

The bitcoin revolution can be hard to find at the mall

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This holiday shopping season, I found myself in a peculiar situation.

I was at the mall. I was ready to shop for presents. But I couldn't find anyone who would take my money.

Heck, when I asked if I could pay with it, many looked at me as if I was from Mars!

To be fair, I wasn't offering to pay in dollars. I wasn't trying to use my credit card or even Apple Pay. Instead, I was trying to spend some bitcoin.

Now, I know. The computer-based currency still seems a little new, even though it's been around for six years. And it works differently than cash or credit cards. You typically store coins in a smartphone app or Web service, not in a physical wallet, for example. And to make a payment, you typically scan a QR-code, the square bar codes, rather than handing over bills or swiping a card.

But I was at Westfield Valley Fair mall, in the heart of Silicon Valley, the most high-tech area in the world, where not only can you walk a few steps to go from an Apple store to a Microsoft outlet and buy drones from multiple vendors, but you can find one of the few bitcoin ATMs in the Bay Area. Surely some store there would sell me something for bitcoin.

Nope. I couldn't find a one.

Instead, the typical reaction was one of confusion. It's easy to see why merchants might be perplexed by a currency that is not printed, produced or backed by governments and whose value is derived not from the backing of a nation, central bank or its convertibility into a precious metal like gold, but from the trust that owners have in it.

"I've never heard of that," a clerk in a children's clothing store told me.

"We don't even know what that is," said a clerk in a shoe store.

"We don't even take the chip card yet," said a clerk from a second children's clothing outlet.

I was stunned. Hadn't they heard about the revolution? Why hadn't they gotten on board?

Admittedly, I was a late convert. I'd been hearing about bitcoin for a while now, but I'd never been terribly interested in trying it out. It just seemed too esoteric and too risky.

But I got religion at a conference I attended earlier this month on the future of money. It was hard not to - everywhere I turned, there were evangelists of the computer currency.

To hear them tell it, bitcoin today is at the same stage as the Internet was 20 years ago - not only is it about to go mainstream, but it's on the cusp of transforming wide swaths of the economy. According to the bitcoin believers, the crypto-currency is going to change the way we exchange money, and its underlying technology - something called the blockchain, which makes a permanent, inalterable record of transactions - is going to fundamentally alter the way we do everything from pay taxes to purchase homes.

After hearing this enthusiastic talk, downloading a wallet app to my phone and getting my first collection of cypto-coins - a whopping \$2 worth - from a fellow attendee, I was on the bitcoin bus.

Of course, \$2 won't buy you much, whether it's in bitcoin or baht or bucks, which is why I headed to Valley Fair. I figured I could buy some more at the ATM, maybe meet up with some other bitcoin zealots, and then go shopping.

That mission was something of a bust. For one thing, the ATM was hard to find, tucked into an out-of-the-way corner on a side hallway on the second floor. If you didn't know it was there - or didn't use the elevator right next to it - you'd probably never notice it.

For another, few people paid it much attention. A clerk at the T-Mobile store across the hall assured me that he saw people go to the bitcoin ATM every day. But after hanging out near it for close to an hour over the course of two days, I didn't see anybody use it. The smattering of people who approached it mostly seemed to just be passing the time while waiting for the elevator.

After checking out the ATM myself, I understand why it's not more popular, even among bitcoin aficionados. The exchange rates were extortionary! I would have had to pay more than \$416 per bitcoin, which at that point was \$50 more than the going rate in the online marketplace.

Not willing to pay that kind of premium, I considered purchasing some cybercurrency through an online marketplace. But to buy bitcoins from the marketplace app I downloaded, I'd need to link my bank account to it, and remove the extra security protection I have in place when logging into that account. As excited as I was about bitcoin, that made me a bit queasy.

So before I took that step, I wanted to see what my bitcoin could buy. So I started wandering the mall.

Before my fellow bitcoin backers start slamming me, I know that mainstream online merchants like Dell and Overstock.com take bitcoin. And at vendors like Gyft, you can buy dollar-denominated gift cards with bitcoin that you can use at a local retailer.

But I couldn't figure out why I'd want to spend dollars to buy bitcoin to then buy a gift card valued in dollars - and pay exchange fees in the process - when I could just use a [credit card](#) or, heck, old-school cash. And I was determined to see how this virtual monetary revolution was functioning in the real world.

Well, let's just say I had a much easier time finding an Internet cafe in Paris in 1996 than I did finding a vendor who accepted bitcoin at Valley Fair mall during the holidays in 2015. I had a hard time finding anyone who knew what bitcoin was or had even heard of it.

If there was anyone in the mall who was going to accept bitcoin, it was going to be Mykola Mykhailian, who owns a T-shirt shop named Custom Teez that operates a kiosk in the middle of the mall. Mykhailian is 28. He's an entrepreneur. And he's a bitcoin backer.

Mykhailian owns some 80 bitcoins, worth about \$35,000, which he keeps mostly as an investment. But he's used the currency to buy spa treatments in Las Vegas for himself and his girlfriend. So he knows it has real-world value.

But not even Mykhailian, a bitcoin proponent, accepts it. He said he thought about taking the currency a few months ago, but decided against it because it was just too volatile. Just this year, the currency's valuation has fluctuated from around \$330 per [bitcoin](#) down to about \$177 and then back up to more than \$460 now.

"It's probably not a good time to accept it," Mykhailian said. "I'm going to wait it out."

I think that means I'm going to have to wait, too. Bitcoin may end up being as revolutionary as backers believe. But even in Silicon Valley, the evidence for that can be hard to find.

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