TokenValley

White Paper (Alpha)

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www.tokenvalley.com

Contents

1   Abstract

Token Valley is a blockchain education network promoting social interaction and knowledge sharing among the casual, academic, and professional blockchain communities. We combine educational resources, tools for investment analysis, and social networking into a hub allowing cryptocurrency users to share valuable ideas and insights with each other. Encouraging users to share their expertise requires a fair accounting system that provides incentives to users based on their contribution.

To this end, Token Valley will integrate its own digital currency called the Token Valley Token (VAL). Users who contribute value to the platform will be rewarded in VAL based on our unique, Subjective Proof Of Stake (SPOS) consensus algorithm. A smart contract will then allow VAL holders to access a fund investing in the projects deemed worthy based on the data gathered and verified by members of the Token Valley community. The value of the Token Valley Token will be based on the growth of the funds invested and the ability of the platform to aid in investment decisions.

2 Executive Summary

The proliferation of digital currencies and distributed ledger technology has created tremendous amounts of wealth for early adopters and catalyzed a major influx of first-time investors investors hoping to get in on the ground floor, creating demand for an authoritative source of knowledge and a platform capable of nurturing the community. One in three millennials are expected to hold digital currencies by the end of 2018 and evidence appears to support the conclusion that the crypto community remains in the first or second stage of the adoption curve focused on the first 2.5% of adopters known as "Innovators" and the second wave of 13.5% called "Early Adopters." [1] [2]

The Global Cryptocurrency Benchmarking Study conducted by the University of Cambridge estimates the total number of cryptocurrency users between 2.9 and 5.8 million as of May, 2017 and studies estimate that the world currently has around 3.5 billion internet users and 2 billion without access to a bank account or basic financial services. [3] [4] [5]

Moving into early adoption means that developers and the tech-friendly innovators will make room for investors, academics, and laypeople interested in learning what cryptocurrency is about and how to get involved.

The cryptocurrency community uses a number of platforms to communicate and exchange information, including Telegram, Slack, Reddit, Twitter, Bitcointalk, and Facebook with discussions ranging from political and philosophical topics to due diligence and investment advice and despite the best intention of many analysts and platforms in our otherwise positive, diverse, and vibrant community, we believe that the haphazard distribution of cryptocurrency-related information poses an obstacle for many individuals wishing to delve into the field.

Increasing amounts of fraud recognized within this space compound the risks for new investors, which has traditionally been the reason superior investments have only be available to accredited investors. In the same way the popularity of email introduced a slew of phishing schemes attempting to steal sensitive information, the popularity of cryptocurrency has inspired a new generation of con artists intent on preying upon the less-informed users of digital assets.

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[1] https://themerkle.com/one-in-three-millennials-will-own-cryptocurrency-by-the-end-of-2018/

[2] http://www.valuebasedmanagement.net/methods_rogers_innovation_adoption_curve.html

[3] https://www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/global-cryptocurrency/

[4] https://www.statista.com/statistics/273018/number-of-internet-users-worldwide/

[5] http://www.businessinsider.com/the-worlds-unbanked-population-in-6-charts-2017-8?r=UK&IR=T

The existing investment community has a number of tools it uses to make decisions. These include not only charting and numerical tools, but ones that provide comprehensive data about a large number of investments such as Bloomberg, Seeking Alpha, Google Finance, and the SEC's EDGAR (Electronic Data Gathering, Analysis, and Retrieval system).[6][7][8] If new users can't understand the technology before them then our best intentions as a community will be for nothing.

Token Valley will create a platform for the collection and distribution of critical information necessary to understand cryptocurrency, make effective investment decisions, and effectively promote the advancement of critical technologies. Our financial education network to serve the cryptocurrency community as a professional hub for networking and information exchange. Digital currencies and distributed ledger technology has the potential to transform the way society thinks about value, but adoption depends on a fine balance between adopting new technologies to suit the skills of unfamiliar users and preparing those users to engage with something unfamiliar.

Thriving communities of token enthusiasts have found vibrant, temporary homes on message boards and private messaging applications but the time has come to step into the light with a platform of our own. The Token Valley website will contain the educational materials to equip a complete newcomer with the knowledge to comfortably invest and participate in the world of cryptocurrency. Modeled as a "Seeking Alpha for cryptocurrency." [9] Token Valley will feature "how-to" articles and videos, academic materials from blockchain-related fields, due diligence on ICO's and existing digital currencies, and a professional, community in the style of LinkedIn. [10] Our mission is to become the most reliable source of information for investors in blockchain technology and cryptocurrencies.

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[6]https://www.bloomberg.com
[7]https://www.google.com/finance
[8]https://www.sec.gov/edgar/aboutedgar.htm
[9]https://seekingalpha.com/
[10]https://www.linkedin.com/

3 Business

3.1 Products and Services

1. **Core Product: Token Valley Website**

   The Token Valley website will provide introductory materials, an overview of current and upcoming cryptocurrency projects, news, and events, and in-depth analysis of investment opportunities. Visitors can find detailed information on different digital tokens, including their rating, roadmap for future plans, and critical analysis from the community.

   To provide the most useful, timely information to users, the Token Valley website (www.tokenvalley.com) will include the following elements:

Feature	Description
ICO & Token Directory	Objective 'wikipedia-like' pages about each digital asset, which include: • Metrics such as market cap, token issuance, price, and charting tools • Information about founders, team, roadmap, history, and problems • Detailed 'score cards' that evaluate various aspects on a 1-10 scale including Team, Roadmap, Marketing, Social Media, Community, Legal, White-paper, Technology, Originality, Market Share, and more. There will be two scorecards: one derived from the opinions of Analysts, and one from general users • A display of anticipated price targets & dates,both by analysts and general users • Citations / links to all original source content • A feed of links to articles on Token Valley where that asset is tagged • A feed of links to news articles from around the world where that asset is tagged • A display of all existing bug bounties • A public Question & Answer section, where only a verified team rep can answer • Project Logo • A searchable / filterable database of ICO's, all with pages similar to the above • Charting tools • HOW-TO instructions on how to invest in each ICO
Community Network	User-created profiles that act as professional contact pages and a forum for original, curated content and analysis published by Token Valley Analysts, and general members.
News Aggregation	A curated feed of blockchain-related external news articles. This includes automatic keyword & ticker tagging
Industry Terminology	A dictionary of all industry terminology (300+ terms) and 1-2 minute explanation videos (similar to those found on www.investopedia.com [11])

Feature	Description
Exchange Descriptions & Business Directory	Business Directory of blockchain companies, including Wikipedia-like pages for all exchanges and crowd-sourced 'report cards' of these and other blockchain businesses
"Best Practices" Guide for Launching an ICO	Guidelines for startups interested in conducting an ICO
Blockchain Scholar	- Abstracts and meta-data of thousands of academic articles relating to blockchain - A closed discussion forum for academics and researchers to collaborate on topics relating to 'blockchain studies' - Eventually, an academic journal that brings together new articles about blockchain - Curated links to external educational sources - Internal educational courses
Q&A system	Community-based Q&A, with ICO/coin representatives participating
Event Calendar	A global directory of Blockchain conferences and events, including detailed information about city, location, time, cost, and what type of event it is, allowing users to filter for specific types of events within their city, etc.
Crypto Hedge Fund Directory	Listing of active funds/companies who invest in ICOs and blockchain startups
Bug Bounty Database	Listings of available and past bug bounties
Smart Contract Database	List of audited smart contracts with descriptions of features, functionality, and use case examples

Table 1: *Token Valley features/content elements*

2. **Core Product: ICO Analysis**

The Token Valley website will include due diligence on ICO's in the form of

analysis reports submitted by community members and Token Valley Analysts. Users will be able to curate community analysis to promote the most useful content

We have developed a rating system called the Token Valley Sentiment Index based on user polls, swarm polls, and other social metrics to provide a gauge on the community's feelings about different projects. ICO rating criteria will be evaluated by the professional analysts of Token Valley. The following set of questions are intended to be used to evaluate the legitimacy and viability of current and proposed projects (Token Valley rating system). These report cards and objective summaries will be very helpful in helping investors verify the reasonability of claims made by marketing campaigns and whitepapers:

Topic	Questions
Technology	- To what degree does the concept benefit from blockchain or smart contract functionality? Does the project proposal make sense and is the project an appropriate application of blockchain technology? Many projects could be easily done as another SAAS project or just on a central server - Another important aspect is the Github activity. How many commits are on Github and is the code programmed in a clear and structured way? - Technical analysts will check the code base and also perform a technical audit of smart contracts and other scripts - It's also important to note whether the proposed software is ready, if it's just an alpha version, or not a working product at all.
Token	How useful or necessary is the cryptocurrency? Is the digital currency just a vehicle to raise money and could also be done with an existing token? Many projects invent tokens with no real utility for the sake of holding an ICO. The Token Valley community checks the circumstances of the project and evaluates if there is a real utility value of the proposed token.
Funding/ Trans- parency	How is the project handling its funds? Some projects are very transparent on how they handle their funds, but some are not transparent at all. As an investor I want to know how responsibly the money is managed and if it's spent reasonably. Any lack of transparency will immediately lead to a bad rating of the project and even some warning signals.

Topic	Questions
Roadmap	Are there clear and specific deadlines for the completion of various parts of the project? Is the roadmap overly optimistic and within the current skill set of the founders and developers? Has any work been completed or are the investors betting purely on a white paper? What are the next steps forward and will the team continue development after the funding is attained?
Team	Are the team members involved in the project reputable? Are advisors listed for the sake of marketing or can they be expected to provide adequate support? Does the team have experience in their industry? Is the team tech or business heavy? The team is the most important pieces for a new project and will be weighted heavily in the overall score. A project needs a great team to succeed.

Table 2: *ICO Analysis Topics*

Community Values

Trust
The value of a community lies in trust. The trend toward decentralization aims to redistribute power in society by empowering individuals with "trustless" systems that allow users to communicate and conduct business without the need for a third party to verify the accuracy of the information; in this way, trust can be established between individuals in a way that previously required a centralized organization or intermediary.

Red Flag Detection
The Token Valley community will remain on vigilant watch for red flags and potential scams to dissuade members of the community from investing in disreputable projects. If one community member finds just one thing which might be critical he/she has the power of submitting that. Operating under the principle that "two heads are better than one," crowdsourcing analysis will allow us to significantly improve the maintenance of accuracy on due diligence reports.

Real Time Analysis
Crypto markets are open for trading 24/7, so while Europeans are on their lunch breaks, Americans are waking up to the markets rather than everyone observing a set schedule for trading. News can influence the market heavily and quickly invalidate a due diligence report submitted from an analysis provider. Information on cryptocurrencies and tokens needs to be accurate and provided in real time, and only then can it create real value for investors. Our tools will allow users to read the moods of the market as efficiently as possible.

Crowd Analysts

The approach of combining professional analysts from Token Valley with crowd analysts makes our platform unique. Token Valley wants to leverage the highly experienced members of the crypto community interested in contributing value by sharing their knowledge with the crowd. We plan to reward contributors who provide high quality content using a point system that will eventually be redeemable for tokens using performance indicators to gauge the accuracy of analysts' predictions.

3.2 Team

Token Valley Inc. is based in Canada with team members across the globe. We have been working on this project since May, though we have also taken time to act as consultants with another exciting ICO: www.oleum.io . For this, we took care of the smart contract development, website development, public relations / social media marketing, conference attendance (Devcon 3), and whitepaper. We have also travelled to China together to explore opportunities. Due to ease of regulation, we intend to base the ICO and possibly the relevant part of the business in Taiwan. The four founders of Token Valley include:

Elias Ahonen(CEO):
The author of 'Encyclopedia of Physical Bitcoins and Cryptocurrencies', Elias has been involved in the blockchain industry for five years now. Having previously worked in sustainability consulting in Africa, data analysis at BlackBerry, and as a geopolitical research assistant at Nanjing University (China), he is now the Founder & CEO of Token Valley, which aims to be the leading professional community and resource for the blockchain industry. The aim of the company is to grow internationally with several new employees planned for the first year. Recruiting is going to be a big topic

David Adams (CTO):
David is a tech-focused entrepreneur who has been building internet services since the early 90's. He has spent over two decades working with small businesses, fortune 500 companies, and governments around the world in the computer security and investment industries. Some of his specialties include algorithmic and high-frequency trading. David's educational background is in computer engineering and physics, and he has been actively involved with digital currencies for six years. He now holds responsibility for the technology and security side of Token Valley as its full-time CTO.

Seth Goldfarb (Content Manager):
An expert writer with experience ranging from social media management to technical writing, Seth's interest in the implications of cryptocurrency on economic equity has led him to the field of FinTech. Seth's role will focus on content management

and strategy, including the management of external freelance writers. The aim is grow Token Valley to a leading database in the cryptocurrency space.

Manuel Zeiler (Partnerships/PR):
Manuel Zeiler runs his own ad agency based in Switzerland. He has previously worked for the German government, the automotive industry, and for startups. He has been active in the digital currency space for two years, and is now responsible for Partnership Management and PR at Token Valley. Manuel will be responsible for marketing initiatives as well as partnership and PR management. This includes the creation of a relevant marketing strategy, finding suitable strategic partnerships and also trying to increase the public visibility and reach of the Token Valley platform.

3.3 Strategic Partnerships

Steve Hanauer: Steven is a Chartered Accountant in South Africa holding ACMA and CGMA designations through CIMA, which also qualifies him as a U.S. CPA. He has six years of experience in finance and treasury within the infrastructure and telecom industry plus three years of experience as a management consultant with McKinsey & Company. Steve has always had a passion for technology, experimenting with 3D printers when they were first introduced and occasionally launching amateur rockets. He has spent much of the past two years investigating blockchain technology and is currently working on listing a Bitcoin ETF on the Johannesburg Stock Exchange.

Other people include (bios to be added): **Max Wang, Valentin**

4 Technology

4.1 Platform

As part of the community, users will be able to to customize their own dashboard, join groups and talks, create new topics and trends, and submit content to gain respect and influence in the community. We offer a self-service community focused on networking and educational opportunity where we gather and display data from our platform and analyze that for forecast and trend discovery. Numerical data will be gathered from various Application Programming Interfaces (API's).

Our platform is built on the Drupal CMS platform written in PHP and the frontend uses bootstrap, [12] a framework to build responsive web apps. Bootstrap provides a mobile optimized version of our platform to give the users access to the community. We are connecting to APIs of other services to gather new information and integrate

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[12]https://www.drupal.org/

valuable information on the platform. Cryptocurrency pricing data comes from several sources including cryptocompare.com, which allows us to collect data from over 40 exchanges to produce informative visualizations and provide a better user experience using morris.js. For our public API we are using a REST interface with JSON calls.

4.2 Token Specifications

Token Valley will release a utility token to implement an incentive structure rewarding timely, accurate contributions to Token Valley's Financial Education Network. The tokens will be offered in an initial coin offering (ICO) in (approximately) early Q2 2018. New users will also be able to receive starter tokens upon account verification and content submissions.

Users will be able to receive VAL for contributing valuable investment analysis, peer-reviewed articles, and data points, or by curating content. Qualified users can also receive rewards for reviewing articles and disputes.

Token Valley has also a smart contract which allocates funds towards promising projects (according to the Token Valley platform data, gathered and verified by users) on behalf of everyone who wants to put money into the contract. Users burn Token Valley Token (VAL) to store their own money (ETH) in that smart contract. At the same time users who contribute content to the platform get rewarded with Token Valley Token (VAL) according to a weight of their contributions. Most users who contribute content are at the same time a smart contract user (Individually) with their own funds (and/or the VAL they earn from contributing). That way, they are incentivized to contribute high quality content to the platform since that will help their own funds in the TV smart contract to perform better. As the overall performance of the TV smart contract increases, more and more people will be using the TV smart contract, hopefully leading to further increases in VAL value.

Subjective Proof-of-Stake

Token Valley's blockchain education network will operate on a Subjective Proof-of-Stake consensus algorithm. A Subjective Proof-of-Stake consensus algorithm can be defined by the integration of user-determined variables attempting to account for the perceived value of contributions to the platform as defined by the network protocol. In other words, the distribution of new tokens generated on the platform relies on the judgement of users in addition to the source code that governs the network.
The ultimate value of VAL will rely on the demand for content generated by curators of the platform. For example, to the extent that the community prefers content
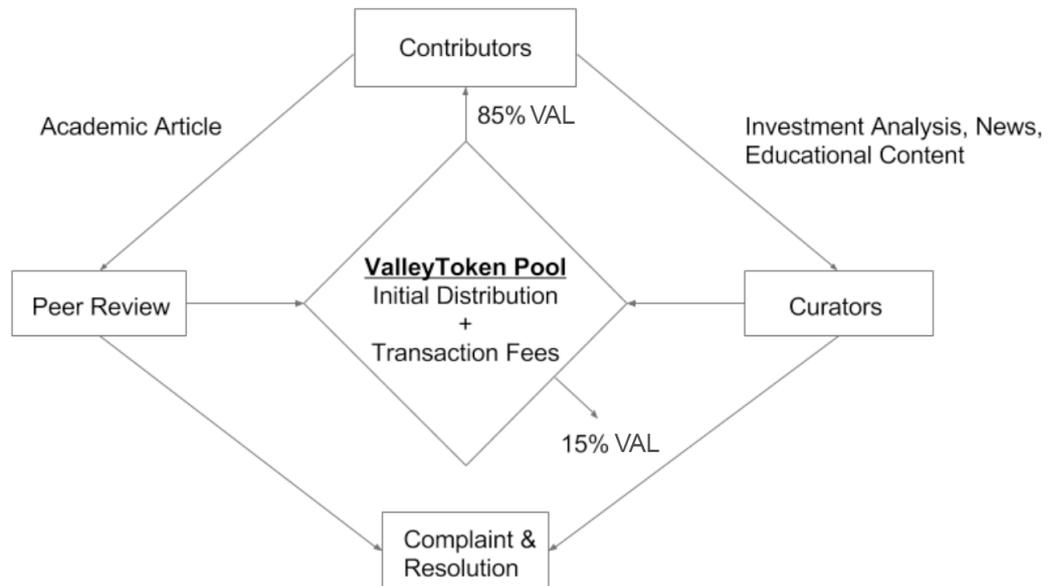
regarding Token A versus Token B we can say that content regarding Token A is more valuable in terms of VAL.

4.3 Reward Engine

Good content doesn't have to do with just the content itself; good content can be downvoted or not promoted because it reflects an unpopular opinion or may simply have been posted at an inopportune moment. The trick for Token Valley will be figuring out how to include a variety of variables to measure the value of user contributions. For example, an article with no likes but a high number of views might still qualify as good content and users who are qualified to offer investment or technical advice deserve to have their expertise considered from the get-go. The platform should also reward curation but not so much that it becomes more lucrative than posting for a majority of new users.

What can establish something as good content?

- Likes/Stars

- Article views and repetitive views from other users

- Reputation: Qualification as financial analyst/economist/etc., business success, vouchers from other users

Social networks have traditionally accepted spam, trolling, and low-quality content as an unfortunate byproduct of their platforms. The proportion of spam in email

traffic from October 2016 to March 2017 ranged from 53.36% to 61.66% and Facebook admitted in its August 2012 regulatory filing to 8.7% or over 83 million of its 955 million accounts being fraudulent. [13] [14] To discourage spam content submissions on the Token Valley platform, the reputation of users will be decreased.

The amount of influence a user wields when curating content helps determine the final weight of an article and the rewards received for content curation depend on how early a user upvotes the content and the final weight of the article relative to other articles in the established curation period. Submissions of investment and educational content will be evaluated by user-curators.

Payout Distribution

A static amount of VAL will be distributed to users for contributions to the platform after a set time period for judgment by the community. The amount of VAL distributed will be proportional as follows:

- Curation: 70%

  - Investment Analysis: 30%
  - Educational Content: 5%
  - News: 5%
  - Data: 30%

- Peer-Review: 30%

  - Peer Reviewed Articles: 20%
  - Peer-Review: 10%

Content Submission

Investment analysis, educational content, news, and data may be submitted for curation by fellow users. Content scores will be assessed over a one-week period based on the amount of "likes," article views, and total time spent reading the article. Scores are calculated relative to other content submissions in the 72 hours preceding and following each submission. At the end of the week, VAL will be distributed proportional to the weight gained by each piece of content.

Peer-Reviewed Articles

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[13]https://securelist.com/spam-and-phishing-in-q1-2017/78221/
[14]https://www.sec.gov/Archives/edgar/data/1326801/000119312512325997/d371464d10q.htm#tx371464_14

Users will be able to submit academic articles for peer-review by PhD Verified users. Academic article submissions require an article processing charge (APC), otherwise known as a processing fee, in addition to the standard transaction fee. 85% of the fee will be paid into a fund reimbursing users for peer-review services with 15% going to Token Valley to cover administrative costs.

Upon review, academic content will be rejected, returned for editing, or accepted. Users submitting rejected material will lose the transaction fee associated with their submission, users submitting material returned for editing will have their transaction fee returned, and users submitting accepted material will have their transaction fee returned with a reward.

Data Points

Users will be able to gain VAL by contributing useful data to the Token Valley platform

Content Curation

The most important factor in determining the value of content submitted to Token Valley is how the audience feels about the content. An effective rating system should do as much as necessary to determine the utility of an article without creating unnecessary complication. A system relying solely on "likes" may not effectively weed out spam, but introducing a "dislike" button can also draw the attention of those who simply may not like what an author has to say, regardless of whether or not it represents "good" content. Five-star rating systems may do a better job of determining how effective an article is rather than whether it is effective or not, but users may also be less likely to engage with a system using five choices instead of three.

Token Valley will use a "like" button and a "spam" button to ascertain the relative popularity and perceived value of content as determined by the community with the weight of a user's like determined by their reputation score as outlined in section 4.4 Reputation. A Voting Rate Limit (VRL) will be set and displayed and self-voting will not be allowed due to redundancy.

Capital Contributions

One major problem with some tokenized platforms promoting content distribution has been the capacity for affluent users to dominate the system by making significant investments of capital that allow them to reap a majority of the rewards distributed by the system. The amount of VAL a user holds will affect their reputation as weighted among other variables and will not significantly affect their ability to generate VAL through contributions to the platform.

4.4 Reputation

Token Valley will incorporate points, vouches, and user-provided credentials into a reputation system determining the weight of a user's vote in content curation and which users receive access to exclusive portions of the website.

<div align="center">

Points

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Reputation points determine the level of users on a system as denoted by badges displayed next to user's names and factor into the equation determining VAL distributions for content. A user's reputation score affects the weight of their content and curation contributions. As an example, users can start with 100 points, which can be upgraded to 250 after 100 other users vouch for that individual or provide proof of qualification as a financial analyst/economist/etc. Users can gain a maximum of 10 reputation points per day with a total of 1,150 reputation points available

Points	User Level
0-199	Newbie
200-499	Student
500-799	Trader
800-1149	Veteran
1150	Elite

Users generate reputation points by submitting useful data and analysis, being vouched for by other users, and curating useful content. Once users reach the maximum they must post one article every two weeks that successfully generates VAL to retain their status. Factors determining reputation will include:

- Accuracy of ICO price predictions

- Quality of content (can be amount of upvotes or so)

- Number of false information submissions

- Typos, grammar

- Number of submissions

- Number of logins

- "Troll factor"

Data accounting for the relative demand of investment analysis, peer-reviewed articles, and data will be used to optimize the distribution of VAL.

Action	Reputation Point Value	Max Points/Day
Data Submission	5	3
Submission: Bottom 10%	-1	-10
Submission: Middle 45%	1	3
Submission: Top 45%	5	5
Content Curation	0-1	5

Proposed Reputation Values

Vouches

Users will be able to vouch for the integrity of other users. The amount of vouches a user has will influence their reputation score and be displayed alongside other networking information.

User-Provided Credentials

1. PhD Verification: Unlocks the ability to provide peer-review of academic articles

2. CPA/Accredited Investor: Unlocks a special designation displayed by the user's name and the ability to provide hourly investment advice.

3. Economist: Unlocks a special designation displayed by the user's name.

Dispute and Resolution

To maintain the fairness of the system, users may appeal the decisions made by moderators or those conducting peer-review, or any errors they believe to have been caused by a malfunction of the platform. Disputes will be reviewed by moderators and accusations against specific moderators will not be available for review by the accused moderator

4.5 Smart Contract

As already mentioned above, Token Valley will have a smart contract, which allocates its funds towards promising projects gathered from the data from the Token Valley platform. Everyone who wants to allocate his/her personal funds in that smart contract needs to burn Token Valley tokens (VAL) to be allowed to access the smart capital allocation of the smart contract. By having the Token Valley Tokens

burned, we are avoiding a dilution of all token holders (VAL holders) and giving the token value and utility. It's also possible to give the tokens more utility in the future (e.g. governance function).

Holding VAL is thus comparable to having the right to access a crypto-focused hedge-fund. Anyone can buy into TV-A, TV-B, TV-C, TV-D, and/or TV-E funds using VAL tokens. VAL is designed to grow in value as a byproduct of blockchain research and education. Contributing to Token Valley is almost like working for a hedge fund: the user is paid in invested assets according to their contributions, and the value of those invested assets will grow in accordance with the quality of everyone's work.

The challenge will be to quantify the content and translate it into long and short positions for our smart contract. For that use case we are intending to work with a sentiment index and the use of machine learning/big data approaches. We are intending to publish a paper regarding that in the near term

5   Roadmap

Token Valley Roadmap

January 1, 2018: Token Valley Beta Launch
-Invite a selected group to participate inside our platform
-Get feedback from beta users to improve platform -Iterate and pivot functions according to test users

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March 1, 2018: Token Valley Launch
-Launch official first Token Valley version to our collected email list and community
-Have only a few but 100% working functions
-Focus on community growth

April 1, 2018: Token Valley Launch
- Launch both an Android and iOS App for the Token Valley platform
-Focus on mobile community growth

Mai 1, 2018: Partnership Announcements
-Announce several new partnerships (e.g. organizations, governments, universities, DAOs, etc.) for the Token Valley platform
-Find ways to cooperate with other blockchain projects as well

July 1, 2018: Token Valley Token Airdrop
-Have tokenization strategy full in place and working
-Airdrop a percentage of our tokens to active community members
-Improve and pivot tokenization system if necessary

October 1, 2018: Token Valley DAO
-Announce the Decentralization of Token Valley in form of a Distributed Autonomous Organization (DAO)
-Have regular governance meetings from our community
-Have a process for submitting and voting on proposals in place
-Let the community manage a fund and further developments of the Token Valley DAO (the founding team will only be part of a bigger fully decentralized community)

December 1, 2018: Token Valley Monopoly
-Token Valley becomes the decentralized platform for and sort of discussion in the crypto financial markets
-Leverage of positive network effects, other platforms have it hard to compete with the Token Valley DAO

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6 Market Analysis

6.1 Target Market

The Token Valley platform will be targeted at several user groups:

Hobbyists/Potential Investors
Enthusiasts, potential investors, and mainstream traders who want to know more about the crypto space.

Investors/Analysts
People who are knowledgeable in the crypto space including analysts, academics, developers, etc., and willing to contribute to the community. Token Valley will create an economy for investment analysis allowing analysts to reap rewards for providing quality content.

ICO and Cryptocurrency Professionals
Up-and-coming companies that have a solid idea and a capable team confident enough to go through a public and transparent evaluation of their idea. Existing tokens and cryptocurrencies will be evaluated as well.
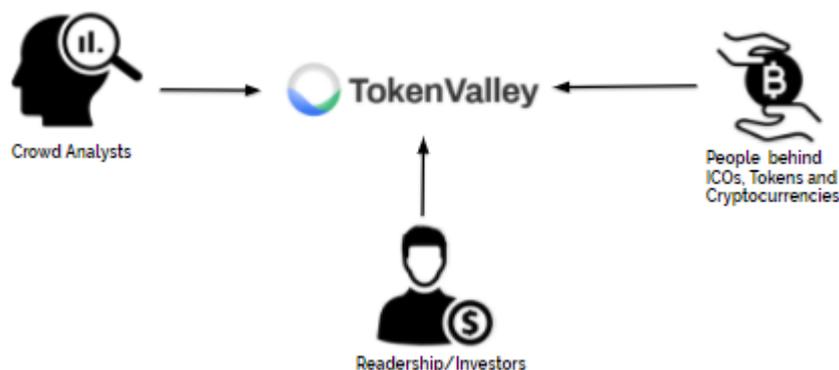

Figure 1: The Token Valley ecosystem

These are the main three target groups. The persona for all of those target groups can be defined as male, between 20 and 45 years old, tech-savvy, and/or interested in cryptocurrencies.

Token Valley's Unique Selling Proposition comes from our ability to provide a platform for the collection and dissemination of useful information regarding cryptocurrency. Our formula for creating useful information involves the combination of high-quality, professional analysis leveraging different statistics and the wisdom of

the community to make our predictions as accurate and relevant as possible. Those who rely on centralized reporting agencies miss out on key details provided in a timely manner by the community. A due diligence report approved by hundreds of people provides greater value than a report requiring the trust of one person.

6.2 SWOT Analysis

The SWOT analysis below shows the Strengths, Weaknesses, Opportunities and Threats of Token Valley.

Strength	Weaknesses
1. Focus on trending and growing market 2. Synergy of skills of the founding team 3. Several sources of revenue 4. High qualitative approach 5. Community focus	1. Increasing amounts of competition 2. No existing user base
Opportunities	**Threats**
1. Become leading web portal in the blockchain space 2. Gain momentum through "ICO gold rush" 3. Using weaknesses of other social networks (e.g. low quality due diligence, etc.	1. Becoming obsolete due other social networks 2. Lose credibility and transparency 3. Loose professionalism through the community aspect 4. ICO bubble pops 5. Legal risks 6. API usage becomes unavailable

Table 3: *SWOT analysis*

Strengths

A major strength of Token Valley is the trending growth of the cryptocurrency market. Other strengths include the synergy of the founding team, the several revenue sources of the platform, and the combination of high-quality information crowd-sourced from the community.

Weaknesses
Many other companies have already recognized this opportunity and have started building similar platforms. In our competitor analysis we are looking to leverage the weaknesses of other platforms. For the community and content building we are planning to both execute on content as well as community growth hacking strategy.

Opportunities
In a gold rush they say you don't want to be another guy who is digging for gold, you want to be the one providing the shovels. We want to provide the shovels by becoming a "Facebook for crypto," a go-to platform for social media in the blockchain space. We aim to claim that position and become the leading web portal in the blockchain space by providing high-quality, structured content while retaining the communal aspect of the social networks integrated within our platform.

Threats
Other social networks may pivot their products toward the crypto-community. This seems unlikely since the crypto audience represents a very small percentage of the overall user base of many platforms. Slack, for example, has made no attempts to pivot their platform and make it more friendly for crypto users in spite of its popularity in the crypto community. Token Valley may lose credibility and transparency if we suffer from security breaches, smear campaigns, or lawsuits. If the ICO bubble pops we could see a huge decrease in active participants in the cryptocurrency community, a decrease in crypto investments and a decrease in the potential user base from Token Valley. Token Valley needs a strong brand and to be dominant enough to sustain itself through potential volatility. Token Valley will provide a comprehensive disclaimer to avoid legal risks.

7 Risk Disclosure

The following is a list of possible risks associated with use of the Token Valley platform. Risks may include, but are not limited to:

1. Issues with the Ethereum Network

   As an ERC20 token hosted on the Ethereum network, any disruption in service from the Ethereum platform due to code failure, malicious attack, a clogged network, or any other problem that may arise would compromise the use of the Token Valley network.

2. Loss or Theft of Login Information and Security Credentials

   The first rule of cryptocurrency is that your are responsible for the security of your digital currencies. Login information and security credentials like private keys should be stored by the user in a secure, accessible location and all precautions should be taken to maintain the security of the computers used to access digital wallets.

3. Theft or Attack on the Platform

   Weaknesses or bugs in the code governing the application may create weaknesses that can be exploited by third parties or general malfunctions resulting in the loss of VAL.

4. Regulatory Action

   Actions taken by various governments may limit users in specific jurisdictions from use of the platform or the deployment of the platform as launched.

5. Advances in Technology

   Advances in the field of cryptography or computer science may create tools or technologies capable of interfering with the use of the platform.

6. Uninsured Losses

   Unlike funds held in banks or other financial institutions, digital currency held in wallets on the Token Valley or Ethereum platform are not insured by FDIC or any private insurer.

7. Lack of Adoption and/or Illiquid Markets

   Limited interest in the Token Valley platform, trouble in the markets, or a lack of interest from third-party exchanges may result in price depletion of VAL and failure of the platform.

8. Dissolution of Token Valley

   Unfavorable market conditions, development issues, irreconcilable differences, and intellectual property or other legal claims may affect the ability of Token Valley to function as a business.

9. Unanticipated Risks

   The field of cryptocurrency involved a variety of new technologies that may result in the emergence of risks unforeseen by the Token Valley team.

8 Disclaimer

This document is for informational purposes only and does not constitute an offer or solicitation to sell shares or securities in Token Valley Inc. or any related or associated company and should not be construed as an offer to purchase or invitation to subscribe to any securities or form the basis of, or be relied on in any connection with, any contract or commitment whatsoever. Any such offer or solicitation would only be made by means of a confidential offering memorandum and in accordance with applicable securities and other laws. None of the information or analyses presented are intended or should be used to form the basis for any investment decision, and no specific recommendations are intended. This document does not constitute investment advice or counsel or solicitation for investment in any security.

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