



Wrapped NFT-certification of Physical Art & Collectibles as a White-Label Solution for the Art Market

Powered by CoArt Blockchain Platform

Vilnius, Lithuania. July 2022



Proposal for Art Market participants

The Art Market is Waiting for New Stars!

Many emerging artists “the potential Red Chip Artists”, whose work could easily skyrocket in value, do not have access to the existing Art Market infrastructure.

Crypto-certification of physical paintings and sculptures, which protects the interests of buyers, will enable them to enter the global market from anywhere in the world, bypassing the chain of intermediaries.

Wrapped NFT-certification of physical art assets will give participants in the traditional Art market opportunities comparable to the one that the launch of OpenSea brought to digital content creators.

Y and Z Generations as the Main Target Audience

According to Artsy, new collectors from generations Y and Z are playing an increasing role in the global Art market.

At each and every art fair and biennale, gallerists are trying to attract them, realising that tomorrow's Art Market belongs to these generations.

However, Millennials and Zoomers attend these events to be in trend, while preferring to find New Stars by themselves and buy directly online, thereby reducing intermediary costs and maximising their potential profits from reselling their work in the future

Fractional Ownership is a Definite Trend in the Art Market

According to Deloitte Art & Finance, in addition to investing in Red Chips, Y and Z Gen are also interested in jointly owning Blue Chip Artwork whose value has been rising for decades.

The key is that such art-asset holdings can easily be sold on the secondary market and, preferably, with a profit.

Does the world's approximately six thousand super-rich (HNWI), who currently own the majority of Blue Chip level art assets, need such forms of co-ownership?

Absolutely! They need them in the same way that Hedge Funds "the Whales of the financial market" need retail investors and traders.

This is why leading publications are increasingly writing about fractional ownership as a prerequisite for Art Market's further growth.

What Matters to Y-Z Gen Collectors?

- 1 A simple online asset purchase process directly from the artists, together with a personal data protection of the parties involved
- 2 Ability to resell wNFT-certified physical artwork just as easy as digital art in OpenSea
- 3 Proof of the asset's authenticity stored in a blockchain
- 4 Ability to buy and sell pieces of ownership in Blue Chip Artwork as easy as stocks in [Robinhood](#)
- 5 wNFT mapping of physical art assets in Metaverses
- 6 Being eco-friendly, thanks to the use of [PoS protocol](#)

Solution that Meets the Needs

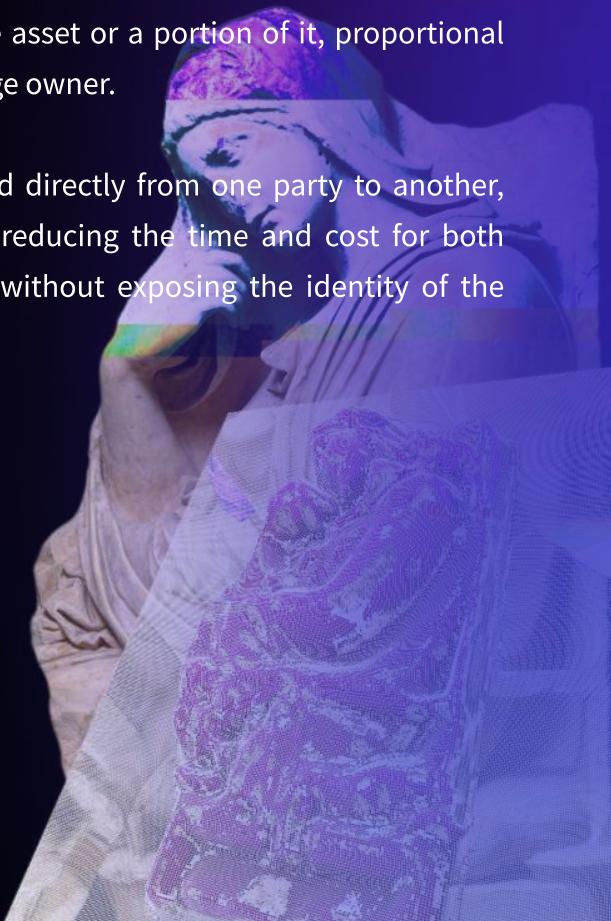
The Wrapped NFT certificate is designed as a blockchain-based mechanism for tokenization of ownership of physical art assets using [digital twin](#) technology.

The term 'Wrapped' indicates that the certificate consists of two layers. The core of the certificate contains basic information about the origin of the asset and its unique characteristics for the precise identification of the object upon request by parties participating in the deal.

A second layer is fractions cryptographically linked to the core, representing tokenized fractions of the ownership of the asset that are freely traded on the secondary market.

This layer of the wNFT certificate validates the ownership of the asset or a portion of it, proportional to the number of fractions held by the particular fractions' package owner.

Through the use of a blockchain platform, rights are transferred directly from one party to another, bypassing the traditional chain of intermediaries, significantly reducing the time and cost for both sellers and buyers and making transactions more transparent without exposing the identity of the parties involved.



Be Among the First in the Wrapped NFT Market!

Wrapped NFT solution is built on React (frontend) and GO (backend) as a dedicated software product integrated with IPFS and CoArt Platform based on Symbol Blockchain (dPos protocol)



Our wNFT solution can be embedded into existing websites of art marketplaces, galleries and art dealers, as well as personal websites of artists and collectors, providing access to White-Label platform features:

- 1 wNFT certification of physical art objects for authentication (fingerprint) and protection of ownership rights
- 2 Copyright protection through customizable royalty and fractional ownership mechanisms based on the paper of Amy Whitaker and Roman Kräussl
- 3 Deal transparency due to secure crypto and fiat transactions with escrow mechanism

The first CoArt wNFT Marketplace will be launched in Vilnius this summer, as a Proof of Concept for the whole network of wNFT Marketplaces.

The more such a network of Marketplaces is deployed, the more profit will be available to both sellers and buyers.

By connecting all the Marketplaces, gallery and artist websites through a blockchain platform, assets from one region can be sold in other Marketplaces according to the requirements of the region where the transfer of ownership is recorded. This gives the marketplace an unprecedented level of mobility, transparency and legal security.

If you do not have your own website, you can open a personal showroom on one of the wNFT marketplaces, as a fully-ready online gallery for the Art business.

Also, you can co-found the first wNFT Marketplace in your region by contacting us. To discuss such collaboration, don't hesitate to get in touch with us in a convenient way for you.

At the moment (until the first wNFT Marketplace launches) the first wNFT-tokenized physical painting, you can see and even purchase a fraction of ownership of it, on this website.