



a new era for **SMART** startups



Real World Case Studies for SMRT

The SMRT token and the SMRT smart contracts platform represent a layer above the basic technology of blockchain in the way that Uber, Airbnb and Facebook represent a layer above the basic technology of the internet. At present, most serious ICO's and blockchain developments are concentrating on the technology and decentralisation aspects. Our approach is to focus less on these core attributes and more on solving some existing problems we are experiencing right now with startups and small businesses. By addressing and solving some of these problems, we have unintentionally found a way to help businesses be 'born global' and enter the world of blockchain seamlessly.

This abstract from our whitepaper outlines some of the problems facing startups and small businesses and our approach to solving them:-

Starting a business is a voyage into the unknown, involving many uncertainties with concerns such as: Is my idea the right one at the right time? Am I the right person to make it work? Can I get the right level of funding? How do I get going before somebody steals my idea? What happens if I can't agree a decision with my business partner? How do I enforce my agreements, in particular those that relate to low value trades? There are so many variables making it very difficult to make the right decisions. However, you can distil many of them down into a few categories, which now have various platforms providing solutions to this startup ecosystem:

- a) Business Formation and Shareholder Arrangements
- b) Intellectual Property and Trust
- c) Funding (Equity, Lending, Grants, Gifts and Alternative Finance)
- d) Trading (Buy/Sell agreements with customers and suppliers)

Legal contracts are the main solution to many of the concerns arising from wanting to start a business and its early stage development. Until now, these expensive legal agreements have involved restrictive regulations and time-consuming governance to adhere to their terms. However, they haven't properly solved many of the issues such as cross border finance, trade enforcements and a lack of visibility on 'return on investment' or transparency in the chain of events that take place. The emergence of Blockchain technology changes all of this and allows us to find solutions to many of the issues outlined. The creation of a dedicated suite of smart contracts by industry specialists, partnering with leading startup and small business platforms will drive the next generation of business transparency and contract execution at much lower costs.

We are working with a number of platforms and decentralised marketplaces in this space and the focus of the rest of this document is to outline how the SMRT token and our smart contracts work within their environment.

Case Study 1

TWELVE RONNIES

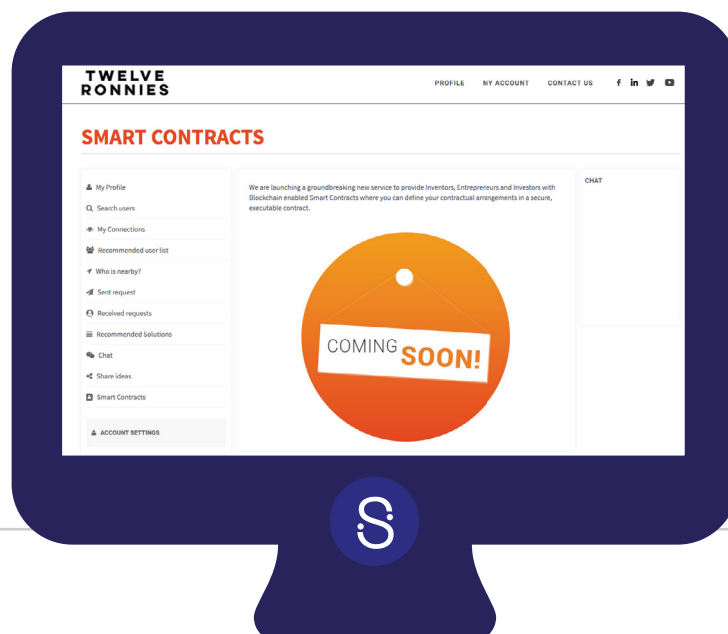
Twelve Ronnies
Matching Inventors with Entrepreneurs
www.twelveronnies.com

A single idea can build a city or a world. This is the joy of What if? Our society is rapidly moving towards a singularity where ideas will become the currency of creation, and exploitation will occur so rapidly that traditional IP protection, funding, commercial development and business structures will not be fit for purpose. Inventors are underfunded and beset by massive and unnecessary hurdles to get an idea to market. Twelve Ronnies overcomes these hurdles by matching inventors with experienced entrepreneurs who have a track record in commercialisation. Using smart contracts, Twelve Ronnies will create a trust based ecosystem where inventors can share ideas, team up with entrepreneurs and access investment to bring new inventions to market quickly.

The Twelve Ronnies platform works in a similar way to a dating platform, except that it matches inventors with entrepreneurs who have a successful track record. When we say inventors, that means anyone who has an idea for a business, including musicians, artists and creators.

Twelve Ronnies Smart Contracts

What sort of agreements do you make with your business partners, fellow shareholders, employees, the state, suppliers and customers when you start a business and it's in the early stages? How do you legally enforce small trades when it will cost more than its worth to take legal action? These are the areas that Twelve Ronnies will be addressing with its smart contracts. Inventors, entrepreneurs and small businesses will be able to utilise the SMRT token to purchase the smart contracts via an API that gives them direct access from the Twelve Ronnies site to the appropriate contracts on our SMRT Network. The interface will allow Twelve Ronnies members to select the appropriate contract template and customise it to produce an automatically enforced smart contract.



As an example, let's say an Inventor and Entrepreneur meet on Twelve Ronnies and decide to setup a business. They agree a 50:50 split and want a shareholder agreement and company formation documents. Through the Twelve Ronnies menu bar they can access the SMRT platform and select the appropriate document templates. They can enter their arrangement into the shareholder template, stipulating how dividends are paid and to which account for each shareholder. Once they convert the template into a smart contract and write it to the blockchain, together with the other company documents, these agreements are automatically enforced by the software code when the stipulated criteria are met. Dividends are paid automatically without chasing. If it's paid in crypto currencies then there are no third party bank costs. This is now a frictionless transaction. The Inventor and Entrepreneur have also formed a company that is by the nature of blockchain, global from birth. When they are ready to trade, they can use the same interface to purchase trading templates with local or overseas businesses.

Twelve Ronnies will be able to offer a smart contracts and a decentralised marketplace for its businesses by working with SMRT.



Jake Shaw

Entrepreneur, Creative Director and Film Maker

Jake has a background in making ideas work. His latest venture brings together his experience of the difficulties the creative world faces in obtaining funding and launching their ventures. Making films is exactly the same as launching an idea into the market. Inventors and creators often need commercial people around them. Jake's career spans the UK, US and Middle East and it is with this global outlook that he is embracing blockchain technology to help people start businesses that are born global on the blockchain, have frictionless transactions and the right combination of innovation and commercial experience.

Case Study 2



IdeasPatch
Funding Intellectual Property
www.ideaspitch.co.uk

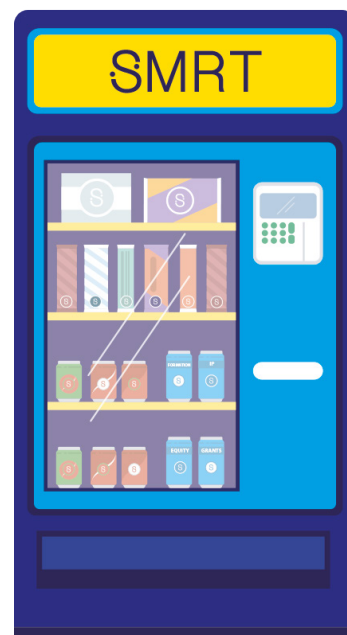
The idea is the fundamental of the business. The plans and strategies, the money you make, is all based on the idea. Inventors come up with ideas, they innovate, and if the idea can be commercialised then money can be made. One of the biggest hurdles inventors have is getting funding for their invention. Added to this, they are often very cautious of telling people about it for fear of the idea being stolen, and hence do not follow it through. Patents are a way of protecting the invention while bringing it into the public domain, but can be costly. When the idea is in its infancy without revenue being produced, there is very little money available to spend on patent applications, even for small businesses. IdeasPatch is a patent funding platform that connects inventors with angel investors so that the patents can be funded and the angels have an intellectual property asset to gain a return from.

This process requires a number of legal documents including membership terms for using the IdeasPatch platform. It also requires the formation of a holding company for the intellectual property (IP) and the assignment of the IP to this holding company. This necessitates a number of legal agreements between the inventors and investors. These agreements need to recognise shareholding, royalty payments, dividends, sale of equity and many more factors. Enforcing all of this and transferring funds can be a costly process. Smart contracts are able to automatically enforce these agreements and take much of the cost and friction out of this process.



IdeasPatch is going to be utilising the SMRT token as a gateway to the legal contracts described. Inventors and investors will be able to select the contract templates from the SMRT platform vending machine (see diagram) and customise them for the funding arrangement. The templates can be edited on the SMRT platform by the relevant parties or their legal representatives. Once agreed they can be written to the blockchain and are ready to function.

This real world case study highlights how our smart contracts can be used for facilitating the peer to peer funding of intellectual property. Many of the costs are taken out of the system this way, with the blockchain facilitating the funding and the storing of value. The SMRT token is needed to access the smart contract templates in our vending machine and unlocks a whole solution for inventors wanting to create businesses.



Simon Krystman Entrepreneur and Founder of SMRT

Simon is a passionate entrepreneur who has successfully set up a number of businesses in the digital and innovation space over the past twenty years; most recently launching a suite of products for startups and early stage companies. These revolve around intellectual property, crowdfunding and network building. He is a Cryptocurrency enthusiast with early investments in Bitcoin and is evangelical about the potential of blockchain to revolutionise the way we interact and build trust.

Case Study 3



Jolabokafloð CIC
Christmas Book Flood
jolabokafloð.org

Inspired by the legacy of over seventy years of the Icelandic tradition of Jólábókaflóð ('Christmas book flood', in English), Jolabokafloð CIC exists to encourage people everywhere to buy books to give to friends, family and members of their local communities as presents to read over Christmas. As well as the festive season, we also promote the concept of celebrating anniversaries, family holidays, and other festival and faith-based occasions, by the purchase and gifting of books to read.

Jolabokafloð believes that the underlying message of 'Buy, give and read' is a powerful blend of book promotion and reading initiatives, rolled into one, in which everyone around the world can get involved: publishers, authors, agents, bloggers, booksellers, librarians, teachers, activists and avid general readers alike.

We achieve our goals in a number of ways:

- Running Summer and Winter crowdfunding campaigns to support online catalogues in the Jólábókaflóð tradition that comprise book recommendations, personal bios and professional advertising
- Delivering a programme of luxury, bespoke events involving A-List talent within the framework of a private members' club
- Establishing a publishing imprint
- Promoting Icelandic literary culture
- Incubating a wide range of third-party crowdfunding projects for book-related campaigns anywhere in the world that support local communities and shared-interest groups
- Leveraging word-of-mouth via integrated digital and social media marketing campaigns



Jolabokafloð Smart Contracts

Jolabokafloð CIC is partnering with SMRT token to manage smart contracts within the publishing sector. These smart contracts are the means by which revenue is allocated between authors, agents and publishers.

For example, a literary agent may sign a smart contract with a publishing company that allocates revenue to many stakeholders according to an agreed framework of royalty commissions and rights sales payments (e.g. translation rights, territorial rights, secondary rights). The Author-Publisher smart contract is robust and durable, allocating fees and payments instantly and seamlessly on the retail sale of a book or title-related right. The bi-annual system of royalty payments calculated by publishing accounts teams will be replaced by real-time payments that provide cash flow for all the stakeholders in the contract. The terms of the contract are perfectly defined, which prevents mission creep, legal disagreements and rights disputes. Universal clarity in the contract allows the author and their literary agent to negotiate deals outside the scope of the original contract with new publishing partners (e.g. translation rights, territorial rights, secondary rights)

Jolabokafloð CIC will be facilitating a generic marketplace for SMRT contracts in the book-trade and publishing sector, helping establish new companies and business initiatives, exploit IP and copyright and secure investment.



Christopher Norris

Media, Publishing and Social Entrepreneur

Christopher has worked across a variety of sectors in the arts, media and entertainment industries. Starting out as an editor at Letts Educational, he was Consultant Producer for the ITV book series, YOU'RE BOOKED!; a pioneer of World Book Day UK; and Research Director at StoryCode, the online recommendation engine for fiction that featured on BBC TV's DRAGONS' DEN. He has a portfolio career of ventures that link book publishing, digital media, television, music and film.



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