Inchain Commercial White Paper

Chongqing Inchain Technology Co., Ltd.

In

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Preface

Inchain is born for anti-counterfeiting. The original intention of Inchain is to combat counterfeit products by using blockchain technology, provide the most credible technical support for brand business. With such a break-though point, Inchain will quickly obtain businesses and users, win a place in the trillion dollar market of anti-counterfeiting and traceability.

Focusing on businesses, goods and users, Inchain will continuously help the third parties develop more actual applications based on Inchain, establish Inchain ecology. Anti-counterfeiting and traceability is the first and only developed application of Inchain's official team.

1.Inchain's First Application--Anti-Counterfeiting and Traceability Platform
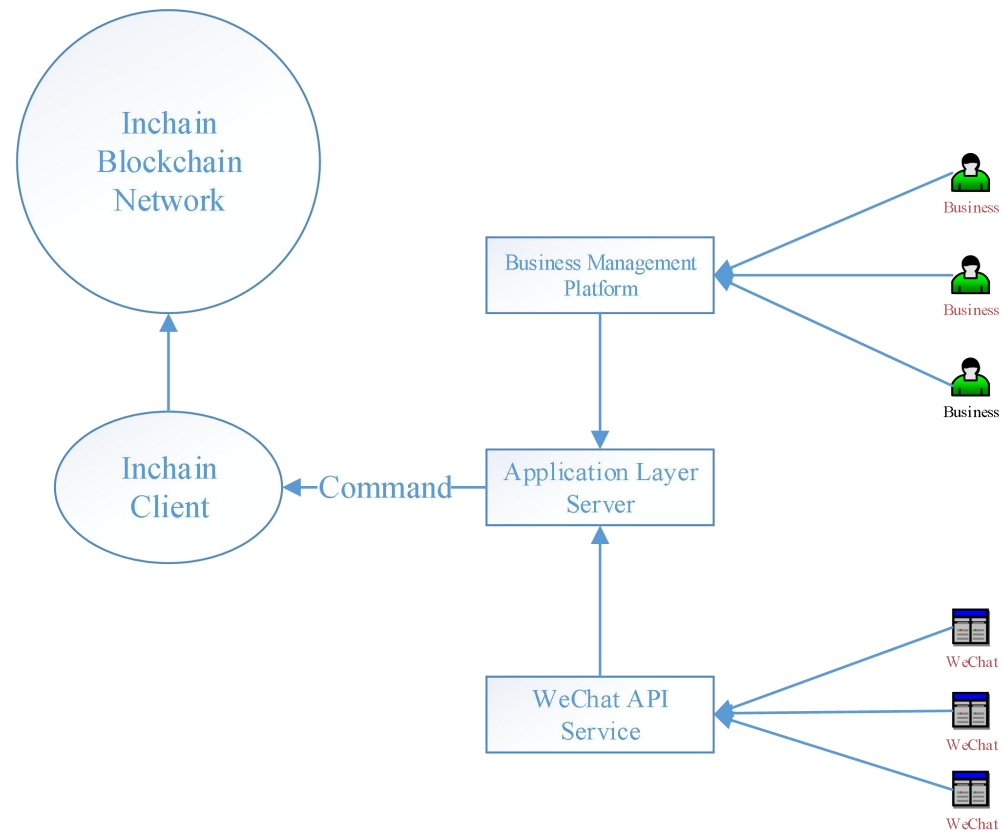
1.1 Anti-Counterfeiting Analysis

1.1.1 Harmful Effects of Counterfeit Goods

Counterfeit alcohol: blindness

Counterfeit engine oil: traffic accident

Counterfeit condoms: baby accident

Counterfeit edible oil: hazardous to health

Counterfeit infant formula: affect the development of children

Loss> 200 billion/Year

Output> 800 billion/Year

1.1.2 Industry Pain Points

1) The market is large and chaotic: uneven anti-counterfeiting technology level, lack of a unified and effective solution, the price and value are positive correlated, poor effect of low-end anti-counterfeiting, high cost of high-end anti-counterfeiting.

2) Coexistence of various anti-counterfeiting companies, counterfeit security means of counterparts, verification center fraud, low-risk of cheating of anti-counterfeiting companies provides convenience for fraud and counterfeit.

3) Easy- to-copy anti-counterfeiting technology, high cost of anti-counterfeiting, little effect of anti-counterfeiting for those brand enterprises who set up dedicated teams and invested hundreds of millions.

4) No uniform security verification center: at present, there is not a unified security verification center in China, each security verification center belongs to one anti-counterfeiting company, the state security verification center buys data from these scattered security centers, which makes it possible that the anti-counterfeiting centers commit fraud frequently and successfully.

1.1.3 Inchain Solution

Based on the underlying business protocol, Inchain has developed anti-counterfeiting and traceability application platform by client RPC command. At early stage, the platform will utilize WeChat Mini Program as an entry of traffic, create a pioneering application platform of blockchain anti-counterfeiting and traceability.
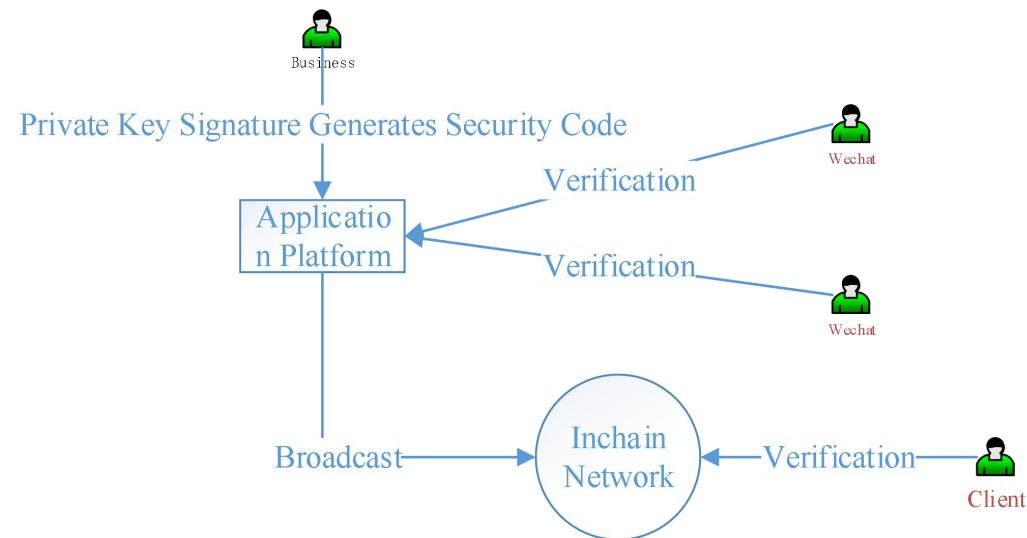
1.1.4 Anti-Counterfeiting Advantages of Inchain

	Price	Cheating of Anti-Counterfeiting Company	Technical Reproduction	Reuse、Cross-boundary selling	Verification Center	Accountability
Traditional	High	Possible	Hard To Prevent	Hard To Prevent	Easy To fake	Difficult
Inchain	Low	Impossible	Impossible	Impossible	Unified, Can't fake	Easy

Inchain overthrows the ability of traditional anti-counterfeiting from cost, function, practicality and other aspects, it will consecutively provide functions such as corresponding commodity CRM management, traceability , etc, further increase the real advantage of blockchain anti-counterfeiting.

1.2 Traceability Analysis

1.2.1 Market Analysis

Traceability is one of the major industries that government advocates, which is also a growing concern for consumers. With a market scale of hundreds of billions at least, yet there is a blank. Although some traditional anti-counterfeiting companies are exploring in this filed, it's easier to proceed with technologies based on Inchain blockchain techniques, which could also results in industrial supply chains. Lot of companies are consulting with Inchain now.

1.2.2 Inchain Traceability Illustration

After positive communication with industry experts, Inchain team establishes the perfect traceability flow. Traceability function is divided into linear traceability, polymerized traceability, divergent traceability, which are all ideally achieved on Inchain's traceability application platform.
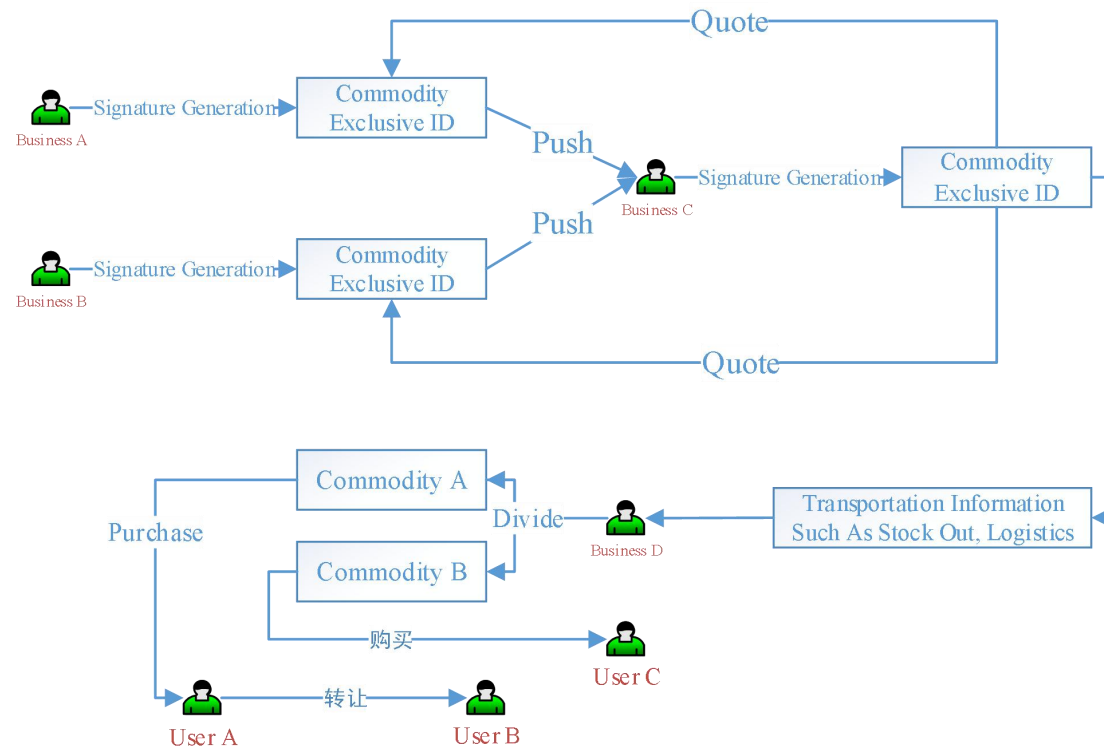
With application platform as the carrier, Inchain knocks through information channels above or under the chains, maintains the sub-accounts by collecting the traceability information that covers all businesses. The traceability information is open and credible.
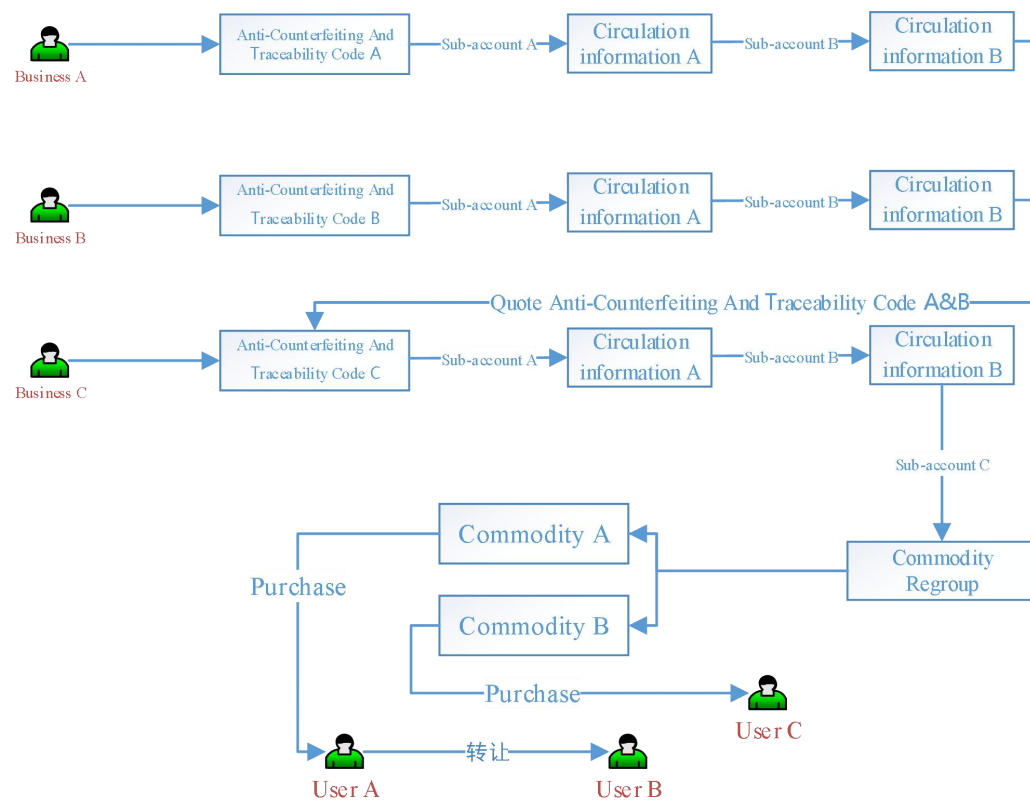
Anti-counterfeiting and Traceability Overview

1.3 Marketing Tools

Inchain has realized businesses' utilization of INS marketing packaging. Verification reward is attached when anti-counterfeiting and traceability code are generated, thus,developing users' anti-counterfeiting habits, improving business brand images, also promoting virtual currency to more users.

2. Anti-Counterfeiting and Traceability Application Industries

2.1 Agricultural Traceability

Agricultural issues are major concerns relate to food safety, market's worries towards food safety has always been a matter vital to national well-being and the people's livelihood. Inchain's traceability solution in agriculture will be explained by taking egg as an example.

How egg could be fake? Many finds it unbelievable, but it's a common phenomenon now. Because there is large demands for eggs, but fake eggs and overdue eggs are seriously endanger people's health, the market is eager to know eggs' production place. Inchain makes it possible that both small farmers and big breeding factories could realize the traceability needs quickly and conveniently, which means "one egg, one code". All consumers need to do is scan the code when buying, then an egg's date of birth, birth place, travel experience will be all completed appeared. If consumers are willing to, they could also add the eggs' consumed date, thus, the life of an obscure egg will be completed recorded in blockchain.

2.2 Baby Food

Baby food safety is a top priority among parents' concerns. In Inchain's products traceability flow, after infant food manufacturers registered and certified on Inchain, information such as raw materials, processing, logistics will be all recorded as evidence, so that all the information of every tank of milk power is crystal and clear. All products' information and anti-counterfeiting data are in manufacturers' hands, therefore fake manufacturers get nowhere to cheat, parents could buy those product without worries.

2.3 Automobile

If an auto parts manufacturer wants to know their sales status, he could first register and certify on Inchain, then through the traceability QR code produced by Inchain and the downstream link recorded traceability information by cooperation request or rewarded token, the manufacturer will know when and where their parts are being used or which parts get problems, this will have a far-reaching impact.on manufacturers' strategic development.

2.4 Tobacco

The products of a tobacco factory are seriously counterfeited, resulting in huge economic losses, the factory pays a large number of costs for anti-counterfeiting every year but there is little effect. While the priest climbs a post, the devil climbs ten,traditional anti-counterfeiting means are always easily forged,non-professionals simply can't tell the difference. Later the factory cooperate with Inchain, we print the unique security code on each cigarette package and the verification code inside the package, combined with Inchain's token incentive policy, this method is widely promoted. Consumers could conveniently inquiry products' authenticity through inchain's client-side, what's more, get some certain reward. As a result, they will become loyal consumer of this brand and even help the brand's promotion. As for manufactures, it's not only greatly reduce the production costs, but also improve the sales volume and profits.

2.5 Artwork

As an artist, Alice meticulously completed a exquisite oil painting and marked the security code from Inchain at the end of painting. Later,she sold the painting to Bob, Bob entered Alice's password and verified the security code, then he changed the password. Carter is a a profiteer, he asked others secretly made a copy of Alice's painting and tried to sell it to Michelle, Michelle needed to verify whether the painting is real, but Carter couldn't provide Bob's password, so the verification was unsuccessful, Michelle avoided a major loss.

2.6   Luxuries

The uniqueness of luxuries is very important, so far the best means of anti-counterfeiting is using NFC chip, yet there are still unavoidable problems such as recycle and reuse or data tampering. However, the rise of blockchain technology will change everything. Combining with blockchain traceability, the data in NFC chip will be bonded and related to the luxuries' information during production, also the production date and sold date will be specifically recorded. Because the data based on cryptology can't be forged, the inside data can't be tampered even the chip is recycled , therefore the outdated data will be meaningless. Consumers of luxuries could also tag the attribution right for products, this will prove the unique ownership at anytime.

3. How Inchain Finds Business

What Inchain tries to build is an comprehensive self-service platform of anti-counterfeiting and traceability, in order to get access to more businesses and users, Inchain will provide profound tailor-made service by cooperating with the government, channels, offline marketing teams. With the combination of various channels and special online operation, Inchain will quickly win more businesses in normal service of anti-counterfeiting and traceability. Inchain will conduct the marketing and publicity by unite the existing businesses, combine online operation and offline promotion, cultivate the anti-counterfeiting and verify habits of customers. After customers bought products, they will also be automatically bonded as Inchain users.

Through the early efforts, Inchain has accumulated some businesses:

3.1. Chongqing Arts and Crafts Association

Join with Chongqing Arts and Crafts Association, Inchain will provide service of saving evidence on blockchain. After arts and crafts association conducted identification of refined artworks, the certificate of refined artworks identification will bed awarded, a unique ID from Inchain will be printed on the certificate, anyone could check the complete information by scanning the code. Meanwhile, Chongqing Arts and Crafts Association are recommending Inchain's anti-counterfeiting service to other artists and art institutions in nationwide scope.

3.2. Chongqing Yipinting Agricultural Co., Ltd

Food is the first necessity of the people, food safety has always been a major concern of society. Inchain will offer agricultural products' traceability service for Yipinting Agricultural Co., Ltd. The products of Yipinting, such as fruits, vegetables, will be labeled with QR Code from the place of origin, the products data during the whole flow from production, collection, logistics, sales will be also recorded. In the end, consumers could learn all information with a simple scan, ultimately realize a reassuring buying and eating.

3.3. Chongqing R-H Technology Co., Ltd

Chongqing R-H Technology Co., Ltd is a company specialized in providing technical development and deep service of projects for the government and state-owned enterprises, with whom Inchain has formed strategic partnership, both companies will jointly offer traceability service for projects of ecological agricultural products in multiple districts and counties of Chongqing.

3.4. Hangzhou Yiqi Apparel

Inchain supplies Hangzhou Yiqi Apparel with service such as design evidence-saving on program chain, record clothing fabric, processing, logistics on circulation chain, etc, what's more, Inchain will protect Yiqi Apparel's brand image from being damaged.

3.5. Chongqing Maisipeng Auto Parts Co., Ltd

There are some more businesses expecting to cooperate with Inchain, specific cooperation content are being negotiated and will be gradually announced.

4. Specific Execution Plan

Platform: Inchain's platform of anti-counterfeiting and traceability has been initially formed, following next will be advanced functions such as constantly improve the management of security label, export security labels in bulk, analysis of anti-channel conflict, query of sales status of commodity. Inchain will keep a sustainable development for the sake of businesses' convenience and efficiency.

Flow: On execution aspect, Inchain has reached cooperative agreement with professional printer of security labels, it will directly offer a complete solutions for businesses. For business with existing production lines, Inchain will make a breakthrough on business's hardware, realize the production automation of mass goods.

Extension: Inchain will develop NFC chip, get through to the application platform of anti-counterfeiting and traceability, thus meeting the higher-level needs of some businesses.

5. Inchain Succession Planning

- Asset Issuance of businesses.

- Trading platform of commodity, artworks, supporting payment by INS.

- Develop more marketing tools for businesses with the combination of Inchain token.

- Open up the upstream and downstream industry chain, create financial center of supply chain.

6. Inchain Succession Business Integration

6.1 Inchain Grants Identity and Interaction to All—Inchain IOT Assistant

Inchain grants blockchain identity and interaction to all: Inchain Two-Dimensional Network

By cleverly using the blockchain and two-dimensional code, Inchain successfully realized the transmission and interaction between real people, goods and the information of accounts in the chain. Therefore, a highly efficient, virtual two-dimensional network of Inchain is set up.. This virtual network implements a one-way simple link between objects, which can be viewed as a simplified version of the Internet of Things.
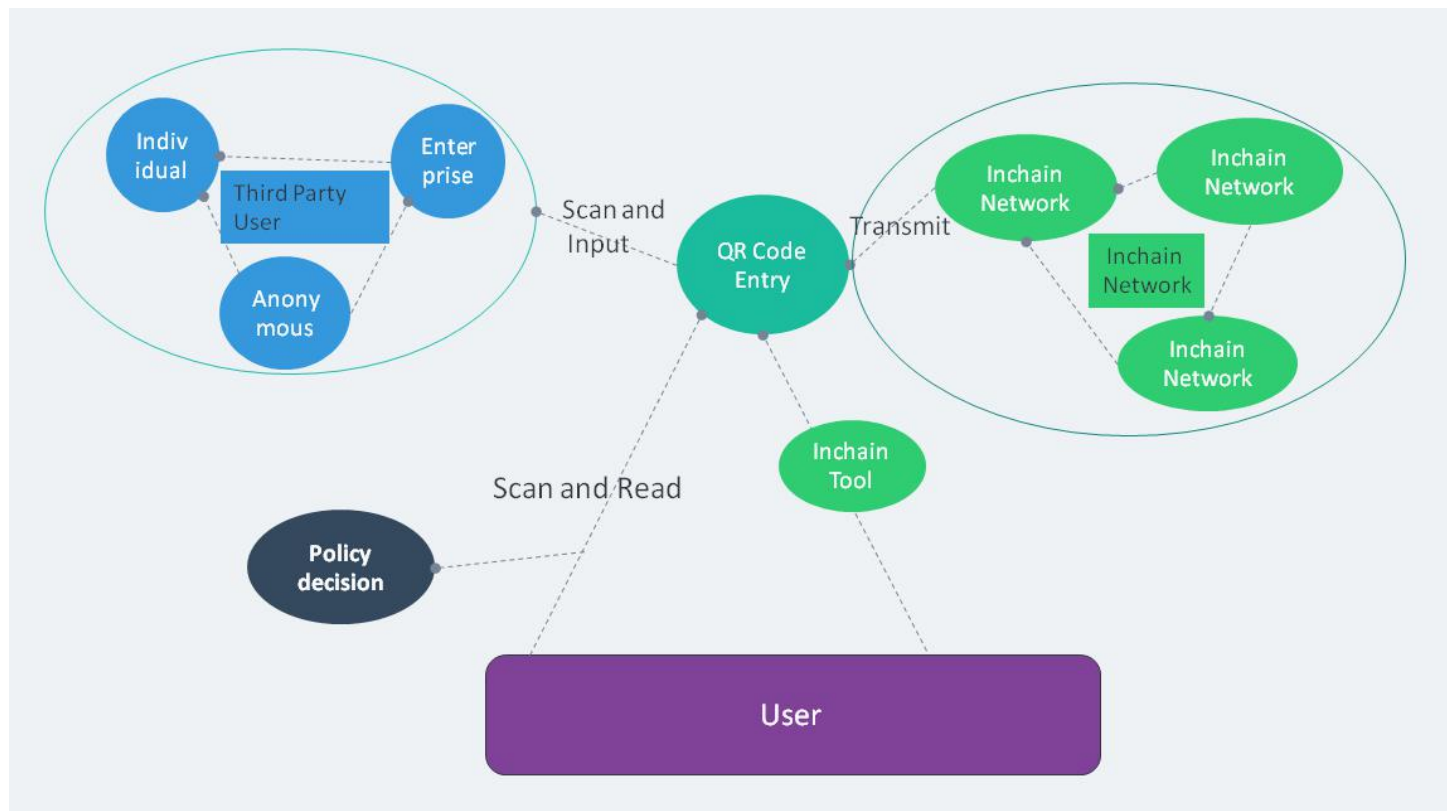
The unique underlying and anti-counterfeiting tool of Inchain is able to grant the special QR code to anyone, anything or any object, which sets up an entry from reality to Inchain network. Just a simple scan through utilizing WeChat mini program provided by Inchain, anyone could transmit the information to the owner trough Inchain network. So that in addition to Inchain, the third party, QR code entry and WeChat mini program, invisible links of Inchain network create a larger two-dimensional network. This is an distinctive Experience with rich effect. In order to be more vivid, we picked some examples to specify:

Case 1: Museum Exhibits Interpretation

After a Chongqing museum identified itself on Inchain, corresponding QR code for each exhibits were generated by Inchain tools. Visitors will be able to obtain the exhibits' information by scanning the OR code, this approach enables everyone to have a deeper understanding of the exhibits.

Case 2: Anti-counterfeiting of Student Card

In order to prevent the theft of student card, a university in Shanghai asked their students to register and certify on Inchain, the generated QR code were printed on the student card. One could scan the QR code to read the password. Thus, if a student picked up a student card, he will have to return the student card to the owner because he doesn't know the password. (Extension: what if it is an identity card?)

Case 3: Express Locker

An express company customized the low-cost yet high-security express lockers with Inchain technology, every locker is etched with Inchain QR code. When residents use the locker, they just scan the code through Inchain's WeChat mini program, input the express information, put the express in and then close the locker. The delivery man will also need to scan the code by WeChat mini program, then enter the password, open the locker and fetch the express, then close the locker. The payment could be paid by Inchain token or Wechat.

Case 4: Suggestion Box of Government Departments

A certain Beijing government department wanted to improve their work. In order to timely learn about the suggestions and feedback from the masses, the leader registered and certified on Inchain in the name of the department , then released the QR code to the public. Also, a picture of the code was posted at the door of the department. The crowd could submit the suggestions and feedback by using the Inchain's WeChat mini program, which offers valuable advice to further improve the service level.

Case 5: Holding Seats of College Students

Recently,a certain college solved the holding seats problem by using software, which results in good effect. Inchain is able to develop the unified seats-holding flow of public chain, any school could use it for free.

6.2 Inchain Provides Business with Blockchain Commodity Financial Services—Inchain Business Assistant

Inchain offer a wide variety of commodity financial services. During the contact with businesses, we find that they have widespread needs for anti-counterfeiting, commodity after-sale service and interaction with consumers.

Scene Description

Scene 1: A Cigarette Manufacturer Buys Token

A certain cigarette manufacturer in Shenzhen certified on Inchain, corresponding QR code were generated for each pack of cigarettes, a policy of scanning and returning token was also made, so when consumers scan the code, they will gain the INS. Later, a large amount of consumers get the INS and begin to learn and trade INS.

Scene 2: Associated Activities of CMCC and CR Vanguard

CR Vanguard registered an active account on Inchain as CR Vanguard-A,then issued asset as CR Vanguard-B. CMCC bought the asset of CR Vanguard. When CMCC users pay the phone bill, CMCC will send CR Vanguard's asset-B to users. Later, when CMCC users are shopping at CR Vanguard, they could pay directly the CR Vanguard asset-B.
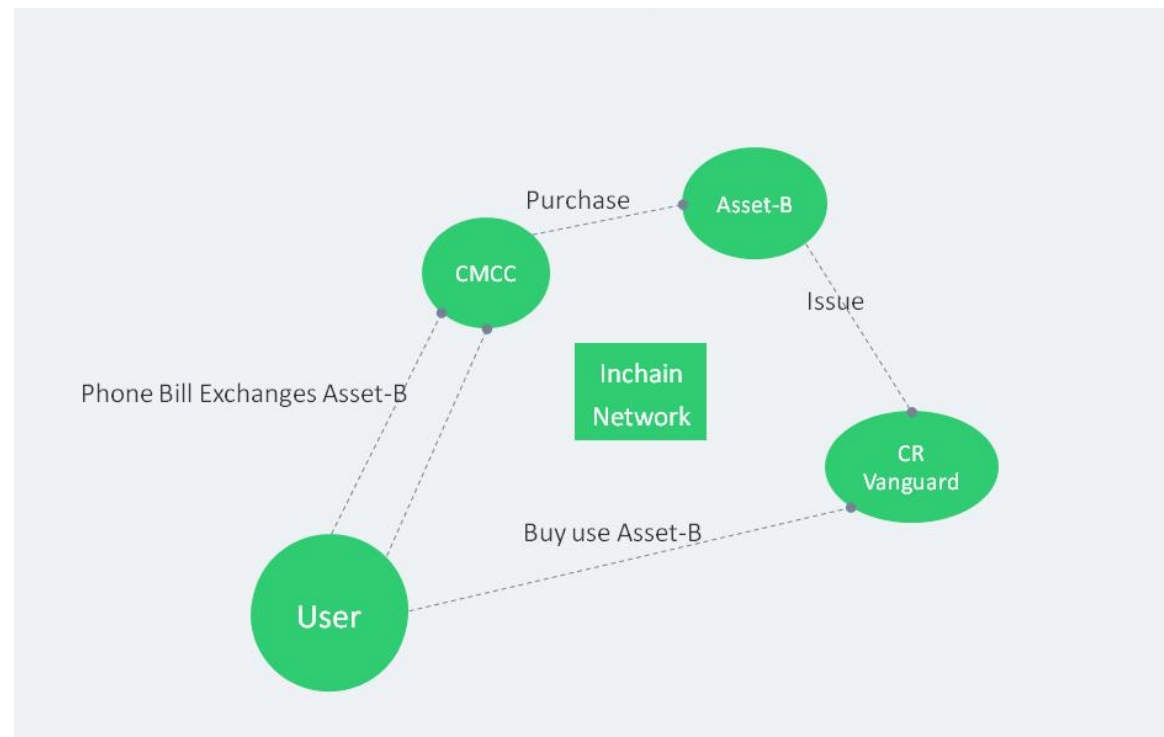
Scene 3：After-Sale Feedback Comes With Points

A tire manufacturer in Guangzhou certified on Inchain, each tire product is etched with QR code which is developed by Inchain and Chongqing University of Science and Technology. Information such as sales date is attached. Then the manufacturer used Inchain's asset-insurance tool to issue his own asset. When users send the tires for maintenance, the maintenance business could scan the code on the tire to submit the tire information, which collects valuable data for business's after-sale service.

6.3 Inchain Provides Enterprise with Asset Trading Services

Inchain provides asset-issuance function for registered and certified enterprises, clearly explains asset's function and commitment. After notarized by the third party escrow company entrusted by Inchain, businesses could issue their own asset after examine and verification. Besides, enterprises could set white list for assets, only accounts in the white list could trade the asset. Users are able to set the white list asset, only those in the list could receive the payment from other accounts. What's more, users could file for asset trading in the inside trading market of Inchain public chain network. Inchain's trading market has a special and fair trading mechanism, in which users could enjoy the fun of asset value appreciation and free trading.

Conclusion

Inchain belongs to public chain and has a natural sharing feature, the increase in user volume will greatly enhance the value of Inchain. Except for the three commercial purposes stated above, Inchain will develop Inchain ecology on its own or accessing to third-party applications.