

Webercoin:

Cryptocurrency token for the internet of advertising.

WebAd:

Decentralized social media to reward businesses.

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ABSTRACT

Social networks have accelerated over the last several years and have become an integral part of our lives. These networks serve the need to connect people on many levels from different works and spheres of life, make them feel loved and wanted. These social networks have become invaluable and an essential part of life in the 21st century. The information and interactions we provide on social media builds a profile of us; our behaviours and characters. Our inclinations and ability to spend then become valuable to advertisers. Hence social media has been populated by business owners, marketers and advertisers looking for an audience to purchase their products.

While this is an excellent way to market products, the problem is that the number of business owners and marketers who continually advertise their products or goods and services makes social media look like a marketplace and less like a media platform for socialising.

WebAd is building an ecosystem that is designed purely for business owners, marketers and advertisers to efficiently market their products, goods and services via blockchain to their desired audience. WebAd's strategy tackles two problems by making social media less cumbersome with business ads and gives business owners a dedicated platform for their business. WebAd will use location to target business owners and customers who are in proximity to each other to reach them first as well as sponsored ads to reach a wider audience of their choice and specification.

WebAd hopes this will help businesses especially Micro, Small and Medium Enterprises (MSMEs) reach customers around them with their unique products and expand their business.

PROBLEM

ECONOMY

Social networks are public goods that contribute significantly to the well-being of members. The challenge is that it is impossible to charge for use. Ordinarily, this would result in market failure because no corporation would want to provide a platform for free and society would incur significant losses. Social network providers have thus resorted to advertising to enable them to get a revenue stream. They require members to assign to them rights to their content and information. These providers then sell the contents and information to advertisers and recruiters ^[1]. The implication is that social media is not “free”, micro-incursions of privacy, future revenue from the information provided by members are the currency with which it is paid for. At WebAd, we regard this model as inequitable and believe that members should benefit from the information they provide. The free use of social networks and equitable reward distribution should not be mutually exclusive.

TRUST

Trust is a major issue as there is concentration of power solely with the platform providers. We believe developers are responsible and committed individuals who do the right thing and act in accordance with the terms of use, abuse is still possible and as our platform deals with personal information as well as its authenticity, one centralized body cannot determine such facts without oversight. Using this model with a platform, the implications in the real world would be unfathomable.

AUTONOMY

Social media today is entirely controlled by the platform providers, and members have limited or no say over the direction of the platform. This opens the door to potential abuse as the platform providers have an almost unlimited license which opens the door to potential abuse. Some social media platforms have experimented trying to influence emotions felt by members^[2] and this shows how much control members need to have over something central to their lives. Communities should contribute to a platform and by doing that they take ownership of a platform that is uniquely theirs.

BACKGROUND

GROWING THE CRYPTOGRAPHIC TOKEN ECOSYSTEM

It has been somewhat difficult for new users to enter and access their first tokens in the cryptographic token market. Most users are required to register at exchanges, clear Know Your Customer (KYC) hurdles and transfer money from their bank accounts to the exchanges^[3]. The process is often riddled with difficulties as banks have not been the most supportive institutions in the decentralisation revolution. By enabling members to access an easy process to earn rewards for activities that benefit them, the barriers that prevent entry into the cryptographic token ecosystem are lowered, and a billion new people can become holders and users of cryptographic tokens.

WHY ETHEREUM?

The Web Ad platform needs a network effect to succeed. Some social networks like Facebook and LinkedIn have bootstrapped the growth of their networks, but new technologies such as blockchain provide a better opportunity to kick-start these kinds of networks.

We see a unique opportunity to tap into the existing blockchain communities to create a network and incentivise the supporters to use it. Ethereum is a blockchain that provides the much-needed transparency needed for a crowd economy to succeed and incentivise its own growth^[4]. Ethereum will be our computer engine while the InterPlanetary File System (IPFS) will serve as the storage mechanism. Although the Ethereum community is relatively young, it is one of the fastest growing and shows no sign of slowing down. There is a growing base of developers using Ethereum with an estimated 30,000 developers working on various projects related to the Ethereum protocol^[5]. These protocols enable the writing of decentralised applications and smart contracts which run on the Ethereum Virtual Machine. Hundreds of decentralised applications have been created or in the process of being created^[6]. No other blockchain protocol, not even Bitcoin, which is the market leader has this level of interactivity.

Ethereum has surpassed Bitcoin as there are more developers and nodes on Ethereum than there are on Bitcoin^[7]. The nature of Ethereum makes it a adequate for the project we want to create. We envision Web Ad to be decentralised and transparent, with its ecosystem of apps that feed into and rely on the Ethereum platform for information. That is why we are building Web Ad on this future-proof platform.

PLATFORM MODEL

CORE FEATURES

The core features of the WebAd platform will be implemented through a combination of a web app and a mobile app. We envision WebAd to cater to personal as well as business needs.

Each member can take part through two primary accounts on the platform:

- Business
- Personal

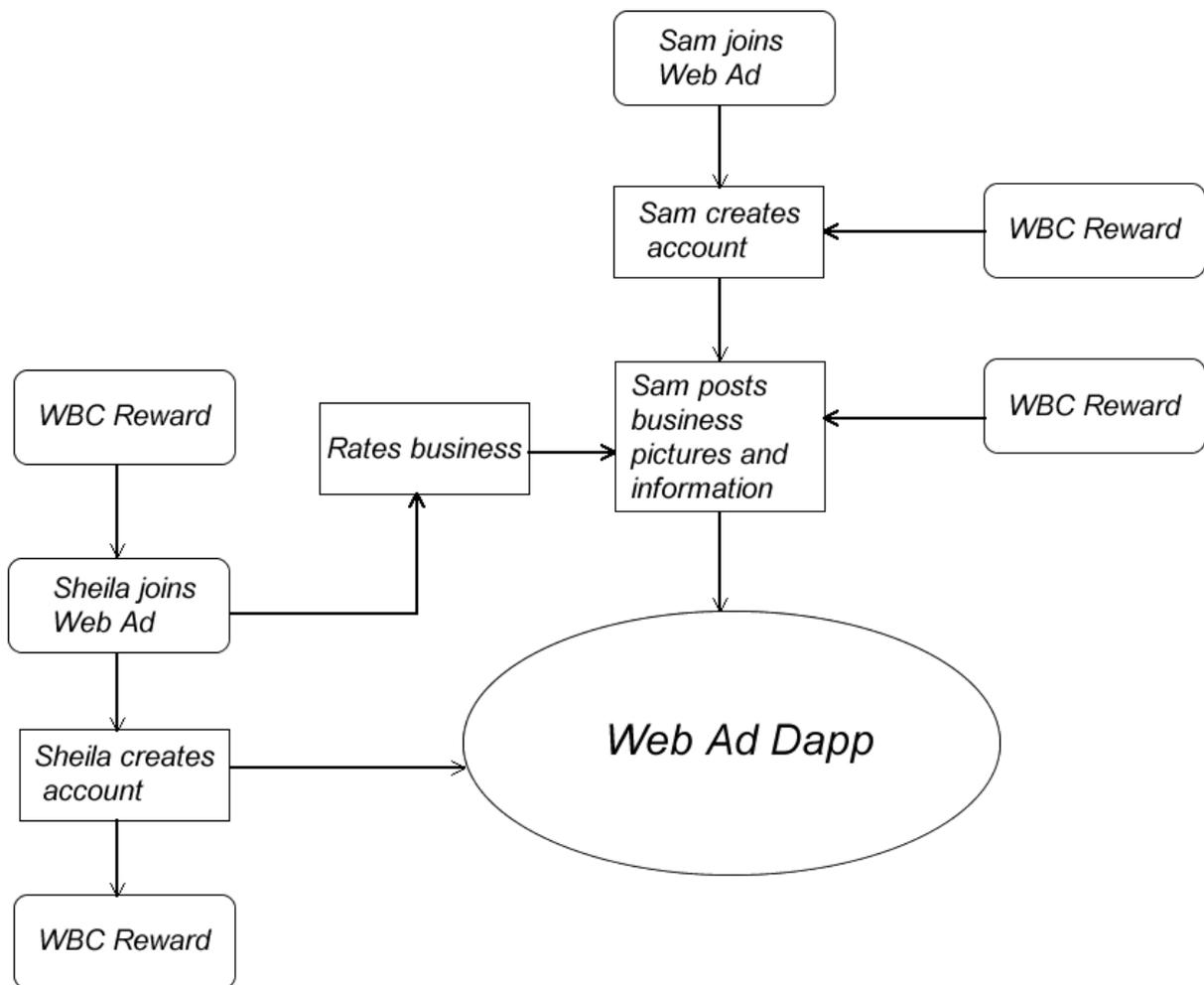
The entire process flow starts with a business setting up a profile.

Example from a business account's perspective:

- Sam's Paints joins the WebAd network. Upon registration, Sam's Paints is issued an amount of Webercoin (WebAd token).
- Sam's Paints starts by creating its unique profile, verifies address and location via the map.
- Sam's Paints posts a picture and get issued an amount of Webercoin. With every post per day that's made an amount of Webercoin is given.
- After an amount of Webercoin has been accumulated, Sam's Paints can use the Webercoin to pay for a sponsored ad on WebAd and widen its reach on the platform.
- The accumulated Webercoin can also be exchanged for Fiat currency or Cryptocurrency on any exchange or Webercoin's exchange platform.

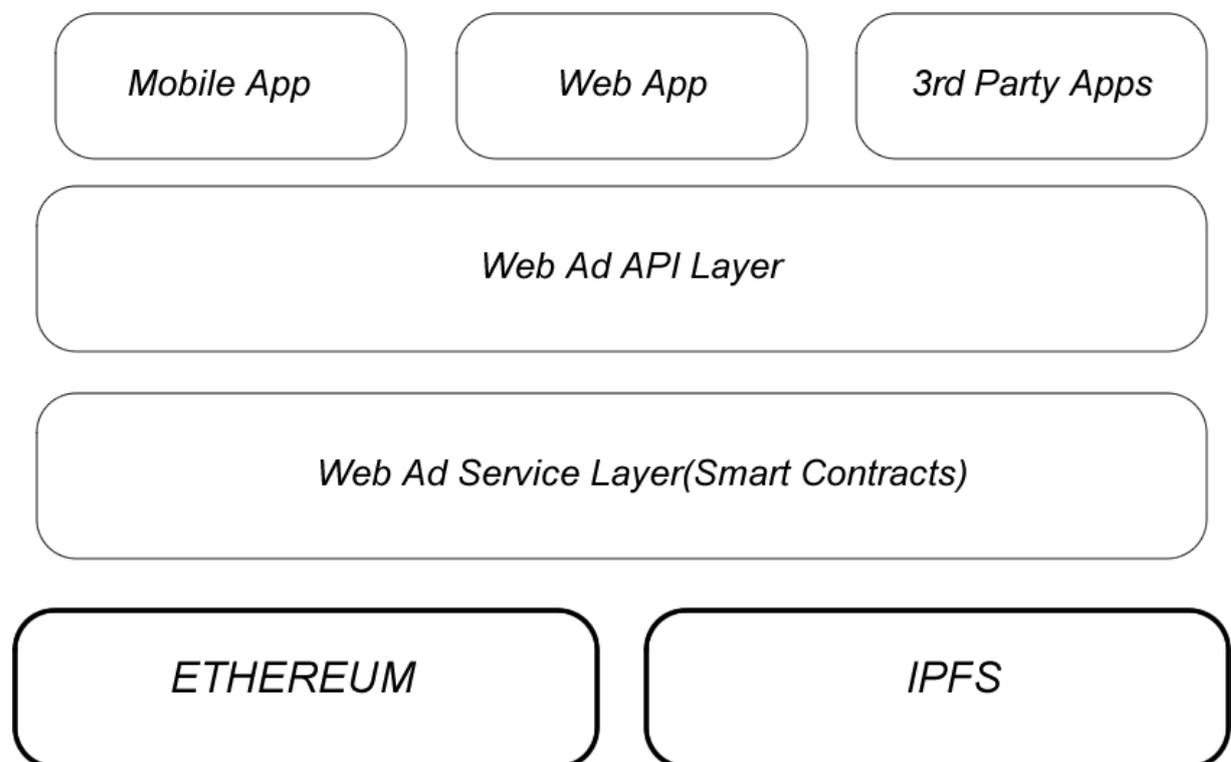
Example from a personal account's perspective:

- Sheila joins the WebAd network. Upon registration, Sheila is issued an amount of Webercoin.
- Sheila creates a profile and can view businesses she follows. She can also see businesses near her location on the WebAd platform.
- Sheila is given an amount of Webercoin for rating a business on the platform. If Sheila reaches the level of a verified personal account, the amount of Webercoin she is given per rating increases.
- The accumulated Webercoin can be exchanged for Fiat currency or Cryptocurrency on any exchange or Webercoin's exchange platform.



CORE COMPONENTS

- **Web Ad Deployment Engine:** WebAd will build a Deployment Engine (DE) for profiles and content, and tie them to the tokens and Ethereum smart contracts
- **Inter-Planetary File System (IPFS):** The IPFS is like a decentralised Dropbox and will form the core of the WebAd platform. Content information such as documents, images, updates to profiles will be stored there. The advent of systems such as Filecoin provides users of IPFS the opportunity to earn revenue from their content or storage space. This will ultimately help in the proliferation of the ecosystem.
- **Truffle:** Truffle is a development environment for Ethereum smart contracts. It includes smart contract compilation, linking, deployment and binary management. It is the current state-of-art for Ethereum blockchain. Truffle will be used by WebAd to write the smart contracts and integrate it with the front-end application.



The description of each of those layers is as below:

Service Layer: this layer contains the core logic of the platform, which will include smart contracts and the indexing system for the file system, IPFS. This is more of a logical layer of the platform, and it will interface with the API layer in order to speak with the App layer.

API Layer: this layer consists of the NodeJS + Express application, the backend of the system, which acts more like an API so that the front end apps (web apps, mobile apps, third party apps) can have access to the information from the WebAd platform. Since some of the data needs to be persisted in order to allow for efficient execution, so that too much gas will not be spent, we will be persisting this data in a MongoDB database.

App Layer: this layer consists of the ReactJS web application in the POC phase. We will develop a mobile app as well using technologies like React Native, Android and iOS apps. We also plan to capitalize on the mobile Ethereum OS built by Status in order to provide a decentralized version of the platform on mobile phones. Other 3rd party apps can also leverage the API of Indorse in the future in order to take advantage of our unique social media platform.

LOCATION BASED

One distinct feature of WebAd is the location-based focus of the platform. Users will be able to see businesses in their location or a maximum distance of their choosing. This will open up more opportunities for business owners to connect with customers and potential clients that are physically close to them.

ADVERTISING

An integral feature of the WebAd platform is advertising. Businesses will buy placement, impressions and reach on the platform at certain fixed rates. We will follow a model similar to Facebook and Instagram, but with the difference of cryptographic tokens paid for advertising on the platform.

TOKEN MODEL

The platform has one tradeable token Webercoin (WBC) (based on the ERC20 interface). This will help to create a reward mechanism that equitably distributes ownership and aligns the incentives of all parties.

WEBERCOIN (WBC) TOKEN

The Webercoin (WBC) token will be issued during the Token Sale. In this way, the WBC token holders have a vested interest in participating in the platform and rating reputable businesses. As the WBC token will be the required payment method for buying advertising space on the platform, advertisers will need to purchase WBC tokens (such as through an exchange) in order to have available advertising units on the platform.

ADVERTISING REVENUE WITH WBC TOKENS

WBC tokens will be the initial revenue source for the platform members. The WBC token will be the required payment method for buying advertising space on the platform. This means advertisers will need to purchase WBC tokens through an exchange. The platform administrators may accept a direct sale of WBC tokens for Ether (ETH) at a similar rate as that offered to the existing WBC token holders.

Half of the WBC tokens from the media buys will go into the WBC pool. The other half will be put into an administrator fund which will be used to pay for the operations of the platform. The ETH received from the direct sale of WBC tokens will be used to fund development and marketing for the platform.

MEDIA SERVICES REVENUE WITH WBC TOKENS

WebAd will engage in media services and digital marketing for businesses and companies who would like to take advantage of the digital market. Similar to advertising revenue, WBC tokens will be the required payment method for seeking such services from the WebAd platform.

The WBC tokens earned by the WebAd platform for these services will go into the WBC pool. 50% of the amount will be deposited into an administrator fund which will pay for the platform operations, and the remaining 50% will be rewarded to the members in a manner similar to that of the advertising revenue.

WBC TOKEN INFLATION - POOLED TOKENS

5% of the initial token supply will serve as the inflation pool. Every twelve months the inflation rate will be halved until it reaches 0.625%. This will mark the final year for inflation. The halving is to correspond to increasing WBC in the pool from advertising buyers.

TOKEN SALE

INITIAL TOKEN SALE – WBC TOKENS

A total of 100,000,000 WBC tokens will be created. 40% of the total supply created will be represented by the WBC tokens sent to token sale participants with 8% for private investors. The reserve for future use will comprise 25% of the total supply while 20% will be allocated for distribution to participants in the ecosystem and 5% will be held by the network administrators, team, and advisors. Token sale costs will be covered by 1% of the total supply.

ETH and BTC from token sale participants will be sent to an account specified on the Web Ad website after a specified block number. When the ETH and BTC sent to the account reaches the maximum, the initial token sale will end. The failure of the token sale to result in a minimum number of ETH and BTC means that the token sale will be cancelled. This means that the ETH and BTC sent to purchase WBC tokens will be returned. Advisors and team members have a lockup period of 180 days before their WBC tokens can be redeemed. In summary,

Minimum raised \$200,000

Maximum raised \$20,000,000

WBC Token Distribution

WBC Buyers: 40% of Token

Future Usage: 25% of Tokens

Allocated for distribution to participants in ecosystem: 20% of Tokens

Private Investors: 8% of Tokens

Team and Advisors: 5% of Tokens (time-locked 180 days)

Bounties: 1% of Tokens

Token sale costs: 1% of tokens

Above is an approximation of final token distribution. This may vary depending on the amount of WBC tokens sold, final ETH and BTC price and other factors.

The token sale address will be announced at the start of the token sale through the following avenues:

Website: <http://webercoin.io>

Slack Invite: <http://joinwebercoin.herokuapp.com/>

Slack Direct Link: <https://joinwebercoin.slack.com/>

Twitter: @webercoin

Instagram: @webercoin

POST TOKEN SALE: HOLDING OF THE FUNDS

To minimise the risk of the received ETH losing value relative to the US Dollar [USD], we will hedge some of it. This will also ensure that the financial obligations needed to complete the project are met.

Some of the funds will be sold for US and Singapore dollars to cover the short and mid-term operational costs. Some will be exchanged for gold-backed asset tokens in US Dollar [USD] terms, and the balance of funds in ETH will be converted to US Dollar [USD] or other currency as needed to fund the platform's costs and development. Expenses will be paid directly in ETH as much as possible.

FUNDING USAGE BREAKDOWN

Funds received from the token sale are intended to be used mostly for the development and advancement of the platform. The level of funds that are received will dictate the extent and timeline of development. The 1 million dollars [funds] received through the token sale will be broken down as follows:

DEVELOPMENT: 60% of funds

Research and development comprise the building of the technology as described in this document, and include the development of the Token App, publishing system, claim voting system, advertising system, smart contract systems and some other relevant systems.

SALES AND MARKETING: 20% of funds

Marketing spending will be used to develop partnerships, bring in advertising and new members to the platform.

OPERATIONS: 15% of funds

Costs such as accounting, office rental, and other day to day operational needs and overheads are covered as operational costs. These costs also include code reviews and security audits.

LEGAL FUND: 5% of funds

We will hold a portion of the funds for any potential legal issues that may arise.

LEGAL DISCLAIMER

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THIS WHITE PAPER DOES NOT CONSTITUTE AND IS NOT INTENDED TO BE AN OFFER OF SECURITIES OR ANY OTHER FINANCIAL OR INVESTMENT INSTRUMENT IN ANY JURISDICTION.

WEBERCOIN TOKENS ARE NOT SECURITIES

USER ACKNOWLEDGES, UNDERSTANDS, AND AGREES THAT WEBERCOIN TOKENS ARE NOT SECURITIES AND ARE NOT REGISTERED WITH ANY GOVERNMENT ENTITY AS A SECURITY, AND SHALL NOT BE CONSIDERED AS SUCH.

ABSENCE OF GUARANTEES OF INCOME OR PROFIT

THERE IS NO GUARANTEE THAT WEBERCOIN TOKENS WILL GROW IN VALUE. THERE ARE NO GUARANTEES THAT THE PRICE OF WEBERCOIN TOKENS WILL NOT DECREASE, INCLUDING SIGNIFICANTLY, DUE TO SOME UNFORESEEN EVENTS, OR EVENTS OVER WHICH THE DEVELOPERS HAVE NO CONTROL, OR BECAUSE OF FORCE MAJEURE CIRCUMSTANCES.

RISKS ASSOCIATED WITH ETHEREUM

WEBERCOIN TOKENS WILL BE ISSUED ON THE ETHEREUM BLOCKCHAIN. THEREFORE, ANY FAILURE OR MALFUNCTIONING OF THE ETHEREUM PROTOCOL MAY LEAD TO THE TRADING NETWORK OF WEBERCOIN TOKENS NOT WORKING AS EXPECTED.

REGULATORY UNCERTAINTY

BLOCKCHAIN TECHNOLOGIES ARE SUBJECT TO SUPERVISION AND CONTROL BY VARIOUS REGULATORY BODIES AROUND THE WORLD. WEBERCOIN TOKENS MAY FALL UNDER ONE OR MORE REQUESTS OR ACTIONS ON THEIR PART, INCLUDING BUT NOT LIMITED TO RESTRICTIONS IMPOSED ON THE USE OR POSSESSION OF DIGITAL TOKENS SUCH AS WEBERCOIN TOKENS, WHICH MAY SLOW OR LIMIT THE FUNCTIONALITY OR REPURCHASE OF WEBERCOIN TOKENS IN THE FUTURE.

RISKS OF USING NEW TECHNOLOGIES

WEBERCOIN TOKENS ARE A NEW AND RELATIVELY UNTESTED TECHNOLOGY. IN ADDITION TO THE RISKS MENTIONED IN THIS DOCUMENT, THERE ARE CERTAIN ADDITIONAL RISKS THAT THE TEAM OF THE WEBERCOIN TOKEN CANNOT FORESEE. THESE RISKS MAY MANIFEST THEMSELVES IN OTHER FORMS OF RISK THAN THOSE SPECIFIED HEREIN.

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Appendix

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