WEMARK

A Blockchain-based Marketplace for Digital Content

Whitepaper - Version 1.3

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WEMARK

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Wemark may decide to amend the intended functionality of its WMK in order to ensure compliance with any legal or regulatory requirements to which it is subject. In the event that Wemark decides to amend the intended functionality of its WMK, Wemark will update the relevant contents of this Whitepaper and upload the latest version of this to its website. Any WMK could be impacted by regulatory action, including potential restrictions on the ownership, use, or possession of such tokens. Regulators or other circumstances may demand that the mechanics of the WMK be altered, all or in part. Wemark may revise mechanics to comply with regulatory requirements or other governmental or business obligations.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Whitepaper contains forward-looking statements or information (collectively "forward-looking statements") that relate to Wemark's current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "aim", "estimate", "intend", "plan", "seek", "believe", "potential", "continue", "is/are likely to" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Wemark has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, financial needs, or the results of the TGE or the value or price stability of the WMK.

In addition to statements relating to the matters set out here, this Whitepaper contains forward-looking statements related to Wemark's proposed operating model. The model speaks to its objectives only, and is not a forecast, projection or prediction of future results of operations.

Forward-looking statements are based on certain assumptions and analysis made by Wemark in light of its experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. Although the forward-looking statements contained in this Whitepaper are based upon what Wemark believes are reasonable assumptions, these risks, uncertainties, assumptions, and other factors could cause Wemark's actual results, performance, achievements, and experience to differ materially from its expectations expressed, implied, or perceived in forward-looking statements. Given such risks, prospective participants in a TGE should not place undue reliance on these forward-looking statements. Risks and uncertainties include but are not limited to those identified in the TGE's Terms and Conditions. These are not a definitive list of all factors associated with a making a contribution to Wemark, in connection with its operations. Wemark undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this Whitepaper.

Wemark's business is subject to various laws and regulations in the countries where it operates or intends to operate. There is a risk that certain activities of Wemark may be deemed in violation of any such law or regulation. Penalties for any such potential violation would be unknown. Additionally, changes in applicable laws or regulations or evolving interpretations of existing law could, in certain circumstances, result in increased compliance costs or capital expenditures, which could affect Wemark's profitability, or impede Wemark's ability to carry on the business model and the WMK model proposed in this Whitepaper.

Summary

1 The amount of digital content, such as photos, music, and video has exploded in recent years. However, it has become a super-centralized market with a small number of companies controlling the majority of distribution. This means that **creators must sign away rights and control over their content, along with a large percentage of the revenue their content is generating**, in order to participate.

2 Distributed marketplaces allow creators to license their content directly to customers, keeping them in full control of the rights to their content. Wemark is a VC-backed startup based in Israel and San Francisco developing a blockchain-based distribution system for digital content, implementing our concept of the "distributed marketplace".

3 At the heart of our strategy is the Wemark Protocol, which utilizes blockchain to enable the creation of distributed marketplaces across all types of content, and connect them in a decentralized network, creating an alternative distribution system without intermediaries.

4 Our first use-case is Wemark.com - a distributed marketplace for stock photography. **Stock photography is a super-centralized $4B industry, with agencies like Shutterstock and Getty Images controlling much of the market.** Because customers have a relationship with the agency, and not directly with the photographer, stock photo agencies have developed a critical mass of customers. This leaves photographers with limited alternatives but to give most of the rights, control, and earnings from their photos to these agencies.

5 Network effects have made Shutterstock and Getty much more powerful than any individual photographer. Over the past 15 years, this has enabled them to consistently increase the fees they charge for distribution, which are now the highest among all types of digital content. **These agencies now charge photographers up to 85% of their photos' sale price, even though they produce no content themselves.**

6 Our first distributed marketplace (Wemark.com) allows photographers to reach a global audience, while still keeping most of the benefits reserved for distributing their content without a middleman. Customers will be able to license curated, commercial photos directly from leading photographers. Innovative discovery, collaboration, and curation tools also improve the ability for customers to find and manage the content that they need.

7 Wemark is introducing a dedicated token to empower a direct economy for digital content. Wemark Tokens, or WMK, will serve as a native payment system for the network, and reward all the relevant parties for creating, distributing and promoting digital content. Wemark Tokens will enable direct licensing of content between creators and customers, with no 3rd party or intermediary involved in the process.

8 Wemark is backed by VC's from Israel and Silicon Valley, and a diverse advisory board of industry experts with vast experience in stock photography, network effects, marketplaces, copyrights, blockchain, security, venture capital, and more.

Background & Motivation

Creators work hard to make content people are ready to pay for.

Creating high-quality content is expensive, but the content can be copied an unlimited number of times with no incremental cost for each copy. For that reason, content creators are constantly looking for ways to promote and distribute their work as widely as possible

They are always looking for new ways to achieve this goal. While they want to reach the maximum number of people, they also want to retain the largest possible percentage of revenue.

Copyright laws protect content creators and allow them to monetize their content by licensing it to customers for legal use, recovering the investment and hard work that went into its creation.

Currently, content creators can license their work directly to users, or, alternatively, hand over the rights of that work to agencies and content marketplaces that will distribute the content on their behalf. Mostly they choose the latter, as most individual photographers lack the brand recognition to attract customers directly.

Self Distribution:

Licensing content directly to customers seems like an ideal scenario for creators. On paper, it allows for full revenue and rights, ensures control, and prevents manipulated data by third parties. But in reality, apart from rare cases, **self-distribution simply doesn't work**.

It's currently far too expensive and far too hard for creators to reach potential buyers and compete with large agencies/marketplaces with large marketing budgets. Those marketplaces and agencies offer customers content from many different creators, making it dramatically easier for customers to find just what they're looking for.

Content Marketplaces:

Content marketplaces crowdsource and distribute content from multiple creators. They charge distribution fees or have a margin between the price they charge and the royalties they pay to creators. While creators get to keep less of the revenue for each sale, these marketplaces enable them to reach a larger audience – and generate more sales – than if they distributed the content themselves.

In order to participate in today's content marketplaces, creators not only need to sacrifice a large percentage of their revenue, they also have to give up much of their rights. This includes control over its pricing and who's eligible to license it. A major lack of transparency has become the standard of how these marketplaces work.

With limited alternatives, creators keep giving their content and its rights to marketplaces.

Every year many marketplaces change the rules and as a result - **creators keep less of the revenue and have fewer rights and control over their content.**

The Distributed Marketplace (Our Solution)

The current system for distributing digital content is broken. Creators get only a fraction of their content's real value and give up many of their rights. Content marketplace are getting more and more dominant, while creators are being left behind. The current system must be replaced.

Wemark's distributed approach for digital content is based on a few principles:

- **Creators license their content directly to users**
  They keep **all** the rights to their content, know who licensed it and control its price.

- **Distribution terms and fees/royalties are immutable**
  Content marketplaces get a mandate to distribute content by "signing" a digital distribution contract with creators. This contract will include a price range for licensing the content, the license to be issued to users, and the distribution fee paid to the platform. Once digitally signed, the contract and its terms are immutable and can only be changed with the consent of all parties.

- **Referral programs helps creators and marketplaces reach broader audiences**
  The community will be rewarded for sharing content and growing the number of users and adoption of distributed content marketplaces.

Our vision is a growing and thriving economy of digital content, powered by a blockchain-based protocol that is aligned with interests of the entire community (creators, customers and marketplaces alike).

Wemark Protocol

The underlying protocol is a set of smart contracts, developed to empower a distributed exchange of digital content. The protocol **replaces the core responsibilities of today's content marketplaces:**

- Licensing
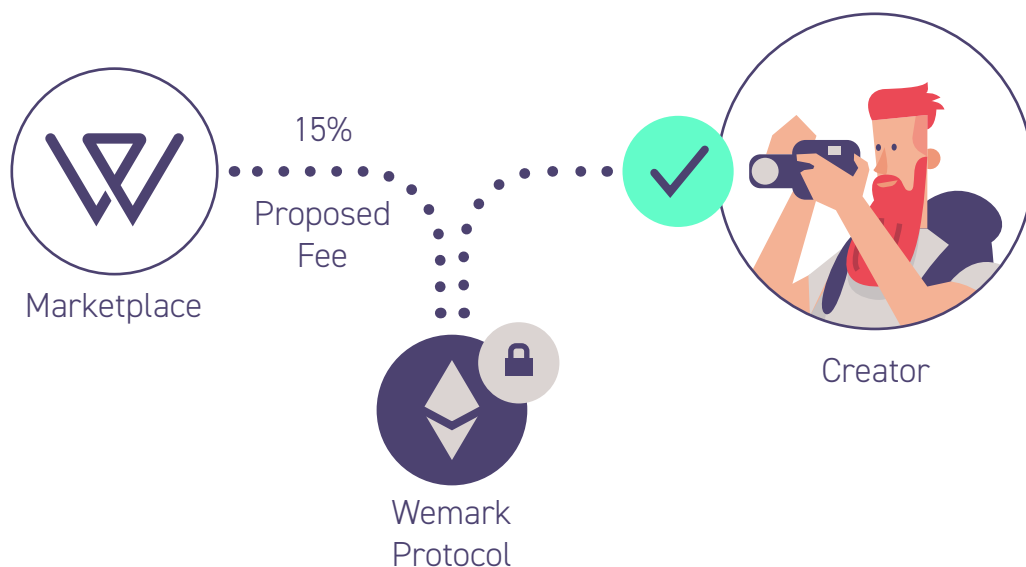- Payments
- Revenue Distribution
- Storage Access

Immutable distribution agreements

Wemark's Immutable distribution agreements allow content creators to collaborate with marketplaces in a way that works for both parties.

Each agreement includes a price range for licensing the content, the terms of the license to be issued to users, the distribution fee to be paid to the platform, and the percentage of each sale to be paid for referrals. Once electronically signed, the contract and its terms will be deployed on the blockchain.

The blockchain ledger is publicly-owned, immutable and secure. Once deployed, neither party can change, delete or deny the terms of the agreement. The only way to change the terms of the agreement is by getting the consent of all the relevant parties.

Unlike traditional agreements, smart distribution agreements enforce themselves. Smart agreements (powered by Ethereum smart contracts) can receive payments, issue licenses and automatically distribute revenue.

15%

Proposed Fee

Marketplace

Wemark Protocol

Creator

Automatic Payment Distribution

In addition to traditional marketplaces being a content aggregator, they also facilitate payments. This means they have full control of how, when and under what conditions money flows between all parties.

By employing cryptocurrency (WMK), users who wish to license their content are paid according to a series of pre-set rules which are not controlled by the marketplace. A set of blockchain-based smart contracts automatically distributes payments to the parties involved under the unchangeable terms that were originally agreed upon by all.

In this manner, the usury "middleman" is eliminated and replaced by an automatic, unbiased entity working in the best interests of all parties.

This generates both trust and transparency which are vital attributes in any value exchange system.
The terms offered by marketplaces to new creators may change from time to time, but the terms of existing distribution agreements, once electronically signed, cannot be changed without the creator's prior consent.

With automatic payment processing and distribution, the Wemark protocol allows for multiple parties to be rewarded for each sale without involving any intermediaries.

Customer's Payment

Wemark Protocol

Creator
85%

Marketplace
15%
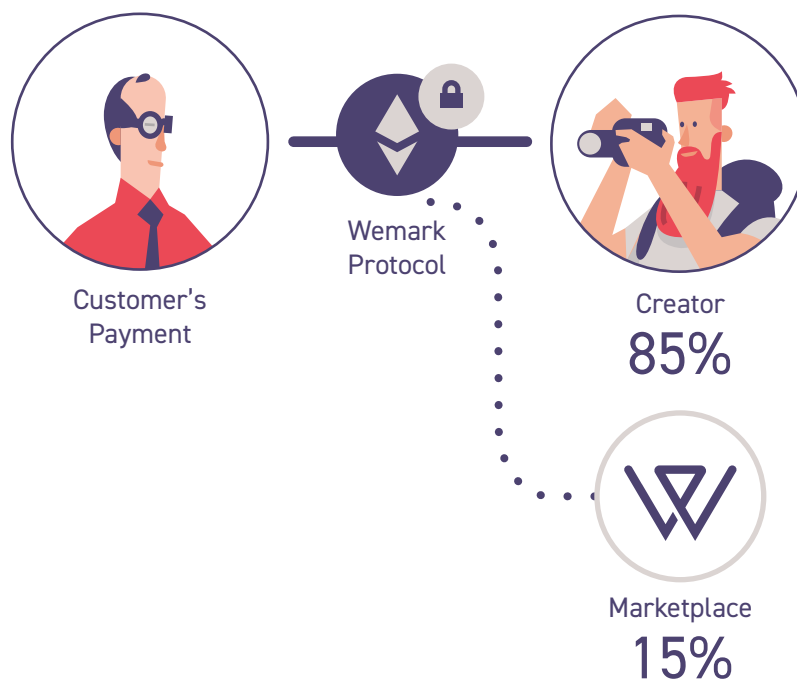
Blockchain as the New Middleman

The blockchain and the new possibilities it provides (immutable ledger, smart contract, cryptocurrency) introduce an opportunity to replace the traditional distribution channels of digital content. While current digital content distribution methods might help creators reach a large and global audience, it leaves them with a fraction of their content's worth and very little control over their rights including the way it's distributed.

Creators and customers will always need assistance and facilitation in finding and transacting with each other. This is what created the place for agencies and content marketplaces in the first place.The blockchain enables a new era, in which **the core functionalities of distributing content are integrated as part of a blockchain-based protocol:**

- **Accepting payments**
- **Licensing content on behalf of the creator**
- **Providing access to the content**
- **Rewarding content marketplaces and referrals for promoting the content**
- **Rewarding the content's creator**

Ultimately, the blockchain becomes the middleman in direct transactions between creators and customers. Some part of the value created will be paid for distribution, but creators will never have to give any of their rights or lose control over their content ever again.

Ethereum blockchain & future plans

The Wemark protocol will be powered by the Ethereum blockchain, the most established blockchain-based distributed computing platform which supports smart contracts and digital tokens. As part of its progress towards decentralization, Wemark will constantly review all the relevant alternatives and will choose the best infrastructure for its community and for supporting the digital content economy.

File Storage & access to content

It is widely understood that the blockchain isn't designed to store rich media or large amounts of data. For that reason, each piece of content is hashed and only the hash value becomes part of the transaction block. That blockchain record links to an external server that hosts the content itself. The external storage will only provide access to the creator and the lawful licensees of the content. Initially, the content will be stored in traditional cloud solution (Amazon Web Services). In the future, when protocols of decentralized storage will evolve and mature, Wemark will gradually shift to hosting the content on decentralized storage. Following this shift, once a payment is made, no party can deny the customer from accessing the content or their license to use it.

First Use Case : Stock Photos

Stock photography is one of the most centralized markets in digital content. Shutterstock and Getty Images, the two major players in this market, take up to **85% (!) of the licensing price**, paying only a fraction to the content creator .

SInce photographers can't directly reach the global demand on their own, they sacrifice their content to agencies and ultimately lose large parts of the revenue (65-85%) their content generates, as well as most of their pricing and distribution rights.

Traditional marketplaces generally do not allow photographers to control the restrictions of the way their content is used. For example, a photographer may license a photo of their child for commercial use, and later learn it's been used in an ad for a medical product or for a cause they find offensive. Currently, different agencies have different restrictions, but photographers have no control over the restrictions of their individual photos.

If they find one of their photos used in a way they object to, they don't know which agency issued the license to that customer. They don't even know if it's been licensed at all, and if there is place for a legal act to enforce their copyrights. There is no transparency whatsoever, Photographers are often left in the dark, with pennies on the dollar.

WEMARK

Wemark's Advantages for Photographers

- ## Photographers keep all the rights to their content

  All licenses are issued directly through the Wemark protocol. Wemark is eligible to distribute the content, but cannot sell or license it without the protocol. The times when creators had to trust marketplace to license their content and report back their earnings are over.

- ## Photographers control the pricing of their photos.

  Wemark will introduce different pricing options and tiers. Content cannot be licensed without the photographer's approval on price and tier.

- ## Photographers keep much more of their revenue. No surprises.

  Wemark sets a new standard with 85% royalty payment to photographers – 5 times higher than the industry average of 15-20%. If we decide to decrease our royalty-rate in the future, it will never affect existing photographers without their consent – their distribution terms are immutable as part of the Wemark protocol.

- ## Photographers benefit from higher transparency.

  Wemark's distributed marketplace approach guarantees, by design, full transparency regarding all payments, licenses and revenue distribution. The protocol will ensure the privacy of customers, while providing a way for photographers to identify copyright infringement, license overuse, use of their photos that should be restricted and other license violations.

- ## Photographers will be able to trust the system.

  The blockchain-based protocol is immutable and autonomous. No one can manipulate the system – the code that operates it will be public and open-sourced. This creates a new level of trust in digital content distribution - everyone trusts everyone else because the system does not require trust to operate.

Wemark's Strategy for Acquiring Customers

- **Flexibility**

  No more expiring credits and unused subscriptions - customers own their tokens, use them as they like, and sell them if they want.

- **Curation & modern collection**

  We're starting from scratch – we only curate modern and relevant photos. This makes finding the perfect photo much easier, by removing the clutter of millions of irrelevant, outdated photos.

- **Better prices**

  Most photo customers have a defined budget for photo licensing. By cutting the middle-man, we believe photo licensing prices will decrease by 50% or more, while paying photographers more per download than they receive today. Photo customers will be able to license more exclusive, higher quality photos, without increasing their budget. Since photo buyers are often creatives as well, they will also love supporting creators.

- **Community support**

  At Wemark, creators are stakeholders of the ecosystem and the interests of the entire community are aligned. This incentivizes the entire community to assist in spreading the word and attracting new customers.

WEMARK

Product Overview

Content review & moderation

- Having a relevant selection of well-curated photos is an essential part of making it easy for customers to quickly find the best photo for their needs. Wemark will continuously update curation standards in a transparent way and use the platform's usage data to assist photographers in producing and submitting the right content to match the needs of today's photo customers.

- Wemark's editors will curate photos based on our published curation standards, we'll continuously update to improve for speed and quality. Once the system is established and scaled, We will put efforts into moving some or all of the curation decisions into the hands of our community.

- Wemark will develop technology to help customers find photos based on their exact needs (for example, by searching similar photos to a photo they already like, or describing the photo they need in natural language, like: "Russian family in vacation with 3 or 4 children"). As we develop and implement this technology, we will be able to accept more photos, while still improving the search experience of customers.

Identity verification

- In order to declare ownership over photos and start licensing them, photographers are required to be identified with a passport or a driver's license. This verification process is already a part of our released Alpha for photographers.

- In the future, we may replace our current identity management system with a distributed alternative, and/or support multiple blockchain-based solutions for consumers.

Copyrights claims & disputes

- Ownership claims will be resolved the same way as today. Each ownership declaration will be registered on the blockchain, and Wemark will communicate with all the relevant parties and use standard practices to determine the owner of each photo. Wemark will put efforts in making the disputes process more distributed by involving the community in some or all the decisions.

- Wemark will not enforce the copyrights of creators outside of the marketplace (at least not initially). The blockchain will be used as the public ledger for rights and licenses. Creators will be able to use it as proof that their content has or hasn't been used with a proper license.

Model releases & revenue share

- Photos cannot be legally used if they contain people or trademarks, unless the model or owner (of the trademark) releases the photo for commercial use.

- Photographers will declare they have all the required releases to the photo, upload their existing releases, or invite models/trademark owners to electronically sign the release using identity verification similar to the photographer's. Customers will be able to search photos based on their desired level of verification for model and trademarks releases.

- Creator can choose to submit photos without releases. Such photos will only be available for editorial use, and will not be displayed in search results for commercial customers.

- Ultimately, photographers will be able to attract models by sharing the future revenue with them. They can set a certain percentage of the revenue for each model, and the revenue will be automatically shared each time the photo is licensed through the Wemark protocol (and therefore, every time it's been licensed on Wemark.com).

Payments

- After finding the photo they want, customers will use the interface on Wemark.com to buy Wemark Tokens and pay directly to creators, through the protocol's smart contracts.

- All payments on Wemark's marketplace (and all payments using the Wemark's protocol) will be made with Wemark Tokens. We will assist customers with purchasing Wemark tokens using traditional payment methods like Credit Cards, Wire Transfers, Bitcoin, Ethereum, etc. Fees may apply for converting funds from each different payment method to Wemark Tokens.

- The revenue from each transaction will be distributed based on the registered terms of each photo and each creator. When photographers sign up, they agree to the current royalty-rate offered by Wemark (15%). These terms will become immutable and apply to all the photographer's existing photos as well as those they'll upload in the future.

- Each photo might be entitled to special distribution terms. For example, creators that participate in our early adopters program are entitled to 100% lifetime royalties for up to 500 of their photos. If there are different terms for the photo and the creator, the protocol will follow the terms of the photo.

Payments

- Referrers will also be rewarded by the payment distribution system, based on the referral terms that are attached to the distribution agreement of the photo.

- After rewarding the marketplace (Wemark) for distribution, and referrals (if applicable), the protocol will send the rest of the remaining funds directly to the creator.

Licenses

- Photographers have several types of licenses to choose from, and will always control the license that is issued to customers by the protocol on their behalf. Any changes must be approved by them.

- All licenses will be registered on the blockchain. To protect customer privacy, some of the information will be encrypted.

- Photographers will get tools to find copyright infringements, license overuses, restricted uses or other license violations. This is usually done by agencies that cover a very small part of the infringements and keep most or all of the revenue from enforcing photographers' rights.

- Wemark will offer different kinds of restrictions regarding the use of photos (for example - some photos will be restricted for use in gambling or medical related content). Photographers will be able to choose their own settings (which restrictions to include in the license issued) and customers will be able to apply a search filter - only finding photos they can license, based on the way the photo is intended to be used.

- The blockchain ledger and license registry will become the ultimate source of truth for both parties to prove the existence of a license and its terms, in any kind of copyright enforcement legal action.

Market Size & Market Opportunity

- Stock photography is a +$4B global market and growing fast.

- The collections of the existing agencies are cluttered with outdated irrelevant photos, making the search experience for customers cumbersome and unrewarding.

- Customers are tired of pricey, inflexible subscription plans and expiring credits that leave even bigger part of the value in the hands of the agencies.

- This and more will make stock photography one of the first industries to adopt the blockchain at scale and part of the reasons it's the best possible first use-case for the distributed marketplace.

- The market is currently controlled by agencies like Shutterstock and Getty that take most of the rights away from photographers and up to 85% of their revenue. Photographers are actively looking for alternatives and are ready to adopt any solution that will help them distribute their content in better terms, without those terms changing every few months.

- The stock photography market is ripe for disruption. The new applications of the emerging blockchain AI and Image Recognition technologies will solve many of the burning needs of photographers and their customers.

Partnerships

- One area of interest is media platforms that currently use the API's of stock agencies to provide photos for their customers. For example, we have partnered with Wibbitz, an easy tool for publishers to edit and publish videos on-the-go. Wibbitz is one of our API designer partners. They will add Wemark as one of their image sources for publishers that use their software. This will allow photographers to connect directly with leading publishers, instead of being forced to go through Shutterstock and Getty.

- Another area of interest is partnering with creative communities to raise awareness among creators, build trust, and scale the growth of high quality photo submissions. For example, we partnered with Gurushots, a leading photographer community. Over a million of photographers have participated in their community photo contests, which have high engagement over a long period of time. To raise awareness of our platform, Gurushots promotes Wemark to their community and Wemark sponsors themed contests on Gurushots' platform. Gurushots CEO, Gillon Miller, has also joined the Wemark's advisory board.

Wemark Token (WMK)

Wemark is introducing a dedicated token to power a direct economy for digital content.Wemark Tokens (WMK), are intended to serve as a native payment system for the network, and reward all the relevant parties for creating, distributing and promoting digital content.

Wemark Tokens basic properties

Total Supply	135,000,000
Ticker	WMK
Type	ERC20
TGE (Token Generation Event) Start Date	July 24th, 2018
TGE End Date	August 7th, 2018
Soft Cap	3,250ETH
Hard Cap	16,750ETH
WMK Token Price	1ETH = 2,375WMK

The total supply of Wemark Tokens is fixed and no new tokens will be generated after the TGE. Any unsold tokens from the TGE will be burned, reducing the total supply of tokens.

Wemark Tokens in the POC era

As their first use-case, Wemark Tokens will be used to license and access photos on Wemark's marketplace (wemark.com). As all the transactions on Wemark.com will be done through the Wemark protocol, licensing photos on the marketplace will require the use of Wemark Tokens.

The tokens will enable direct transactions between photographers and customers, while using Wemark's protocol to reward Wemark for distributing the photo and other parties that helped to promote the content (referrals) if applicable.

Future use cases

Our vision is a dedicated token to enable creators to get paid directly from customers and pay for all the services related to creating, protecting and distributing their content. For example, photographers will be able to hire models, buy equipment, and even pay for legal services (if and when needed) using WMK.

Another step in the economy's evolution is to enable fractional (or partial) ownership of content. This means that creators will be able to "tokenize" their content and share its ownership with other parties. Creators will be able to give a fraction of the ownership over their content (including future revenue) for those who helped creating it (models, actors, editors, etc.) or for investors and early supporters in the form of crowdfunding.

Wemark will work continuously to develop new ways for the tokens to be used - within and outside the limits of the protocol and Wemark's products. More use cases are likely to be announced (and added to this White Paper) before the TGE, and frequently after it ends.

Wemark Tokens v.s. Traditional payment methods

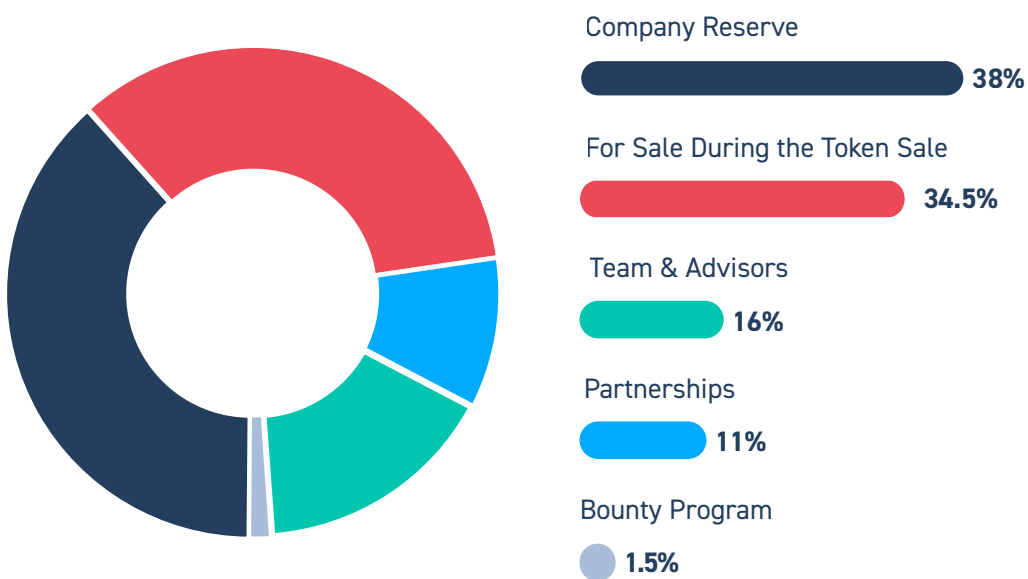Wemark Tokens will always be the lowest-cost payment method on Wemark's marketplaces

Most customers may initially prefer to pay with traditional payment methods such as credit cards or bank wires. Wemark will therefore aim to accept many different payment methods and allow customers to hold a FIAT-based balance so that transactions paid using other methods can be accurately converted to WMK tokens.

During the first years, many customers will participate in the economy by converting FIAT currency to the appropriate amount of WMK for each transaction. Over time, as customers become more familiar with the concept of the distributed marketplace and the network grows to include more types and bigger volume of content, more customers will decide to own WMK tokens in advance of transactions, thereby taking a bigger role in the economy.
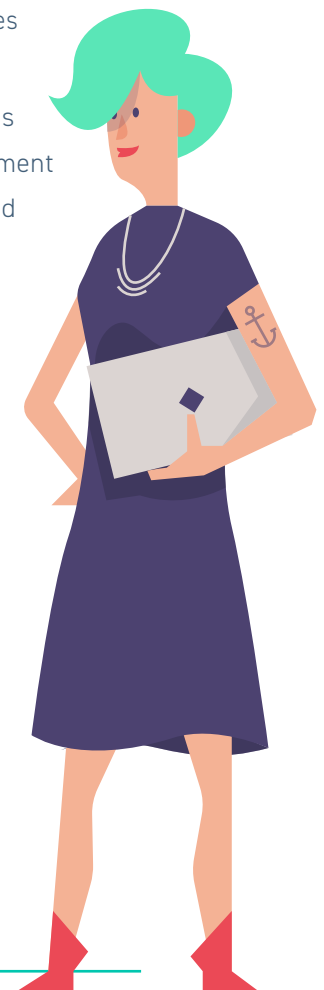
Token Allocation

A permanent supply of 135M Wemark Tokens will be generated during the TGE. 46.5M WMK will be sold during the TGE, 51.4M will be reserved for the future development of Wemark (See section on funding strategy below) and the rest will be allocated to existing and future team members, advisors and partnerships.

Company Reserve
38%

For Sale During the Token Sale
34.5%

Team & Advisors
16%

Partnerships
11%

Bounty Program
1.5%

All tokens allocated to the founding team, advisors and partners are locked for use or transfer and will be released gradually over a 12 months vesting period.

[1] In case the Hard Cap will not be reached, any unsold tokens will be burned and total supply will be reduced accordingly.

Use of Proceeds & Funding Strategy

The main use of proceeds will be for R&D (in order to develop the protocol and its first use case - Wemark's marketplace for stock photos) and for marketing & business Development efforts (which will aid in for acquiring customers and kickstarting the economy).

We believe that companies shouldn't raise their lifetime's funding in their early-days, but rather in stages according to their project's stage and accomplishments. Therefore, we decided to set the TGE's hard cap at a relatively low figure of 16,750ETH, and a relatively high figure for the company's reserve.

Wemark will develop the protocol and create opportunities for others to use it and participate in the economy that will be created around it. The protocol will be open-sourced and Wemark will gain no direct profit from its activity or from others using it.

Wemark is a for-profit organization - its main revenue-stream is distribution fees in Wemark.com (the first distributed marketplace), while future revenue streams could be generated by other content marketplaces created by Wemark or by offering complementary services to creators and customers.

Wemark will finance its future development by selling some of its reserve tokens to customers, by selling tokens collected as fees, and/or by additional equity investments.

Decentralization

Our approach

There are hundreds of millions of content creators, billions of customers, and less than 100 companies control the majority of its distribution. Historically, creators have given up most of the rights and control over their content and large parts of their revenue.

The digital content space is ripe for decentralization. Creators and customers should be able to transact directly while incentivizing a decentralized network of content marketplaces, referrals, and other parties, all working together to improve content discovery.

Since decentralization is a core part of our mission statement, it's important for us to clarify our approach towards making it a reality.

Decentralization should be done gradually

Blockchain technology is still in its infancy. It's easy to interpret the unprecedented hype around cryptocurrency as an indication that the underlying technology is mature,

But that is far from the truth. The major blockchains (Bitcoin, Ethereum) still suffer from scalability challenges . Early solutions have been proposed, and the challenges are expected to be solved. But it will take several years, at best, to solve those problems and still keep the blockchain's current advantages.

In addition, full decentralization also means that all decisions are made by the community, and various DAO's (decentralized autonomous organizations) are promising to make this a reality. However, the concept of decentralized decision making for a a protocol/economy hasn't worked at scale yet, and there are currently major challenges that need to be solved.

[1]

Startups and applications that decentralized their operations too early are now paying the price. They're having a hard time iterating their solutions and adjusting them to the needs of their communities, and their applications usually have inferior user experiences when compared to centralized alternatives.

Decentralization should be done gradually, according to the maturity of the technology and its adoption.

Not everything should be decentralized

Although we'll gradually decentralize most of our operations, we believe that not everything should be decentralized. Decentralization has its own costs and challenges, it should only be done where it adds value.

When deciding which parts of the ecosystem to decentralize and in which ways, Wemark will act based on the industry standards and a healthy dose of common sense.

Wemark Protocol

Wemark intends to fully decentralize its protocol within a few years. Content marketplaces that will use the protocol in the future, including Wemark's marketplaces (like Wemark.com), will send all the transactions through the decentralized protocol.

The protocol will include all core functionality needed to exchange digital content: payments, licensing, storage and access management, payment distribution, etc. Once decentralized, no party can ever control the distribution of content the way incumbents do today.

Not all marketplaces using the protocol will be fully decentralized, but the protocol used to allow them to distribute content and get rewarded for doing so will not be controlled by

Wemark's marketplace and future products

The concept of decentralized protocols is starting to become more clear, and early solutions are starting to get traction. The concept of decentralized consumer-facing applications, however, is in a much earlier state.

We have exciting plans to make our products more distributed and involve the community in the processes and decision making of governing and growing the ecosystem.

We currently don't have plans to fully decentralize the Wemark marketplace, or future products we'll develop based on the Wemark's protocol.

We'll constantly follow the blockchain community's best practices to find solutions to further decentralize our products without compromising user experience or the ability to scale.

Transparency & Privacy

The data of all transactions, creators, customers and content items will be registered on the public blockchain ledger. This will create a new level of transparency in digital content distribution.

Transparency has both value, and a price. Full transparency is clearly needed for some part of the Wemark marketplace's data, including value, time and revenue distribution for each transaction.

The value of transparency in these areas surpasses the privacy needs of each participant and serves the interests of the entire community.

Other areas, like the personal details of creators and customers, add little value to the network, and exposing those details creates serious issues for participants who want to protect their privacy.

For that reason, some of the data registered on the blockchain ledger will be encrypted. This data, in its encrypted form, will accessible by all, but only users with the proper access can decrypt it and actually use it.

We don't expect to get the exact balance between transparency and privacy exactly right from the beginning. We'll constantly learn the needs of the community and make changes accordingly. At the same time, we'll try to be transparent as possible about our insights on this issue and our efforts to solve it. Feedback from the community will be one of the major factors in determining whether we're doing it right.

Founding Team

Tai Kaish
CO-FOUNDER & CEO

Tai has over 10 years of experience in digital marketing and growth hacking for Israeli top brands, organizations and startups (including Leumi Bank, Discount Bank, Weizmann institute for science, BufferZone, Paper Wallet and more). Tai is a guest lecturer and mentor for marketing and entrepreneurship in the IDC Herzliya international school, Elevation Academy and more.

Pavel Elkind
CO-FOUNDER & CTO

A technological leader with over 10 years of experience in software engineering and management. Pavel is a former Director of R&D and one of the first employees of a recently acquired Israeli start-up company, with over 50 employees. Prior to that, Pavel was an Israeli Intelligence Officer in Unit 8200, led development teams and managed high profile projects.

Roy Meirom
CO-FOUNDER & VP BUSINESS DEVELOPMENT

Roy is a serial entrepreneur with years of experience in building strategic partnerships and business development strategies. He is a growth-focused and results-oriented leader with a proven history of bringing industry insights and pragmatic solutions to key business challenges. Roy holds an Honors LL.B. degree in Law and a B.A in Business administration from IDC Herzliya and is a graduate of the prestigious Sam Zell Entrepreneurship Program.

Our team is made of 12 hard working men and women with vast experience in marketplaces, software engineering, crypto, UX and growth. We come from the background of leading organizations, startups and corporations in the Israeli ecosystem, such as 8200 (the elite intelligence unit of the Israeli defence forces), Zell Entrepreneurship program, Wix, SAP, Intel, etc.

Advisors & Investors

Building a company from scratch is one of the hardest challenges out there. We wouldn't want to go this path all by ourselves. Prior to the TGE, Wemark raised a bit over $1m in equity funding from some the leading angel investors in Israel, and notable seed stage investors from Israel and SIlicon Valley.

Equity Investors

SARONA VENTURES

Micro-VC based in Israel and France. The fund's added value is its extensive network of executives in Israel and Europe.

NfX

$150m fund from Palo Alto, California. The fund focuses on marketplaces and network effects businesses.

ELEVATOR

Seed-stage VC based in Israel and NYC. Early investor in some of Israel's most promising early stage startups

We're grateful to have such experienced investors and serial entrepreneurs working with us to pave the best ways to grow our company and develop our protocol. Along our investors, we're lucky to have advisors that cover most of the aspects we're dealing with in building our company: photography, stock photography experience, network effects, marketplaces, copyrights, blockchain, security, company building, and more. The full list of advisors is available on our website at: https://www.we-mark.com/about/

Lars Perkins
VENTURE PARTNER AT 3RODEO
Co-Founder & CEO of Picasa (acquired by Google), IdeaLab

Google **picasa**

Karen Sachs
VISUAL CONTENT CONSULTANT
Former director of content at Shutterstock, developed and launched the Offset collection

shutterstock **NATIONAL GEOGRAPHIC**

Lee Torrens
MARKETPLACE DIRECTOR AT CANVA
Started and led Canva's marketplace for stock photos

Canva

Miguel Forbes
CO-FOUNDER OF FORBES.COM
Co-founded Forbes.com , Former President of Worldwide Development at Forbes

Forbes

Gilon Miller
FOUNDER & CEO AT GURUSHOTS
GuruShots is one of the world's largest photographer communities

James Currier
MANAGING PARTNER AT NFX FUND
Serial entrepreneur and investor and world expert in network effects

Michael C. Lesser
FORMER VP AND GENERAL COUNSEL AT SHUTTERSTOCK
Expert in legal aspects of copyrights and content licensing.

Gigi Levy
MANAGING PARTNER AT NFX FUND
One of Israel's most nominated angel investors, Former CEO of 888

Lior Prosor
MANAGING PARTNER AT ELEVATOR FUND
Investor in fast growing startups in Israel and the US

Ran Oz
CO-FOUNDER OF WOCHIT
Serial entrepreneur with two exists and two IPO's.

Amir Feder
TOKEN ECONOMY ADVISOR
M.S. in Economics from Northwestern University

Dr. Raphael Yahalom
AFFILIATED RESEARCHER AT MIT
Respected researcher for cyber security, encryption and blockchain

Dr. Dov Greenbaum
DIRECTOR AT THE ZVI MEITAR INSTITUTE
World expert for Legal Implications of Emerging Technologies

Philippe Bouaziz
FOUNDER @ PRODWARE, CHAIRMAN @ SARONA VENTURES

Yan Pritzker
FORMER CTO @ REVERB, FOUNDER @ ONCHAIN VENTURES

Ari Shpanya
4X FOUNDER @WISER, ZENT, SLICE, IMONLINE

Ram Avissar
STRATEGY ADVISOR FOR BLOCKCHAIN BASED VENTURES

James Waugh
TOKENOMICS & TGE ADVISOR, FOUNDER @BLUEBLOCK