



Company Overview
February 2018

Our Mission -- Why Choose Us in The Future?

Qchain's vision is to build open and transparent marketing applications and technical blockchain solutions that support those applications.

Our flagship application is a direct buy marketplace that will make it easy for advertisers and content creators to collaborate on **branded content, influencer marketing, and sponsorships.**

We Will Embrace Authentic Marketing

Branded content: digital advertising that entails advertisers paying digital publishers to create custom content

Influencer marketing: paying influencers for endorsements on their social channels

Sponsorships: advertisers offer financial support to an individual, event, or activity, in exchange for visibility

Authentic Marketing is the Key

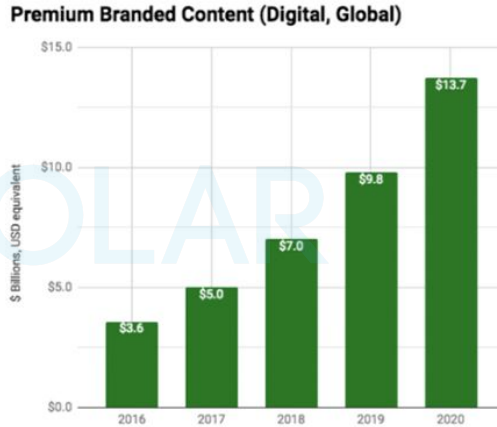
Forbes

Authenticity In Marketing Matters Now More Than Ever

Branded Content Is Growing in Importance

\$7.0B
Premium Branded Content
(Digital, 2018 Estimate)

40%
CAGR
(2016 - 2020)



“Content is content. Good content is good content. If a story is moving, no one is going to care that it’s brought to you by a brand.”



We Will Help to Scale Authentic Marketing

DIGIDAY

Facebook's new branded-content guidelines will force some publishers to abandon a business model

FEBRUARY 12, 2018

We Will Help Fix Digital Advertising's Transparency Problem

THE WALL STREET JOURNAL.

Facebook Overestimated Key Video Metric for Two Years

Sept. 22, 2016 7:29 p.m. ET

Keith Weed, chief marketing officer of Unilever, said in an interview last year, tech companies that don't let third parties measure their platforms is equivalent to "letting them mark their own homework."



Google's bad week: YouTube loses millions as advertising row reaches US

Saturday 25 March 2017
06.00 EDT

"Programmatic advertising has been largely fraudulent since its inception, and there are many companies in the marketplace including Google to have made vast profits out of the naivety of the advertisers, who haven't really known what they've been buying."

Google Issuing Refunds to Advertisers Over Fake Traffic, Plans New Safeguard

Updated Aug. 25, 2017 12:05 p.m. ET

Another point of contention among those receiving refunds is that they haven't been given details about where their ads ended up or specific details about the exploits the fraudsters used, so that advertisers and agencies can apply their own safeguards in the future.

DIGIDAY

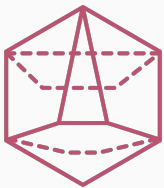
MAY 8, 2017

'A proverbial black box': Open-exchange auctions have a transparency problem

For instance, if a DSP bids \$5 for an impression through an SSP from a publisher that has a price floor of \$2, and there are no other participants in the auction, the DSP is supposed to pay \$2.01 for the impression. But the SSP could submit a fake bid, say, \$2.50, and send the DSP a winning price of \$2.51, said George Levin, CEO for Getintent.

Our Solution

We are creating a direct-buy native marketplace to fix the process of buying and selling branded content, influencer marketing, and sponsorships. Our dashboard gives buyers and sellers a central point from which to manage and enforce native ad standards.



Open and transparent



Auditable

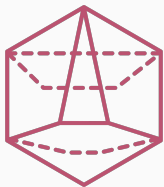


Efficient



Decentralized

Why Blockchain?



Open and Transparent

Blockchains ensure transparency by documenting all transactions and auctions on an openly readable ledger.



Auditable

Ad fraud and arbitrage will be fished out from audits and analyses, incentivized by token payouts.



Efficient

Pulled transactions allow publishers to directly pull the amount they need from advertiser accounts (with advertiser approval, of course). No invoices or extra work.



Decentralized

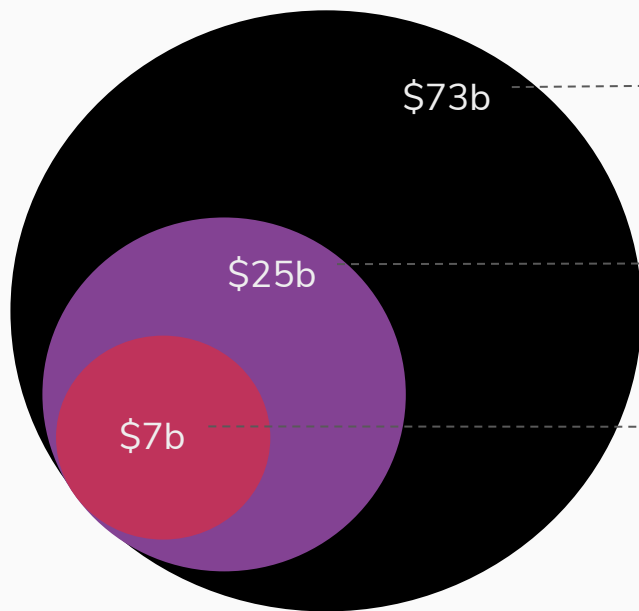
Oversight through a shared read-write ledger allows publishers and advertisers to efficiently plan and place native ads. Third-party intermediaries cannot meddle with the placements and results.



We are developing our platform jointly on the NEM and Ethereum networks. While the future of Qchain is platform agnostic, we are excited about the future of NEM, which is **easy-to-use and secure**.

Rather than relying on user-defined smart contracts, it has a number of **turnkey, enterprise smart contracts** that are predefined and can be called through the NEM API. For example, the Qchain Marketplace will use levies and pulled transactions, which allow a content creator to pull certain amounts from an advertiser wallet upon completion of services.

Market Size



Total Addressable Market
US internet advertising
(2017)¹

Served Available Market
Projected US native display
advertising (2018)²

Target Market
Projected branded content
spend (2018)³

1. Mary Meeker's 2017 Internet Trends Report
2. BI Intelligence
3. Polar Mobile

Qchain's Branded Content Marketplace

We have a functional demo in place for our blockchain-enabled marketplace.

We aim to have a production-ready build of our marketplace from our existing demo by **Q4-2018**. The initial marketplace release will consist of fixed position transactions, and can be thought of almost as a native twist on a private marketplace (PMP).

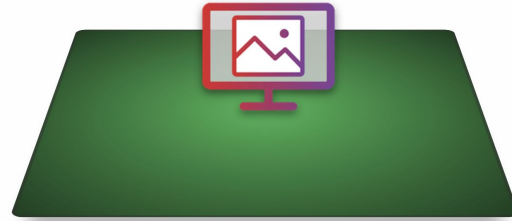
We will first target smaller content creators and publishers, like bloggers, and also demonstrate the efficacy of our product on our own content website.

Revenue Model

Our business model involves us taking small fees from advertiser and publisher transactions.

Blockchain enables us to embed automatic microtransaction fees into placements, which is one less thing for billing departments to worry about.

We will charge content publishers a monthly subscription fee for long-term use of our document editing, task management, and the use of file sharing tools to facilitate collaboration with advertisers.



Target Clients

Our platform is built for companies trying to establish a strong, meaningful brand presence by serving native ads on respectable platforms.

We will begin by targeting smaller-scale content creators and publishers, such as individual blogs, Youtube vloggers, and Twitch (NicoNico streamers), since the cost of traditional sales is prohibitive for smaller sites and blogs to pursue.

Eventually, we will scale up to larger publishers, like BuzzFeed and The New York Times.

The Differences Between Content Marketing and Native Advertising

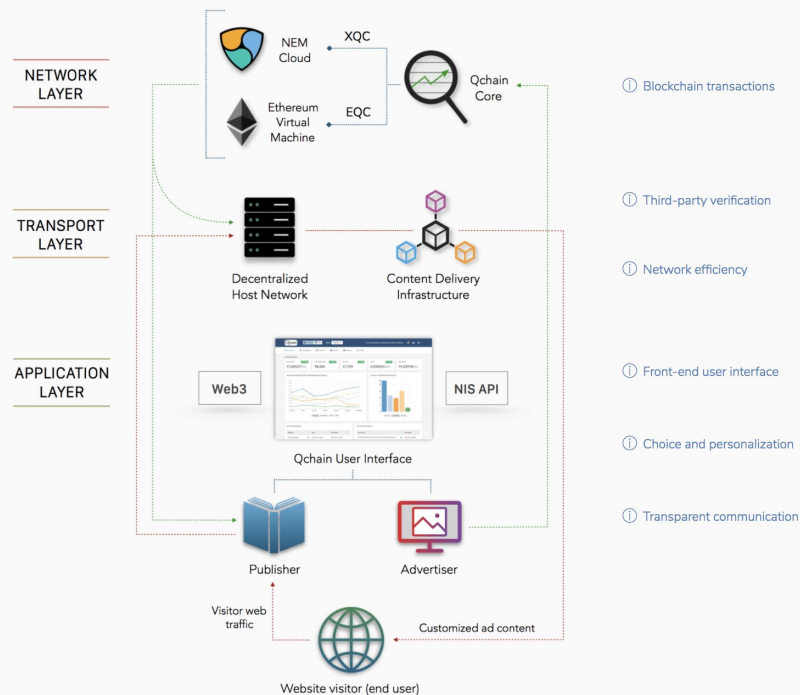
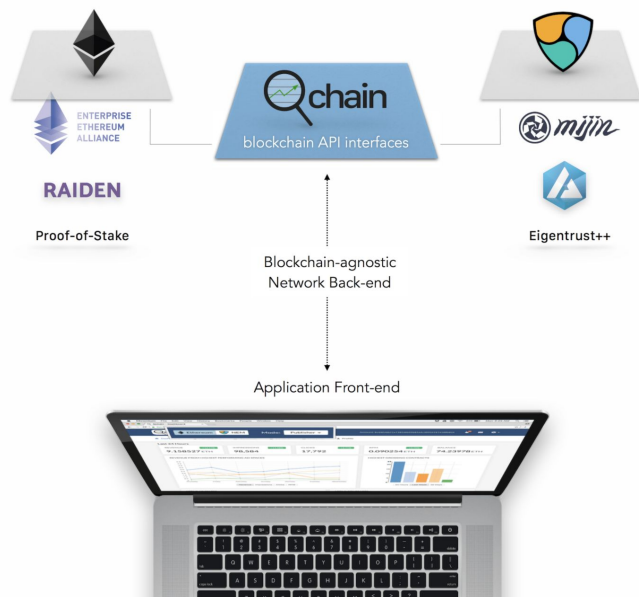
	CONTENT MARKETING	NATIVE ADVERTISING
GOALS	<ul style="list-style-type: none">• Search engine rankings• Brand awareness• Conversions	<ul style="list-style-type: none">• Brand awareness• Social engagement
KPIS	<ul style="list-style-type: none">• Number of leads• High-quality links• Total social shares	<ul style="list-style-type: none">• Campaign views• Site traffic• Social engagement
CHANNELS	<ul style="list-style-type: none">• Average of 27 publisher stories	<ul style="list-style-type: none">• 1 publishing partner
BENEFITS	<ul style="list-style-type: none">• Increased organic rankings• Drive brand awareness• Optimized for conversions	<ul style="list-style-type: none">• Drive brand awareness• Drive brand engagement
CHALLENGES	<ul style="list-style-type: none">• Securing publisher partnerships• Requires long-term investment	<ul style="list-style-type: none">• Costly to scale• "Sponsored" tag perceived as ad• Lack of SEO benefits

SOURCE: FRACTL

© HBR.ORG

DOMAIN AUTHORITY	AVERAGE COST	DOMAIN AUTHORITY	AVERAGE COST
70-79	\$7,726.67	96-100	\$101,166.67
60-69	\$2,839.58	90-95	\$33,536.36
50-59	\$1,427.41	86-89	\$21,681.33
40-49	\$372.19	80-85	\$26,166.67
30-39	\$287.17		
20-29	\$405.79		
10-19	\$68.43		

Our Technology Stack

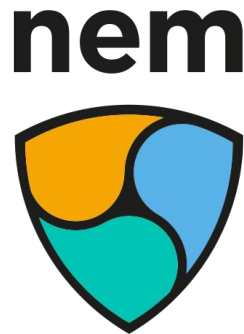


What's NEM?

Started as a community driven cryptocurrency with the stakes distributed to the people who contributed to the project.

The NEM network was launched with a P2P network based on the *Eigentrust++* algorithm and support for multisig transactions.

It is currently managed by the NEM.io Foundation, with the stated goal of being a cryptocurrency system that emphasizes security and trustless computing.



Proof of Importance

Each account has an associated importance score that represents its aggregate importance to the NEM economy. The level of importance determines the likelihood of harvesting a block.

The transactions in the NEM blockchain are viewable transparently, allowing the topology of the transaction graph to be determined exactly.

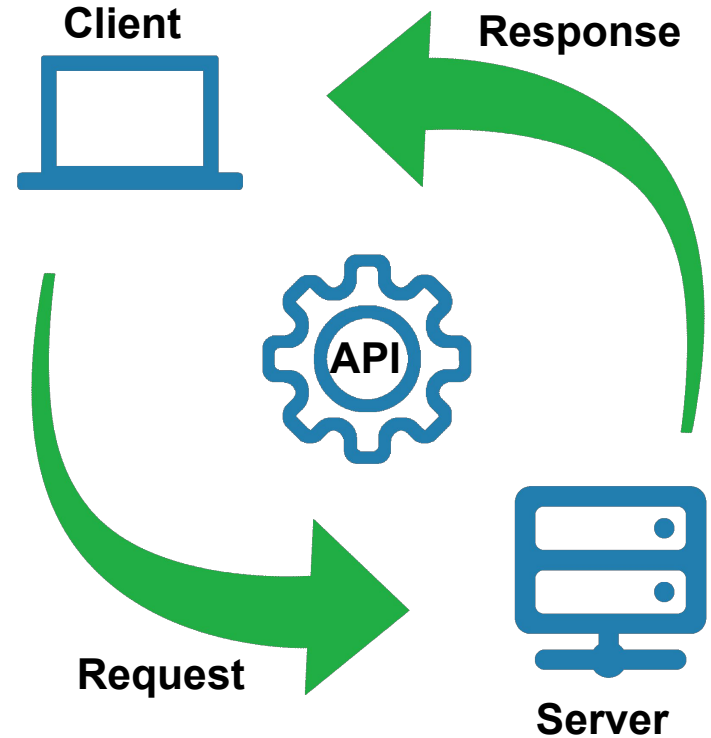
This transaction graph, can then be used as input to the algorithm that determines the importance of an account along with factors such as the net flow of XEM and whether or not the transacted XEM is being vested.

NEM NIS API

REST (REpresentational State Transfer) API.

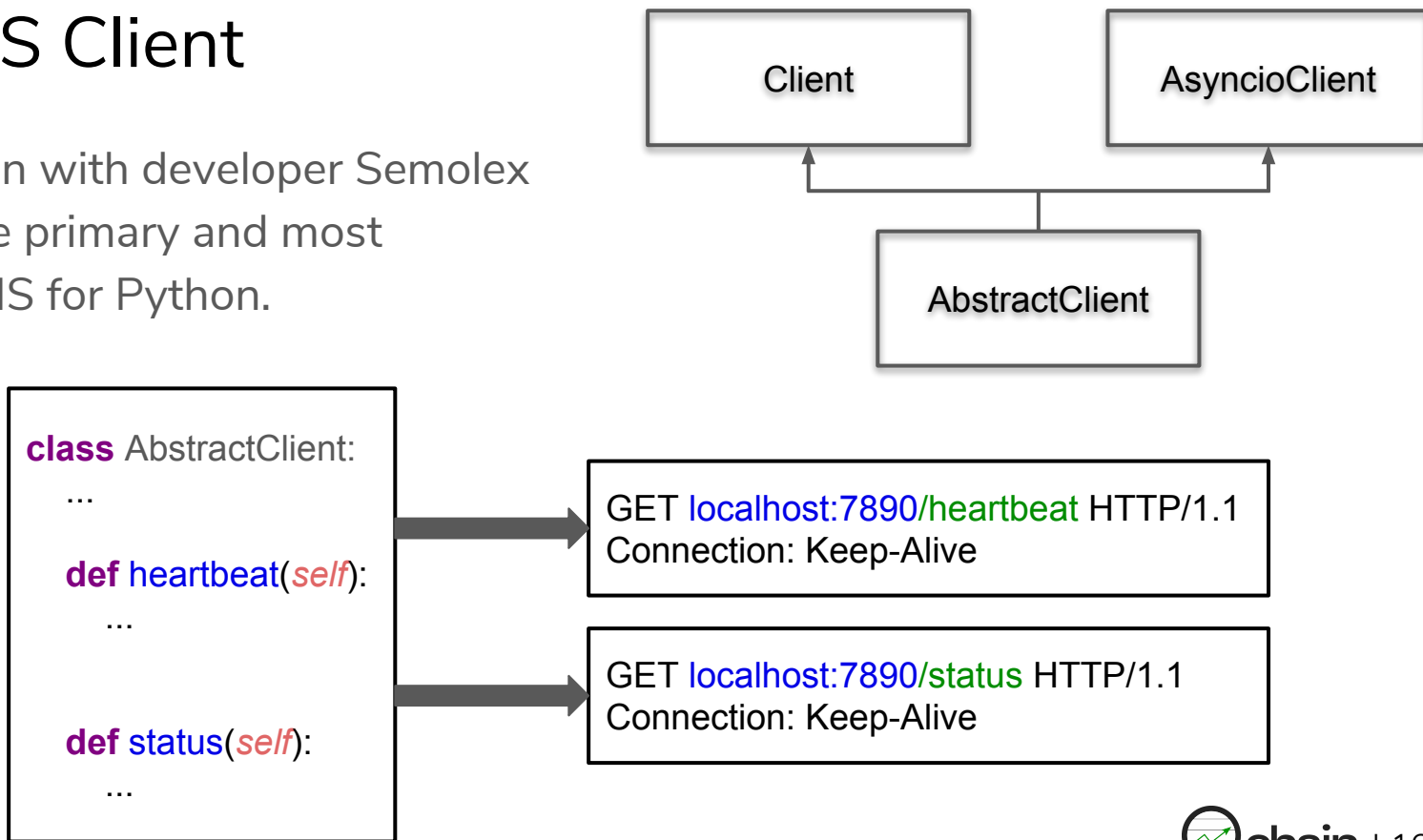
Communication with local or super nodes.

Data transfer via HTTP GET/POST requests.



NEM NIS Client

Collaboration with developer Semolex to create the primary and most extensive NIS for Python.

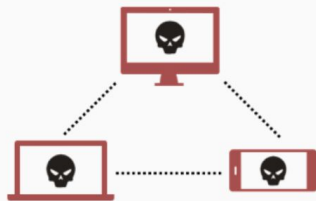


Addressing Growing Threats and Concerns

The last few years has seen significant growth in the scale, frequency, and accessibility of web attacks and information suppression. These issues, which include increasing threats of distributed denial of service attacks and state firewalls, increase censorship and fraud, reduce privacy, and limit information transfer on the open web. Tools and products that can combat or circumvent these problems going forward provide a critical technical function as well an important market opportunity.



State
firewalls



DDoS
botnets



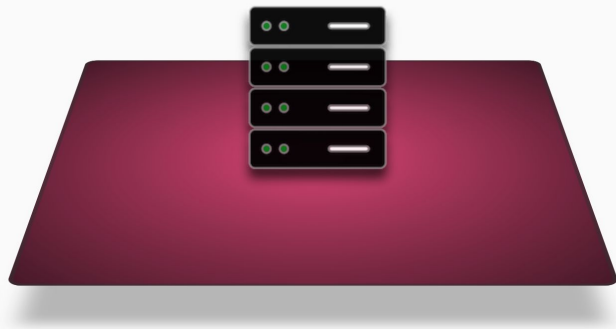
Digital
fraud



For-profit
data mining

The Marketplace Host Network: Driving Future Value and Utility

- Provides a staking mechanism for the Qchain tokens
- Ensures that even the off-chain components of our technology stack are decentralized and operate with redundancy
- Automated quality control of nodes to ensure performance and integrity



Competitive Landscape

Advertising on Blockchain



Scaling Branded Content



PromoteIQ

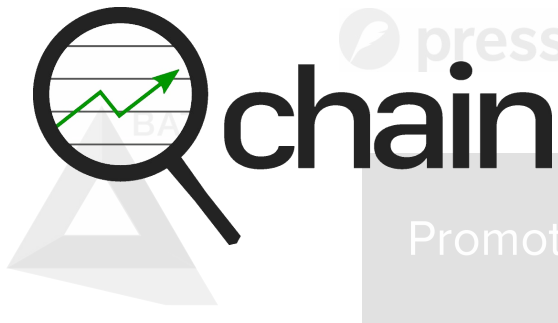
Competitive Landscape

Advertising on Blockchain

We leverage
blockchain
technology because
it's the right tool for
the job.

Scaling Branded Content

We're building a
scalable platform to
benefit both
advertisers and
content creators.



Qchain's Competitive Advantage



Highly-Qualified Team. Our team is led by two PhD candidates in mathematical biology, both with peer-reviewed publications; a lead engineer with extensive experience in application development and machine learning; a writer who has worked in editorial and advertising roles at BuzzFeed and Gizmodo; and a JD/MBA candidate at Stanford University who previously worked with Coinbase.

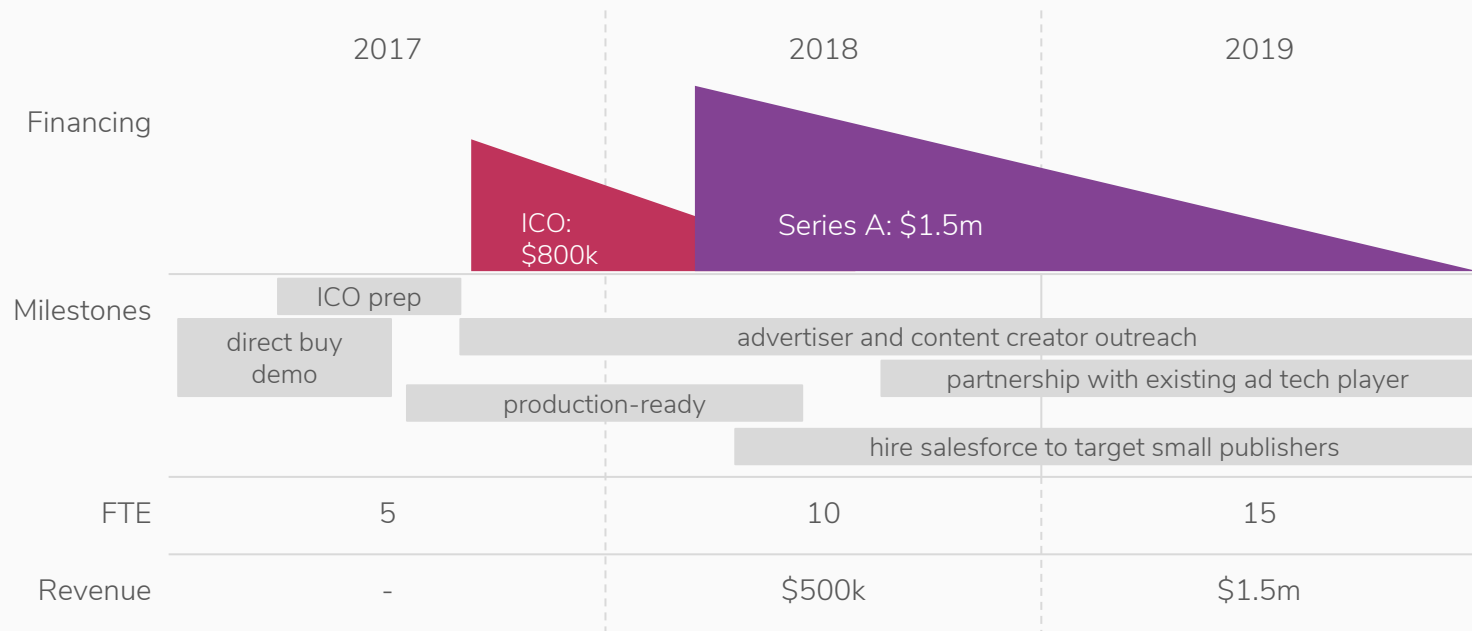


Existing Demo. The current ICO craze has led to a lot of overpromising and underdelivering. We created a fully-functional demo to bring to advertisers and publishers before raising any capital.

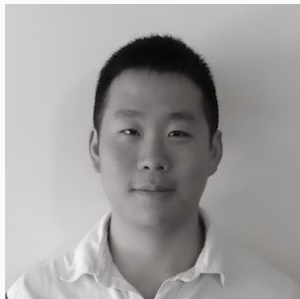


Big Ambitions. The digital advertising space is a \$73 billion industry in the USA, and growing at 35% year-over-year. We plan to build a comprehensive platform in which advertisers, publishers, and consumers can advertise and share data in a transparent and fair way.

Cash Flow Needs



Our Team



WALLY XIE
CEO

PhD in mathematical biology, UC Irvine. Former researcher and software developer, NIH.

Key Competencies:
Data analysis, project management.



ROY ZHAO
CTO

PhD in mathematical biology, UC Irvine. National Science Foundation Research Fellow.

Key Competencies:
Distributed computing.



ANGELA WANG
Chief Content Officer

Former senior writer, Gizmodo Media Group. Former editorial and business roles, BuzzFeed.

Key Competencies:
Communications, publisher-advertiser relations.



JAMES RATHMELL
Corp Dev Lead

JD/MBA Candidate, Stanford University. Former summer associate, Cooley LLP. Former intern, Coinbase.

Key Competencies:
Team management, growth.



ALEX HUSZAGH
Chief Architect

Graduate researcher, UC Irvine. Master's in Cellular and Molecular Sciences.

Key Competencies:
Memory optimization, C++ and Python architecture.

Contact Us:
team@qchain.co