PRELIMINARY WHITEPAPER V1
Bounti
Next-generation monetization platform for content creators

2018

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One-Page Summary

Introduction to the issue

Video and live streaming sites have seen rapid growth in recent years. Twitch.tv, acquired by Amazon in 2016, saw an increase in concurrent streamers of 67% in just Q3 2017 alone. Results are even more impressive in Asia, where about 350 million people – more than the entire population of the United States of America - have reportedly used live streaming sites or apps. It is clear that this is not a passing fad, but a long-term trend showing that consumers are increasingly appreciative of the personal connection developed through video logs and livestreams.

However, all is not rosy. Content creators have begun to express frustration with the current state of content monetization. Video and livestream producers are almost always at the whim of large advertising companies, such as Google ads, or Payment processors like PayPal. These services are often marked by random demonetizations, donator-initiated chargebacks, and an overall lack of transparency. This all contributes to the current situation: where creators who provide entertainment to millions of people are not receiving the compensation they deserve.

Our Solution

Bounti will be a content monetization platform, powered by the Stellar Blockchain. Bounti will address the issues outlined above, all while also providing quick transaction speeds of five seconds, and a transaction fee of less than half a cent. A variety of integrations with common services will also be developed to further adoption and provide more features to all Bounti users. To interact with these services, users will use the **Bounti Token** (BNTI), an asset deployed to the Stellar blockchain.

Token Crowdsale and Details

The majority of tokens will be distributed through a crowdsale, open to most buyers around the world. Remaining tokens will be used in partnerships and community development. Purchasers will be able to trade their Stellar (XLM) or Ethereum for Bounti Tokens while the crowdsale is active.

Total Supply: 100,000,000 Tokens
Platform: Stellar
Amount to be sold in crowdsale: 60,000,000 (60%)
Price per token: $0.1/each ($6 million hard cap)
Date: Tentatively scheduled for late Q1 2018

The Problem: Issues with traditional content monetization

"YouTube is playing favorites, and it all comes down to advertisers" -Polygon
"Fans Have Been Scamming Gaming Livestreamers Out Of Hundreds Of Pounds" -Popbuzz
"YouTube creators are frustrated that a bot keeps demonetizing their videos" – The Verge
"Patreon's Fee Change Stokes the Ire of Creators" – Fortune

These headlines, all from the past year, are mere drops in an ocean of complaints about existing content monetization systems. This highlights the increasing amounts of disdain that creators on the most popular platforms feel. While these problems have always existed in some form, they were brought to the forefront of public attention in late 2017, when many prominent video and stream producers publicly decried YouTube, Patreon, and other large platforms.

Currently, the most pressing issues are:

The "Adpocalypse"

Imagine you are a video producer on YouTube. In the past month you have spent hundreds of hours on writing a script, recording video, and editing. You put the finishing touches on the final product and upload your work, which proceeds to garner millions of views. However, you see that your video has been flagged as unsuitable for advertisers. A week later, you check your revenue and see that you have made exponentially less profit than the average $2000/million views that you were expecting. You are the most recent victim of the "Adpocalypse".

YouTube has recently begun "demonetizing" videos. This, in short, means that said videos are flagged as unsuitable for advertisement, and as such generate very little revenue compared to a normal video. While this feature was initially intended to be used for severely offensive videos, it has started to flag certain videos not in clear violation of the rules. Many of those who rely on YouTube advertisements as a primary source of income are now in a state of turmoil.

 The livelihoods of creators should not be purely dependent on faceless, nameless algorithms run by large corporations. Bounti aims to put power back into the hands of content consumers in rewarding their favorite creators.

Chargeback Incidents

Streamers on platforms such as Twitch are often the victims of chargeback scams. Refer to the following diagram:
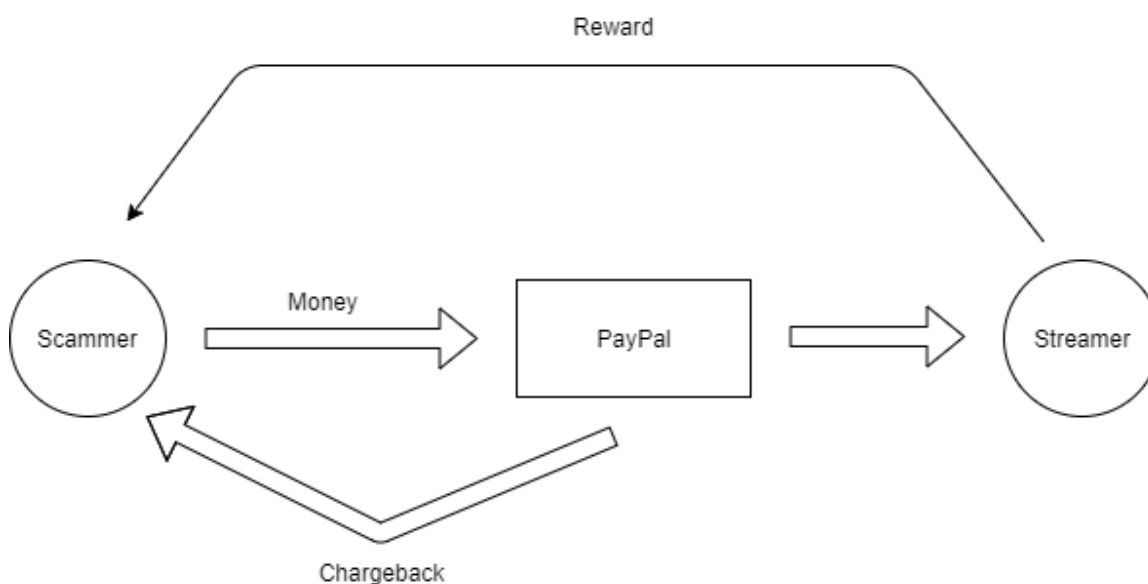
To execute this fraud, a scammer simply needs to send money to a streamer's PayPal through a service such as StreamLabs. The streamer will then reward the "donator" in some way (often in the form of a shout-out or response to a question). Then, the scammer merely can claim that their account was hacked, which can cause the payment processor or credit card company to refund the money. In the end, the streamer gives away an irrevocable award yet receives no compensation.

Bounti would like to stress that this is through no fault of StreamLabs or other donation services, but rather the archaic centralized payment infrastructure itself, which is wholly unequipped to handle peer-to-peer microtransactions. Our blockchain solution, on the other hand, will offer completely irreversible microtransactions impervious to the threat of chargebacks.

Uncertainty

These issues lead to content creators having uncertainty over the amount of their next paycheck. Although fluctuations are to be expected, demonetization and chargebacks exacerbate creators' uncertainty to unprecedented levels. When a creator's livelihood is threatened, their content suffers. Bounti will provide much-needed financial security to creators who produce valuable content.

The Solution: An Introduction to Bounti

Bounti will not just be a cryptocurrency, or just a platform, but rather a whole ecosystem of tools, initiatives, and projects aimed at growing and disrupting the content monetization industry. Considering the ever-increasing improvements that blockchain architecture has undergone in past years, Bounti will include a cryptocurrency utility token that will be used to interact with our platforms and APIs.

Hundreds of cryptocurrencies have been developed for a variety of use cases. The decentralized nature of blockchain technology allows for swift transactions and a trustless system, all of which are important in a micropayments environment. Bounti aims to leverage these features in unique ways to improve the ways that creators monetize their content online.

Our aim is to put more power into the hands of consumers to support their favorite online producers. By removing the middle-man and bridging the gap between these two groups, everyone will benefit. Artists will be able to grow their brand and monetarily receive support from their fans, enabling an instant feedback structure, leading to higher quality content. Everyday users will also benefit from the improvements that Bounti delivers, as Bounti will drastically reduce the friction for fans to donate and received rewards.

Creators on a variety of content platforms have long cried out for alternative ways to receive funding for their work. In the same vein, fans have also begun to search for alternatives that would provide benefits for their favorite creators. Bounti has the advantage of providing immense utility to content producers, who will in turn promote our technology.

Core Principles

Ease of Use: Bounti will not just be targeted towards cryptocurrency enthusiasts, but also the public at large. In order to get mainstream consumers on board, it is imperative that we allow users to easily utilize all the features that Bounti has to offer.

Instant, Irreversible Transactions: It is imperative that microtransactions on the Bounti platform are completed within seconds, and cannot be reversed.

Transparency: By nature, all cryptocurrency transactions are visible on a public ledger. Bounti will extend this philosophy to encompass actions that the Bounti team takes. Token holders will be able to vote on the direction that Bounti proceeds in.

Adoptability: Efforts will be undertaken to ensure that early adopters of Bounti's technology will be able to seamlessly integrate our technology with their current workflow.
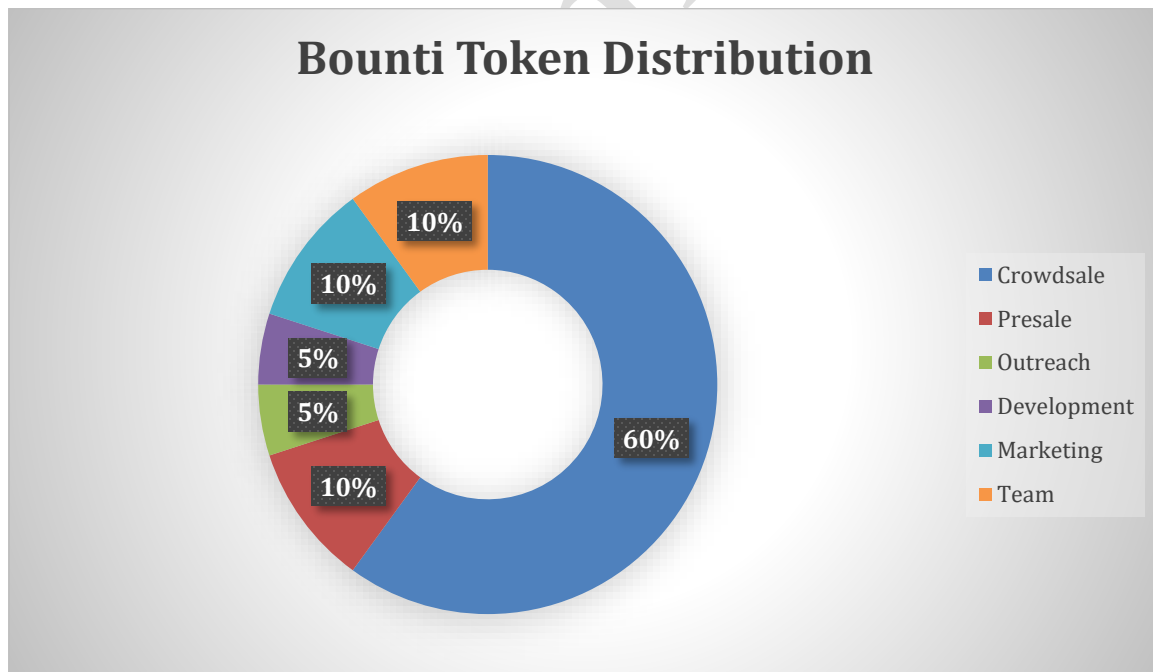
The Bounti Token

Tokens are the lifeblood of the Bounti ecosystem. Bounti Tokens (BNTI) will be utilized to facilitate monetary payments, as well as pay for certain fees on the platform. As well, developers building additions to the Bounti platform through APIs will have the option to charge Bounti tokens for access to their software.

Users will be able to transact Bounti tokens through the Stellar network. Wallets such as the Stellar Desktop Client or Papaya will be able to store, send, and receive Bounti tokens. Tokens will also be tradable assets on the Stellar Distributed Exchange, which can be accessed through web clients like StellarTerm. Through the Distributed Exchange, users will be able to instantly and seamlessly convert their tokens to Stellar Lumens and other assets such as Bitcoin or Ethereum.

The majority of coins will be sold in a public crowdsale. Purchasers will be able to exchange Stellar Lumens, Ethereum, or Bitcoin for Bounti tokens, which will be sold for $0.1 each.

Distribution

Bounti tokens will be distributed as follows:

Bounti Token Distribution

- Crowdsale — 60%
- Presale — 10%
- Outreach — 5%
- Development — 5%
- Marketing — 10%
- Team — 10%

Distribution Breakdown

Presale: A token sale giving especially enthusiastic buyers a chance to purchase tokens at a discounted rate of 30% off. 10,000,000 tokens (10% of total supply) will be sold in this fashion. The Presale will have a larger minimum contribution, tentatively set to be around $1,000 USD, to ensure that all purchasers have a base level of commitment to the project. All purchasers will be screened to comply with existing Know-Your-Customer and Anti-Money Laundering regulations.

Crowdsale: The main token-generating event, the crowdsale will be the event that distributed the majority of tokens to the public. Up to 60,000,000 tokens (60% of total supply) will be sold at the standard listed price of $0.1/token. Crowdsale participants will also be required to comply with KYC/AML laws.

Marketing: 10,000,000 tokens (10% of total supply) will be dedicated to supplement marketing funds. These will be used to produce promotional material such as posters and explainer videos, as well as form partnerships with prominent content creators on large platforms such as YouTube or Twitch.

Community Outreach: These tokens, 5% of the total supply, will be given out as rewards for bounties such as whitepaper translation. In addition, some of these tokens will be allocated to incentivize new community initiatives and challenges on forums and the Bounti subreddit.

Development: 5,000,000 tokens to be used for various tasks in the development of Bounti and its features. These will primarily be distributed in events similar to Stellar Build Challenges to encourage new developers to build applications on the Bounti platform.

Team: It is important that each team member is personally invested in the success of Bounti. As such, we have decided to reserve a small amount of tokens for the team themselves. However, there will still be strict restrictions on the volume of tokens that each team member can sell in a given year. 10% of the total supply will be distributed to Bounti team members. Team members will not be able to sell these tokens within the first year after the crowdsale concludes. Each team member will then be only able to sell 25% of their holdings each subsequent year.

Please note that some of the above distributions may possibly be changed in future. These are the marketing, community outreach, and development allocations. However, the total supply and amounts allocated towards the pre-sale, crowdsale, and team will not be changed once the asset has been deployed to the Stellar blockchain.

Why Stellar?

Stellar, initially released in 2014, has taken the cryptocurrency world by storm. As of January 27, 2018, Stellar's native asset stands as the sixth most valuable cryptocurrency by market capitalization, at an astonishing 11 Billion dollars. This growth is not even the most impressive aspect about the Stellar network, however. Bounti has decided to utilize Stellar as opposed to other cryptocurrencies such as Ethereum for the following reasons:

Low Fees: Ethereum has recently become the recipient of criticism due to high transaction fees during times of network congestion. These fees tend to be around $1-2. Although this may not seem consequential for some projects, Bounti requires a network that is able to facilitate microtransactions between parties cheaply. Stellar's transaction fees are around $0.000006 per transaction. In other words, for the same price that a singular transaction on the Ethereum network might cost ($1), a Stellar user can send around 600,000 transactions.

Fast Confirmation Times: In the same vein as above, Bounti requires swift transaction speeds in order to compete with centralized micropayments services. Stellar's transactions generally take 2-5 seconds to confirm, compared to minutes or hours that other blockchains may take.

Amazing Developer Resources: First and foremost, Bounti is a project driven by community and developers. Bounti wants to make it easy for developers of all levels to create apps and extensions on its platform. Of course, it is then essential that proper, clear documentation is available for new developers. In addition, Stellar has a variety of official and community-made SDKs for the most popular programming languages: Javascript, Java, Go, Python, and C#.

Distributed Exchange: Stellar's distributed exchange is a godsend to all token projects. The distributed exchange allows for trustless, easy execution of a token crowdsale completely run on the blockchain itself. Furthermore, the distributed exchange enables users to trade their newly-bought tokens immediately after crowdsale, allowing for the immediate implementation of a token economy.

Welcoming Community: Bounti is not just for cryptocurrency enthusiasts, but rather all content creators and fans who want a better way for content to be monetized. Stellar's supportive and helpful community is a large plus to adopters who may be skeptical of the true benefits of blockchain technology.

The Plan

Bounti aims to be immediately usable post-crowdsale, with more features being incrementally added as time goes on. We have separated our timeline into two distinct 'phases' of development. The first phase will be focused on creating integrations with common content platforms, while the second phase will revolve around the development of the entire standalone platform itself. With our strategy, content creators will be able to utilize Bounti while the final product is still in development.

Phase One

### Bounti Alerts: Stream Donations

Using cryptocurrency for stream donations on sites such as Twitch.tv is currently an untapped niche that has not been explored. Currently, the most popular way that fans support streamers is through personalized donation messages that are read out by a text-to-speech program. These messages are often used to ask the Streamer questions on gameplay advice. Bounti Alerts will be a lightweight desktop client that provides streamers with the functionality to enable their viewers to send donation messages with Bounti tokens. Streamers will have the option of integrating Bounti Alerts with a service such as StreamLabs, but the client may also be run standalone and configured with broadcasting software such as OBS.
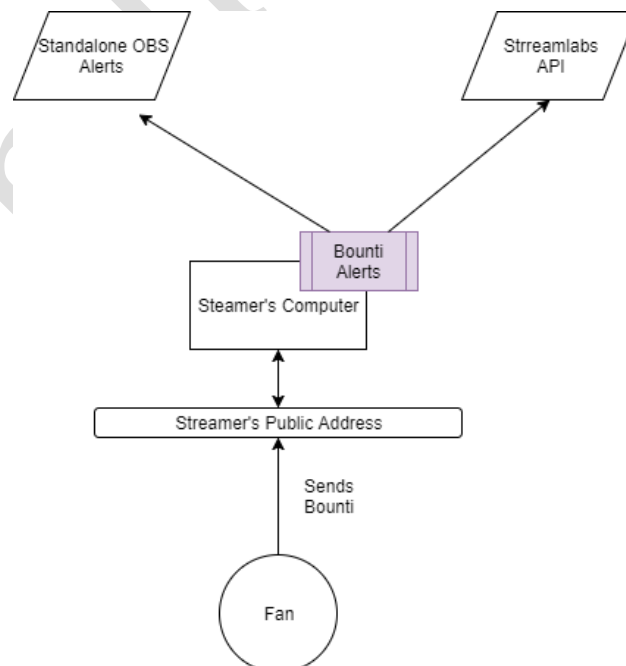
Bounti Bot: Reddit Integration

Reddit 'tip' bots have undoubtedly been a major positive force when it comes to cryptocurrency adoption. These bots allow any reddit user to open an account and deposit, send, receive, and withdraw coins. These bots are often used to reward posts that a community member finds valuable. Many cryptocurrencies, including Stellar, Bitcoin, Dogecoin, and Ethereum, have third-party tip bots maintained by community members, but Bounti will create on maintained by the main Bounti team. This will increase trust in the Bounti platform while also reducing the friction usually involved in opening a simple wallet account.
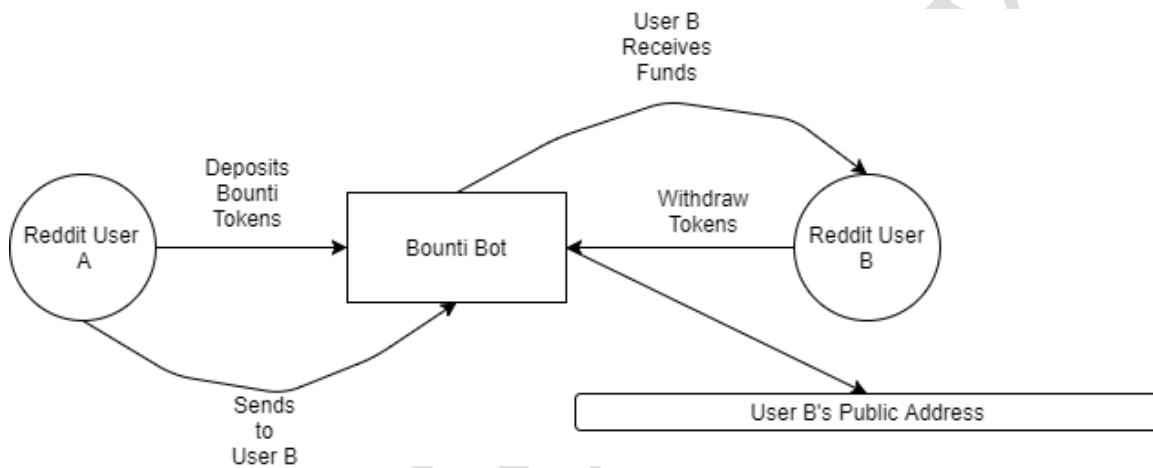
Example of a transaction using Bounti Bot. User A sends tokens to their bot account and then subsequently sends them to User B on reddit, who then withdraws the tokens to their public key.

Embeddable Tools

Simple embeddable tools such as buttons and payment forms will also be released, available for anyone to use and iterate on. These will come with specialized JavaScript libraries that can be included in any website. Embeddable tools will let anyone develop software and services that run on the Bounti platform.

Phase Two

After initial development of Bounti-enabled tools, our team will develop a more cohesive standalone platform for all content creators to use, regardless of content format, audience size, or country of origin. Using the Stellar blockchain, this platform will be decentralized and trustless, putting power in the hands of the users to utilize and build on to the platform in their own way. To remove friction from the adoption process, a fully-fledged, elegant front-end web application will also be developed for end users to run on their own machines as a modified Stellar blockchain client.

Subscription Content Platform

Sites like Subbable and Patreon have brought subscription content monetization models to the mainstream. To users, these provide a way for fans to support their favorite creators while receiving rewards in return. For creators, content subscription platforms represent financial independence from hosting websites or ad agencies, with creators being directly supported by consumers of their content.

However, a middleman is still present in current implementations of these platforms. Patreon, for example, takes a 5% fee in addition to payment processing fees. If one donates to a creator on Patreon using PayPal, the fee would be 5% in addition to PayPal's 2.9% plus $0.30. As one may imagine, this is a sizable portion of a creator's income being lost to the middleman. Considering the average Patreon pledge of around $2.50, the fee lost would be $0.47, almost 20% of the total amount donated. Although this effect is somewhat minimized with larger donation sizes, creators still lose much of their potential income.

Bounti's subscription content platform boasts fees as low as the Stellar network itself: 100 stroops per transaction, or a flat fee of around $0.000005 per transaction. This, of course, would enable creators to take home over 99.9% of their donation revenue, enabling them to deliver higher quality productions.

The subscription content platform will be completely accessible through only the Stellar network, but web and mobile GUIs will be developed. Certain API endpoints will be exposed, allowing any developer to add new features and extensions to the Bounti platform. Optionally, developers will be able to sell access to their extensions for Bounti tokens. This will create an entire ecosystem of potential integrations across many sites, branching out into content platforms worldwide.

Community Engagement

As with any blockchain project, community is vital to Bounti's growth. As such, we have included it in our strategic plan. We have planned for multiple community initiatives for regular token holders, blockchain developers, and content creators. By targeting these three areas we hope to organically develop a welcoming, diverse community of people with different levels of expertise.

Social Media Challenges: Entry-level programs that enable anyone to contribute to Bounti. These may be held on Twitter, Facebook or Reddit, aimed at increasing public awareness of the project.

Bounti Code Competitions: Competitions that reward the best apps utilizing the Bounti token and/or platform. These will incentivize developers of all levels and types to think of new, creative use cases for Bounti technology.

Merchandise Design Challenges: Challenges designed to compensate designers who incorporate Bounti branding in their work. This would, for example, include t-shirt or baseball cap designs. Bounti will also work with winning graphic designers to mass-produce their products. Of course, if this does occur, the graphic designers will receive additional bonuses per product sold.

Early Adopter Program: Initiative providing Bounti integration support to prominent creators. A nominal amount of tokens will also be given to some creators dependent on variables such as subscriber and view count, to increase said creators' personal investment in the success of Bounti.

Referral Program: Rewards for community members who refer others to the Bounti project website, Reddit, and social media.

Bounty Program: Incentives for tasks such as whitepaper translation or promotion.

Market Opportunity

Content Hosting Sites

These figures show the potential market that platforms such as Bounti can capture.

Youtube: Over 1 billion monthly active users, over twenty-five percent of the entire world's internet-connected population. Ranked the second most visited site.

Twitch: Over 100 million monthly active users. Ranked as the 31st most popular website in the world according to Alexa. Experienced massive growth of 67% per quarter in the latter half of 2017. Valued at billions of dollars. Experienced massive streamer growth of 197% in 2017. The gaming content industry is valued at 3.8 Billion dollars.

Chinese live streaming apps: Used by half of China's entire internet-connected population – 350 million people, more than the entire population of the USA.

Podcasts: Steady, consistent growth rate of 10-20% per year. The burgeoning podcast industry is already valued at over $250 Million.

Donation Content Platforms

These are some statistics that highlight the success of initial entrants into this rapidly-growing market. Bounti, through the use of blockchain technology, will disrupt this space and capture market share for itself.

Patreon: Recently valued at $450 million dollars and quickly growing. Processed over $150,000,000 in 2017.

Stream labs: Over $100 million in tips processed yearly. Covers streamers on Twitch, Youtube Gaming, and other platforms.

Twitch Subscriptions: Estimated at over $50 million in revenue. However, Twitch.tv generally keeps most of the revenue gained from subscriptions for itself.

Kuaishou: A Chinese platform, Kuaishou allows users to donate to give 'stickers' to creators. Through this model, they have achieved $400 million in yearly revenue.

It is clear that there is an incredibly large amount of demand in this space. However, these platforms have been plagued by high transaction costs, fee increases, and centralization. Bounti will remove these shackles to create an optimal experience for both creators and fans.

Public Token Crowdsale

The token crowdsale will being in late Q1 or early Q2 of 2018. It will last for a maximum of thirty days. The Bounti Token will be sold as an asset on the Stellar network. In the event that a few tokens are left unsold, they will be burned.

Funding Goals:

Expected amount to be raised: $3-4 Million
Maximum amount (hard cap, excluding bonuses): $6 Million

Why this amount?

We believe that this is the optimal amount of funding to deliver on our promises. We scoured through past companies in this space on Crunchbase and found that this is about the typical amount of money raised in seed rounds in the online content industry. In addition, we are choosing to begin with a slightly lower valuation compared to other utility token sales to heighten the potential increase in the value of Bounti tokens after our crowdsale.

However, we are still prepared to put in the extra work in the event that we fall short of our goal. We are committed to our mission of revolutionizing the content monetization industry.

Bonuses

Below is a table of bonuses that buyers will receive at various stages of the crowdsale and pre-sale.

Bonus	Stage (Ends when either goal is met)
30% off ($0.07 per token)	Pre-sale
25% off ($0.075 per token)	Round 1: Days 1-5 or 10,000,000 sold
15% off ($0.085 per token)	Round 2: Days 6-10 or 25,000,000 sold
10% off ($0.09 per token)	Round 3: Days 11-15 or 35,000,000 sold
5% off ($0.095 per token)	Round 4: Days 16-20 or 45,000,000 sold
Regular Price ($0.1 per token)	Round 5: Days 20+

Accepted Currencies

Stellar Lumens (XLM) will be the preferred currency for participation in the crowdsale. The option to use Ethereum (ETH) will also be available from a hosted version of Bifrost, a demo of which can be found at https://bifrost.stellar.org. Other cryptocurrencies and cryptocurrencies may be manually accepted for big purchases on a case-by-case basis.

THANK YOU FOR READING!

For more information please contact us:
contact@bounti.tech