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# Bitcoin goes mainstream with its first licensed US exchange

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After many trials and tribulations, bitcoin appears to be heading for mainstream acceptance following the opening of its first licensed US exchange.

Run by the bitcoin start-up Coinbase, its leadership say that it will offer the cryptocurrency the much-needed ability to steady the ship, as well as offering greater security and ability to trade in bitcoin, exactly like established national currencies, according to the [Wall Street Journal](#).

The start-up has so far received as much as US\$106m in investment from different institutions including the New York Stock Exchange (NYSE), banks and a number of venture capitalists indicating its growing favour in an online world, bolstered by confirmation that it will offer insurance and easing fears of a total future collapse.

Until now, many of the major news stories surrounding the online currency have involved scandals where millions of dollars-worth of bitcoin have been stolen through hacking or even, as in the case of the [Mt Gox scandal](#), as many as 850,000 bitcoins valued at approximately US\$450m went missing.

Also, [earlier this month](#), 19,000 bitcoins worth approximately US\$5m were stolen during a hacking of the Slovenian-based bitcoin exchange, Bitstamp.

## Gradual roll-out from US

Confirming how it plans to operate and expand in the coming months and years, Coinbase has said that it will take a fee of 0.25pc off every transaction after the account's first two months of operation, initially limited to trading within the US with five states having given approval for its trading.

According to the bitcoin exchange's [website](#), Coinbase currently has 2.2m wallets operating within its structure, cataloguing 38,000 merchants signed up to use bitcoin and its exchange.

Speaking with the [Wall Street Journal](#), Campbell R Harvey, a finance professor from Duke University in the US, has said this is a massive step in the right direction for bitcoin, "To have an organised exchange that has the backing of thoughtful venture capitalists and investors addresses one of the main problems with bitcoin: its extreme volatility. Bitcoin has been sorely in need of something like



Bitcoin goes mainstream with its first licensed US exchange  
Bitcoin image via BTC Keychain/Flickr

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this.”

Colm Gorey    

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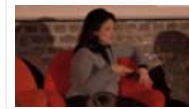


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