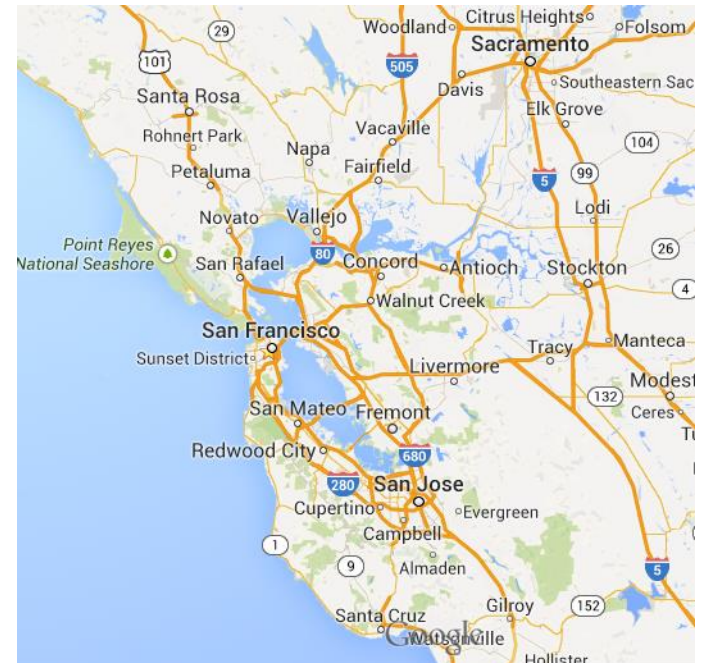
We cannot do this alone





Seeking Partnerships

- Help bring Bay Bucks to your neck of the woods!
- Santa Cruz & Santa Rosa:
 - We provide:
 - Backend software
 - Training
 - Tech support
 - Marketing support
 - You do:
 - Local outreach
 - User support
 - Local spokesperson





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Thank you!



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