

Cryptocurrency Backed by Oil

All of the stability of crypto. None of the volatility.



The Concept:

Oil is a highly volatile security, one that many people like to track and trade. Oil prices are in a constant flux, they can be high one day and drop the next. People tend to trade oil using spot or futures contracts in which they predict the price that oil will be in the future. Futures contracts can be below, higher or equal to the spot prices of the crude oil.

We have developed a method to streamline the process of trading in crude oil. Previously, people would have to use the West Texas Intermediate crude or Brent to trade in barrels of oil. With the development of our new cryptocurrency, people will have the ability to trade in barrels of oil directly through our token all on the Ethereum blockchain network. Our token is backed by value with 1 barrel of oil equivalent to 1000 tokens. This improves the process of trading oil with an immutable record of transactions on the blockchain and automatic executions of smart contracts. Tokens can then be redeemed for monetary equivalents in USD primarily or, if the owner of the token chooses, in barrels of oil.

The token will be ERC-20 compliant, which is the standard for all current and new tokens/cryptocurrencies launched to the marketplace. Ethereum is the best platform for the development of our currency. We will also have to try to get whitelisted so that we become more prominent in the public view. We aim to launch our token in an ICO of our own, which will have a soft cap and a hard cap.

We will set aside a number of tokens to be released to the public during our main sale and our employees will have a restriction placed on the trading/selling of their tokens until a certain date.

Business Model

A transaction fee will be implemented for every trade that is conducted involving our cryptocurrency. Additionally a reward will be given out to people involved in the completion of the bounty contracts and to the blockchain miners for solving the blockchain node. The difference between the transaction fee and the reward given to the promoters/coders will be the profit that we accumulate with our token.

Marketing:

To market our token, we will have to create a landing page/website with a whitepaper and timeline to lay out the process for which we will create and launch our ICO. Considerations of a bounty system will be evaluated and possibly implemented to promote our new token and bring in as many investors as possible. A bounty is like a

challenge or task people need to complete in order to receive rewards, usually in the form of our cryptocurrency token. These tasks may include retweeting, commenting on a post or youtube video, upvoting on a thread, etc... This is a method of marketing our token more autonomously using the community.

Other methods of marketing of marketing may include a paid advertising campaign through agencies or launching our own marketing campaign through social media sites such as Facebook, Google, and Twitter. We can also communicate to the community through forums like Reddit and Slack, which have massive communities for ICOs. Another method would be through in person marketing on roadshows and events. ICOs have risen in popularity and there are many events for ICOs throughout the year where developers can talk in person to potential investors. These events can help build credibility as we can show demos and talk about our product to bring in investors.

Launching the ICO

We will plan to create three parts of the sale - a private sale, pre-sale, and main sale. The crowdsale will be launched using a campaign wallet via MyEtherWallet from Ethereum's website. A private sale will be launched, with possibly lower prices, to exclusive investors to help build our credibility and raise funds early to reach our soft cap. The pre-sale will be launched to gauge interest and leverage that interest into marketing our token for more wide appeal. The main sale will then be launched and last for approximately one month to possibly two months. This sale will be open to all investors and will be the time to absolutely reach our soft cap to be considered a success. Any excess coins that are not sold will be burned and funds will be unrestricted at a future date.

Post ICO and Beyond

After the completion of the main sale it is important for us to update our whitepaper and landing page focussing on the expansion of our token. We should aim to be listed on exchanges such as Coinbase, Binance, EtherDelta, Bancor, and Bittrex and also update the token circulation count.

Oil is a nonrenewable resource and experts say we are depleting our Earth's supply at a rapid rate. In the future we can look to expanding the concept of our token to apply to more renewable and green energy sources.