

## DYPE – Litepaper

### Problem

Trust is a big factor when making any type of transaction. Yet, there is no established trust on internet. Currently, we need 3<sup>rd</sup> party platform to act as a gateway of trust when making transaction online. However, creating intermediaries on transaction creates unneeded cost and infrastructure that is costly.

### Solution

Dype's mission is to re-invent idea of trust in online marketplace through an open-platform. Instead of trusting single entity, utilizing blockchain technology, that trust is distributed to everyone in the community so it's virtually trustless. Which means, you will be able to **make transaction with anyone online without relying on intermediaries**. We do this by mainly using 2 protocols: Smart Contract Escrow service and decentralized dispute system.

### How it Works

#### *Smart Contract Escrow*

Let's say Bob wants to buy rare sneaker online from Alice. Bob puts his money on smart contract escrow, which means Alice wouldn't receive any of that money until Bob approves it. That smart contract is enforced entirely through autonomous code where it's stored in blockchain, which will allow middleman to be removed in terms of contract construction, execution, and enforcement. Once Bob receives the item, he can release the escrow if he's satisfied with purchase.

#### *Decentralized dispute system.*

If Bob is not satisfy with his purchase, it goes to decentralized dispute system. Again, idea is not just trust one single entity to settle the dispute. Instead, there are group of verifiers who will settle dispute by reaching consensus on canonical truth. We're creating crypto-economic protocol where there is incentive for good behavior while disincentive for bad behavior. Which means fraud will lose more than they can get if they perform a bad behavior.

### Background & Scalability

Streetwear is a casual style of clothing that is one of the world's fastest growing industry. Exclusiveness is big part of the streetwear as retailer like Supreme or Jordan releases limited supply, which then creates huge secondary market where price can go up to 20 times the original price. However, with high influx of fake items, cost of trust in this secondary market is calculated to be 3 billion dollars annually and growing exponentially. We're taking vertical approach to the marketplace, similar to how Amazon started with just a book. Our go-to-market strategy is to prove that we can re-invent the idea of trust in market where cost of trust is highest. Then, we will be able to scale horizontally to other secondary marketplace such as luxury watches or even concert ticket.