



# Challenges for Bitcoin ATM Operators in Today's Dynamic Landscape

Presented By: Mark D. Smith



# A Brief History of Cryptocurrency



**Mark D. Smith**

Business Development Manager

**Mark Smith is a 20+ year veteran of the ATM industry**

and has excelled in both the retail and financial sectors. He has deployed and managed fleets of terminals. Mark began his career with a major ATM manufacturer and has worked closely with ATM distributors. He has vast experience with deployments and developing efficient partner relationships for major rollouts, including ATMs, Smart Safes, and Bitcoin Kiosks. His knowledge of the industry and ability to execute successful programs has awarded him a high level of trust and confidence among peers and colleagues.



# Commonalities

We're Not so Different

We serve the same merchant base with similar products



**We serve the same merchant base with similar products**

Bank sponsorships

Regulation

Legislation

Margins



**We have common enemies:**

Theft

Fraud

Scams



# Available Opportunities

## Host a Bitcoin ATM

Become part of a larger Bitcoin ATM network

Bitcoin ATMs in 24-hour gas stations, convenience stores, and liquor stores

## Join a Distributor Program

**Bitcoin operator handles:** Bitcoin ATM operation, Cash pickup, customer service, Bitcoin liquidity and fulfillment, customer KYC and compliance, licensing, etc.

**You handle:** Signing up new locations, installation

## Become a Bitcoin ATM Operator

All-in-one-Solution Bitcoin ATM Software and Management software



# Best Practices

Name of the game is repeat business

“Your customers define you by the way you interact with them.”

## ✓ How do you draw in customers?

Customer support, service, sales

Right people, right place Live representatives

Extended support hours

Multilingual support



# NEW MARKET

# Top-tier Experience in a New Market

## ✓ Industry experience in a new era

Executives with background in the ATM industry

Experience translates directly to Bitcoin ATMs

## ✓ Drawing on experience

Puts Bitcoin ATM industry on fast track

Lends credibility to the Bitcoin ATM industry



# Market Trailblazers

- ✔ **Bitcoin Depot is the first company in the industry to go public**

Increases public confidence in Bitcoin ATMs

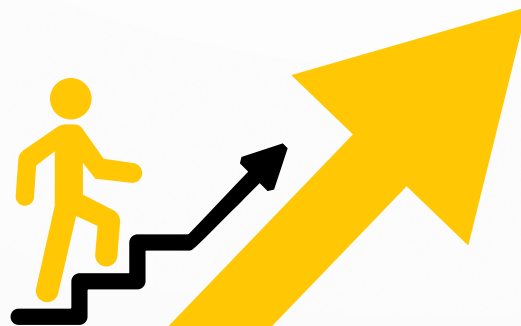
- ✔ **Bitcoin ETF approval by SEC**

Globalizes Bitcoin Provides legitimacy as a currency

- ✔ **Creates market trust**

Publicly traded company

Gives credibility to Bitcoin and the Bitcoin ATM market



# How to Get Crypto

## ✔ Purchase crypto online

Exchanges

Financial apps

Traditional brokers

BUY ONLINE



## ✔ Use cash to purchase crypto at a Bitcoin ATM

## ✔ Use an over-the-counter solution to trade large amounts of crypto





# Buying Bitcoin from Crypto ATMs vs. Online

## BUYING BITCOIN FROM A CRYPTO ATM

Convenient locations

Instant account approval

Transactions take minutes

Accepts cash

Live phone support

## BUYING BITCOIN ONLINE

KYC can take days to complete

No way to use cash

Many large Banks block Transactions  
for purchases of crypto

Low purchase limits

No Phone support



# Who Accepts Bitcoin?

With the lightning network, Bitcoin transactions will be faster than ever!



# Who are Our Customers?



**Convenience-focused users**  
those who want quick and easy transactions

**Older consumers**  
those familiar with traditional ATMs

**Cash users**  
those who prefer to use cash or are unbanked

**Privacy seekers**  
those who value anonymity



# Bitcoin Machine with Highest Market Share

## DIMENSIONS

HEIGHT = 65"

WIDTH = 18"

DEPTH = 23"

WEIGHT (w/out CDU) = 315 lbs

WEIGHT (w/CDU) = 385 lbs

## BILL CAPACITY

2,400 Bills

## TOUCH-SCREEN LCD DISPLAY

High-Resolution 21.5" touch screen LCD panel

1920x1080 XGA resolution



## CAMERA (optional)

Digital HD Camera

## POWER REQUIREMENTS

110/220 VAC+/- 10%

50/60 Hz, 145 Watts

## BACKUP BATTERY

## BOLTED DOWN FOR SECURITY



# Providing Protection

## Compliance measures, including:

- ✓ Suspicious activity reports
- ✓ ID Verification
- ✓ KYC (Know Your Customer) and AML (Anti-Money Laundering)
- ✓ Adhering to industry regulations

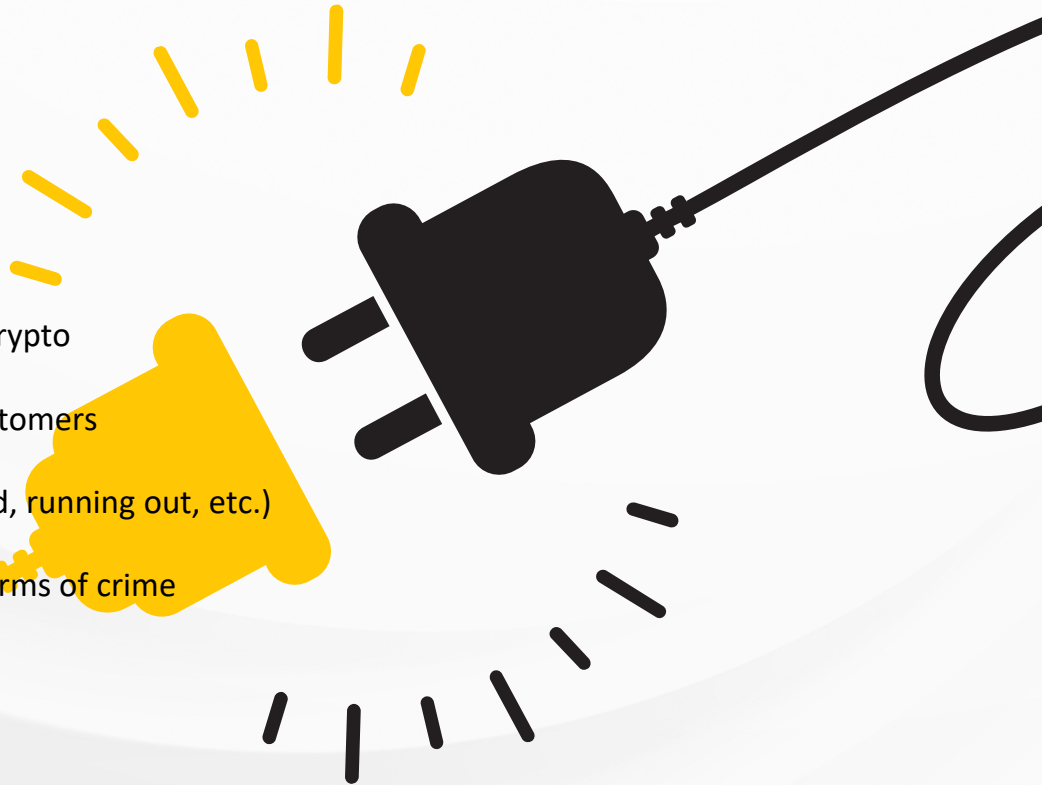
Social engineering is the use of deception to manipulate individuals into divulging confidential or personal information that can be used for fraudulent purposes



# All in the Family

Bitcoin ATMs are closely related to traditional ATMs

- ✔ Both use electronic kiosks
- ✔ Both offer a convenient way to access cash or crypto
- ✔ Both want to be as accessible as possible to customers
- ✔ Both must deal with cash logistics (cash on hand, running out, etc.)
- ✔ Both deal with scams, fraud, theft, and other forms of crime



# Outlook for 2024

A lot of the small operators realized over the past year that it's going to be very difficult to compete. A lot of them, anecdotally from conversations, are thinking about, 'Should I try to compete, or should I get out and sell my portfolio to some larger company such as **Bitcoin Depot**?'

- ✔ Market consolidation and acquisition - Bigger players taking over what others are abandoning
- ✔ Partnerships being established with large national retailers with high brand equity
- ✔ Crypto is gaining adoption as more and more countries accept and/or use Bitcoin
- ✔ Major ATM distributors offer Bitcoin ATMs to their retailer





**THANK YOU**

**Mark D. Smith**  
**Business Development Manager**