

# BearShares Investor Pitch

house \_ 02/27/24

## What is BearShares?

BearShares is a blockchain smart contract that allows any image on the internet to be claimed by their original creators. The smart contract does this by integrating a standard Decentralized Autonomous Organization (DAO) based model around “claim -> dispute -> vote -> settle”.

When you combine this model with the ability to automate image comparison, you effectively create a ‘credit bureau’ for memes on the internet. If you have the ability to validate meme creators, you can then back the value of image NFTs with much more than just speculation. You can back the NFT with an actual ‘following’.

And then if you successfully aggregate this type of backing... you suddenly wind up with millions of meme ‘hobbyists’, tapping into a six billion dollar per year industry.

## Why makes this solution unique?

The secret sauce lies in how the images are stored and referenced within smart contracts

- Traditional solutions: they store web links inside the smart contract, which actually creates a ‘centralized’ solution. This means, that if/when those web links go down, everyone loses the ability to access their NFTs (they can’t see their images)
- BearShares solution: we store image ‘hashes’ and integrate a comparison algorithm. This allows images to be stored anywhere on the internet, and simply be ‘validated’ during sales or transfers of ownership. This creates a ‘decentralized’ solution that can only fail if the entire internet goes down.

## Why memes?

Our market research shows us that memes are now a \$6B industry and growing by a billion dollars every year over the past 4 years.

75% of people between the ages of 13 to 36 engage with memes every day.

This is about 52 million Americans per day

Memes are just the start. There are many industries that can be changed with the ability to integrate DAO voting with ‘hashed’ data. However, we feel memes are the easiest way to get the ball rolling. We see it as the easiest way to get people to start using the smart contract, quickly, and in masses.

## **BearShares Use Case**

.... TODO

## **BearShares Customer Base**

- early adopters:
- later adopters: NFT market place and block explorer industry leaders. Our smart contract can easily be used as a utility. This is the basis of our expanding B2B model. When these industry leaders take notice of how we are attracting new users and providing new value, we see them building wrapper on top of our integration. We will encourage this behavior, as we will simply be collecting our fees underneath every single transaction.

## **How does BearShares generate revenue?**

We have a unique revenue retention cycle .... TODO

## **What is \$BSI (BearSharesInvestor token)?**

.... TODO

## **Who is our competition?**

we don't currently see direct competitors, but rather a 'dormant market' that industry leaders have overlooked. we view these 'industry leaders' as 'late adopters' of our contract, as well as potential exit strategies.

- Example: opensea and other NFT market places

we don't need to take away their 20k txs per day. We just need to get those 20k txs to adopt the additional value that our smart contract offers. We see this leading to even more NFT txs for these market places, increasing their profit margins and quite possibly even leading to an acquisition of our venture

- Example: debank

we don't need to launch a huge front-end that binds all activity on wallet addresses back to social media accounts. We just have to hyper focus on one niche demand, like claiming memes as NFTs and allowing these claims to generate a following.

## Why ERC404?

Utilizing ERC404 is simply a tool to support the structure of a company's "value on the blockchain". With the release of ERC404, blockchain solutions now have the ability to sell a product or service, while releasing tradable tokens on the open market, under a single contract address.

This is analogous to a single company issuing shares to be traded, and having the success of that company be the primary driver of the value of those shares on the open market.

With ERC404 we have the potential to release a smart contract that changes the meme industry in addition to changing the NFT industry, while launching a tradable token that's value is NOT based on simple speculation. With ERC404, we have a chance to kill 3 birds with 1 stone.

## Launch Schedule (why 3 months?)

- 1) We need to market and build a following. We don't have the benefits of a simple 'meme coin' launch with no utility. Our business model will not work in the sense of gathering a quick hype, throwing in some liquidity at launch, and selling a quick top. Instead, we need to build a foundational backing of users waiting eagerly to start claiming their images on the internet. This foundation will attract the opposing 'disputers', which is a crucial aspect in the DAO validation aspect that jump starts the revenue retention cycle.
- 2) We should wait a little bit for ERC404 to iron out its bugs. The dev community is actively working on it, as current releases have displayed concerns in regards to certain bugs. Even though the core of our venture is NOT based around ERC404, it's best to tread cautiously around new technology.
- 3) The coding time is estimated to be around 1.5 months, but we need to allocate time for testing and bug fixes. With the extra 1.5 months, we can safely allocate time and synchronize testing, marketing, and ERC404 advances.

## Why PulseChain?

- its cheap and efficient. easy to onboard new blockchain users
- the meme addicts and hobbyist that we are initially target can more easily jump into pulsechain (as opposed to Ethereum) because its so cheap

## What else can the tech. do?

by storing 'hashes', we can effectively validate the creators of anything posted on the internet

- we can validate audio files, allowing people can claim & build NFT followings around written songs or advert. shorts
- we can validate video files, allowing people can claim & build NFT followings around independent films

with 'hashes', the contract can act as a digital 'safety deposit box' (and lock data within)

- you can create a scenario where some 'data' can only be accessed with a password or key
- data could be: full wallets or seed phrases, source code, links, or any kind of text you may want to hide in the open

These examples, among many others, can all be executed within the same smart contract, without the need to launch a new project. These different execution strategies can be utilized as potential expansion opportunities or pivot points depending on market adoption.

## Who is our core team?

House and Rabbit have been working together and earned each other's trust over the past year. We came together during the Atropa / pDAI rush last year. We were the first to crack the minting puzzles that the Atropa/pDAI devs released to the community.

House is lead and maintains control of all final decisions in regards to financials as well as integration & execution. Rabbit acts as an executive officer and handles the day-to-day, organizational aspects, initial design proposals, initial research & proof of concept, task management and general management of active volunteers / current team.

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