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Virtual Event Series

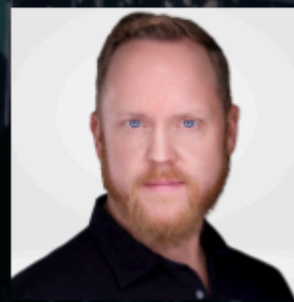
# Why Will 2024 Be a Great Year for Crypto?

*Guest Speaker:*



**Stevie Cline**  
Managing Director  
Vol. 1 Ventures

*Hosts:*



**Kenny Estes**  
CEO & Founder  
Diffuse



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COO & Co-Founder  
Diffuse



## DiffuseTap: Why Will 2024 Be a Great Year for Crypto?

Last time on DiffuseTap, Stevie Cline, Managing Director at Vol. 1 Ventures, talked to us about some big things to expect in the crypto space in the coming months, why the crypto winter was actually a good thing for the industry, and how far the technology has come compared to a decade ago.

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### DiffuseTap

This networking session is part of our weekly virtual events series. Networking (you'll bump into at least a dozen high caliber fund managers) meets purposeful (you'll tap into brand-new sources of ideas)... straight from your armchair like a boss.

### Meet the Speaker



STEVIE CLINE is the Co-Founder and Managing Director of [Vol. 1 Ventures](#), a VC fund focused on regulated sectors. She was also the founder/CEO of Prenome, a genetics research firm working on women's health, and has had leadership roles at the [American College of Obstetricians and Gynecologists](#), [Johns Hopkins University](#), [White Castle](#), and [Fiat S.p.A.](#)

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**KENNY ESTES:** Miss Cline, thank you for joining us. Please tell the folks a bit about your background and what you're up to, and then we'll start peppering you with questions.

**STEVIE CLINE:** Oh, boy. Yeah, unfortunately, you know quite a bit about me, so I'm a little worried about where these questions are going to go. Let's do it. I'm Stevie Cline, and I'm the managing director of Volume 1 Ventures. As Volume 1 Ventures, we are investing in regulated industries. You will figure out why a little bit once I get into my bio, but we really tend to focus on crypto, biotech, and finance. I like to tell people that the bigger the challenge, the more likely we'll invest in it.

We do invest in things like alcohol. We do invest in things like porn. We do invest in things like cannabis, or in that general area. Again, I like a challenge. I just said in the breakout session that I might be a masochist. That really might be true. It's a 30 million fund. We do lead, co-lead, we follow, we tend to be pretty okay with whatever. We do our own diligence, so I really don't care who the lead is.

I have met several founders who are like, "okay, here's my lead", and that's great, but I don't really care. I'm going to do my own diligence. I started the fund in 2022. I started the fund after I founded a biotech company. I had a company that was working on biomarkers for pregnancy complications. The big deal. Unfortunately, it's really hard to raise money, or do clinical trials, or do pretty much anything in women's health. It is what it is.

Prior to that, I was chief of staff at the medical society that governs women's health. I got into women's health because I actually did tech transfer at Johns Hopkins. And unfortunately, when you go to Johns Hopkins, everyone just assumes you're a doctor. The first Christmas after, I took the job at Hopkins. Everyone started showing me moles and stuff, and I did not do anything in health care before Hopkins. It was very odd to not be a doctor there.

I actually started my career as a lawyer at Skadden Arps in New York City. I did a lot of M&A, tax law, and also cryptocurrency litigation, and it was pretty interesting. I wondered about things like, who actually owns this weird code? Is it a university? Is it some guy in his parent's basement in Latvia? Is it the servers?

We had a ton of weird litigation, and that litigation started around things like, is this an actual asset? Can it be used to pay for things? It was a very interesting time. I spent about eight years there. I loved it. Again, I might be a masochist. I did a ton of regulation work too. It was pretty interesting for me. I really enjoyed it. I did work at White Castle. As you will learn in the chat, I'm originally from Ohio.

During law school, I actually worked at White Castle. It was, by far, my favorite job I've ever had, and it was not flipping burgers. Not a lot of people know that White Castle is actually a family-owned company. You're working with the third generation of the family, and everyone knows everything about the business. I took the job because they were like "oh, yeah. You'll work in the legal department."

It was amazing. I got to learn so much about different kinds of law. I got really into purchasing lots. Basically, I spent a whole summer looking for corner lots that used to be gas stations. So I know a lot about leaking underground storage tanks, in case anyone ever wants to get into that, or super fun sites. Very random things.



As you guys might have noticed, I really just follow wherever I get interested. My mom did a good job, saying “Just follow your heart, baby. Just do whatever makes you happy.” It has definitely been an interesting career. But I get to work with people like Kenny, and that makes the world a very special place.

**KENNY:** Well, speaking of masochism, because we’re right on brand there, I heard someone said that you did some angel investing before you decided to go into this fund thing. Did you do much of that? Or was that just a one-time thing?

**STEVIE:** No, I did do a ton of angel investing. I probably did about 300 or so deals since ‘08. Basically, anyone that was a startup I ended up working for as a lawyer, I ended up getting really involved. I got into some really good deals that ended up IPO-ing and peaking in the market. I got really lucky, honestly. I got lucky because I think I was the youngest person at my firm, and I got a lot of the tech companies that came in.

And then, at Hopkins working in tech transfer, I got access to a ton of companies that were either Hopkins alum or Hopkins physician-related. I lucked out a lot. Also, I was really close to the Hopkins board and endowment. So, anything they were investing in, I was able to put a really tiny check in, which at the time I was like, “Oh, this is never going to end up with anything.” But one of my investments during that period was Combat, which was one of the very few IPOs in 2023.

People ask, “So, how'd you get into Combat?” and I say, “oh, I stuck \$5,000.” And because it's a Hopkins alum from the DC area, I didn't expect it to ever come to anything. It turns out it actually did.

**KENNY:** We could talk about medical, we could talk about legal stuff, and we could talk about how to use a deep fryer. But how about we do none of those things and talk about crypto instead. Sound good?

**STEVIE:** Let's do it. Let's do all of that.

**KENNY:** All right. First off, what are your crypto bonafides? And then, past that, I think the title of this is something like “What are the hot crypto protocols out there”? So, what has got you jazzed at the moment?

**STEVIE:** Oh, my God. Yeah, I'm super excited about a bunch of stuff on the tech side. I know when we first talked about this, I was like, “Okay, I'm going to talk about law stuff and crypto law.” And it is a big part of my life. I'm not going to lie, I spend probably 95% of my day either lobbying for crypto or talking to someone about crypto laws, or trying to tell people not to break the law in crypto, which is fine.



But I think something that really gets overlooked, especially now is, oh, my gosh, the technology is amazing. I can't really stress that enough to people when people are like, "Why is crypto going to be so good? And why is it coming up?" A lot of people do want to talk about Bitcoin, and they want to talk about finally getting the SEC to approve some stuff. That's great.

But what has happened in the past year and a half is, we've seen a lot of people who weren't really into the deep technical side of crypto drop off. What that means is, you have a bunch of people who are actually very technically adept just going all in on crypto, whether it's Solana, Eth, etc. I mean, there are all kinds of protocols, but you have people who are so deep into the technical side of it.

They've actually had time to flourish and really build technically. And at the same time, we've got a lot of tools, whether it's AI or just looking at chips getting better. All kinds of technology are getting better. The combination of the two has just meant that there's an explosion of just exciting tech for these protocols.

I work a lot with Solana. I am going to say that I'm not a Solana maxi, but I do love Solana. For me, the biggest thing is Solana now, and it's so fast for payments. That's amazing. When you think about Solana as an example, you are now finally able to make payments in a way that we just weren't even thinking about during the height of the crypto frenzy in 2021. That's something that I think is really exciting.

I'm super excited about not just that, but also thinking about Eth, and how they're building it. Eth is a very powerful protocol. And also, smart contracts are now so smart that they are now able to handle very complex transactions. When you're really comparing the technology, and then I would say like web2 technology and crypto technology, crypto technology has eclipsed web 2 at this point. Anytime you're building something, the use cases now for crypto are a myriad of things.

**KENNY:** Let's talk about that actually, because that is a pretty common criticism. What are the actual real world uses for crypto?

**STEVIE:** Yeah, I think it's a really common criticism and it's something that I think was pretty valid back when a lot of the protocols were really limited. I think when you had protocols that normally do one or two things, it made sense that they were really focused on NFTs, or they were really focused on community type projects.

I think now, this technology has gotten so good that you can actually start to think about things that we would never have thought of doing with crypto. I think that payment transfers is the biggest thing. I really like to see payments. The other thing I'm really excited to see is how we can actually make crypto something that is used in businesses. I think blockchain is a great place for business to be done, and I think we're starting to actually see people build true businesses on the blockchain.

I know a couple years ago, we had a spat of people who were like, "I really think that crypto should be used in real estate transactions. How do you do that?" I think a lot of that technology was just limited at the time, and I do think now we're able to do that. It's thinking about what are the things that need to be



done securely? What are the things that need to be done transparently? What are things that need to be done with technology that is super fast?

I think the biggest criticism I have now is that it's still not easy to use for every person. I think that will change here in the next couple of years, just because, again, I think we're getting a lot of co-pilots and things that are making it easier. But I also think about, what are the business transactions or infrastructures that need to be built with all those things in mind? I think that's where the use case gets a lot more broad versus what it was in '21.

I do think use cases were very limited. When I first started working with cryptocurrencies in 2008, it was super limited. We only had 3,000 to 4,000 people who knew what it was in the world. We've definitely seen a massive change, though. I mean, the more people know what it is, the technologies behind it are different. Now we have hundreds of thousands of people working in this area on these technologies as developers. That is something that is really cool to see because without that, none of this would be possible.

That's why I get really excited about these technologies. I think the infrastructures that we have now, and that we spent time building is phenomenal. I think none of that really would have probably happened had there not been a little bit of a crypto winter.

I think crypto winter made people actually dig into the tech. They had time to actually clean up some tech debt. They had the time to actually say, "Okay, what does this look like? What are the possibilities here?" I think it's super exciting.

**KENNY:** Why now? Actually, it reminded me of the title of this webinar. I guess we're calling it "Why 2024 is going to be a great year for crypto". You mentioned a general number of trends, but what's going to happen over the next 10 months?

**STEVIE:** Yeah. Oh, my God, I can't believe it's February. I thought we had 12 months. Wow, thanks for really buzz-killing me there. Like I said, I think a lot of things are set up for success this year. Seeing Bitcoin and where it is has been a really leveling experience for crypto. It means there's a little bit of stability.

I think that stability is giving people a lot of room to build. At the same time, we are seeing a lot of the things that were negatives in the past few years dripping away. I mean, I do think I can't really have this conversation without mentioning a little bit about the SEC. I think the SEC is kind of starting to change, and I think that there's some gray areas that are becoming less gray, or the gray isn't really as important as it used to be.

I also think that because of where we're at with the economics of 2024, a lot of people are seeing a lot of freedom this year to actually do some crazy stuff and to see if it works. I think, as we all know, pretty much every major nation in the world has an election this year. There are a lot of things that are turning over. There is a lot of change happening. There is a ton of escalation in foreign policy. There's some



de-escalation too. And I think some of the things that are interesting to see is what that means for people building in cryptocurrency.

They're getting freedom because of it. They're getting the freedom to say, "okay, how can we solve some of these issues?" I think cryptocurrency is actually starting to be taken seriously because of a lot of that change as well. It's exciting to see.

**KENNY:** Okay. One thing you didn't touch on which is a big bone for me is institutional adoption, especially after Blackrock piling into this space. What do you think about that?

**STEVIE:** Yeah, I do think institutional adoption is a big thing. That's why I was talking about the commercial uses. I think those commercial uses are getting taken seriously, finally. I think it was a really big struggle for the past few years for commercial institutions to take what was being built seriously.

A lot of that was because for every serious builder, you had four or five unserious builders. And it was hard to convince a company that, "Hey, I'm building this infrastructure on the blockchain." But yes, so are cartoon monkeys.

But this is the real use case. This is the one that's it. This is one that's exciting. I think, internally at institutions, it's a lot easier for them to make arguments for blockchain technologies, or web 3 technologies, and for cryptocurrency-based technologies because again, a lot of that unserious stuff is now no longer at the forefront of the discussion.



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**Dennis Chookaszian**

Corporate Director, CME Group

DiffuseTap: Institutional Grade Governance

Sharing his decades-long expertise on corporate governance, Dennis talked about how to avoid a co-partnership going sour, the problem with overly idealistic CEOs, and the importance of keeping your board in check. [Read on](#)



**Susan Brazer**

CEO & Founder, LionShare Media

DiffuseTap: Media Metaverse 2022

Susan described the 2020 digital media landscape; the evolution of media distribution; how converging, emerging technology points to the metaverse; and the prospect of having an open, decentralized, and free Web 3.0 marketplace. [Read on](#)



**Raj Mukherjee J.D.**

VP/Global Head of Tax, Binance.US

DiffuseTap: Crypto Taxes Decoded with Binance.US

Raj explained the complexities of the US crypto tax landscape, how he built a dynamic tax information system for [Coinbase](#) and [Binance](#) from scratch, and how investors can profit from crypto without getting caught in a taxation mess. [Read on](#)

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