# **Deploy Uniswap v3 on Zora**

We @she256 are submitting this RFC & proposal on behalf of Zora Labs to facilitate the integration of Uniswap V3 on Zora.

#### List of actors

Proposer Zora Labs – Twitter, Website, About, Network Details and Docs

· Point of Contact: Tyson (CTO, co-founder)

Deployer: <u>Zora Labs</u> – Prev. Deployment: Zora Protocol, Zora Network

• Bridge Provider: Bedrock (Optimism native bridge)

Proposal Sponsor: she256

# **Proposal Motivation**

Zora Network is an emergent ETH L2 built with the OP stack that has grown to more than 90k weekly active users who drive 600k transactions every week. Recognizing the vibrant Uniswap community, we propose a canonical deployment of Uniswap v3 on Zora benefitting creators, collectors, and builders of both ecosystems.

Zora Network is onboarding thousands of creators and collectors to Ethereum L2s through a distinctly creative brand and support from protocols like Mint.Fun, Holograph, PartyDAO, and the Zora Creator Toolkit. It is important for Zora Network's ecosystem of creators, collectors, and developers to have access to premier crypto tooling, including DeFi protocols, that can help them protect and expand the value they are creating onchain.

We believe offering these tools is a material step in supporting creators as they explore and innovate with onchain media. This is particularly true as the amount of people and teams that earn ETH on Zora Network continues to grow from features like Zora's Protocol Rewards.

This momentous collaboration will position Uniswap to win long term market share on an emergent L2 network with a uniquely differentiated user base. And, it will signal the DAO's ongoing support of the growing population of creators, collectors, and builders that transact on Zora Network everyday.

# **Background**

Zora Network is an L2 built on top of Ethereum using the OP stackwith over half a million addresses onchain and just under 1000 ETH in transaction fees. Zora Network launched last summer on June 21st, the Summer Solstice. It is currently supported by industry leading infrastructure partners such as Rainbow, Opensea, Zerion, Dune, Layer Zero and many more. Zora Network supports a bustling ecosystem of creators, collectors and developers that are exploring creativity onchain. Next is a guick overview of the Zora Network ecosystem.

## **Creator and Collector Ecosystem**

Zora Network brings a uniquely creative and NFT native audience to the Uniswap ecosystem. Many of the active users on Zora Network are the artists, collectors, and builders that makeup the onchain creative community. Zora Network makes up 30-34% of mint marketshare across Ethereum and its L2s ecosystem. In the last month, there were more than 40,000 NFT contracts created on Zora Network, and today 36% of all unique collectors across Ethereum and its L2 ecosystem are active on Zora Network.

Adoption of Zora Network comes alongside easy to use product features in the Zora Creator Toolkit like email signup and free creation, which position Zora to easily onboard first time users to crypto. As these users grow in their understanding of crypto, it's important that Zora Network has brand aligned partners, like Uniswap, available to facilitate our users' next steps in their crypto journey.

## **Developer Ecosystem**

The Zora Network developer ecosystem includes a lot of the core infrastructure that developer teams need to get started with a new project in crypto. There are <u>over 10,000 contracts deployed to Zora Network everyday</u>. Examples of teams that support Zora Network today include infrastructure teams like Dune, Third Web, Tenderly, and Gelato as well key developer tools like Wagmi and Privy.

NFT native protocols like those mentioned above, Mint.Fun, Holograph, and Highlight, have also integrated Zora Network alongside others like <u>Gallery</u> and <u>Fair XYZ</u>. One of the more exciting integrations of late has been the <u>Warpcast</u> team's

launch of in-app minting of Zora Network NFTs powered by Warps. Lastly on the developer front — Protocol Rewards on Zora Network, specifically referral rewards, are proving to be <u>a new revenue stream</u> for developers building aggregators, recommendation systems like <u>Daylight</u>, and mobile notification rails like <u>Interface</u>. Zora Network is still early, but it's proving to be valuable for developer teams of all types.

# Rationale for Uniswap on Zora Network

<u>Protocol Rewards on Zora Network</u> makes the need for stablecoins and fiat on/off-ramps increasingly apparent. Creators, collectors, and developers in the Zora ecosystem are <u>earning six figures of ETH in protocol rewards everyday</u>. For some creators, protocol rewards are helping to <u>pay their rent</u> or just grab a slice of pizza. And for platforms, rewards are quickly becoming a core part of their business model and a key to their success.

There is a growing need on Zora Network for swaps and stablecoins that can better protect the value these individuals and teams create. Today, creators are required to bridge their ETH from Zora Network to a chain where Uniswap is supported, which costs gas and eats into their earnings. Only then will they be able to swap to a stablecoin. Adding swaps natively on Zora Network will make taking this action cheaper and easier for onchain creators that are making their living with Protocol Rewards.

Our goal with this proposal is to bring a canonical instance of world class DeFi tooling to Zora Network participants to help them more efficiently convert and expand their Protocol Rewards into value that they can transact with in their everyday lives. We think this is an exciting long tail opportunity for Uniswap.

#### **Uniswap on Zora Network enables**

- Stablecoins for thousands of creators, collectors, and builders on Zora Network
- Swaps for Zora Network participants without needing to bridge funds
- Fiat payment rails to easily on and off ramps, for our creators, collectors, and builders
- · Creating and transacting in additional token types ERC20 tokens
- Developer teams requiring liquidity pools for markets or experimentation

## **Benefits to Uniswap**

Uniswap would be the first DeFi protocol on Zora Network giving it a first mover advantage to win consideration from the network's unique audience of creators and collectors. We believe that Uniswap is a proven community with a premier brand, product, and ecosystem that we would be confident in safely bringing to the Zora Network community.

### **Key Benefits**

- Expand the Uniswap audience to more creators
- · Increase Uniswap DAO revenue through mints
- Increase DEX marketshare on an emergent L2

#### **Expand the Uniswap Audience**

Recent market data from cross-chain minting activations indicate that, when given the option and equal incentive, creators tend to choose Zora Network as the destination for their work onchain. Uniswap and Zora Network coming together is a great opportunity to expand the Uniswap audience to Zora Network's creative community.

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Zora Network is home to tens of thousands of creators of all disciplines: visual artists, musicians, photographers, podcasters, and more. Incredible crypto native talent like Chase Chapman, Nick Hollins from UFO, and more have made Zora Network their L2 of choice. This is all happening alongside some of the world's best YouTube channels like Color Studios or breakout brands like KidSuper making Zora their home as well.

Uniswap V3 on Zora Network is an opportunity for Uniswap to market to a new, non-DeFi audience that is excited to support

one another's creativity. You can get a feel for who makes up the Zora community in our latest Me + My Imagination campaign.

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#### Potential new revenue stream for Uniswap DAO

The most immediate increase in DAO revenue will come from a Uniswap x Zora commemorative mint. Zora will mint a commemorative artwork to celebrate the launch of Uniswap V3. We will add the Uniswap DAO as a split recipient on this commemorative mint. This will mean that the Uniswap DAO will receive ETH income in the <u>form of protocol rewards</u> as collectors mint the artwork in celebration of the launch.

Zora plans to split the creator rewards from this mint 70-30 with 70% of rewards from this mint going to the Uniswap DAO and 30% going to Zora.

Commemorative mints that you may have participated in recently include:

- Base, Introduced
- LayerZero x Zora
- Dune Zorb
- Conduit Zorb

Commemorative mints also help teams build onchain followings that can be reactivated on Zora and pinged via on platform notifications. For example, <u>LayerZero gained 74k followers</u> on Zora as a result of their commemorative mint for Zora Network support in September 2023. It is easy to imagine Uniswap building an onchain audience on Zora that includes millions of its users.

The Uniswap community is well known for its impressive and memetic branding. Bringing that branding onchain in a similar way to other teams like those mentioned above can unlock new forms of community engagement, archive the incredible library of Uniswap media, and potentially bring ETH into the DAO.

#### **Increase DEX Marketshare**

Uniswap will be the first DEX to come to market on Zora Network. It will start out with 100% marketshare on this emergent L2 network. The more than half a million addresses on Zora Network will have a single destination for DeFi.

Zora Network has an increasingly active user base with active addresses on Zora Network are up 50% MoM from December to January. And, that user base is earning ETH at a good rate with more than \$100k of ETH paid out daily on Zora Network in Protocol Rewards. Given these earnings and these levels of activity, there is a good chance these users will need stablecoins and other opportunities to protect the value their creating.

## **Success Criteria and KPIs**

For Uniswap, this is a unique opportunity to become the sole DEX on Zora Network, a breakout L2 for onchain creativity. This will help Uniswap win increasing amounts of creator affinity as you support the thousands of active creators and collectors around the world using Zora Network.

In addition, we consider this successful for Uniswap if we are able to:

- · Launch a successful commemorative mint to excite Zora's community about Uniswap
- Onboard Zora's onchain creative and developer community to Uniswap
- Partner with Zora on future Uniswap DAO activations, hackathons, etc.

For Zora, a successful deployment means creators, collectors, and the developers building on Zora Network are able to easily convert their ETH protocol rewards into other currencies without needing to bridge their funds from one chain to another.

We want to give our network participants the tools they need to convert the value they create on Zora Network into stablecoins and real world currencies they can use everyday. It also offers them security against the volatility of ETH.

By weaving Uniswap V3 seamlessly into this emergent network, we aspire to strengthen the ties between Uniswap and Zora, ensuring a mutually beneficial collaboration between our thriving communities.

### **KPI Summary**

#### **Brand Marketing**

- 7,777 unique collectors from Uniswap x Zora commemorative mint
- Increase Uniswap followers on Zora by at least 10k followers

#### Mint Performance

• 55k mints on Uniswap x Zora commemorative mint

(This would result in at least 24 ETH in protocol rewards that Zora will split with Uniswap per the above benefits section)

#### Uniswap Core Metrics

- 111 creators on Zora Network swapping on Uniswap
- 11 of erc20 tokens and LP pools launched on Zora Network

#### **Dev Education**

At least 1 Zora Network platform offers swaps on Uniswap

### **Timeline**

We have already deployed Uniswap V3 to Zora Sepolia Network. Next, the proposal will be in the RFC phase for a minimum of 7 days. After receiving feedback, a temperature check will commence to assess the DAO's desire to deploy on Zora Network. After all comments are addressed, we will follow up with a formal onchain vote to deploy Uniswap to grant the canonical status to Uniswap V3 on Zora Network, with this proposal updated to include the corresponding mainnet addresses.

# **Deployment Details**

As stated above, Uniswap V3 has been deployed to the Zora Sepolia Network. All contracts have been verified on the <a href="network block explorer">network block explorer</a>. We will update this proposal with the appropriate mainnet addresses before submitting this proposal onchain.

The approval of this proposal by Uniswap governance will result in the below contracts being deemed the canonical deployment on Uniswap. As is the case with all canonical v3 deployments, this deployment will be subject to Ethereum Layer 1 Uniswap Protocol governance. The text record of the uniswap.eth ENS subdomain titled v3-deployments.uniswap.eth will be amended to include the reference to the Uniswap v3 Factory contract on Zora Network.

Contract Name

Zora Sepolia Address

UniswapV3Factory.sol

0x4324A677D74764f46f33ED447964252441aA8Db6

UniswapInterfaceMulticall.sol

0xA1E7e3A69671C4494EC59Dbd442de930a93F911A

TickLens.sol

0x23C0F71877a1Fc4e20A78018f9831365c85f3064

NFTDescriptor.sol

0xf70C8a20496a5201Fd8D01F627c93aE39cDa1999

NonfungibleTokenPositionDescriptor.sol

0x5BC936a151Fb4CEBD14467Ca9CBf598b7E645fc0

NonfungiblePositionManager.sol

0xB8458EaAe43292e3c1F7994EFd016bd653d23c20

V3Migrator.sol

0x65ef259b31bf1d977c37e9434658694267674897

UniswapV3Staker.sol

0x5d298AAf21058d14436DBD36940dcB5542b8aFE8

QuoterV2.sol

0xC195976fEF0985886E37036E2DF62bF371E12Df0

SwapRouter02.sol

0x6B36d761981d82B1e07cF3c4daF4cB4615c4850a

#### Front End Considerations

Zora will deploy the <u>open source Uniswap UI</u> to a subdomain at <a href="https://zora.energy">https://zora.energy</a>. This front end will be made available to all Zora Network users similar to <a href="https://bridge.zora.energy">https://bridge.zora.energy</a>. Our goal is to ensure that there is an easy to use frontend interface for users to access the superpowers of Uniswap. Overtime, we will work with the Uniswap Labs team to get Zora Network added to the primary Uniswap website over time.

# **Bridge Details**

Zora Network is built on the open-source OP Stack. As a result, the bridge for Zora Network operates functionally identical to both OP Mainnet and Base – two OP Stack chains with canonical Uniswap V3 deployments already live. The bridge address is listed below, and more information on the OP Stack Bridge design is available <a href="here">here</a>. As a further convenience, Zora Network hosts a bridging interface at <a href="https://bridge.zora.energy">https://bridge.zora.energy</a>.

Contract Name

Address

Optimism Portal Proxy

0x1a0ad011913A150f69f6A19DF447A0CfD9551054

Optimism Portal

0x43260ee547c3965bb2a0174763bb8FEcC650BA4A

L1 ERC721 Bridge

0xDBCdA21518AF39E7feb9748F6718D3db11591461

L1 ERC721 Bridge Proxy

0x83A4521A3573Ca87f3a971B169C5A0E1d34481c3

L1 Standard Bridge

0xbF6acaF315477b15D638bf4d91eA48FA79b58335

L1 Cross Domain Messenger

0x363B4B1ADa52E50353f746999bd9E94395190d2C