Project name:

Data Union DAO

Author name and contact info:

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I understand that I will be required to provide additional KYC information to the Optimism Foundation to receive this grant:

Yes

L2 recipient address:

0xB4Cf7896AcCcE176739A59532FB245Fdb03971fB

Which Voting Cycle are you applying for?:

Phase 1

Grant category:

Other: Infrastructure

Is this proposal applicable to a specific committee?

Growth Experiments Sub-Committee

Project description:

Data Unions are an ethical new way of monetizing data. It enables organizations to empower their users to earn tokens by sharing data. The Data Union smart contracts are a blueprint for creating new "x to earn" business models for the real world.

Our SCs are audited and optimized for micropayments to millions of users and currently deployed on Polygon and Gnosis Chain. We provide an easy solution to broadcast revenue to large groups of users simultaneously. Data is streamed and stored via the Streamr Network.

Members (users) of a Data Union (organization) do not need any web3 knowledge to use a DU's application - a self-sovereign wallet is created for every new user that joins a Data Union helping organizations to onboard new mainstream users into crypto.

The Data Union DAO's smart contracts and SDK have been worked on by Streamr since 2019. The Data Union DAO (DU DAO) is a spin-off from Streamr closely working with the Streamr DAO to grow the Data Union ecosystem and to develop the tech further.

Project links:

- Website: http://dataunions.org/
- Also see: Framework for ethically crowdsourced data | Streamr Data Unions
- Also see: Framework for ethically crowdsourced data | Streamr Data Unions
- Twitter: https://twitter.com/dataunions
- Discord: Data Union DAO
- Docs: http://docs.dataunions.org/
- Github: Data Union DAO · GitHub

Additional team member info:

- Henri Pihkala, CEO at Streamr and CTO at Data Union DAO leading Streamr's dev team of 15 developers (linkedin - twitter)
- Matthew Rossi, VP of Product at Polygon and co-founder at Data Union DAO (linkedin - twitter)
- Marlene Ronstedt, ex-head of Crypto Relations at Streamr and co-founder at Data Union DAO (linkedin - twitter)
- Nikke Nylund, Strategic Advisor (linkedin - twitter)
- Juuso Takalainen, Developer (linkedin - github)

- Nico Burkart, Developer Relations Engineer ([linkedin](#) - [twitter](#))
- Emre Ekinci, Content & Community Builder ([linkedin](#) - [twitter](#))

Please link to any previous projects the team has meaningfully contributed to:

- Streamr: https://streamr.network/
- Swash: https://swashapp.io/
- DIMO: https://dimo.zone/
- Unbanx: https://unbanx.me/
- Silta Finance: https://silta.finance/
- Polygon: https://polygon.technology/
- Chainalysis: https://www.chainalysis.com/
- Atarca: https://atarca.eu/
- Neufund: https://blog.neufund.org/

Relevant usage metrics (TVL, transactions, volume, unique addresses, etc. Optimism metrics preferred; please link to public sources such as Dune Analytics, etc.):

The Dune Analytics Dashboard is in the early stages of development and currently only displays metrics about Swash (other DUs to follow): dune.com/dataunions/smartcontracts

The Data Unions can be deployed using the SDK, front-end or directly via the factory contract. Stats of the world's first and biggest Data Union Swash can also be seen on the [gnosis blockchain explorer](#).

Metrics:

- +450k wallets created
- +500k transactions on Gnosis Chain

Further resources:

- Data Union Template contract (Gnosis): [DataUnionTemplate | Address 0xe70d7eb04d1d5869ceae8303a52ee72639eddfcf | GnosisScan](#)

Competitors, peers, or similar projects (please link):

The Data Union concept was pioneered by Streamr in 2019 and has since seen forks, two notable ones include Data Union App https://dataunion.app/ and Pool Data https://pooldata.io/. Other organizations working in the self-sovereign space to enable people to earn with their data are: polypoly: https://polypoly-citizens.eu/en/ Schluss: https://schluss.org/ Permission: https://permission.io/ Personium: https://personium.io/en/index.html TIKI: https://mytiki.com/ Snickerdoodle: https://www.snickerdoodle.com/

Is/will this project be open sourced?

Yes, it is open source.

Optimism native?:

No

Date of deployment/expected deployment on Optimism:

H1 (aim for Q1) 2023

Ecosystem Value Proposition:

What is the problem statement this proposal hopes to solve for the Optimism ecosystem?

The Optimism collective wants to expand beyond the digital realm and into the physical world. (optimism.io/vision).

The internet as we know it today runs on selling people's data, but we as the end users of internet applications do not earn any share in the revenue that our data is creating.

A suite of tools is needed on Optimism to cross the chasm between the benefits that Optimism provides and applications

that run in the physical world that give monetary value from data sales back to the users.

How does your proposal offer a value proposition solving the above problem?

The Data Union smart contracts have a proven track record of providing the infrastructure required for building applications that connect end users with real-world applications (the most notable one is DIMO https://dimo.zone/).

The Data Union smart contract enables fair revenue sharing from the value that the users' data creates.

Our developer-friendly SCs & SDK enable builders to easily deploy a Data Union and create incentive mechanisms via micropayments - which scale to millions of users - to grow their project's userbase which increases the value of their data sets.

The grant will cover Data Union DAO to deploy on Optimism, and participate in an ETH Global hackathon to build a new Data Union on Optimism. Half of the grant will be offered as OP incentives that will help fund developers to prioritize building and deploying on Optimism above other L2s.

Why will this solution be a source of growth for the Optimism ecosystem?

Our Data Unions tech will drive growth in (mainstream) users and transactions on Optimism and offer a blueprint for builders to disrupt and innovate existing data business models.

The infrastructure provided by the Data Union DAO has created over 500k transactions on Gnosis Chain. We are looking at bringing the smart contracts to multiple blockchains to (1) increase the benefit of the SCs for multiple blockchain ecosystems and (2) reach more developer communities.

The DU tech provides a source of growth in the numbers of mainstream users, it can be seen as an acquisition channel where a mainstream user earns their first crypto using a Data Union application, and by doing so learn that they have earned their tokens on Optimism.

Data Unions offer an "x to earn" blueprint for creating new business models that create incentive mechanisms for crowdsourcing data, where data sets are monetized and the monetary value is shared with every user that participated. So far three startups using our tech (Swash, DIMO, Unbanx) raised a total of $30m.

Has your project previously applied for an OP grant?

No

Number of OP tokens requested:

250,000 OP

Did the project apply for or receive OP tokens through the Foundation Partner Fund?:

No but we would like an introduction to chat about a long-term partnership.

If OP tokens were requested from the Foundation Partner Fund, what was the amount?:

NA

How much will your project match in co-incentives? (not required but recommended, when applicable):

50% of the grant (125,000 OP) will be used as incentives for builders to deploy and build their Data Union on Optimism. Co-incentives are subject to the fundraising of Data Union DAO.

Proposal for token distribution:

How will the OP tokens be distributed? (please include % allocated to different initiatives such as user rewards/marketing/liquidity mining. Please also include a justification as to why each of these initiatives align with the problem statement this proposal is solving.)

50% - incentives for devs to build a Data Union on Optimism

50% - deployment on Optimism and to cover hackathon operational expenses

Over what period of time will the tokens be distributed for each initiative? Shorter timelines are preferable to longer timelines. Shorter timelines (on the order of weeks) allow teams to quickly demonstrate achievement of milestones, better facilitating additional grants via subsequent proposals.

Timeline in weeks

3-4 weeks deployment, testing and launch preparations.

3-4 weeks after launch: first Hackathon.

Ad-hoc, OP incentives are issued out ad-hoc on project based milestones, growth & needs.

Please list the milestones/KPIs you expect to achieve for each initiative, considering how each relates to incentivizing sustainable usage and liquidity on Optimism. Please keep in mind that progress towards these milestones/KPIs should be trackable.

Grant Distribution: 40% upfront and 60% after completing milestone 2.

Milestones:

M1: Deployment on Optimism.

M2: Sponsorship of a hackathon, with a prize to launch a DU on Optimism.

M3: Help teams from hackathon to build and validate their business models and product-market fit.

M4: Hackathon DU onboards 5k (mainstream) users to Optimism and crosses 5k transactions.

M5: Help teams get off the ground with their project so that they can continue developing their DU project on Optimism without having to rely on funding from DU DAO.

Why will incentivized users and liquidity on Optimism remain after incentives dry up?

The OP incentives should get the teams to a point where they are able to put their own incentives into place and maintain and grow their userbase.

After the OP incentives are dried up the Data Union that issued the incentives is responsible for making sure that the users are continued in being rewarded for the users data - this is usually in the form of the DU projects own native token but could also be provided by the DU DAO in form of the $DATA or $UNION token, in case the Data Union has not yet launched their own token (an example is Swash).

Please provide any additional information that will facilitate accountability:(smart contracts addresses relevant to the proposal, relevant organizational wallet addresses, etc.)

Gnosis

DataUnionFactory: 0x82F1b8a9521933ecC41A9062f1eb597D0Ad6e12F

DataUnionTemplate: 0xA7E64C07464DdC69dC1534C14c7c724E5807d42a

Polygon

DataUnionFactory: 0x3dBDf6C439FC2C90F98C351c90682A7cCe3366E5

DataUnionTemplate: 0x6D73eDf9366c97ed12C78C41F02A9254e9184CB1