

Why the Bitcoin Standard Matters

Michael Saylor breaks it down.

The Basics

The Bitcoin Standard? It's using **Bitcoin as a reserve asset**—kind of like how gold or cash used to be. Simple as that. But now?

"Bitcoin is no longer just for macro investors. Companies, countries, and even presidential campaigns are paying attention."

In August 2020, **MicroStrategy** flipped the game by adopting Bitcoin as its **primary treasury asset**. Since then, they've stacked over **214,000 BTC**, worth over **\$45 billion**.

Why the Bitcoin Standard Matters

"Every company in the world is like a type 1 diabetic. They can't store economic energy. Bitcoin is the insulin."

Traditional treasury assets yield 2-3% after tax. But the **cost of capital** is 10-15%.

That means:

- 10% of your capital evaporates yearly.
- You're bleeding value just by holding fiat or short-term treasuries.

Bitcoin flips that. For the **first time in a century**, there's a **non-security capital asset** that beats the cost of capital.

Saylor's View on Corporate Adoption

"You discover Bitcoin when you've got nothing to lose."

The CEOs who embrace the Bitcoin standard?

- They're usually in distressed industries.
- Facing shutdowns, monopoly pressure, or existential threats.
- **They have to innovate, or they die.**

It's about courage, not genius:

"There are 800,000 geniuses in the world. But how many courageous people are there?"

And when boards get in the way?

"If one person is stopping you from making your shareholders a hundred billion dollars—you remove them."

Cultural Patterns of Early Adopters

They're not the "first sons."

"First sons inherited everything. Second sons built America. Bitcoin CEOs are second sons."

- They're scrappy.
 - They had to fight.
 - They're in the **Russell 2000**, not the S&P 500.
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Strategy's 10-Year Vision

MicroStrategy (now 'Strategy') isn't just holding Bitcoin. They're securitizing it.

They're building a financial stack of:

- **Preferred equity**
- **Convertible bonds**
- **Pure Bitcoin equity**
- **Volatility-based ETFs**

Their mission? Offer **custom Bitcoin exposure** to anyone:

- Want low risk? You get strife.
- Want high reward? You get 2x BTC equity.

"It's all built on steel. And that steel is Bitcoin."

Why Not Ethereum or Solana?

"Building on ETH or SOL is like using balsa wood or clay bricks instead of steel."

They're tokens, not commodities.

- **Bitcoin doesn't deflect.**
 - It can handle leverage.
 - The rest? Saylor calls them disasters waiting to happen.
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Fix the Balance Sheet, Not the Business

"Most companies pour 99% of their energy into their P&L, which is a losing battle."

Instead:

- Run your business steady.
- Pour your profits into Bitcoin.

"If you're a dentist, keep being a dentist. But mortgage your practice, buy Bitcoin, and become a billionaire."

That's the play.

Generating Yield Without Rehypothecation

"You don't need to juggle granite blocks. Just put the building on them."

Saylor's model:

- **No DeFi games.**
- **No lending scams.**
- Just **sell equity or bonds** against BTC.
- Keep it simple, compliant, and scalable.

"I've sold \$250 million of securities in 20 minutes. That's how you scale."

Bitcoin vs. Medium of Exchange Assets

Gold isn't a medium of exchange.

Real estate isn't.

Art isn't.

"Every rich person owns assets that aren't mediums of exchange. Bitcoin is no different."

Bitcoin is **capital**. It's **scarcity**. It's **deflationary**.

And in Saylor's eyes?

"We're not fighting to be a payment method. We're winning by being the hardest money."

The Courage Test

"Do you want to win, or do you just not want to lose?"

Every company has the opportunity. But only a few take the risk. Why?

- Fear of embarrassment.
- Lack of courage.

"Back to Peter Thiel—courage is in shorter supply than genius."

And in the long run:

- Consumers will **choose Bitcoin companies**.
 - Brand loyalty will follow the ethos.
 - Being on the Bitcoin standard will become a **badge of honor**.
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Final Thoughts

"We're just going to keep buying. The price will go up. And the leverage will grow."

MicroStrategy's not stopping. They're playing the long game. And they're showing the blueprint:

- Fix your **balance sheet**.
- Use **Bitcoin as collateral**.
- Offer **compliant securities**.
- **Print money legally** by being smart.

And if you're a company?

"Flip your treasury. Flip your polarity. Become capital-attractive. And win."