

# 30 Houdini

Our NFT Marketplace

# CAD PARLOR



3dHoudini offers a practical use for NFTs that connects the digital and physical worlds. We believe that we can democratize the design and manufacturing industries and facilitate the mass adoption of 3D printing.



3D-printable NFTs

3dHoudini offers a practical use for NFTs beyond digital artwork. We offer blockchain solutions that are beneficial to people in the real world.

# Our Beta NFT Marketplace



The Beta version of our NFT Marketplace will offer 3D-printing optionality to NFT art developers, game/avatar creators and toy designers. It will be a minimum viable product designed to meet the needs of early adopters and provide feedback for future product development.

The full version of the CAD Parlor NFT marketplace will be integrated with our 3D printing marketplace and will be expanded to serve industries including footwear, defense manufacturing, medical and automotive replacement parts.

# Our Technology



CAD Parlor® is an NFT marketplace. Our CAD token®, CAD stream® and tokenized manufacturing® technologies provide game-changing advantages to designers and owners of sensitive IP. In overseas manufacturing, the typical business takes five to six months to bring a product to market. Through CAD Parlor, a designer can be selling a 3D-printable NFT within hours of uploading a design without having to invest in production or inventory. We make it possible for the little guy to compete head-to-head with larger companies.

# Our Technology (continued)



3dHoudini is developing a 3D-printable NFT called a CAD token. The CAD token is used as a vehicle to protect, buy, sell and trade designs. When the purchaser of a CAD token chooses to have the token manufactured, the encrypted CAD designs are streamed (using our CAD stream technology) from the CAD Parlor servers to manufacturing devices on the 3dHoudini marketplace, much like how Netflix streams a movie to a screen. The CAD designs are not exposed at any point in the process, thus preventing IP theft and allowing the sale of a single use of a design.

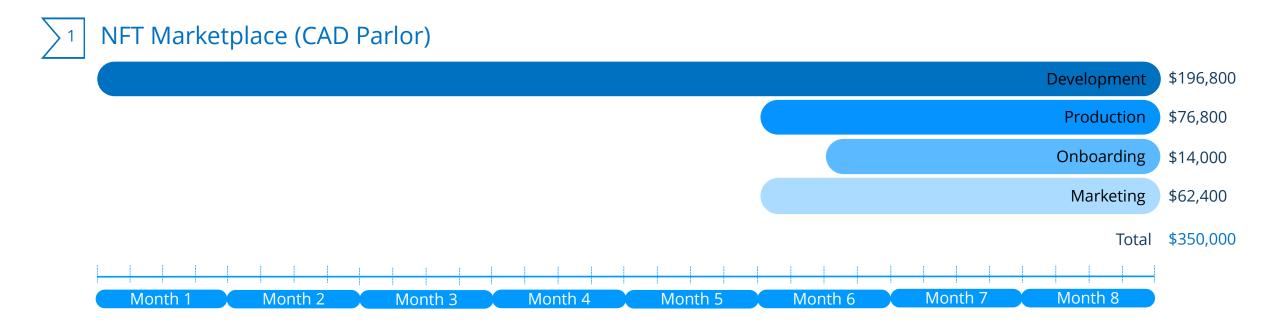
# Connecting Marketplaces

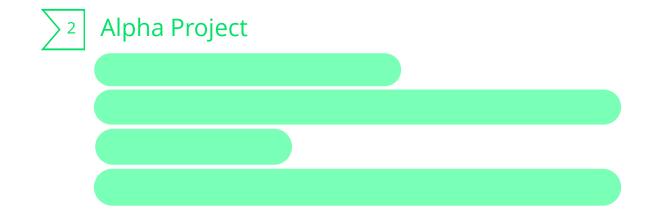


The CAD Parlor marketplace and the 3dHoudini marketplace will be connected using our tokenized manufacturing® technology, a sophisticated network of smart contracts. A smart contract is a self-executing contract with the terms of the agreement written into lines of code that exist across a blockchain network. Our platform will push the boundaries of smart contract development.

# Time Schedule and Milestones







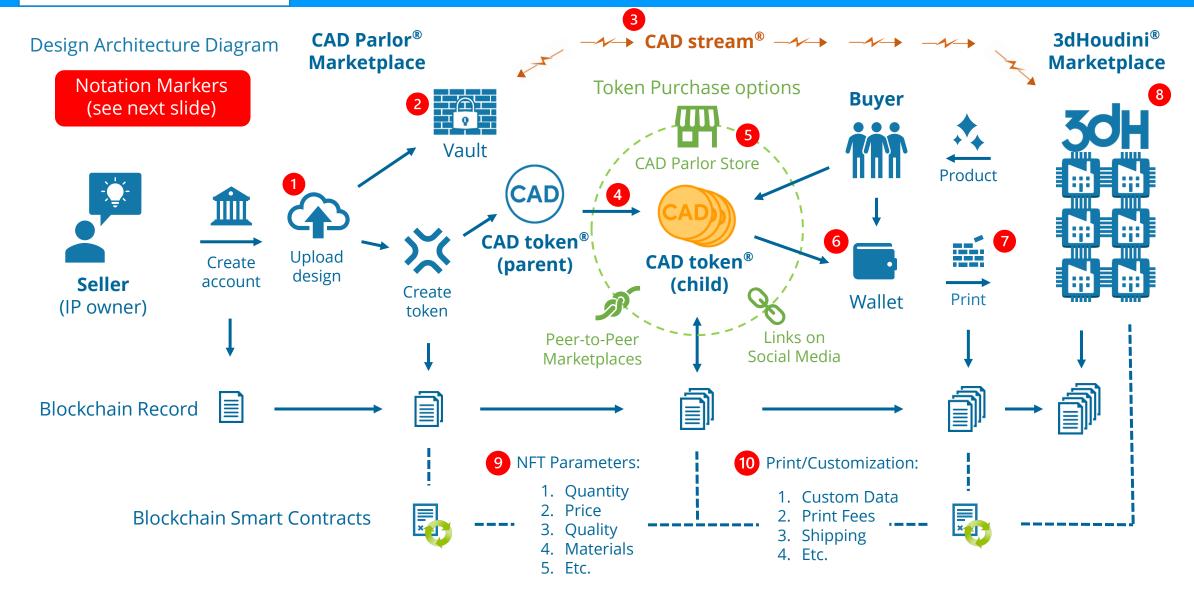
Our Alpha Project is our proof-ofconcept. Its purpose is to inform and promote CAD Parlor.













# **DIAGRAM NOTATION**

### Upload design

After setting up an account, a user can upload a CAD design. Files will be limited to two or three file formats. Uploaded CAD files will be tested (via flight test software) to verify that they are printable prior to being accepted.

### 2 Vault

Files will be stored in a vault on our servers. The vault must have an extremely high level of security. Tokens do not contain CAD designs, only info about them.

### 3 Stream

On this version of the NFT marketplace, we will not be streaming CAD files to printing devices since 3dHoudini will be printing product manually (not using a network of third-party service providers).

### 4 CAD tokens

A CAD token is a non-fungible ERC721 token. We will create two types of CAD tokens: a "parent" and a "child" token (also known as sister tokens). Smart contracts and APIs will provide CAD tokens with their functionality, allowing them to act as vehicles to buy, sell and trade CAD design files that can be redeemed to print.

### 5 Shopping/market

The NFT, or CAD token, will be adaptable to many network environments. Users will be able to sell, trade or Airdrop their CAD token on multiple peer-to-peer marketplaces. A user will also be able to sell CAD tokens via social media by linking to the CAD Parlor Store.

### 6 Wallet

We will create our own CAD Parlor Wallet; however, our NFTs will be compatible with most other wallets.

### 7 Print/customize

A Buyer will "print" a token by clicking a button in their wallet. In this first version of the CAD Parlor Marketplace, the number of options will be limited. In future versions, a Buyer will have more options to customize product and receive bids from manufacturers.

### 8 3dH Marketplace

In the Beta version of our NFT marketplace, we will print product manually. Future versions will involve a complex system of smart contracts to connect and automate manufacturing between CAD Parlor and the 3dHoudini network of third-part service providers.

### 9 Smart Contracts – NFT

Smart contracts will define the NFT's functionality, including how much it costs, how many times can it be printed or traded, trade commissions, profit sharing with the manufacturer, etc.

### 10 Smart Contracts – Print

When a Buyer chooses to "print" a token, smart contracts will control all aspects of manufacturing and shipping, including how it is made, who can make it, equipment and materials requirements, etc.

# Case Study





<u>Funko</u> is a toy company that makes a popular line of collectible products called Pops!. These are highly stylized figurines of pop culture icons. Funko takes, on average, five months to take a new product to market. We could shorten Funko's time-to-market to less than a day. This would enable Funko to release limited-edition toys in real time, to coincide with real world events.

Assumption: We can increase Funko's Pops! sales by 10% (12,720,000 new Pops!).

# What Could 3dHoudini Do for Funko?

Increase in Sales: \$24M, Increase in Profits: \$139M, Increase Profit Margin by 457%

# Funko 2019 (from Annual Report)

Sales from Pops!: \$636,000,000

Estimated # of Pops!: 127,200,000

Profit: \$28,000,000

Profit Margin: 3.50%

# **Tokenized Limited-Edition Pops!** (Per Pop!)

Average Sale Price: \$18.00

Estimated COGS: \$8.32

Funko Profit: \$9.68

# **Token Trading** (Resale Collectibles)

Profit from Token Trading is \$25,836,400 (after 17% licensing fee is paid)

Assumptions: \$1.50 per trade fee and each Pop! trades an average of one time per year.

# Case Study (continued)



**Assumption: 80% of tokenized Pops! are printed** (10,176,000 Pops!)

# 3dHoudini

# **How Could 3dHoudini Benefit from Funko's Business?**

We estimate that we could generate \$41,785,200 in annual revenue from Funko.

# **Summary of Revenue from Funko**

Revenue from Funko Token Sales: \$16,027,200
Revenue from Manufacturing: \$6,678,000
Revenue\* from Funko Token Trading: \$19,080,000

\*(\$1.50 per trade & one trade per year)

# 3D Printer Equipment & Materials Manufacturers

What Could 3dHoudini Do for 3D Printer Manufacturers?

Number of Printers: 463, Printer Sales: \$34.6M, Materials: \$19M

# Case Study (continued)



**Assumption: 80% of tokenized Pops! are printed** (10,176,000 Pops!)

# 3dHoudini Network (3D-print service providers)

# What Could 3dHoudini Do for Its Service Providers? A service provider with one printer could make \$127K annually.

# **Summary** (Per Pop!)

Sale Price: \$10.00

Material Costs: \$2.00

Additional COGS: \$1.50

Profit: \$6.50

**Total Annual Profit: \$127,040** 

(After expenses)

### **Production Estimates**

**72** Pops!/day at 80% capacity

**1,728** Pops!/month (running 6 days/week)

**Equipment Lease:** \$1,330/month

**HP Jet Fusion 540 3D Printer:** ~\$100,000

**Terms:** 5-year, 8% interest, 50% residual