Session 9

The art and science of writing a whitepaper

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Objective

- Understand the nature of whitepapers

- Learn how to write impactful whitepapers

Session outline

- Whitepapers and their purpose

- Whitepapers examples

- Things to know before you write whitepaper

- Things to pay attention when reviewing a whitepaper

- Tips for successful whitepapers

Whitepapers and their purpose

Whitepaper

What is a whitepaper?

- Not a new kind of document

- Introduced 100 years ago (1922) as a position document in UK

- Important business document since 1990s - Internet revolution

- It has different uses

- Government:
  - As a tool of participatory democracy
  - As policy document – to test publics opinion before it introduces legislation

- Business:
  - As a marketing tool
  - To promote a project, generate sales leads, etc

The health and social care White Paper explained

kingsfund.org.uk/publications
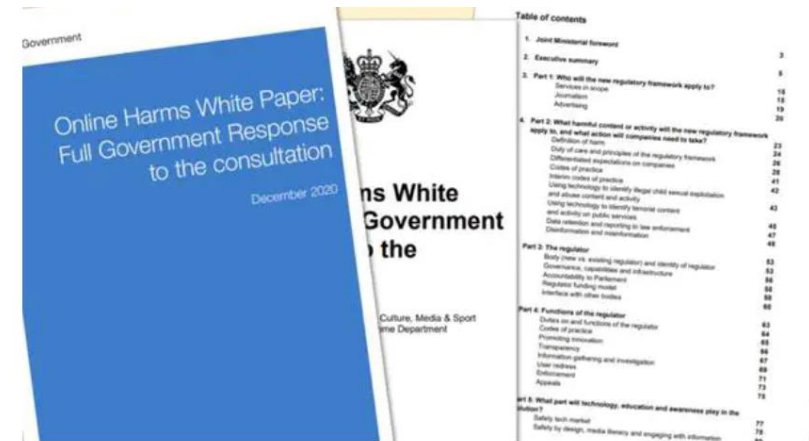
The health and social care White Paper explained | The King's Fund

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Visit

Whitepaper

Types of whitepaper?

- Yellow paper: Technical paper (e.g. Ethereum)

- Beiz paper: Simplified version of Yellow paper

- Flash paper: Just a few pages

- One page paper = 1 page only

Whitepaper

What is the aim of a blockchain whitepaper?

- To provide educational, practical and useful details about the project

- Used before a sale

- Written for audience outside the organization (but also for internal users)

- It combines external research and internal knowledge

- Reports problem and solution

- It is often considered as a marketing tool
  - Intends to attract investors
  - It depends on the project

Whitepaper

Whitepaper is one of the first things we create

Order of events

- Design your web site

- Create your social media channels

- Write and publish your whitepaper

Whitepaper

Whitepaper definitions

- Definition 1: "A communication tool used to explain something about your complex product or service to a particular audience."

- Definition 2: "A paper written by a lead product designer to explain the philosophy and operation of a product in a marketplace or technology context"

- Definition 3: "A short treatise whose purpose is to educate industry customers."

- Definition 4: "A white paper is a report or guide that informs readers concisely about a complex issue and presents the issuing body's philosophy on the matter. **It is meant to help readers understand an issue, solve a problem, or make a decision**. A white paper is the first document researchers should read to better understand a core concept or idea." Wikipedia

- Definition 5: " A whitepaper is a persuasive, authoritative, in-depth report on a specific topic that presents a problem and provides a solution"

Whitepaper

What is a whitepaper?

- Whitepaper = A summary of a project that reports
  - Project purpose
  - Design
  - Team behind it
  - How is funded (or to be funded) - tokenomics
  - Roadmap
  - References

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Whitepaper examples

Whitepaper

Successful cases in Blockchain

- Bitcoin whitepaper

- DigixDAO — $5.5 min raised

- Ethereum — $15.5 min raised

- Quoine — $105 min raised

Whitepaper

Successful cases in Blockchain

coindesk.com/markets/2017/05/31/35-million-in-30-seconds-token-sale-for-internet-browser-brave-sells-out/

Maps   Gmail

$17,206.86 +2.29%   **Ethereum** ▲ $1,280.27 +3.84%   **Binance Coin** ▲ $289.78 +1.65%   **XRP** ▲ $0.39012989 +1.16%   **Binance US** ▶   **Crypto Prices** →   **CoinDesk Marke**

Markets

$35 Million in 30 Seconds: Token Sale for Internet Browser Brave Sells Out

The makers of web browser Brave have raised new funding through the use of a blockchain-based token aimed to incentivize user growth.

By Jonathan Keane   ⏱ May 31, 2017 at 7:40 p.m.   Updated Sep 11, 2021 at 4:24 p.m.

Whitepaper

Successful cases in Blockchain

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$17,206.91 +2.26%   Ethereum ▲ $1,280.18 +3.79%   Binance Coin ▲ $289.90 +1.72%   XRP ▲ $0.39025336 +1.13%   Binance US ▶   Crypto Prices →   CoinDesk Market Index →

Markets

$257 Million: Filecoin Breaks All-Time Record for ICO Funding

Filecoin's initial coin offering has ended, raising more than $257 million over a weeks-long token sale.

By Stan Higgins   🕐 Sep 7, 2017 at 10:45 p.m.   Updated Sep 13, 2021 at 9:54 a.m.

Whitepaper

Successful cases in Blockchain

cnbc.com/2018/05/31/a-blockchain-start-up-just-raised-4-billion-without-a-live-product.html

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CRYPTOCURRENCY

A blockchain start-up just raised $4 billion without a live product

PUBLISHED THU, MAY 31 2018·12:26 PM EDT | UPDATED FRI, JUN 1 2018·8:44 AM EDT

Kate Rooney
@KROONEY

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KEY POINTS
- Cayman Islands start-up Block.one raised $4 billion as of Thursday, eclipsing the world's biggest initial public offerings this year and more than doubling the next biggest offering of that type.

- But its product doesn't fully launch until June 1 and investors don't know how the majority of that capital will be used.

- "They have set the bar very high for themselves in terms of delivery expectations," says William Mougayar, managing partner at JM3 Capital and author of "The Business Blockchain."

- **Question: Which company is Block.one?**

- EOS

Whitepaper

Successful cases in Blockchain

Top 10 ICO fundraises besides Block.one

- Telegram Open Network — $1.7 billion

- Dragon Coin — $320 million

- Huobi — $300 million

- HDac — $258 million

- Filecoin — $257 million

- Tezos — $232 million

- Sirin Labs — $157.9 million

- Bancor — $152 million

- Bankera — $150.9 million

- Polkadot — $142.4 million

Source: New Alchemy

Things to know before you write whitepaper

Things to know before you write your whitepaper

Suggestions

- Read other whitepapers before writing your own

- Learn from others / avoid repeating their mistakes

- Make your own research (pay attention to when it was written and who was the author)

- Read the most updated version of a project

Things to know before you write your whitepaper

Who is your reader?

- Understand who the reader is (Technical, non-technical, CFO, investors)

- IT managers do read whitepapers
    - 75% get preliminary ideas about novel solutions and providers
    - 64% read one whitepaper per month
    - 93% pass whitepaper details to other people in their organization
    - 66% pass them to their higher-ups
    - All read when they are interested in a new technology or need to select a technology for their organizations

- Many readers advice other organizations to buy or not / technical recommenders

Things to know before you write your whitepaper

Some facts

- Whitepapers come in different forms, shapes and size

- Some have lots of images some others are not

- 4-10 weeks

- $5,000 - $30.000

- Size varies From 4 to 100+ pages long!

- Live document – can be extended / updated

- Format:

- 1st generation pdf documents

- 2nd generation Gitbook documents

136 pages!!!

Chainlink 2.0: Next Steps in the Evolution of Decentralized Oracle Networks

Lorenz Breidenbach[1]   Christian Cachin[2]   Benedict Chan[1]
Alex Coventry[1]   Steve Ellis[1]   Ari Juels[3]   Farinaz Koushanfar[4]
Andrew Miller[5]   Brendan Magauran[1]   Daniel Moroz[6]
Sergey Nazarov[1]   Alexandru Topliceanu[1]   Florian Tramèr[7]
Fan Zhang[8]

15 April 2021
v1.0

Things to pay attention when reviewing a whitepaper

Thinks to pay attention when reviewing whitepaper

Details that make the difference

- Project focus

Whitepapers that maintain their focus on initial idea

Whitepapers that evolve to address competition

- Whitepaper authors: same as before or different (changes in focus, changes in team, or team problems)

- Location (Where the project is based – crypto regulation friendly location are preferable)

- Projects in crypto friendly jurisdictions take off easier and quicker

- Partnerships

- Purpose of the project and how it differs from competitors

- Bad sight – whitepaper starts with 2008 and Nakamoto

Thinks to pay attention when reviewing whitepaper

Is the whitepaper sufficient?

- Who wrote it and when

- Where (location and partnerships)

- Problem definition: Why was it made and how is it different (what and why)

- What is the proposition (idea)

- How (architecture)

- How much, when and in which way (tokenomics)

- What is the plan (roadmap)

- Scientific references

Thinks to pay attention when reviewing whitepaper

Great idea or just another solution?

- Discussing a new idea may be great or not important at all

- New project vs fork with new features: New projects usually have more potential than modifying existing cryptocurrencies

Tips for successful whitepapers

Tips for successful whitepapers

Who is your writer?

Marketing department?

- Whitepapers are prepared after a request of Marketing department.

- But people from marketing can not capture and efficiently explain the concept / solution

Product leader?

- Product leader understands better the project but often does not have the writing skills

- There is a need for a team that can combine different skills, understanding and knowledge

Tips for successful whitepapers

Writing team

Team should have

- Marketing background

- Technical understanding

- Clear expression

Team members

- Writer

- Designer / illustrator

- Product manager

- Marketing manager

Writing team: internal or external

Advise – maintain a good collaboration between the product manager and the writer.

Tips for successful whitepapers

Writing team

Employ USE technique

- Understand,

- Simplify,

- Explain complicated information to diverse audiences.

Tips for successful whitepapers

Not a standard structure

Commonly reported sections

- Intro-abstract

- Problem statement

- Background to the problem

- Solution
  - Technical architecture
  - Functional

- Economy (tokenization)

- Roadmap

- References

- Introduction

- Disclaimer

- Table of contents

- Description of the market and the problem

- Description of the product and how it's going to solve said problem

- Tokens: how many, why, how, when, and so on

- How the raised funds are going to be used

- The team

- The roadmap

- Conclusions

- Annexes

Tips for successful whitepapers

Avoid reporting well known things

- Bad sight: If a whitepaper starts with 2008 and Nakamoto/Bitcoin story

- Good tip: Straight to the point e.g. we are building the next generation of x that has these unique features and overcomes existing problems in this way.

- The whitepaper should
  - Introduce the problem
  - Report the things that require to solve it
  - Explain how your project achieves this

Tips for successful whitepapers

Problem definition

- Problem definition
  - Neutral approach: Define the problem without mentioning the competitors
  - Aggressive approach: Report the competitors as part of the problem
  - Do not spend much time and space to refer to other solutions – bad sight

Tips for successful whitepapers

Describe the idea in a sound way

- What is the proposition and how it differs from other solutions

- How do you overcome the existing problems

- Report your product / service architecture

- Talk about the solution functionality concisely

- Explain your tokenomics

- Present a realistic roadmap
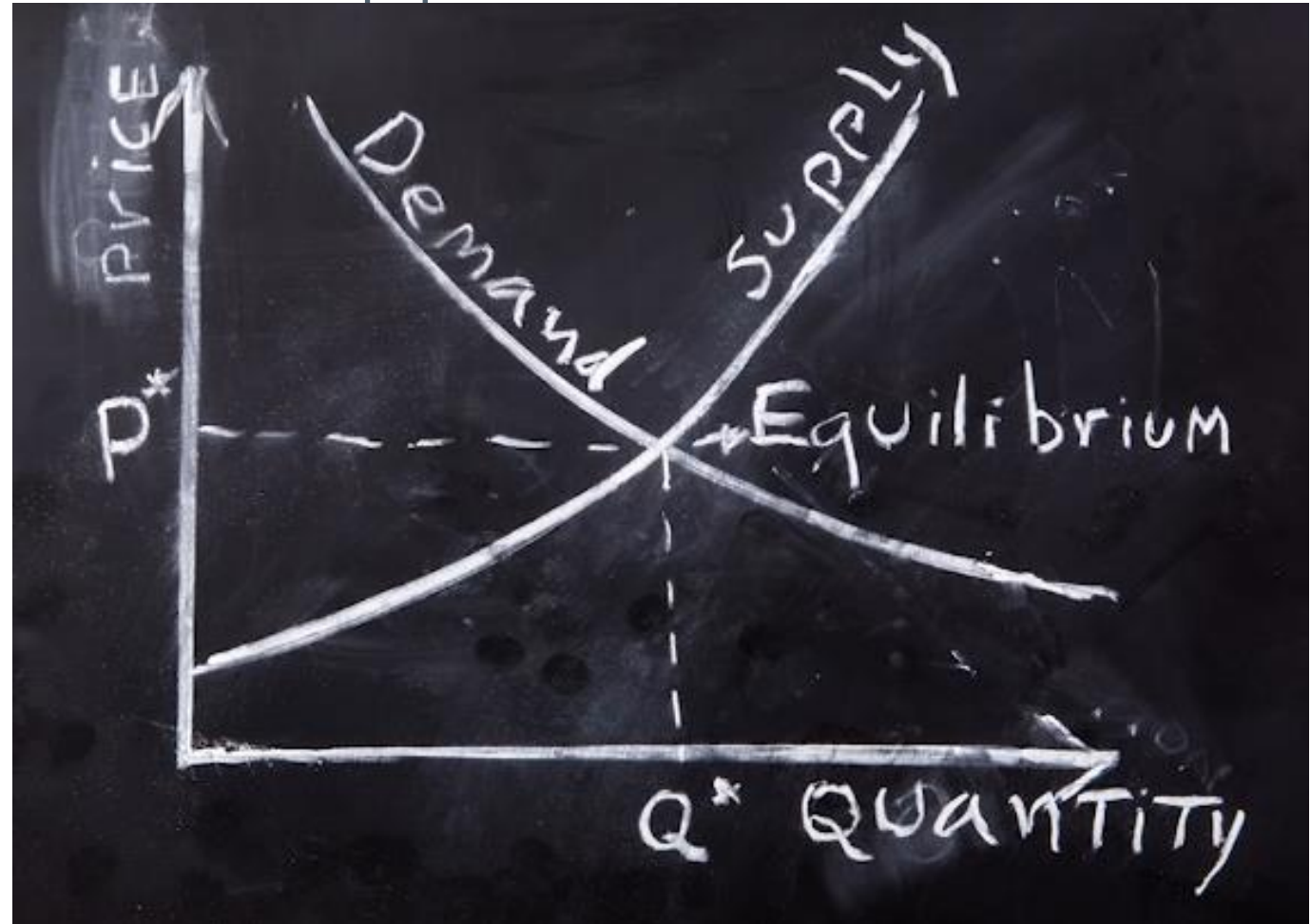
- Add scientific references

Tips for successful whitepapers

Tokenomics are important parts of the whitepaper

Tokenomics: we look at:

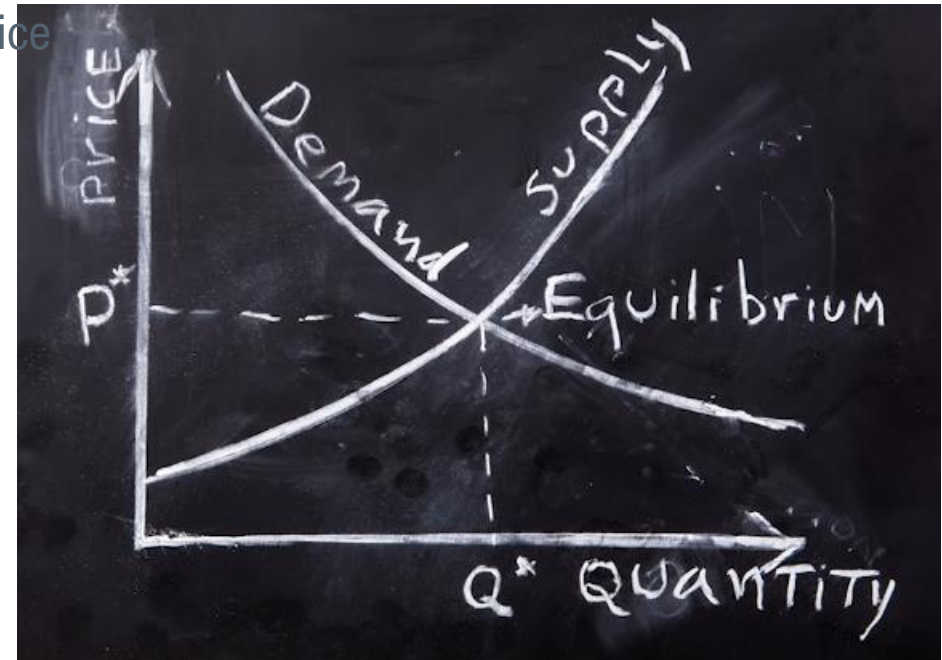- Sources of supply

- Drivers of demand

Tips for successful whitepapers

Tokenomics are important parts of the whitepaper

Tokenomics: we look at:

- **Sources of supply**
  - **Annual inflation** of a token/coin (high token inflation → difficult to hold its value)

  - **Initial allocation:** Do not allocate big amounts of tokens to team and advisors,
  - Sell pressure from team will cause issues to token price

  - **Vesting schedule** is the key to control price
  - Lengthy and smooth vesting schedule –
    - There is better control on token price
    - But difficulties to find investors
  - Short and stagger vesting
    - May attract investors
    - But a lot of token price pain
  - Rule: Medium period and smooth vesting
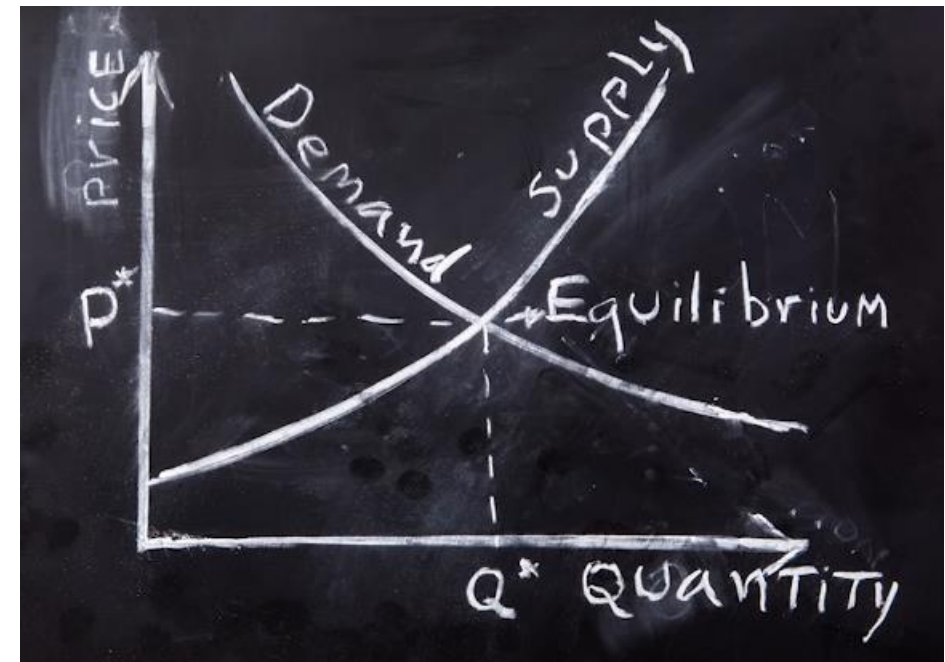
Tips for successful whitepapers

Tokenomics are important parts of the whitepaper

Tokenomics: we look at:

- **Drivers of Demand include**
  - Utilities (e.g. transaction fees)
  - Revenue generations (staking rewards)
  - Other perks (give users a reason to purchase and hold the token)
  - Institutional investors

- **Rule**: Price will increase if demand outwaits supply

Tips for successful whitepapers

Roadmap should be realistic

Roadmap:

Realistic (e.g. for a crypto project: test net, main net, crypto wallet, exchange listing, performance upgrades, partnerships)

Avoid unrealistic milestones (e.g. 1 billion users in 1 year)

Tips for successful whitepapers

References and footnotes may make the differences

References or footnotes:

Lack of references is a drawback

Avoid using Wikipedia, or other common web resources

Use scientific sources or references to well established projects (e.g. Cryptopunk)

Conclusions

Conclusions

- Whitepapers are important documents that are used for various purposes
- Their goal is to provide educational, practical and useful details about the project
- They are used before a sale and usually written for audience outside the organization
- It combines external research and internal knowledge
- Whitepapers vary in size, structure and format.
- The latest trend is to write a whitepaper as a gitbook

Further reading

Whitepaper

Whitepaper examples

- https://amazy-1.gitbook.io/whitepaper/

- https://codyfight.gitbook.io/white-paper/

- https://gitbook.pzm.space/wp

- https://docs.defikingdoms.com/

- https://whitepaper.playermon.com/

- https://whitepaper.sip.space/

- https://landrocker.io/white-paper

- https://whitepaper.landrocker.io/

- https://blockasset.gitbook.io/whitepaper/blockasset-whitepaper/blockasset-whitepaper

- https://efinity.io/whitepaper/introduction

- https://blocksport.io/wp-content/uploads/2021/07/Blocksport-NFT-Whitepaper-20210720.pdf

Whitepaper

Whitepaper examples

- https://white-paper.neftipedia.com/NEFTiPEDiA-White-Paper.pdf

- https://github.com/gryphnft/nft-marketplace-whitepaper

- https://nftify.network/file/whitepaper.pdf

- https://usa.visa.com/content/dam/VCOM/regional/na/us/Solutions/documents/visa-nft-whitepaper.pdf

Whitepaper

Examples

- https://ethereum.org/en/whitepaper/

- https://daomaker.com/company/adaswap#metrics

- https://daomaker.com/company/xana#overview

- https://daomaker.com/company/themis#metrics

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Questions?

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