Taking the NFT Elephants in the Room for a Walk (initial whitepaper 4 Sheep!)

OVERVIEW

Sheep! is a unique multi-contract Profile Pic based NFT experience with rewards. It ignores the traditional goals of Tokenomics -e.g., protocol sustainability, maximizing profits for early adopters, and minimizing gameability. Instead, Sheep!'s mechanics are designed to tell a story, pose questions, create a novel experience for participants, and push the boundaries of Profile Pic (PFP) NFTs.

Sheep! is designed with careful consideration to the following: the crypto market's climate, its participant's interactions and inclinations, and the value driven hype around NFTs. Through a material reading of these and other aspects of cryptocurrency, combined with Sheep!'s mechanics and tokenomics and a semiotic reading of the Sheep! imagery, an interactive meta narrative about the current state of the NFT market (and *markets* in general) emerges.

It is gameable by design: Packs will be formed. Sheep will be sacrificed. Those not strong enough will perish. Innovation and a little bit of luck are the only way to survive.

MOTIVATION — the problem

There was a massive supply of image based NFTs minted in the past 2 years. The vast majority of them will have zero value as long term investments. This is especially true when considering scam tokens, same and cross chain copycats, cringe-worthy celebrity money grabs, low effort offerings, uninformed bandwagon jumpers, and the ease of which *anyone* can mint an NFT for free through an easy to use centralized service and Metamask wallet.

Most PFP NFTs get their returns from speculation and quick resale. There are rare tokens that may hold and even appreciate in value, but these are generally tied to very specific circumstances — namely, significant innovation within the space (ex. Cryptopunks) or a dedicated cult following (ex. BAYC). However, the market is too young to conclude that these values will hold to any degree based on these factors. It is one of the most speculative markets for those wolves looking for ROI.

Many of these types of NFTs are being labeled by their creators and followers as "Art". However, the popular emergence of the "art NFT" is generally working from a premodern or outsider definition of art. Rarely does it leverage the unique material qualities of the NFT object as a referential medium. For those that do, it is usually a project firmly outside of the dominant NFT narrative, missing out on the opportunity to engage with popular discourse in a critical way. In

most cases, however, an NFT is merely a token that proves the ownership of an image, nothing more. The material or functional qualities of the token, the contract, the communities, and the markets are rarely taken into account by the artwork or its creator's conceptual intentions or technical efforts..

Occasionally, the ownership of an image focused NFT comes with the promise of an emergent community with nebulous perks. That is not to say that there is not a place for these types of projects, but it does provide opportunity for rug pulls, abandoned communities, and unmet expectations. These projects rarely leverage the potential of NFTs to create a meaningful experience through novel contract design.

Lastly, minting or finding the rarest of a collection is largely up to chance or capital. There is little room for innovation and finesse on the part of the user to improve their chances of holding one of the top NFTs of a collection. This gives a firm advantage to those with capital to spare, regardless of their knowledge of, or effort given to, the underlying technologies driving the space.

BOOTSTRAPPED INNOVATION IN STORY TELLING AND CONTRACT DESIGN- the solution

Sheep! addresses each of these weaknesses of the current NFT landscape through the novel method of storytelling, using its unique tokenomics design as the framework to drive a co-created narrative.

putting in the work

With the exception of the OpenZeppelin ERC-721 contract that serves as a thoroughly audited code base, the entire ecosystem was created from the ground up. The assets were hand drawn, digitized, and digitally colored. These assets were fed to a purpose-built python image generator that organized and randomized them into 4235 unique combinations, including metadata. This series of python scripts allowed for the creation of more varied NFTs by using a novel mechanism to accommodate multiple bases on which to add attributes. A custom minting portal works in combination with my optimized NFT contract to create a minting experience that does not rely on a third party. There are two different rarity checker pages, each allowing for a different user experience (again, without relying on an external third party). Nothing was farmed out, no shortcuts were taken (except for using the OpenZepplin Contract).

deflationary utility

The contract design creates a situation that causes the NFTs in this project to be deflationary assets. This means that the overall supply of the NFTs will decrease as time goes on. While the utility that drives deflation only lasts for a discrete period of time, it should serve as a demand

driver throughout that timeframe. This rewards hodlers and early adopters, while also leaving room for those that are willing to put in the effort to game the system.

calculated gameability

Crypto efforts normally strive to limit gameability of a project to the bare minimum. This is usually one of the primary goals of tokenomics development. Sheep! takes a different approach. Specific pathways for gameability are not only included in the final contracts, but are cultivated in such a way to support the meta narrative and give opportunity for the industrious to carve out an edge in an otherwise financially driven marketplace. There are many opportunities throughout the project to carefully time transactions, to join forces, or even program contracts or front ends to interact with Sheep! and give an edge to an individual or a group.

a co-creative experience

Sheep! does not rely on community hype to create a memorable and unique experience for its users. Instead, users are presented with a challenge. This provides the opportunity to build a cooperative and/or competitive experience without sustained community hype.

clear expectations

Sheep! does not make ambiguous promises that are dependent upon community intervention. It has a clear road map, with attainable parts and a discrete “ending.”

MECHANICS / TOKENOMICS — how it works

The Sheep! ecosystem is composed of the following tokens:

- 5 ultra rare pixel sheep
- 4242 unique golden sheep NFT utility tokens
- 6666 unique hungry wolf PFP NFTs
- Fleece, a ERC20 token ($FLCE)

First, the 4247 sheep are released.

Next, 6666 wolves are released.

55% of the minting fees of the wolves (up to $124,465 if the wolves sell out), is to be placed into an LP. These LP tokens and their resulting rewards will be locked into a contract.

Wolf owners will claim $FLCE at the *beginning* of each week. The amount dropped is based on the stats of the individual wolf. $FLCE can be redeemed for a percentage of the reward tokens locked in the contract. However, by the *end* of each week, a set amount of $FLCE must be fed to each wolf in order for it to survive. This $FLCE is burned. If the wolf is not fed enough fleece,

it will die. The NFT will still exist, but the token's image will change into a dead version of the wolf, and it will receive no more $FLCE.

If dead for less than 1 week, a wolf can be revived by feeding it a Pixel Sheep or a Golden Sheep. This will burn the sheep NFT, deflating the supply and creating more rarity. The wolf's stats will be altered based on its stats relationship to the stats of the sheep that it eats.

After 2 years, the LP tokens will be evenly distributed among the remaining living wolves. These wolves will remain eternally alive. If at any time there is only one wolf left, the LP tokens can be claimed by that wolf's owner.

ROADMAP

Phase 1 : Initial Development (complete)

- Artwork
- Initial Website
- Image / Metadata Generator Framework
- Pixel Sheep Contract
- Pixel Sheep Front End Minting Portal
- Deploy Contract
- Stealth Pixel Sheep Launch

Phase 2 : Promotion & Development

- Golden Sheep Contract
- Golden Sheep Front End Minting Portal*
- Initial Whitepaper
- Social Media*

Phase 3 : Release The Sheep

- Whitelisted Presale Minting Event
- Open Minting
- Marketplace Listing

Phase 4 : The Wolves

- Develop Artwork For The Wolves
- Develop Contracts The Wolves
- Develop Token Contracts For Ecosystem
- Develop Front End
- Release Final Whitepaper

Phase 5 : Release The Wolves

- Presale
- Open Season

STORAGE

The NFT images and metadata are uploaded to the permaweb on the Arweave Blockchain.

Front ends are hosted on DigitalOcean. After the end of the hunger phase, will be migrated to the Arweave permaweb.