

“Yeek”: A Self-Policing, Trustless Gig Economy On The Blockchain

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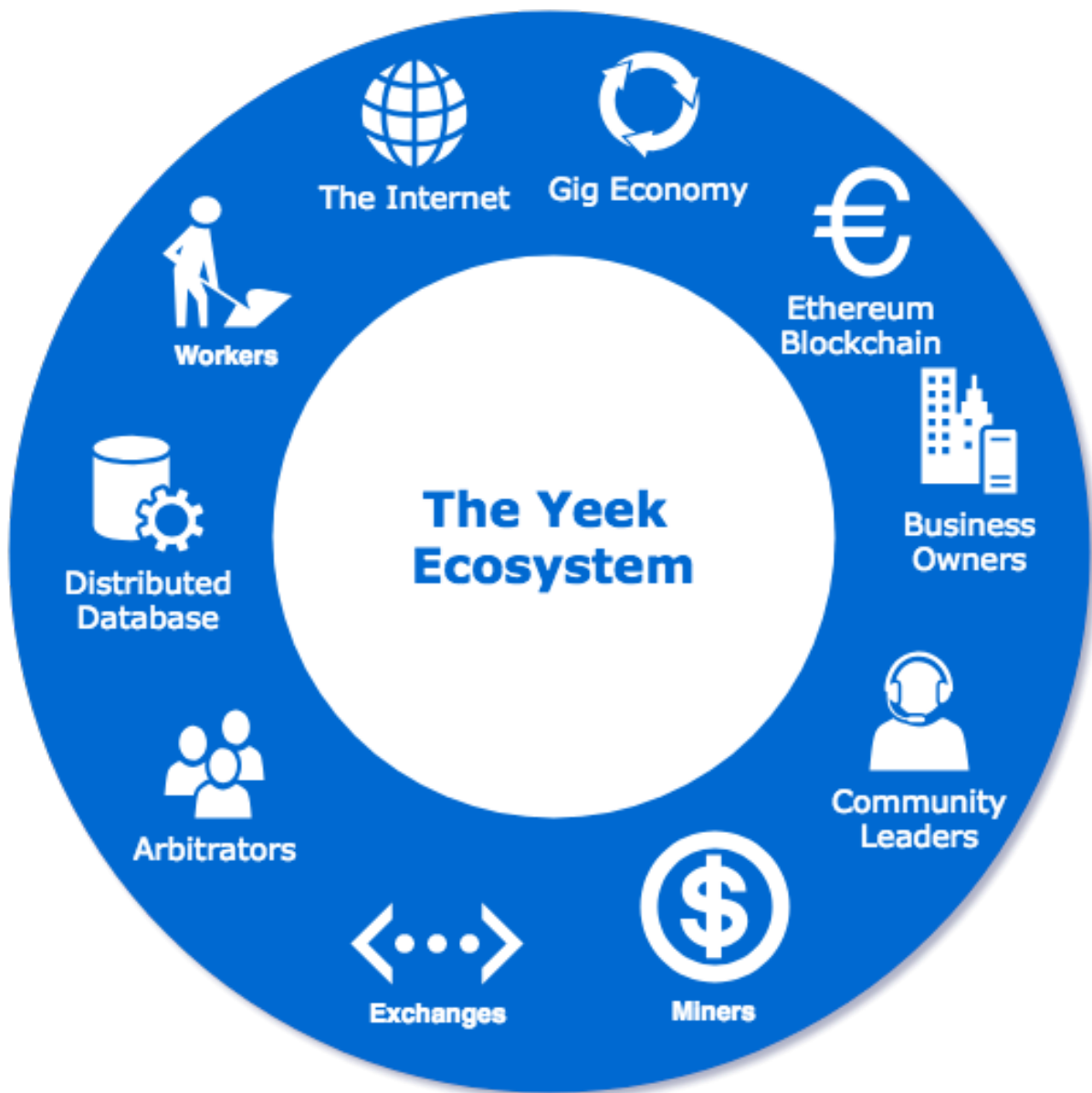
DRAFT - ALL SECTIONS SUBJECT TO CHANGE

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Author Bios

Mr. Rahimi is an experienced startup founder and a senior engineer. He came up with the idea of Yeek when he was short on cash one day and joined Fiverr, only to find out that nobody was willing to hire a new user without a bunch of reviews. After eating yet another box of Kraft Dinner he realized that a decentralized, crowdsourced arbitration system would eliminate the risk of fraud that plagues both workers and clients on existing Platforms.

Mr. Eugene invented online gambling back in 1995. Since then, he has been an investor and partner in numerous ventures, including the very first publicly traded marijuana company in Canada. Eugene first worked with Mr. Rahimi back in 2001 to develop an electronic cash system that was far ahead of its time.



Abstract

The Gig Economy has exploded in the 2010s, and represents the beginning of a major shift in society. Employees are leaving their jobs and taking control of their lives by selling their talents on a huge variety of online platforms: Uber and Lyft for the drivers, Upwork for IT contractors, Fiverr for small jobs of any variety, and Mechanical Turk for “microtaskers” who respond to simple, automated requests for knowledge and receive a few cents in return. Conversely, businesses of all sizes are moving away from traditional hiring and instead are outsourcing tasks to workers in the gig economy, saving them the expenses of employee onboarding, government taxes and fees, and benefits administration. As of 2018, it is clear that the gig economy is not just a passing fad and that it will continue to grow in economic importance in the coming years.

However, not all is perfect in this Brave New World: the centralized nature of today’s most popular platforms leads to certain inevitable risks, inefficiencies, and limitations. The use of fiat currency makes all participants in the gig economy subject to the policies and fees of merchant banks that facilitate the flow of funds into and out of the economy (e.g. by credit card, PayPal, or bank transfer). There is also the security risk of handling and storing personal payment information. Users of a platform must trust that the platform is honest, and that deposited funds are segregated from the company’s operating funds. Platforms often hang on to funds for longer than necessary by automating deposits but making withdrawals a manual process lasting several business days. Finally, the feedback-based reputation systems currently in use are insufficient, as they make it very challenging for new members of the platform (whether buyers or service providers) to attract business: because there is no trustless dispute resolution

model, the escrow systems in use do not serve to protect either party against a dishonest “bad actor” who is delivering poor quality or unfairly withholding payment.

The past few years have seen several Blockchain-based attempts to solve these problems through the creation of distributed, cryptocurrency-based platforms that automate at least part of the flow of commerce and add a degree of transparency not previously seen. However, the gig economy dApps currently in production fail to provide a fully trustless solution, relying on a rudimentary escrow system combined with reputation scoring and personal discretion to establish trust (for example, Latium). As previously stated, this makes buyers and sellers reluctant to deal with new members of the community who have not proven themselves through previous completed gigs.

We propose a distributed gig economy platform, “Yeek” that is truly distributed, automating all aspects of the flow of funds into, out of, and within the community via smart contracts that run on the Ethereum Blockchain. Community members will conduct business with Ethereum or the YEEK, an ERC20 token that serves dual purposes: it is a utility token for the Yeek Platform, and also the proof-of-stake by which operating revenue is distributed amongst all stakeholders in the form of quarterly dividends. A trustless dispute resolution system, like the rest of the platform, is controlled by Ethereum smart contracts; disputes are arbitrated by impartial community members who are paid to review submissions against the original gig requirements. This makes it possible to safely conduct business with a new, untrusted user as you are fully protected against fraud, delays, or unsatisfactory work.

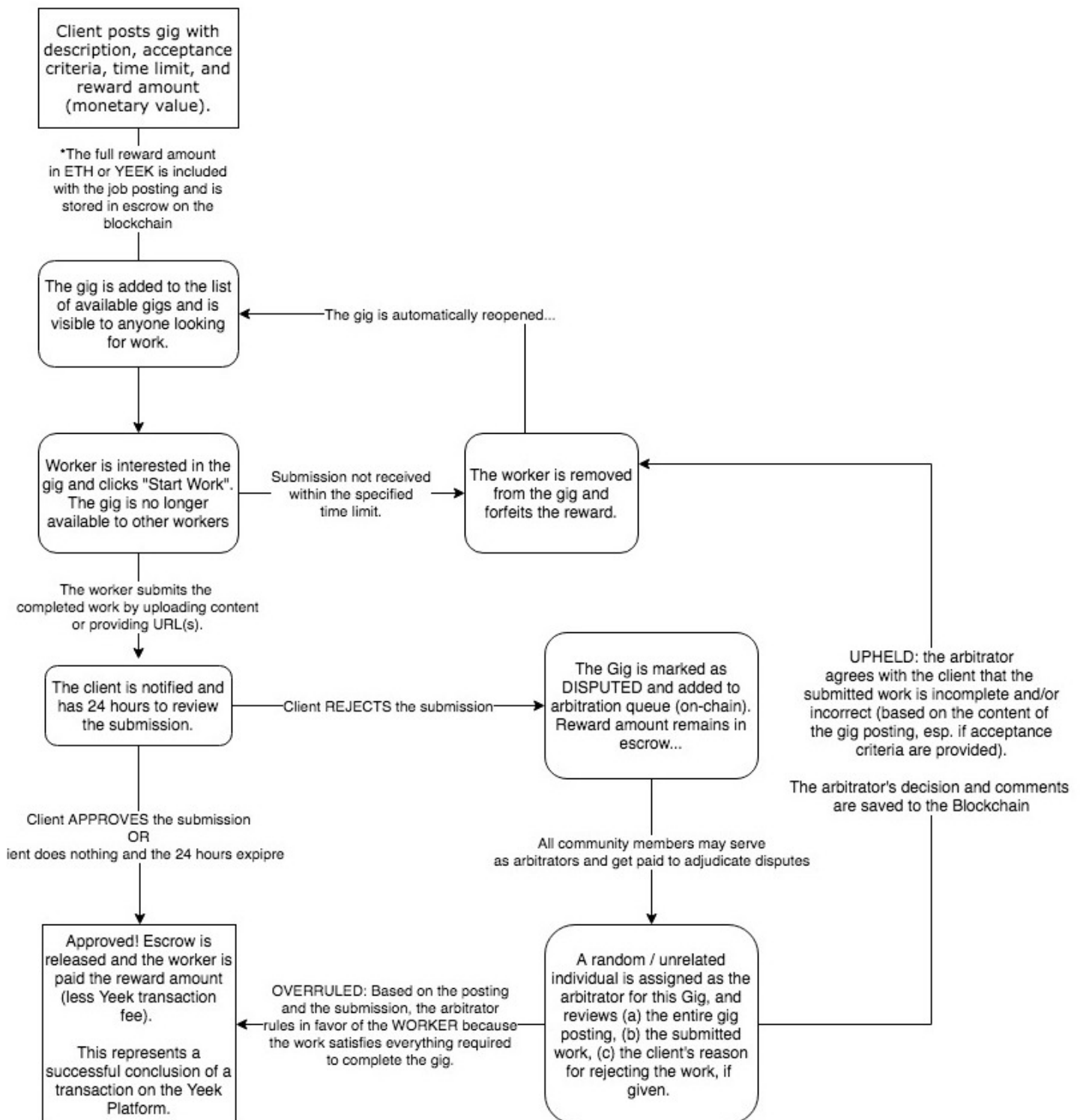
Market Need: Problems Solved by YEEK!

- 1. Centralized gig marketplaces are subject to arbitrary policies, regulations, and content censorship , and government regulations.** YEEK! is a truly decentralized dApp on every layer. Payment, escrow, and dispute arbitration are handled by smart contracts that run in the Ethereum Blockchain; Web content and user-generated content (Gig postings and work submissions) are stored in decentralized file systems such as IPFS or Swarm, with their hashes stored in a smart contract for verification and transparency. Real time communication between members of the community will initially be handled using existing, secure communications networks such as Telegram; the long-term vision of YEEK calls for a transition to Whisper (the Ethereum-native distributed messaging protocol) as soon as the Whisper codebase is judged reasonably stable and complete.
- 2. Using fiat currencies as a means of transaction is slow, insecure and expensive, and adds “major banks” to the list of outside entities with power to censor or shut down the marketplace.** The entire lifecycle of a YEEK transaction, from posting to payout, takes place on the Ethereum Blockchain, and smart contracts handle the near-real-time routing of payments, directly on the Ethereum Blockchain. Business is conducted using a utility token that represents a unit of value in the YEEK gig economy and allows the

holder to share in the revenue generated by the platform. The token is ERC20 compliant and works with common Ethereum wallets including the Metamask browser extension. YEEK Tokens will be traded on major exchanges, and the ICO is structured to ensure liquidity and promote price stability.

3. **Even the newer gig marketplaces that utilize cryptocurrency and a distributed architecture either ignore the “trust” issue completely or rely on user reputation to assess whether an unknown, untrusted counterparty is honest.** With the possible exception of Mechanical Turk-style “microtasks” of extremely low value and complexity, simple escrow systems on their own protect against only one sort of bad actor; they ensure availability of funds but protect against neither of (a) the incompetent or malicious worker, or (b) a client who claims the work is unacceptable and then steals it for his own purposes. Certain existing platforms (even dinosaurs such as PayPal) contain a dispute resolution system - but in a centralized context, such systems become extremely slow and are naturally biased towards the platform’s interests.

The Yeek Platform applies a decentralized, crowd-sourced arbitration model to the problem of dispute resolution, and the result is a trustless alternative to reputation scoring that, for the first time, makes it truly safe to do business with anonymous counterparties in the context of the gig economy. And paid work is created for community members who help to resolve disputes, as shown in the Transaction Flow Diagram below.



Yeek! Platform - Technical Architecture

IPFS

Yeek Webapp - Core

Moderator
Webapp

Key-Value DB

Ethereum Blockchain

Data Hashes

Gig Status

Escrow Service

Arbitration Queue

Business Model and Revenue Sources

The Yeek Platform will deliver profits to all stakeholders from day 1, thanks to the following revenue sources.

- **Transaction Fees:** A small, fixed percentage of each gig's value will be charged by the platform once the gig is complete and the money flows from client to worker. The exact value is not yet determined but will be competitive with other distributed marketplace applications and will be no greater than 3% in any case. We anticipate that transaction fees will become the primary revenue generator as the community size and transaction volume grow. Transactions fees are the most common way for a P2P marketplace to generate revenue and this revenue model has been proven by nearly all of the popular platforms, centralized or not; we assume you are familiar with this revenue model and will not discuss it further.

- **Paid Placement & Premium Features:** Clients will have the option to pay an extra fee to ensure that their gig is prominently displayed in listings and search results. The cost will vary based on supply (of premium listing slots) and demand for this inventory. While the revenue generated from paid placements will likely be small at first, it will play an increasingly important role as the number of open gigs grows large enough that workers see only a fraction of what's available. Furthermore, this model allows greater flexibility in terms of what can be sold in the Marketplace: while Yeek target specific segments of the online Gig Economy in its marketing, the platform itself will not place these sort of restrictions on content, allowing for the posting of *offline* gigs, products, services where no money is attached to the post and the transaction is settled face to face (similar to Craigslist or Kijiji). In the event that the community grows in this direction, causing transaction fee revenue to be lower than expected, this type of paid promotion will take on a much greater importance than originally anticipated. For example, Craigslist charges to post ads in certain popular *categories*, while Kijiji lets users pay to boost their ad's placement in search results or increase the visual appeal of their ad so it stands out.
- **Software-As-A-Service:** The crowdsourced dispute resolution system will be made available in API form to 3rd party platforms who require this functionality but do not wish to build it themselves or to grow their own community of arbitrators (or moderators, depending on the use case). Customers will pay a fee

for each item added to the Yeek arbitration queue that covers the payment to the arbitrator plus a small additional charge. This will allow us to profit from the transaction volume of our already-established customers even in early days when the Yeek community is relatively small.

- We will consider entering into consulting and support agreements with API customers or anyone else that wants to integrate Yeek's functionality into their own apps. Yeek itself is 100% open source; however, there is significant revenue potential from customizing the software to meet customer requirements.

The YEEK Token

The YEEK Token is an ERC-20 token on the Ethereum Blockchain that will be given away as an incentive to community members who do business on the YEEK platform or who help with building or marketing the platform itself.

Please refer to the website for specifics of token availability and timing.