



Introducing the new celebrity accessory: bitcoin-style cryptocurrencies

Wu-Tang Clan's Ghostface Killah becomes latest public figure to gamble on initial coin offerings to generate serious money

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Monday 9 October 2017 10.54 BST

Forget a Gucci handbag, massive sunglasses or a teacup Chihuahua - the must-have celebrity accessory for 2017 is a cryptocurrency endorsement deal.

So much money is floating around the sector that companies will pay almost anything to attract attention to their fundraising rounds - called "initial coin offerings", in a legally questionable analogy to initial public offerings for tech startups.

That's not to say every celebrity promoting a cryptocurrency is being paid to do so. The other motivation is the same for all who buy in to these offerings: get in on the ground floor, and then encourage as many people as possible to buy in after you. There's a lot of money to be made if you do it right - and a lot to lose if you do it wrong.

Last week Wu-Tang Clan's Ghostface Killah became the latest to jump on the bandwagon. He announced his co-founding of a cryptocurrency firm called Cream Capital, which is looking to raise \$30m to build a blockchain-based ATM network, a cryptocurrency pegged to the US dollar and an exchange to buy into both of them.

For those who don't speak startup hype, Killah's company wants to build technology that can be used as a middle ground between popular cryptocurrencies, including Bitcoin and Ethereum, and eventually serve as a medium of exchange in its own right. For those who don't speak old school rap, the company's name serves as an allusion to Wu-Tang Clan's hit C.R.E.A.M. ("Cash rules everything around me").

As for the role of Ghostface, real name Dennis Coles, the company says he "serves as a vessel to increase brand awareness surrounding Cream Capital and cryptocurrencies." While assuring investors Cream Capital adds that: "[Coles] understands the fundamentals of blockchain technology and the importance and gravity of the technology. He is not a random celebrity that is lending his name to a project.

"Wu-Tang is for the children and the children will use the blockchain."



Move over fun-sized canines - the blockchain is Paris Hilton's current obsession. Photograph: Startraks Photo / Rex Features

Ghostface follows a fair few other celebrities who have seen an opportunity to make huge amounts of cash - and, of course, express their understanding of the fundamentals of blockchain technology. In September, Paris Hilton, hotel heiress and reality TV star, said that she would be participating in LydianCoin's ICO, a company which describes its offering as the "first AI big data marketing cloud for blockchain".

For those concerned that Hilton may have been sucked in by the buzzword bingo, fear not. Hilton has had a genuine interest in the sector for some time, appearing in a now-deleted Instagram post back in 2016 with cryptocurrency entrepreneur Stephan Tual, the former chief commercial officer of Ethereum.

Those connections weren't enough to stop observers pointing to her involvement as proof that the cryptocurrency market is firmly in bubble territory. They may have a point: one or two celebrity endorsements may be easily dismissed, but there have been so many stars backing ICOs that it's getting hard to ignore.

A couple of months before Hilton backed LydianCoin, boxer Floyd Mayweather also jumped on the bandwagon, posting his support of Stox.com's ICO (the company is a "Bancor-based open source prediction market platform that is built on the digital currency Ethereum", to quote industry news site Coin Telegraph).

Mayweather didn't hide his motivation, though, announcing that he was "gonna make a \$hit t\$ of money on 2 August on the Stox.com ICO". A month later, just days before his headline fight with UFC star Conor McGregor, he promoted a second blockchain startup, Hubii Network (a content marketplace), and dubbed himself "Floyd Crypto Mayweather".

And in mid-September, Hollywood actor Jamie Foxx also jumped on board, promoting Cobinhood, a "zero trading fee cryptocurrency exchange".

But all these johnny-come-latelies pale in comparison to the original celebrity cryptocurrency backers: the Winklevii. The Olympic-rowing, Zuckerberg-suing identical Winklevoss twins launched Winkdex in 2014, a Bitcoin price index intended to provide a more stable measure of value for the cryptocurrency as it went through turbulent times.

Regardless of the success of that particular venture, the Winklevii have almost certainly made a huge amount of money from their cryptocurrency investments. In July 2013, they claimed to own 1% of all bitcoin then in existence in a filing with the US Securities and Exchange Commission - then worth \$11m, and now (if they've managed to keep hold of it) worth a cool half billion.

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