#### Survey of Dash-Accepting Businesses in Caracas Venezuela: Response to DMV

Produced by Edward Stoever March 23, 2019

New Dash Merchant Venezuela (DMV) proposal owner Alejandro Andrade offers a <u>response on March 21</u> that claims to substantively contradict the March 18 <u>Survey of Dash-Accepting Businesses in Caracas Venezuela.</u>

DMV claims they found 42 additional Dash-accepting merchants in the survey's sample of 299 DiscoverDash-listed merchants. This means DMV claims 41.14% of the sample (123) accepts Dash, as opposed to the 27.09% (81) that the survey found. DMV provides no raw data to support their claim.

DMV does provide 9 videos and 1 set of photos that only confirm the original survey results. DMV updated the DiscoverDash street address for 3 of the videoed merchants and removed 1 of them from DiscoverDash.com after the release of the survey. The other 5 still have imprecise street addresses.

## 1. DMV presents video of 9 merchants it was able to find that the survey classified as unfindable.

DMV claims they found 9 businesses the survey shows as unfindable, and that all accept Dash. 4 have repeated entries in DiscoverDash. After the release of the survey, DMV updated the street addresses of 3 of them in DiscoverDash and removed 1 from DiscoverDash. 5 street addresses remain imprecise.

Zero (0) of the 9 businesses are shown to have a Dash point of sale (POS) system, Dash wallet or QR code. Zero (0) Dash payments are confirmed made. 6 of the 9 are shown to have a Dash sticker. 8 of the 9 appear to be brick and mortar. Here is an analysis of the DMV response videos.

	DD Address Updated?	Duplicate Listing?	Removed from DD?	POS	Wallet	QR Code	Payment	Sticker
Electro Service*	still imprecise	<u> </u>		X	X	X	X	1
Electro Mall*	still imprecise	<u> </u>		Χ	Χ	X	X	1
City Service*	still imprecise	<u> </u>		Χ	Χ	X	X	1
Divertronic Los Naranjos	<u> </u>			Χ	Χ	X	X	?**
La Cotufería	<u>"relocated"</u>		<u> </u>	Χ	Χ	X	X	1
Cafe Le Mans	<u> </u>			Χ	Χ	X	X	X
Brick 25	<u> </u>			Χ	Χ	X	X	1
La Sazon de Yamile 2008	still imprecise	<u> </u>		Х	X	Χ	X	1
Servicios Completo C.A.	still imprecise			Χ	X	X	X	X

<sup>\*</sup>The first 3 in the list above (Electro Service, Electro Mall and City Service) are the same business in the same mall with the same phone number, email address and Instagram account name.

<sup>\*\*</sup>The DMV photos for Divertronic Los Naranjos do not show a sticker but the DiscoverDash listing does.

## 2. DMV presents video of 1 merchant the survey classified as not accepting Dash and claims it does.

This merchant — Papa John's Plaza Las Americas — was unable to receive Dash at the time of the survey because DMV had not installed a Dash point of sale (POS) system. <a href="DMV's video">DMV's video</a> shows no evidence of having installed a Dash POS system. DMV did not demonstrate the ability to buy anything from the merchant with Dash. DMV has not disproved the survey's conclusion on this listing.

### 3. DMV says the survey numbers are wrong but their numbers do not add up.

The survey shows 81 accepting Dash merchants, DMV claims 123.

The survey shows 37 non-accepting merchants, DMV claims 23.

The survey shows 181 unfindable merchants, DMV claims 120.

DMV's claimed numbers do not add up to the survey sample size of 299. DMV says the survey has 266 merchants with a designated *final\_state* value. <u>There are 299</u>.

DMV <u>claims</u> that there are 23 non-accepting merchants in the survey sample but separately says 6 are not their responsibility, 6 went out of business, 1 accepts and 19 are unfindable. These numbers do not add up. DMV presents no supporting raw data.

DMV <u>breaks down</u> unfindable merchants into 3 categories: "Merchant could not be located or contacted", "Waiting for response" and "Dash Venezuela Team to follow up". All 3 categories represent an inability or unwillingness to find and communicate with the merchant listed in DiscoverDash, therefore they are the same thing: a Dash consumer can not find these merchant listings.

DMV <u>claims</u> the survey reports 161 unfindable merchants but the documented correct number is <u>181</u>. DMV claims there are 120 unfindable merchants in the survey sample. It says 49 accept Dash, 31 are not their responsibility, 14 no longer accept, 1 was removed from DiscoverDash, 2 went out of business, and 13 are pending contact. DMV's numbers do not add up to 161, 181, or even 120. They add up to 110.

DMV has not disproved the survey numbers. It has confirmed that the survey results are an accurate representation of the sample (see table below). Where it claims small differences, it offers no data evidence.

DMV's videos have moved 8 businesses into the survey's accepting category. Half of the videoed businesses are repeated entries. DMV removed one (1) of them from DiscoverDash. DMV does not show that these businesses are technically capable of accepting Dash right now. Here are the amended survey results:

		% of S		
	Number	Original	Amended	Difference
Total Dash-Accepting Merchants from Surveyed Sample	90*	27.09%	30.10%	3.01%
Total Non-Dash-Accepting Merchants from Surveyed Sample	37	12.37%	12.37%	0.00%
Total Unfindable Merchants from Surveyed Sample	172	60.54%	57.53%	-3.01%

The survey result that only 2.68% of the sample of 299 businesses is demonstrated to be (a) brick and mortar and (b) have a Dash POS installed and (c) can technically accept Dash now remains unchallenged by DMV's response.

DMV claims that 41.14% of the survey sample accept Dash, as opposed to the 27.09% identified by the survey. But, before the survey was published, DMV claimed that 100% of the sample accepted Dash.

\*It has come to my attention separately that <u>Servi Express 2020</u>, which was not able to be found or contacted at the time of the survey, is answering their phone now and does indeed accept Dash and has actually completed 3 Dash transactions over the past year.

# 4. DMV says that 14% of the survey sample are merchants affiliated by another organization and thus it can not answer for them.

In 2018, the DAO paid Dash Help and Dash Merchant Venezuela — the same organization housed in the same office with the same leaders — at least 980 dash with a fiat value of as much as \$219,625 USD to support all Dash merchants in Venezuela. If DMV can not find these merchants based on the DiscoverDash listing alone, that confirms the survey's conclusion that these 14% are unfindable.

"14% of the survey's sample belongs to Dash Venezuela. Therefore, DMV cannot provide an accurate status" - DMV (source: <u>March 21 response</u>)

"Corresponds to Dash Venezuela's database, thus DMV can't give an accurate status about if it's accepting, not accepting, or not reachable for contact" - DMV (source: March 21 response)

#### 5. DMV admits the survey is correct.

 "Many of our affiliates are entrepreneurs ... being entrepreneurs the address to place is CCS or Caracas (by individual privacy cannot give home address) by placing this address in DD it redirects you to Av Roosvelt by default" - DMV (source: <u>March 21 response</u>)

DMV admits that "many" of the surveyed listings are not brick and mortar businesses and that it is the policy of DMV to intentionally submit incomplete addresses to DiscoverDash.

2. "It should be noted that at no time do we certify that all affiliations are 100%" - DMV (source: March 21 response)

DMV's own post-survey response now admits that no more than 41.14% of the survey sample (123 of 299) are real businesses that really accept Dash, and among those there is unrefuted evidence that many lack the technical ability to accept Dash right now due to lack of support.

3. "How to solve the problem, a quality process with more staff to cover all existing businesses" & "The lack of mechanism in place to revise Merchant status is what we believe is the main cause behind the discrepancy" - DMV (source: <u>March 21 response</u>)

DMV admits that it added more listings to DiscoverDash than it is capable of supporting or even keeping track of. DMV simultaneously claims it lacks a quality control mechanism and <u>claims</u> it has had a quality control department for 5 months now.

4. "DMV has installed the Dash Merchant POS (powered by qr.cr) In 507 businesses, 326 from which we have had recent contact..." - DMV (source: <u>Discord</u>)

This means that only 507 of 2445 DiscoverDash-listed merchants (20.74%) are known by DMV to be at a professional level of Dash acceptance, which is similar to the survey result of 21.74% that are technically capable of accepting Dash now.

#### Conclusion

DMV claims 14.05% more businesses in the sample accept Dash compared to the survey results. DMV provides supporting evidence for 8 businesses (2.68% of the sample). But 4 of these businesses are repeated listings. DMV updated the DiscoverDash street address for 3 of them after the release of the survey, thus confirming they were previously unfindable. DMV removed 1 of the 8 it claims accepts Dash from DiscoverDash.

DMV admits in their response that:

- 1. it is DMV policy to submit imprecise street address data to DiscoverDash in many cases;
- 2. DMV does not aim to submit completely accurate information to DiscoverDash;
- 3. DMV is incapable of supporting the number of merchants they claim to have signed up; and
- 4. DMV refuses to support as much as 14% of the surveyed listings.

My concern is that we - Dash - are not telling the truth when we say there are "2,500 Dash merchants in Venezuela". Post-survey, even DMV now only claims that 41.14% of the surveyed merchant count accepts Dash. My suspicion is that the true Venezuelan merchant count is likely lower than 1,000, and maybe as low as 326.

Given our investment in Venezuela — both financially and in terms of associating the Dash identity with Venezuela — we need hard raw evidence and clear numbers as soon as possible.