

Forum:[Hack Forums](#)

Thread: [My thoughts on a 1M OMC group and 50k OMC award and solutions to stabilize the market](#)

Who Soup - October 12, 2014, 4:03 am

Hello everyone.

I'd like to share my input on what I believe is the outcome of making a group that costs 1,000,000 OMC and raising the OMC award from 10,000 OMC to 50,000 OMC.

So a little background on myself I'm currently double majoring in business law and marketing. I have a business certificate, and a AA. I've been in school studying business for 2½ years now. I'm also very active in the OMC community mining for the Omni-Blu pool which I am ranked 12th out of the top blockfinders for that pool.

I'd like to start off with the 1,000,000 OMC award. For those of you who don't know what this is, [Omniscient](#) proposed an idea to create a usergroup that costs 1,000,000 OMC. ([Click here for the thread](#))

I believe that this is a great idea but it does leave open a few questions, one of the obvious ones being; who can afford to pay 1,000,000 OMC? A pool that is heavily used to mine is the Omni-Blu pool, which the top most block finder [Ortek](#) hasn't even reached 1,000,000 OMC total mined; Also most likely doesn't have all 900,000 OMC available as he probably either spent some or has been selling them on a regular basis.

Pictured above is the top 5 block finders for the Omni-Blu pool.

By creating a group that is possibly intangible to most members also creates a false inflation of the OMC price, and could create some members to lose mass amounts of money. Possibly a few members might attempt to purchase this group which will temporarily drive the price of OMC up due to the demand of OMC going up and the supply available staying the same or not changing much. Once one member purchases this group the rest will be out of luck because the price of OMC will fall drastically again, possibly lower than it has ever been due to mass amounts of unwanted OMC. The only people who really benefit from this added group are miners who have a hashing rate in the hundreds; assuming they can offset the cost of their miners. I think having a group available for purchase with OMC would be a nice thing to have, even if it does cost 1,000,000 OMC though I believe a lot of other useful products need to be available for purchase to make this concept plausible.

I really like the change of price in the OMC award from 10,000 OMC to 50,000 and here's why. There are currently only 2 things available for purchase which is the 3P1C group and the OMC award. The 3P1C group will always cost roughly \$10 - \$20 depending on who you purchase your coins from and the current fluctuation of OMC. I really like the price change because 50,000 OMC is a pretty large purchase for a user, not enough to discourage the purchase of the award but also not too low where the award will be common. Because there is a mass amount of "unused" OMC this will create a little more circulation and competitive prices among sellers.

I believe that the price of OMC should actually be a lot higher. The reason being is roughly 30% - 50% of OMC is exchanged privately; meaning not through allcrypt. I believe the main reason why people exchange OMC privately is because they don't want to use Bitcoin to purchase the coins.

Most people's main payment option is Paypal and to purchase OMC through allcrypt, a user must first exchange their Paypal for Bitcoin which will cost them the cost of their order plus 15% - 20%. After a user exchanges their BTC for OMC through allcrypt which they are paying face value for the coin, they will be losing roughly 10,000 OMC for every 50,000 OMC purchased. That's quite astounding if you think about it. That's a whole \$20 wasted in useless transactions.

Pictured above is the process in which OMC is exchanged.

I do have a few solutions that I believe will stimulate the market, create profit for Hack Forums, and create a level market for OMC. I first believe that there should be a membership offered similar to 3P1C or even alter the 3P1C group which has a monthly membership fee. What this will do is stimulate the economy and create a "cash flow" concept where a constant amount of OMC will be taken out of circulation creating a constant demand for the currency. Secondly I believe that a 1,000,000 OMC group should not be released until there is more use for the currency other than the award and group. Thirdly I believe that users should have some sort of option to purchase OMC with some other form of currency other than BTC. I believe if this is possible the price of OMC would go up quite a bit.

These are just my personal views on the current status of OMC. Please let me know what your thoughts are on this topic ?

.Matt - October 12, 2014, 4:32 am

Just a little side note about the 1 Million OMC for a group. This is a huge risk for Omni as 1 Million OMC in the past weeks average is around 1500\$ and groups normally sell for 8k-10k. This will bring a huge amount of interest to omc again.

Who Soup - October 12, 2014, 4:38 am

I agree with .Matt, if Omni accepted this idea to create a usergroup for 1M OMC he could probably crash the market and cause a lot of people to lose money as it would be a race to 1M OMC. Also there would be no point in this unless you have insane hashing rates like Ortek, because those members would be the only ones to profit from it. Omni just sits on his OMC I don't think he released any yet but that's kind of a good thing because they need to be taken out of circulation to keep the market from a massive flood, but then again this issue has been around for a long time and hasn't been dealt with so there are some users with mass amounts of coins who could pretty much control the market prices at this point.

reama - October 12, 2014, 4:43 am

I think any amount of omnicoin for a group is stupid. I'd advise omniscient to not do this, for far too many reasons.

.Matt - October 12, 2014, 4:43 am

(Oct 12, 2014 04:43 AM)Reama Wrote: [\[CITE\]](#) I think any amount of omnicoin for a group is stupid. I'd advise omniscient to not do this, for far too many reasons.

You should explain the reasons as i think it's a pretty damn good idea.

(Oct 12, 2014 04:43 AM)Reama Wrote: [\[CITE\]](#) I think any amount of omnicoin for a group is stupid. I'd advise omniscient to not do this, for far too many reasons.

You should explain the reasons as i think it's a pretty damn good idea.

SIM-2090815 - October 12, 2014, 6:09 am

(Oct 12, 2014 04:43 AM)Reama Wrote: [\[CITE\]](#) I think any amount of omnicoin for a group is stupid. I'd advise omniscient to not do this, for far too many reasons.

You should voice your reasons as i think it would be a good idea because already value has risen a lot

Ortek - October 12, 2014, 7:08 am

I do hope that everybody realizes that it was an IDEA and Omni wanted FEEDBACK on it, nothing else at this moment.

But im very glad it raised the value :)

Griev?us - October 12, 2014, 7:09 am

(Oct 12, 2014 07:08 AM)Ortek Wrote: [\[CITE\]](#) I do hope that everybody realizes that it was an IDEA and Omni wanted FEEDBACK on it, nothing else at this moment.

But im very glad it raised the value :)

Same thing I was going to say, I've noticed a lot of people are trying to get tons of OMC because of this idea. ?

Bro? - October 12, 2014, 7:15 am

If 3p1c becomes a monthly subscription then that would suck.

I am pretty sure everybody would not like omc anymore.

Aceman - October 12, 2014, 8:32 am

We're well aware that this would only be a temporary inflation. The idea is to cause the inflation then push out new ideas and plugins for the forum which will cause it to stay at the inflated value.

Truthfully it will probably drop a bit below the inflated value but it's still an interesting idea in theory. I've sold a fair bit of my OMC (I'm the 3rd most mined OMC on that pool as well as 150k on other pools) and I'm going to be holding a bit of it to see where this goes.

Who Soup - October 12, 2014, 10:26 am

(Oct 12, 2014 08:32 AM)Aceman Wrote: [\[CITE\]](#) We're well aware that this would only be a temporary inflation. The idea is to cause the inflation then push out new ideas and plugins for the forum which will cause it to stay at the inflated value. Truthfully it will probably drop a bit below the inflated value but it's still an interesting idea in theory. I've sold a fair bit of my OMC (I'm the 3rd most mined OMC on that pool as well as 150k on other pools) and I'm going to be holding a bit of it to see where this goes.

I agree with my ideas it opens a lot of questions that administrators will have to figure out but I believe something needs to change to preserve the value of OMC or to at least keep it at a less fluctuated rate. It's insane how the cost of OMC went from 40c one day to \$1.40 the next. Also same with 3P1C, it was at 17k OMC a few days ago and now today it's worth only 5k.

SIM-2015410 - October 12, 2014, 11:12 am

My thoughts exactly, although one million omnicoin is a sixth of all mined omnicoin. It would be really hard to actually even buy that much, but it would actually help because there would then be less coins in the market - omni would have them in his stockpile.

Aceman - October 12, 2014, 1:39 pm

(Oct 12, 2014 11:12 AM)?eshCollider Wrote: [\[CITE\]](#) My thoughts exactly, although one million omnicoin is a sixth of all mined omnicoin. It would be really hard to actually even buy that much, but it would actually help because there would then be less coins in the market - omni would have them in his stockpile. Omni has said he's leaning more towards an auction style event. Wouldn't need to have 1 million, just the most of anybody.

DLT. - October 13, 2014, 10:05 am

If Omni goes through with this idea. Expect Omnicoin to plummet too a lower price of what it was before. Take my word on it.

- 1) Omni will have literally 50% of the total mined coins. (Don't forget probably 25% of the coins that people think are out there.. are more than likely, lost, forgotten, stolen (Online wallet hacked) and other reasons.
- 2) Can we trust those buying hundreds of thousands of coins to be available to purchase this group. No.
- 3) You can only buy/sell the group with Omnicoins. So, when someone sells the group for Omnicoins. Expect to see a flood on the market, manipulating the price.. ridiculously.
- 4) This is only a temporarily fix. In all honesty, many will take the chance to dump their coins with this "pump" and many will realize this.. and follow.
- 5) To stable Omnicoin, you need a consistent flow of trades, updates and new implementations. With Omni's holding, it's limited. To stabilize OMC it's going to be hard.

All the best to the team. Sad to see OMC in this situation, but it was pretty obvious where it was heading months back.

Moen - October 13, 2014, 10:55 am

(Oct 13, 2014 10:05 AM)Crypto Miner Wrote: [\[CITE\]](#) If Omni goes through with this idea. Expect Omnicoin to plummet to a lower price of what it was before. Take my word on it.

- 1) Omni will have literally 50% of the total mined coins. (Don't forget probably 25% of the coins that people think are out there.. are more than likely, lost, forgotten, stolen (Online wallet hacked) and other reasons.
- 2) Can we trust those buying hundreds of thousands of coins to be available to purchase this group. No.
- 3) You can only buy/sell the group with Omnicoins. So, when someone sells the group for Omnicoins. Expect to see a flood on the market, manipulating the price.. ridiculously.
- 4) This is only a temporarily fix. In all honesty, many will take the chance to dump their coins with this "pump" and many will realize this.. and follow.
- 5) To stable Omnicoin, you need a consistent flow of trades, updates and new implementations. With Omni's holding, it's limited. To stabilize OMC it's going to be hard.

All the best to the team. Sad to see OMC in this situation, but it was pretty obvious where it was heading months back.

Just a question about that second point.

Why should we trust those buying hundreds of thousands of coins?

Are you afraid of a dump or what do you mean by this?

If a dump is happening they will only lose money since there is not enough demand.

DLT. - October 13, 2014, 10:56 am

(Oct 13, 2014 10:55 AM)The Moen Wrote: [\[CITE\]](#) Just a question about that second point.

Why should we trust those buying hundreds of thousands of coins?

Are you afraid of a dump or what do you mean by this?

If a dump is happening they will only lose money since there is not enough demand.

It only takes one person to panic sell, and the rest of the small fish will follow my friend.

James Brown - October 14, 2014, 3:02 am

Needs to be a permanent thing that anyone who gets ahold of a million coins can buy a group, not a one time thing. If done as a one off the coin goes back to its current level of worthlessness once the group is sold.

JavaCoderz - October 14, 2014, 8:48 am

(Oct 14, 2014 03:02 AM)James Brown Wrote: [\[CITE\]](#) Needs to be a permanent thing that anyone who gets ahold of a million coins can buy a group, not a one time thing. If done as a one off the coin goes back to its current level of worthlessness once the group is sold.

As they've said, the group is purposely a hype to help out the coin while they [work on the MyBB plugins](#) that I believe are being made right now.

Not official, but I think this sums it up:

(Oct 12, 2014 08:32 AM)Aceman Wrote: [\[CITE\]](#) We're well aware that this would only be a temporary inflation. The idea is to cause the inflation then push out new ideas and plugins for the forum which will cause it to stay at the inflated value. Truthfully it will probably drop a bit below the inflated value but it's still an interesting idea in theory. I've sold a fair bit of my OMC (I'm the 3rd most mined OMC on that pool as well as 150k on other pools) and I'm going to be holding a bit of it to see where this goes.