

WHITE PAPER

# U-TRUCK

AUTOMATED SYSTEM  
OF INTELLIGENT LOGISTICS MANAGEMENT



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## ANNOTATION

The **U-Truck** system is a global logistics platform that integrates consignors and freight carriers in one application.

This project is designed to create a new ecosystem in the market of road freight services.

The **U-Truck** system will allow customers to connect cargo transportation services with the executors of flights, by passing dispatching companies and other intermediaries. Automation on the basis of blockchain will reduce financial costs, and help to form the cost of services at the level unattainable for competitors.

The organization of the cargo accounts settlement system through the **U-Truck** platform guarantees the cargo carrier full performance of financial obligations, and the consignor - the return of funds in the case of incomplete or poor-quality services.

The launch of this system will be carried out in Russia with further access to the world market.



## PROBLEMS

The idea of creating an automated logistics platform U-Truck appeared from many years of experience in the management of transport and logistic company.

Having identified the problems of the modern logistics market on their own experience, the team decided to create an automated platform, whose purpose is to correct all the shortcomings of the current system of cargo transportation, and to offer the world a new product that meets all the requirements of the present day.

The main problems of modern freight market are listed below.

### **1. Lack of automation.**

Today there is no global automation in the field of automobile cargo transportation. This business is an old dispatch method based on human actions. The task of dispatching services is to process a large data array in search of customers and performers of the service, and to agree on the cost of transportation.

Such organization of process has a number of shortcomings: low speed, high costs, influence of the "human factor".

### **2. Lack of united application database.**

Considering the lack of a united database of orders and the complexity of processing all data sources about current applications, freight carriers inevitably face a shortage of desired orders, even if they are actually available on the market.

This situation leads to equipment downtime and idling and, as a result, to financial losses. If we consider the situation when a driver, having made a cargo flight from point A to point B, has to return empty, the driver not only earns no money on the return flight, but also incurs costs for transportation expenses.



### **3. Non-execution of financial obligations.**

The problem of non-payment or untimely payment of the performed work to the freight carrier has global character. It is impossible to find a driver who does not face this problem at least once a year among carriers who regularly execute flights.

Conditionally non-payment can be divided into two types: delay in payment (illegal use of someone else's money) and a complete lack of payment for the work actually done.

The main reason for service non-payment is the absence of negative consequences for a counterparty that does not fulfill his payment obligations.

Another negative factor is the huge number of intermediaries who do not have their working capital to pay for the work done by the carrier. An application for transportation often passes from 1 to 3 intermediaries, before it reaches the actual contractor - the carrier. Every intermediary of this kind is a risk to the carrier.

### **4. Loss or damage of freight.**

At present, compulsory insurance of transported goods upon loss or damage is not committed. In case of damage caused during carriage, receipt of compensation becomes the subject of proceedings with the carrier.

### **5. Lack of convenient mobile application.**

Global trends show that modern users in all areas are eager to use the familiar simple, convenient and functional mobile application format. For instance, one can use the service Uber to call a taxi in almost every city in the world. Now, if the user needed to organize cargo transportation in any country and city of the world, he would simply open the U-Truck. This application will combine the functions of ordering, control and calculation.

### **6. High commission.**

Вышесказанное дает нам основание полагать, что данный современный рынок имеет большой потенциал для взрывного развития современных IT-сервисов.

The amount of commission for dispatching services in Russia today is at the minimum level of 15%.



Another way to search for carriers / orders is to use paid specialized information resources with a time subscriber fee.

This form of payment is ineffective, as it does not guarantee the result.

Automated system U-Truck will enable the freight carrier to earn up to 98% of the service at any time as well as the consignor to carry out transportation with a commission of 3% at most

.

The aforesaid gives us reason to believe that this modern market has great potential for the explosive development of modern IT-services.



## PROBLEM SOLUTION

The U-Truck service solves the above-mentioned problems with the use of modern technologies and offers the opportunity of carrying out cargo transportation according to the uniform standard.

By means of combining blockchain technology and geolocation and packing them in a convenient interface, U-Truck will simplify, secure and reduce the cost of shipping.

Ordering cargo transportation with U-Truck will be as simple as calling a taxi: the platform will allow everyone who needs to arrange the delivery of cargo in any country and city, just open the application and get service with the best conditions on the market.

### 1. Technologies of blockchain and geolocation.

The basis of the project is a multiservice logistics platform, supported by an effective administrative and IT system, with integrated blockchain and geolocation technology.

The blockchain system will allow you to record the status of settlements with the contractor at all stages, maintain a database of relationships and ensure full transparency of the company's operating activities.

Due to the smart contract implementation, the system will be able to track the performance of the transportation from the stage of arrival to the loading to the discharge at the final point, and the exchange of documents in accordance with the law.

### 2. United data array.

Any cargo carrier or consignor in the world that meets the requirements of the system, and has passed proper verification, can become its user.

The existing partnerships with local customers and executors guarantee the availability of first users of the system by the time of the release.

The marketing strategy of U-Truck will be aimed at attracting all carriers and customers, who regularly carry out freight transportation, to the system. For this purpose, the program of active distribution of the application will be implemented in conjunction with bonus programs for users.



The goal of U-Truck's marketing policy is leading U-Truck application into TOP-1 cargo management programs in Russia, its neighboring countries, and in the future around the world.

Integration of the maximum number of active users in the system will make it impractical to apply to other online and offline services for posting / searching applications for freight

### **3. Guarantee of execution of financial obligations.**

The organization of a settlement system through decentralized blockchain technology will provide the contractor with an ideal revenue accounting scheme and guarantee of payments, and the customer – with a safe payment and guarantee of full fulfillment of obligations on the part of the performer.

Like Aliexpress trading platform, U-Truck will act as the holder of funds until the carrier fulfills its delivery obligations.

Creation of its own payment system is one of the development plans of U-Truck.

### **4. Security of movable property**

U-Truck service promotes the principle of safety guarantee of cargo during transportation.

At the initial stage of development of the U-Truck system, cargo carrier will be responsible for the safety of cargo being transported. With subsequent development of the system and consolidation of complementary services, an additional service, mandatory cargo insurance, will be organized in U-Truck.

The process of cargo insurance will be simple and clear, and due to large amount of insurance through the U-Truck system, tariffs will be significantly lower than the market ones.

### **5. Rating system**

At the first stage, users need to undergo verification. Then, after each completed flight, the customer and the performer evaluate the second party.

The main indicators of reliability are the activity terms, accuracy of the provided data, absence of negative and presence of positive feedback in the system.

The more points the user has, the more reliable is cooperation with him.

The rating data is automatically registered in each published application.

All personal data is stored in encrypted or partially encrypted form in the system and becomes available to the second party only after mutual confirmation of the intention to perform a certain flight.

In case of gross violations of the system rules, the user gets blocked.





## AUTOMOBILE CARGO TRANSPORTATION MARKET IN RUSSIA

The market volume of commercial road transport in Russia in 2017 is estimated by experts at more than 10 billion USD.

[http://alfabank.rbc.ru/media/research/file/%D0%90%D0%B2%D1%82%D0%BE%D0%B3%D1%80%D1%83%D0%B7%D0%BE%D0%BF%D0%B5%D1%80%D0%B5%D0%B2%D0%BE%D0%B7%D0%BA%D0%B8\\_%D1%81%D0%BF%D0%B5%D1%86%D0%B2%D0%B5%D1%80%D1%81%D0%B8%D1%8F-7.pdf](http://alfabank.rbc.ru/media/research/file/%D0%90%D0%B2%D1%82%D0%BE%D0%B3%D1%80%D1%83%D0%B7%D0%BE%D0%BF%D0%B5%D1%80%D0%B5%D0%B2%D0%BE%D0%B7%D0%BA%D0%B8_%D1%81%D0%BF%D0%B5%D1%86%D0%B2%D0%B5%D1%80%D1%81%D0%B8%D1%8F-7.pdf))

According to Rosstat, in 2016 the fleet of vehicles owned by commercial cargo carriers in Russia was more than 6 million units. According to the analytical agency "AUTOSTAT", a fleet of vehicles with a carrying capacity of more than 3.5 tons was about 3.73 million units.

According to RBC market research, the number of registered companies, whose main activity is road freight transportation, in Russia in 2014, with revenues of over 15 000 USD, amounted to 14.8 thousands, while the companies mainly providing services for the organization of cargo transportation - 17.5 thousand. At the same time, the share of large and medium-sized companies is approximately equal to 1.75% and 2.5%, respectively. In general, the structure of the industry is dominated by microenterprises, whose revenues do not exceed 1 million USD.

Participants of the road freight market represent a variety of types of companies - from global transport and logistics holdings to local transportation enterprises.

Among large and medium-sized outsourcing companies, a large part is occupied by universal / specialized freight forwarding companies, the share of players with foreign ownership reaches 13%, the number of "clean" carriers or freight forwarders is insignificant. As a rule, market participants combine the functions of both, the first and the latter.

The group of 3PL-providers (according to the set of declared services) includes about 50 Russian and 40 western companies.

In 2014, the growth rate of turnover (in USD) of the leading 35 road freight carriers (Russian and foreign ones, included in the TOP-50) amounted to 13.2%, whereas in 2013, this indicator reached 20.7%. Total revenue of companies in 2014, amounted to 1.4 billion USD, which is more than 18% of the turnover of the trucking market by specialized transport organizations (7.4 billion USD in 2014).

According to the World Bank study, Russia ranks 99th in the world in terms of the Logistics Performance Index, with low scores for all indicators taken into account in calculating the index (including assessment of the customs system, the state of infrastructure, the availability of international transport, etc.) .



In regard to the difficult situation on the road freight market, the Government of the Russian Federation intends to promote the development of transport infrastructure and ensure the availability of transport services in 2017-2018. In particular, it is planned to suspend the indexation of the fee for compensation of damage caused to motor roads and reduce the tax burden in respect of transport tax on the owners of vehicles having an authorized maximum mass exceeding 12 tons. In November 2016, the Government of the Russian Federation approved the Priority Project "Safe and qualitative roads", which presupposes large-scale repair and construction of roads in 34 urban agglomerations with population of more than 500 thousand people each. The total cost of the project is about 11 trillion USD. Financing plan in 2017 - more than one trillion USD.

According to experts of the automotive market, in 2018 Russia expects a positive dynamics of demand due to the growing activity of medium and small businesses, import substitution and the growing quality of services provided by major players.



## ECONOMIC DATA AND FORECASTS

U-Truck as the first-of-its-kind global service has the goal of becoming the service number one in the minds of motorists around the world. In the U-Truck strategy, global market coverage starts with the most convenient entry points.

The project has the clearest model of monetization. Monetization in the service occurs at the expense of commission from the performed cargo transportation service.

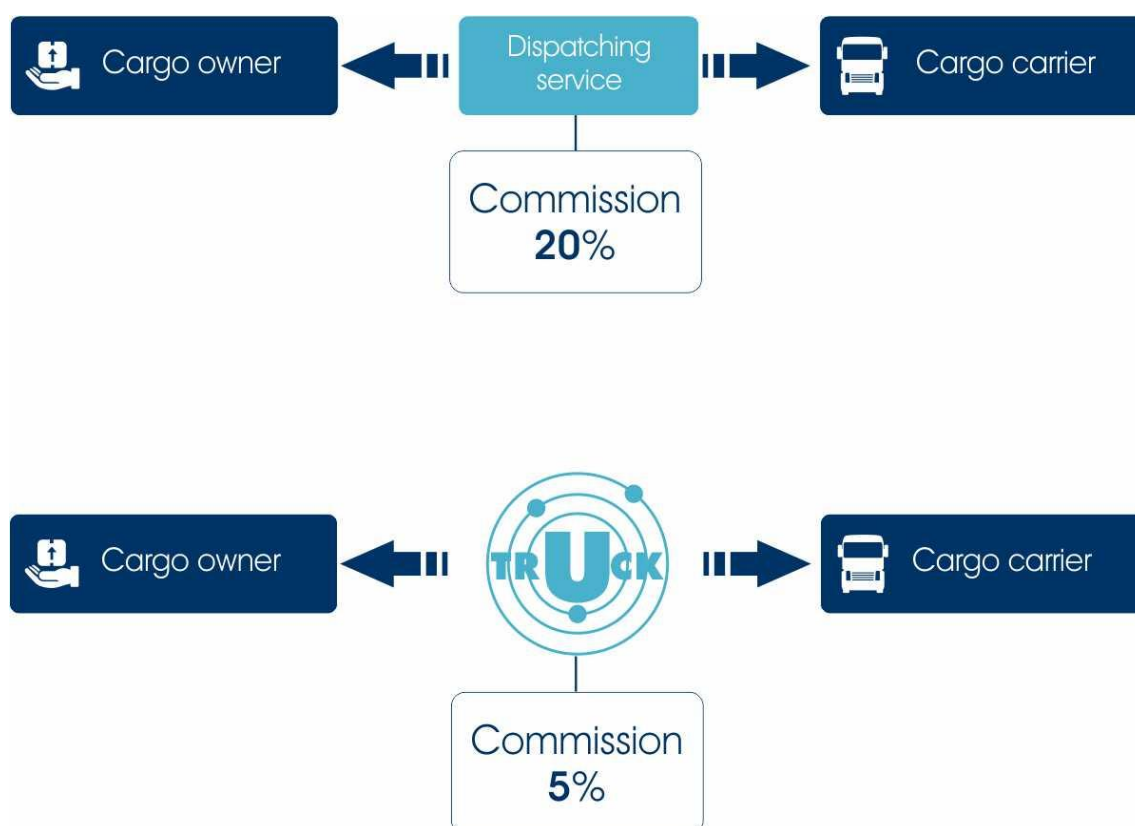
At the moment, the rate of the commission for dispatching services on the Russian market is about 20%.

The commission of U-Truck planned at the initial stage will be only 5%.

Thus, the saving of Shippers will be at least 15%.

The cost of the flight will be formed on the basis of parameters of the goods transported, the type of vehicle used and taking into account the tariff zones calculated on the basis of marketing research of the market in a particular region and current demand.

In the formation of prices, elements of the auction will be used



## Schedule on targets

To test and start the deployment of a global service, Russia was chosen as a territory with favorable conditions for the fastest start.

As criteria for the choice of the country, the potential and structure of the market, the competitive environment, legislative aspects, development of the motor transport network, etc. were taken into account.

At the first stage of development, U-Truck plans to occupy 4 percent of the Russian market of commercial trucking.

### Stage I

The cost volume of the market of commercial automobile cargo transportation in Russia is estimated at 10 billion USD.

According to RBC Market research, the aggregate revenue of the TOP-35 organized road freight carriers is at the level of 18% of the total volume of road haulage.

The target market segment is trucking by small, medium-sized local organizations and individual entrepreneurs. The capacity of this market is estimated at 8.5 billion USD.

The U-Truck plan for 2 years is to occupy 4 percent of the market share of trucking in Russia, carried out through the intelligent service U-Truck.

In the planning horizon of 2-3 years, the target annual turnover of commercial road freight in Russia, carried out through the intelligent service U-Truck, will make 340 million USD per year.

Due to the uniqueness of the service and the low price unattainable for competitors, U-Truck's revenue for a commission of 5% will be 17 million USD per year

### Distribution of funds:

6% - maintenance of the platform.

47% - development and promotion of the platform, increasing market share.

47% - payment of premium and redemption of tokens.

### Stage II

Stages of development of the U-Truck service in the CIS countries and around the world will be presented during the main ICO



## U-TRUCK TODAY

U-TRUCK is a system based on the experience of active group of the company operating on the freight market for more than 2 years and the experience of our specialists with more than 15 years of experience in logistics.

For 2 years of work of the logistics company the following has been made:

### **More than 5,000 flights have been organized.**

All the weak points of modern logistics were identified and taken into account when developing the automated system U-TRUCK.

### **Base of potential users has been formed.**

More than 5 000 Carriers and more than 500 Shippers have already become the partners of the company.

They are potential users of the automated system U-TRUCK, ready be the first ones to assess the convenience of the application.

### **Rating system has been tested.**

The system of checking freight forwarders and consignors for reliability has been worked out, and the mechanism for setting ratings has been adjusted.

### **Document turnover has been automated.**

Software for the automated formation of transport and accounting documentation has been developed and tested.

### **Qualified team has been formed.**

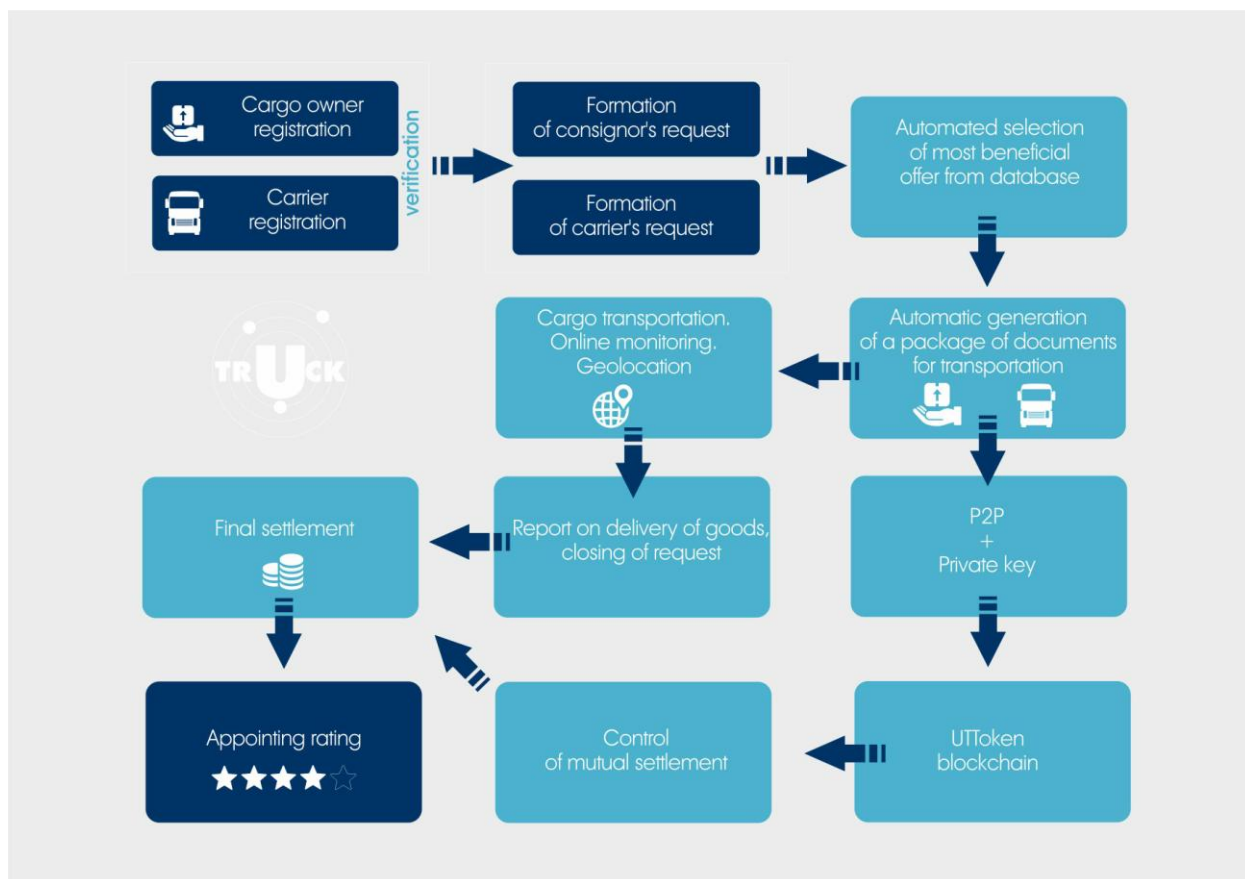
Specialists of different profiles have passed the way of development of the company from the time of formation, due to what they perfectly master all the subtleties of the sphere of transport logistics now.



# AUTOMATED LOGISTIC PLATFORM

## U-TRUCK

### Operation algorithm



## Advantages of the u-truck logistics platform

- Large base of consignors and cargo carriers.
- Automated processing of all data.
- Reduced downtime and idle runs.
- Upcoming routes/return flights' planning up to 100%.
- Monitoring of cargo movements in real time.
- Fast document exchange.
- Price auction.
- Security of financial transactions.
- The minimum amount of commission.



## TOKENSALE

For further development of our product, **U-Truck** attracts investment by issuing and selling a token.

The funds raised will be used to improve the platform and carry out marketing activities. The use of attracted funds will occur as necessary and within the framework of this development plan.

### The purpose of ICO

is 1 500 ETH

In case of reaching the amount of 1 500 ETH at the Pre Sale stage, the main TokenSale will not be held. U-Truck will immediately begin implementing plans.

### The name of the token

is UToken.

The UToken will be released on the blockchain Ethereum, ERC 20.

### Buy

U-Truck Token (UToken) can be bought for Ethereum.

### Amount

The total number of released tokens will be determined after the end of the ICO and depends on the volume of attracted investments at each stage of the token.

In addition, 25% of tokens will be added to the top of the tokens.

The number of tokens will be final without the possibility of releasing additional tokens.

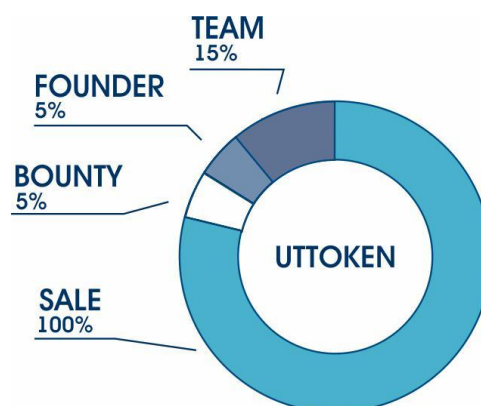
### Token distribution:

Investors - 100 % UToken

Team - 15 % UToken

Bounty - 5 % UToken

Founder – 5 % UToken





## Charge of tokens:

The accrual and distribution of UTToken tokens will be made immediately after purchase.

## Stages of ICO and bonuses.

**Pre Sale - 25/01/2017 - 14/02/2018.**

**Price:**

1 ETH = 13 500 UTToken.

**ICO - 15/02/2018 - 28/02/2018.**

**Price:**

1 ETH = 9 000 UTToken.

**ICO - 01/03/2018 - 15/03/2018.**

**Price:**

1 ETH = 6 000 UTToken.

## Issuing a token to exchanges

We are planning to bring the UTT token to large exchanges.

Information on the timing and list of exchanges will be placed additionally on the website [www.uttruck.io](http://www.uttruck.io)

## Bounty

We will allocate 5% of the tokens for reward for the support of the current tokensale.

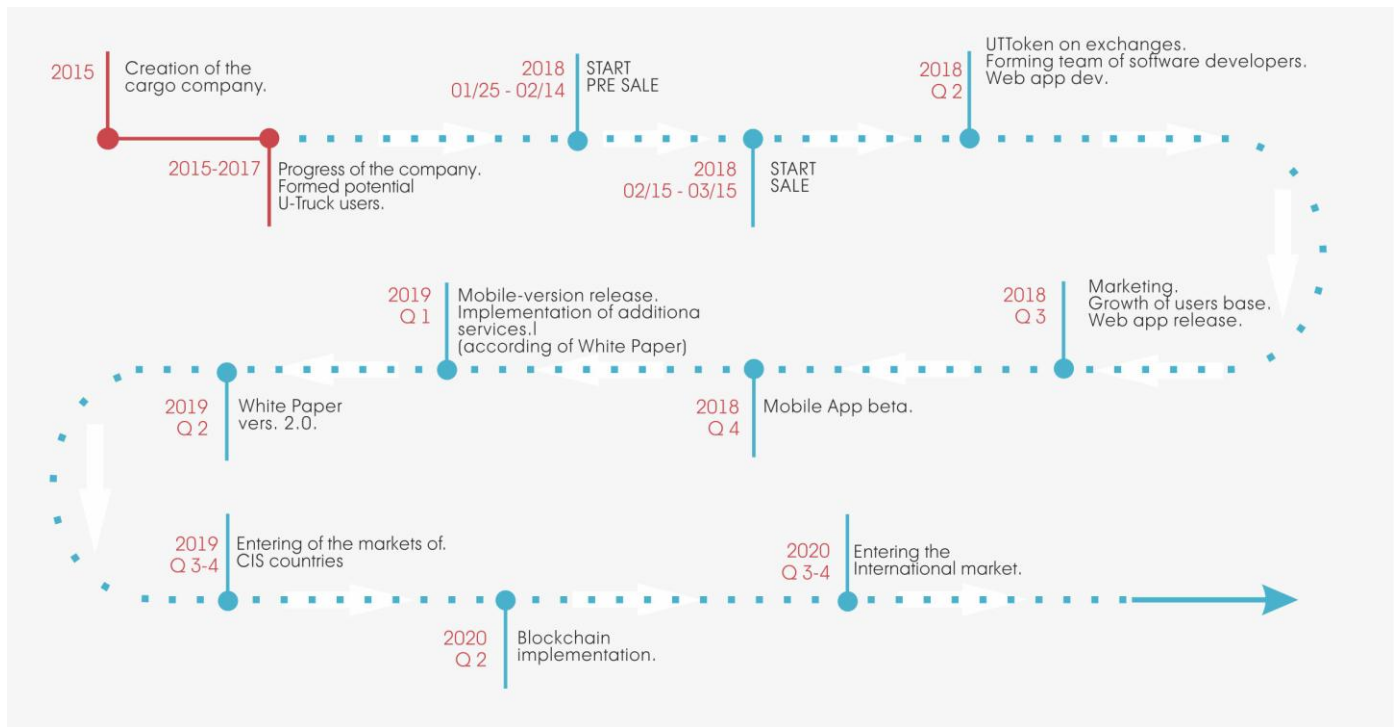
In particular:

- Campaign of signatures and avatars on [www.Bitcointalk.org](http://www.Bitcointalk.org) -30 % UTToken;
- Facebook campaign - 25 % UTT;
- Campaign on Twitter - 10 % UTToken;
- Campaign on Telegram - 10 % UTToken;
- For articles in blogs and publications in the media - 20 % UTToken
- Translation and moderation - 5 % UTToken.

Bonuses issued free of charge for bounty campaigns will be credited to the participants' accounts within 14 days after the end of the public token.



## ROAD MAP



## КОМАНДА

### **Roman Butenko**

Head of the Project, Investor & Founder

The experience of leading large industrial enterprises for more than 10 years.

Work in senior positions in banking over 10 years. Owner of transport companies.

Location: Russia

### **Artem Pervushin**

Chief Financial Officer.

Economist. He holds a certificate of the Open University of Great Britain in Management (MBA). Has experience in personnel management for 18 years.

Location: Russia

### **Evgeniy Bondarev**

Technical Director / Standart of Organization

Expert in software development and implementation

Has experience in developing automation systems for logistics companies.

Location: Russia

### **Tatyana Shtakina**

Marketing & PR

7+ years of work in the field of advertising and public relations. Experience in the development of marketing policy of transport companies for more than 2 years.

### **Roman Nabokov**

Business Security Management

Lawyer. Experience in operational work in the internal affairs bodies. Successful experience in the field of business security for 15 years.

## CONTACTS

Web – <http://uttruck.io>

Email – [ico@uttruck.io](mailto:ico@uttruck.io)

Telegram – <https://t.me/uttruck>

Twitter – [https://twitter.com/U\\_TRUCK\\_ICO](https://twitter.com/U_TRUCK_ICO)

Facebook – [facebook.com/groups/uttruck/](https://facebook.com/groups/uttruck/)

BitconTalk forum (Rus) – <https://bitcointalk.org/index.php?topic=2535397.0>

BitconTalk forum (Eng) – <https://bitcointalk.org/index.php?topic=2535577.new#new>



### LEGAL ASPECTS

This Token sales document and the accompanying documents or related materials contain forward-looking statements, including but not limited to statements regarding the alleged use of proceeds from the sale of Token, is based on current expectations, estimates and forecasts for our industry, the management belief company and the assumptions company management.

Words such as "anticipates", "expects", "intends", "plans", "considers", "seeks", "estimates", and variations of such words and similar expressions are intended to identify such forward-looking statements.

These statements are not guaranteed of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict; therefore, actual results may differ materially from those expressed or forecasted in any forward-looking statements due to a variety of factors, including, without limitation, our ability to meet the minimum Token sale amount, if any, unanticipated costs and expenses related to the Token sale, changes in the Company's financial conditions, Token sales, and other factors.

Risks and uncertainties include those noted in the "Risk Factors" document provided in connection with the Token sale (available on Token sale website).

Undue reliance should not be placed on the white-paper or any associated materials, which are based on the information available to the Company on the date hereof.

Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent that Company is required to do so by law.

To the extent the Tokens sold in connection with this Token Sale may be securities under U.S. Securities Act of 1933, these Tokens are offered only outside of the United States to non-U.S. persons, pursuant to the provisions of Regulation S of the U.S. Securities Act of 1933, as amended.

These Tokens will be listed under the Securities Act, and may not be available in the United States absent registration or under an applicable exemption from the registration requirements, and the purchasers should not assume they will be able to resell their Tokens.

Neither the Securities and Exchange Commission nor any state regulator has passed on the merits of or given its approval to the Tokens, the terms of the Token Sale, or the accuracy or completeness of any associated materials.

Buying Tokens involves risks, and purchasers should be able to bear the loss of their entire purchase.

All purchasers should make their own determination of whether or not to make any purchase based on their own independent evaluation and analysis.

