

# #ITMOVIO

GAMIFIED VIDEO ENTERTAINMENT PLATFORM  
FOR THE FORTNITE GENERATION

June 5th, 2019 | White Paper V1.0





## DISCLAIMER

This white paper is for information purposes only and may be subject to change. This white paper does not constitute an offer or solicitation to sell securities. Any such offer or solicitation will be made only by means that are in compliance with applicable securities and other laws. No information or opinion presented herein is intended to form the basis for any purchase or investment decision, and no specific recommendations are intended. Accordingly, this white paper does not constitute investment advice or counsel or a solicitation for investment in any security. This white paper does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or any invitation to offer to buy or subscribe for, any securities, nor should it or any part of it form the basis of, or be relied on in any connection with, any contract or commitment whatsoever. BitMovio, Inc. and its affiliates (collectively, the “Company” or “BitMovio”) expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (a) reliance on any information contained in this white paper; (b) any error, omission or inaccuracy in any such information; or (c) any action resulting therefrom.

The Company cannot guarantee the accuracy of the statements made or conclusions reached in this white paper. The Company does not make, and expressly disclaims, all representations and warranties (whether express or implied by statute or otherwise). This white paper does not constitute advice, nor a recommendation, by the Company, its officers, directors, managers, employees, agents, advisors, or consultants, or any other person to any recipient of this white paper. This white paper may contain references to third-party data and industry publications. As far as the Company is aware, the information reproduced in this white paper is materially accurate and such estimates and assumptions therein are reasonable. However, there are no assurances as to the accuracy or completeness of such reproduced information. Although information and data reproduced in this white paper is believed to have been obtained from reliable sources, the Company did not independently verify any of the information or data from third party sources referred to in this white paper or the underlying assumptions relied upon by such sources.

The Company makes no promises of future performance or value with respect to its proposed business operations or the tokens (the “Tokens”), including no promises of inherent value, no promises of payments, and no guarantees that the Tokens will hold any particular value. Unless prospective participants fully understand, comprehend, and accept the nature of the Company’s proposed business and the potential risks inherent in the Tokens, they should not participate in the Company’s use of the Tokens. Tokens will be purchasable or redeemable by eligible users (the “Eligible Users”) defined as any person or institution that can sell or receive Tokens while allowing the Company to comply with all applicable laws, including, but not limited to, securities laws, commodities laws, and AML/KYC laws.

No regulatory authority has examined or approved any information set forth in this white paper. No such action has been or will be taken under the laws, regulatory requirements, or rules of any jurisdiction. The publication, distribution, or dissemination of this white paper does not imply that applicable laws, regulatory requirements, or rules have been complied with. The Tokens may be impacted by regulatory action, including potential restrictions on the ownership, use, or possession of such Tokens. Regulators or other authorities may demand that the Company revise the mechanics and functionality of Tokens and the Company’s proposed operating model to comply with regulatory requirements or other governmental or business obligations.



## CAUTIONS REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this white paper constitute “forward-looking information” under applicable securities laws. In some cases, these forward-looking statements can be identified by words or phrases such as “may”, “will”, “expect”, “anticipate”, “aim”, “estimate”, “intend”, “plan”, “seek”, “believe”, “potential”, “continue”, “is/are likely to” or the negative of such terms, or other similar expressions intended to identify forward-looking statements.

Forward-looking statements are provided to allow potential purchasers of the Tokens the opportunity to understand the Company’s beliefs and opinions in respect of the future, including forward-looking statements related to the Company’s proposed operating model.

The proposed operating model speaks to the Company’s objectives only, and is not a forecast, projection, or prediction of future results of operations. The forward-looking statements are not guarantees of future performance, and undue reliance should not be placed on them.

Forward-looking statements are based on certain assumptions and analysis made by the Company in light of its experience and perception of historical trends, current conditions, and expected future developments and other factors it believes are appropriate. These forward- looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual future results, performance, or achievements of funds, cryptocurrencies, or the Company to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

These factors include, but are not limited to: (a) changes in political, social, economic, and cryptocurrency market conditions, and the regulatory environment in the jurisdictions in which the Company conducts its business and operations; (b) the risk that the Company may be unable to execute or implement its business strategies and future plans; (c) changes in exchange rates of fiat currencies and cryptocurrencies; (d) changes in the anticipated growth strategies and expected internal growth of the Company; (e) changes in the future capital needs of the Company and the availability of financing and capital to fund such needs; (f) war or acts of terrorism; (g) occurrences of catastrophic events, natural disasters, and acts of God that affect the business and operations of the Company; (h) other factors beyond the control of the Company; and (i) any risks or uncertainties associated with the Company and its business and operations, the Tokens, the Credits, or the underlying assets. Although forward-looking statements contained herein are based upon what the Company believes are reasonable assumptions, forward-looking statements may prove to be inaccurate, as actual results and future events may differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or the Company’s estimates or opinions should change, except as required by applicable laws.



# TABLE OF CONTENTS

<b>DISCLAIMER</b>	1
Table Of Contents	3
<b>INTRODUCTION</b>	4
Overview Of The Video Entertainment Market Today	4
Fortnite As An Example Of The Freemium Business Model	5
Traditional Media’s Centralized Gatekeepers	6
Lack Of Accountability	7
Benefits Of Our Blockchain-based Approach	7
Bitmovio Is The Future Of Video Streaming	8
<b>TEAM</b>	10
Core Leadership Team	10
Advisory Team	12
<b>CURRENT TRACTION</b>	15
Signed Content Partners	16
Current Negotiations	17
<b>BUSINESS AND PRODUCT SOLUTIONS</b>	19
Ewallet And Blockchain	20
Video Streaming Infrastructure	21
Gamification And Interactive Experiences	21
Data Science And Recommendation	23
Reporting And Analytics	23
<b>TOKEN ECONOMICS AND NETWORK DYNAMICS</b>	23
Movibits Token Introduction	23
Movibits Token Use Cases	23
Movibits Token Allocation And Use Of Proceeds	24
<b>PRODUCT ROADMAP AND GO-TO-MARKET</b>	26
Product Roadmap	26
Go-to-market	27



# INTRODUCTION

## Overview of the Video Entertainment Market Today

The entertainment industry is currently experiencing a level of disruption not witnessed since the flickering lights of the earliest television sets introduced to the American market around the time of the Great Depression first threatened the then-dominant medium of radio. The stranglehold of programmed linear content as represented in the United States by iconic broadcast networks such as CBS, NBC and ABC, Pay TV channels such as HBO, Starz and Showtime, multichannel video program distributors (MVPDs) such as Comcast and AT&T, and, in the film space, traditional theatrical distribution outlets such as AMC, is under existential threat by enormously well-capitalized technology companies such as Netflix, Amazon (including Twitch), Google (YouTube), and thanks to its recent entry into the streaming video space, Apple, among others.

These technology companies have achieved massive installed bases of subscribers and users in part by offering them over-the-top (OTT) video streaming services that offer users a wide variety of content, on demand, at a reasonable price point (in any case significantly cheaper than the old cable “bundles” such users were previously forced to subscribe to), with slick, personalized user interfaces, and the ability for such users to cancel at any time. One of the consequences of this has been that so-called cord-cutting - consumers abandoning traditional cable bundles and replacing them with one or more streaming services - has been on the rise.<sup>(1)</sup>

Never known for their innovation, and after years of sitting on the sidelines watching Netflix and other technology companies capture market share without any meaningful reaction, the major traditional media companies have finally responded by launching (or otherwise announcing imminent plans to launch) their own, competing OTT streaming video services. Indeed, within a couple of short years, traditional media companies including Disney (owners of ESPN, Fox and now Hulu), AT&T (which recently acquired the assets of Time Warner, including the Warner Brothers film studio and HBO Pay TV channel), Comcast (owners of NBC and Universal Studios), Discovery, CBS (owners of Showtime and perhaps very soon, Starz), WWE Network and Starz (currently owned by Lionsgate) will have launched subscription video on demand (SVOD) services at monthly price points ranging from \$5 - \$15 depending on the specific offering and what features are included (e.g., multiple device usage, 4K / UHD support etc.).

Some of these same major media companies have also begun preparing for the future in terms of digital / linear, ad-supported video on demand (AVOD) viewing as well. Viacom (owners of the iconic Paramount film studio and television networks including Nickelodeon and MTV) recently purchased for \$340 million the leading digital AVOD service Pluto TV, a pioneering video streaming business which was founded in 2012 to bring a lean-back, programmed, linear-style viewing experience to digital audiences.<sup>(2)</sup>

Within just a few short years, dozens of subscription and/or ad-supported video on demand streaming services will exist in the market.<sup>(3)</sup> It remains to be seen whether consumers, fresh off the cost-saving move of cord-cutting, will embrace such a large number of paid subscription services and instead perhaps whether they will increase their usage of free or ad-supported products such as Pluto TV, Tubi TV, Roku, Xumo and others. Indeed, it is the “free-to-play” space, albeit in the related entertainment category of gaming, from which BitMovio draws much of its inspiration.

(1) According to Nielsen, the company that made its name gathering TV ratings data, 14 percent (or 16 million) of U.S. homes now participate in the cord-cutting trend, which represents a 48 percent increase over an eight-year span. See <https://www.digitaltrends.com/home-theater/cord-cutting-nielsen-2018/>.

(2) <https://techcrunch.com/2019/01/22/viacom-buys-the-free-video-streaming-service-pluto-tv-for-340-million/>

(3) See, for just one source describing the many OTT services about to take the entertainment, sports and news industries by storm - <https://www.adweek.com/tv-vid-eo/ott-overload-all-the-media-companies-preparing-to-launch-new-streaming-services-in-2019/>



## Fortnite as an Example of the Freemium Business Model



Today, the most popular free-to-play game is *Fortnite*, the free-to-play ‘battle royale’ game from Epic Games that has garnered over 250 million total users (nearly  $\frac{2}{3}$  of whom at least on iOS devices are between the ages of 18-24), and has generated well over \$1 billion in aggregate revenue to date. Other prominent examples of free to play games that have come to dominate gaming include *League of Legends*, which has become one of the most popular eSports titles, with over 100 million players, *PUBG (Player Unknown’s Battleground)*, *Hearthstone* from Blizzard, and *Pokémon Go* from Niantic.

While games in this genre are fundamentally free to play, they rely on in-app purchases to provide users with access to various cosmetic updates to players’ characters, which are often released in limited-supply editions. *Fortnite* players for instance must convert money into the game’s in-game currency Vunderbucks (V-Bucks) to make these purchases. Each of the seasons in *Fortnite* for example has a loose narrative plot, and Epic Games has been known to introduce a range of different game modes to add variation, featuring different team-compositions or special add-ons.<sup>(4)</sup>

Partly due to the success of many such games, including not only *Fortnite* but also *Pokémon Go*, *League of Legends*, and many others, free-to-play or “freemium” games now represent over 80% of **all** digital game revenue, and over \$88 billion in revenue in 2018 alone.<sup>(5)</sup> The performance has been so impressive that even Netflix now considers *Fortnite* a formidable threat - perhaps even more formidable than its old nemesis HBO.<sup>(6)</sup> That Netflix - pioneers of the subscription video on demand business model who are leagues ahead of their traditional media competition in understanding their users’ preferences and viewing habits - would concede this is a very telling sign that the freemium model will be incorporated into video streaming sooner than later.

The shift from paid games to freemium has its roots in social and mobile gaming, with the introduction of a new purchasing technology, in-app purchases, into mobile apps by Apple in 2010 and Google Play in 2011. At that time, most games (and mobile apps in general) could only be bought from retail institutions such as GameStop or via online subscription, as in the case of *World of Warcraft*. This new payment technology opened up a new industry which has now become the fastest growing segment of the now \$100 Billion video game industry. Many video game developers ignored this trend for many years but could no longer do so when it became the dominant trend in video games today.

Similarly, we believe that today’s media companies are not preparing for the future of entertainment, enabled by a new payment technology, blockchain. Rather than simply subscribing to services like Netflix, many consumers will want to consume content piecemeal, and actually will prefer a freemium model where they can consume content for free initially and then purchase virtual currency which will allow them to allocate their limited budget for content across their favorite content creators.

(4) <http://www.businessofapps.com/data/fortnite-statistics/>

(5) <https://techcrunch.com/2019/01/18/free-to-play-games-rule-the-entertainment-world-with-88-billion-in-revenue/>

(6) <https://www.forbes.com/sites/johnarcher/2019/01/17/netflix-reveals-that-its-biggest-threat-is-fortnite/#385acd6a3763>



Moreover, free-to-play games such as *Fortnite* offer a level of interactivity that keeps users engaged, quite unlike much of what can be found on existing video streaming services, including but not limited to: (i) community features - chats, tasks etc. - which drive engagement and interactivity and are often essential to gameplay, (ii) a freemium business model which creates a very low barrier to entry for users - the game is literally free - yet monetizes very well in the long-run through microtransactions such as the sale of virtual items, or power-ups which enhance gameplay, and the like - simply put, the user experience is better the more one spends over time, and (iii) personalization features which enable users to create unique identities on screen through their choice of, for instance, virtual clothing and so forth.

Meanwhile, on almost all subscription or ad-supported video streaming services save YouTube and Twitch - and even on those sites only to a limited degree - there is virtually zero interactivity and engagement for users. Indeed, industry standard-bearer Netflix, which at one time encouraged users to leave detailed reviews of its content and to share their viewing behavior with their friends on social media, removed the last vestige of interactivity on its service recently by killing off the once-very popular user content reviews.<sup>(7)</sup>

Across the full spectrum of OTT services, from subscription-based offerings such as Netflix, HBO, CBS, Showtime, Starz, Amazon and (soon) Apple to free, ad-supported offerings including Pluto TV (now owned by Viacom), Roku, Tubi TV, Xumo and Crackle, the user experience resembles traditional, leanback television viewing more than anything that the *Fortnite* generation has grown accustomed to over the last few years. This is not the only problem facing the video entertainment industry as a whole.

## Traditional Media's Centralized Gatekeepers

Over the last several years, many traditional entertainment companies have merged and/or acquired one another, leading to an increasingly consolidated big media landscape controlled by only a handful of companies.<sup>(8)</sup> While this occurrence may make it somewhat easier for the surviving entities to compete with their big tech competitors (Netflix, Amazon, Google, Apple) for audience and viewing time, it has exposed all of the problems with centralized control as well. These platforms offer a wide array of content, but in each case they exercise full editorial control over which content is made available on the service; there is no creator "right" to be published on Netflix, for instance.

Even "user generated content"-driven companies such as YouTube have large and well-paid content acquisition teams spending top dollar to attract the likes of the original *Cobra Kai* TV series to its platform and - more troublingly - have even begun to censor and 'hide' content and creators that it deems - in its sole discretion of course - not worthy of an audience on YouTube.<sup>(9)</sup> Indeed, an early content creator partner of BitMovio's, the paranormal-focused creator "Scottish Paranormal," has begun distributing his content on BitMovio as opposed to YouTube because of the way that YouTube has been increasingly de-monetizing content creators who work in the paranormal genre. Sean Stone, creator of the hit *Buzzsaw* paranormal / conspiracy series and son of acclaimed Hollywood film legend Oliver Stone, has also begun distributing some of his content nearly exclusively through BitMovio thanks to YouTube's efforts to silence creators working in his genre.

<sup>(7)</sup><https://variety.com/2018/digital/news/netflix-deletes-all-user-reviews-1202908904/>

<sup>(8)</sup> For a thorough overview, see <https://www.vox.com/2018/1/23/16905844/media-landscape-verizon-amazon-comcast-disney-fox-relationships-chart>

<sup>(9)</sup> <https://www.foxnews.com/tech/prageru-files-new-lawsuit-against-google-in-youtube-censorship-row>



For these platforms, control over the content also means control over their users - particularly the extremely valuable user data each user generates on viewing habits, including both content and ads, subscription tendencies / retention rates, and dozens of other metrics. The cumulative value of such data over the years, and their unique ability to exploit it, has made the technology-based incumbents such as Netflix and Amazon particularly powerful as compared with their less data-savvy competitors from traditional media.

## Lack of Accountability

The centralized gatekeeper incumbents have created a host of problems for content creators and users alike. For creators attempting to earn revenue on platforms such as YouTube and Twitch, they typically have little or no transparency into how they are earning revenue from the content they publish. Waiting 90+ days for a revenue share statement provided by the platform with a host of deductions for things like ad sales costs, creators are powerless “takers” of whatever the host platform deems they have earned for a given time period.

For creators fortunate enough to earn a production deal with Netflix, Amazon, Hulu or one of the other many SVOD services launching original films and TV series, they are typically paid upfront, with little or no backend participation and - most importantly - virtually no meaningful data coming back to them in terms of how their content is performing on the platform. This makes it difficult for them to plan the next season or series or film when only the host platform understands which of the creator’s content is working and why. As market leader, Netflix has usually borne the brunt of the market criticism for such behavior, but the truth is that no existing SVOD (or AVOD) platform provides meaningful data back to its content partners.<sup>(10)</sup>

On the user side of things, as Russian election meddling at Facebook and data breaches at Google and elsewhere illustrate, incumbent technology platforms are incentivized to monetize user data at all costs - even at the expense of safeguarding user privacy. The average user has no idea how his or her viewing behavior is used virtually constantly by the Netflixes, Amazons and Google of this world to keep them subscribed, sell them household goods, and induce them to watch more ads, as just a few examples. Users are not compensated for this valuable data that they transmit back to the platforms; to the contrary, their wallets are usually much thinner after the tech platforms have finished mining their behavioral data to get them to spend more time - and money - within their tightly-controlled ecosystems.

## Benefits of Our Blockchain-based Approach

BitMovio solves the problems that these centralized gatekeeper platforms have created for content creators and users, and introduces to the video streaming market interactivity, engagement and gamification elements that have made freemium games such as *Fortnite* a worldwide sensation.

Our Blockchain-based approach has a wide variety of important benefits for content creators and users alike. For instance, BitMovio enables content owners to:

---

(10) <https://www.latimes.com/business/hollywood/la-fi-ct-netflix-ratings-20190124-story.html>



- bypass gatekeeper platforms and enjoy direct access to their biggest fans for purposes of engagement and monetization - including future projects still in the pre-production stage
- through our integration and use of cryptocurrency, be paid immediately - and transparently - without having to wait 3 months for an ambiguous revenue share statement to arrive in their inbox
- access any and all performance data for their content at any time through our detailed analytics dashboard, a feature even our earliest partners have identified as unique in the industry today

For our users, in particular those Millennial and Gen Z early adopters who embrace the freemium business model embodied by the gaming community - choosing to pay for content in micro increments (including via cryptocurrency if they so elect), tipping and gifting content creators they particularly enjoy - we provide a number of benefits completely absent from existing video streaming platforms, including:

- user-to-user and user-to-creator engagement at a level not observed in today's existing video streaming market
- interactive features such as chat, bullet chat, commenting and many others, whether for on demand content or live-streamed videos broadcast to a large subset of our community at once
- the ability to pay for content with our *MoviBits* virtual currency
- the ability to earn rewards for viewing ads and for taking actions that benefit the platform and community

BitMovio brings community back into video streaming.

## BitMovio is the Future of Video Streaming

10

As we see it, the video streaming ecosystem has already been bifurcated into two distinct “lanes”:

(1) First is the SVOD lane, which is dominated at present by technology stalwarts like Netflix and Amazon, with significantly increased competition coming soon from the likes of Disney, AT&T/Time Warner, Comcast and many others. This lane will be marked by massive spending on content (Netflix is already approaching \$15 billion annually in content spend on a cash flow basis<sup>(11)</sup>), and competition for talent (writers, actors, producers etc.) as traditional media vies to reclaim market share taken by Netflix and Amazon. We believe that in fact the incumbents like Netflix as well as the traditional media companies with existing (or soon to launch) SVOD services will spend the next 5-10 years doing little else but jockeying for position in this increasingly crowded SVOD space.

(2) Next is the AVOD lane, which was all but on life-support a few short years ago (as the industry prematurely declared SVOD the be-all and end-all of video streaming), but has significantly stepped up its presence thanks not only to Viacom-owned Pluto TV, but also companies such as Roku, Tubi TV, Xumo and others.<sup>(12)</sup> These companies were early in gaining distribution on connected devices and Smart TVs, which enabled them to support their free content offerings with relatively attractive digital video ad inventory - for which there had been and still is a lack of - that advertisers were willing to pay a premium for, at least in comparison with less valuable digital video ad inventory on user-generated video sites such as YouTube, for example. We expect some of the companies mentioned above (outside of Pluto) to be targets of traditional media for acquisition purposes

(11) <https://variety.com/2019/digital/news/netflix-content-spending-2019-15-billion-1203112090/>

(12) <https://www.viacom.com/news/pluto-tv-adweek-cover>



as these large media incumbents race to enter the suddenly hot-again AVOD space. While the level of competition for content and talent will be nowhere near as intense as in the high-stakes, big-dollar world of SVOD, we expect that these platforms will continue to compete for ad dollars and audiences.

Neither of these two lanes however provide users or content creators with the level of interactivity, engagement and choice that we believe Millennials and younger audiences will demand from video streaming services going forward. Therefore, we believe a 3rd lane will emerge in video streaming - Freemium Video Streaming. This will be a massive opportunity - perhaps even larger than SVOD and AVOD combined when all is said and done - to introduce proven, highly-profitable gamification techniques of the kind perfected by Epic Games in *Fortnite* into video streaming.

To date only Amazon-owned Twitch has embraced even a few of these elements, through their in-platform Twitch Bits virtual currency and their occasional live broadcast content marathons, among other things. However, Twitch has built a very narrow audience focused around Esports - which is an attractive vertical but only one vertical nonetheless. Twitch's attempts at broadening its content outside of Esports have been met with failure to date - in part because of the difficulty the company has had attempting to negotiate content licenses with Hollywood given its ownership by Amazon which, among other things, creates expectations among major content owners that Twitch will pay Amazon-level license fees for its content, notwithstanding its much smaller footprint and content budget (not to mention complete separation from the Amazon content buying team as a matter of internal corporate politics).

10





BitMovio is therefore well-positioned to assume a position of leadership in this third lane. Our service will provide users levels of engagement and interactivity, along with gamification tools such as microtransactions, leaderboards, tipping/gifting and the like, which are virtually nonexistent in the video streaming industry today. Our content partners will benefit from the transparency, authenticity and immediacy our Blockchain-based platform provides in terms of payments, data access and reporting / analytics on content performance, while enjoying direct access to their biggest fans for engagement and crowdfunding purposes, among others. They will not be censored as in the case of paranormal creators on YouTube, nor will they be unduly favored at the platform level at the expense of other creators (as both Twitch and YouTube arguably have done in recent years with respect to Esports streamers). Our platform supports any type of content, and over time we expect to broaden our offering to include almost every conceivable content category, but we will focus initially on our core audience of Millennials and Gen Z early adopters in targeting content partners across a wide swath of relevant content verticals, including sci-fi, horror, paranormal / conspiracy, action, Esports, and others. We will accomplish all of this with a world-class team of technologists and industry experts in blockchain, gaming, content, and cryptocurrency. The future of video streaming is BitMovio, a gamified streaming service for the *Fortnite* generation.

## TEAM

We have assembled an outstanding team with decades of experience in software, blockchain, video technology, gaming, eSports, content production and licensing, and traditional and new media with multiple successful exits in M&A and IPOs in North America and Asia. This includes alumni and professors of Stanford and MIT, Oscar winning film-makers, and alumni from companies such as Netflix, Amazon, Endemol, NBCU, THX, CBS, Fox, The Walt Disney Company, Facebook, Coinbase, Qualcomm etc.

### Core Leadership Team



**SIMON ZHU**

*Cofounder and Chief Executive Officer*

Simon Zhu is Cofounder and Chief Executive Officer at BitMovio. Prior to BitMovio, Mr. Zhu was Executive Board Director and SVP of Product Management at Vobile Group, which provides content protection and monetization solutions to most of the major content providers including major studios such as Disney, Warner Bros, Viacom/Paramount, Netflix, major broadcasting TV networks in Hong Kong and Japan, as well as premium YouTube networks. The company won an Emmy Award in Technology in 2017 for its work in video identification technology to protect content value and copyright, and was successfully listed on the Hong Kong Stock Exchange in 2018 where Mr. Zhu led the majority of the IPO process. Mr. Zhu has more than 10 years of experience in technology innovation, product management, product marketing and business development in technology and media across Asia, Canada, Europe, and the United States. Earlier, Mr. Zhu was on the product team at Turn Inc in the Silicon Valley (acquired by Amobee, a subsidiary of Singapore Telecommunication Limited) to build out its cross-platform advertising solutions, and at LiquidM in Berlin Germany to enhance its mobile advertising solutions. Mr. Zhu started his career as a scientist at Corning Inc in France and in the United States to build out next-generation internet backbone systems including optical fiber systems and wireless networks, during which Mr. Zhu authored and co-authored over 20 academic journal papers and conference proceedings, registered one patent and authored one book chapter. Mr. Zhu holds an MBA from the Stanford University Graduate School of Business, a Master of Science degree from McMaster University in Canada, and a Bachelor of Applied Science degree from Peking University in China.



## JERRY KOWAL

*Cofounder and Chief Content Officer*

Jerry Kowal is Cofounder and Chief Content Officer at BitMovio. Mr. Kowal previously held senior executive operating roles at Netflix, Amazon, Endemol Shine Group and CBS, and as Managing Director of a privately-held consultancy advising entertainment clients on content strategy and business development, including clients such as Twitch, where he helped develop the company’s initial content licensing strategy outside of gaming / Esports. While at Netflix, Mr. Kowal oversaw a \$500 million annual content budget for the United States and Canada and licensed film and television content from every major studio and television network in the world, including some of Netflix’s most highly viewed licensed titles such as *Breaking Bad* (from Sony), *The Walking Dead* (from AMC Networks), *The Hunger Games* film series (from Entertainment One) and *Downton Abbey* (from NBC Universal), in addition to some of Netflix’s highest-performing film output deals with studios including Paramount and 20th Century Fox. In addition, Netflix’s Canadian territory, which Mr. Kowal oversaw at the time, was Netflix’s highest-performing region in the world in terms of median viewing hours per subscriber as well as subscriber retention rates. Earlier, at Endemol Shine Group, Mr. Kowal served as SVP Digital and oversaw the company’s entire US digital business, which encompassed content distribution and licensing, gaming, original digital video productions, and digital consumer products. During his time there he pioneered interactive second-screen entertainment experiences that leveraged Endemol’s owned television properties (*Deal or No Deal*, *Big Brother*, *Wipeout* etc.) and positioned the company as a first mover in original digital video content (*Married on MySpace*, *Kobe Bryant Academy*, *Coupon Mom*), building several early success stories in the then-nascent YouTube/Multi-Channel Network original content space. He also negotiated and closed innovative partnerships with top Silicon Valley technology companies including Facebook, Google and Foursquare. In these and other positions, Mr. Kowal has sourced, led and closed dozens of pioneering transactions and partnerships across global licensing, content acquisition and distribution, music video distribution and licensing, and YouTube original content strategy and business development. Mr. Kowal holds an MBA from the Stanford Graduate School of Business, and Juris Doctor (JD) and Bachelor of Business Administration (BBA) degrees from the University of Michigan - Ann Arbor.



## RIZWAN VIRK

*Cofounder and Chief Strategy Officer*

Rizwan Virk is Cofounder and Chief Strategy Officer at BitMovio, and is also Executive Director at Play Labs @ MIT. Mr. Virk previously was on the founding team of companies such as Theta Labs (creators of the THETA token), GameView Studios, and Tapjoy, and was an early investor in many gaming and blockchain companies, including Ripio, CoinMkt, Sliver.tv, Discord, eSports One, Telltale Games, Pocket Gems and Funzio. Riz’s games have included *Tap Fish* (with over 50 million downloads) and adaptations of popular TV shows such as *Penny Dreadful* (from Showtime) and *Grimm* (from NBC/Universal). Riz was the founder of Bayview Films, and has been an executive producer on many independent films including adaptations of the works of science fiction writers Philip K. Dick and Ursula K. Le Guin, and *Knights of Badassdom*, starring Peter Dinklage, best known for his role in *Game of Thrones*. Riz holds a Masters of Science in Management from Stanford University Graduate School of Business and a Bachelor of Science in Computer Science & Engineering from MIT. Riz is the bestselling author of *Zen Entrepreneurship* and *The Simulation Hypothesis: An MIT Computer Scientist Shows Why AI, Quantum Physics, and Eastern Mystics Agree We Are In A Video Game*. Some of his relevant articles and interviews include: “How Blockchain Could Kill Both Netflix and Cable (VentureBeat)”<sup>(13)</sup>, “5 Virtual Characters and How They Predicted the Future (Variety)”<sup>(14)</sup>, “How to Build the Matrix (Techcrunch)”<sup>(15)</sup>, “Are We Living in a Computer Simulation? (vox.com)”<sup>(16)</sup>, “LeGuin’s Sci Fi Novel Being Adapted (The Hollywood Reporter)”<sup>(17)</sup>, and “How I Cornered the Bitcoin Mining Market Using a Quantum Computer (Hackernoon)”<sup>(18)</sup>.

(13) <https://venturebeat.com/2018/01/28/how-blockchain-could-kill-both-cable-and-netflix/>

(14) <https://variety.com/2019/gaming/features/the-top-5-virtual-simulated-characters-and-how-they-foretold-the-future-1203176886/>

(15) <https://techcrunch.com/2019/03/18/how-to-build-the-matrix/>

(16) <https://www.vox.com/future-perfect/2019/4/10/18275618/simulation-hypothesis-matrix-rizwan-virk>

(17) <https://www.hollywoodreporter.com/news/ursula-k-le-guins-sci-fi-novel-telling-heading-big-screen-1089286>

(18) <https://hackernoon.com/how-i-cornered-the-bitcoin-mining-market-using-a-quantum-computer-9e5dceba9f92>

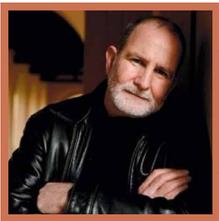


## HARI DESINENI

*Chief Architect*

Hari Desineni is Chief Architect at BitMovio. Previously, Mr. Desineni was Engineering Manager at Facebook, where he led a team of 10 engineers in the video and media protocols domain behind the Facebook Portal product. Earlier he spent over a decade at Qualcomm as Director of Engineering, where Mr. Desineni was technical liaison between Google and Qualcomm for interactions related to new feature design in upcoming Android OS versions and the project lead for both the Android platform (new Android OS bring-up on multiple chips) and telephony/Radio interface layer technology teams. Earlier, he worked as software lead for various Android audio, video and camera software development teams and as a software project manager for Qualcomm MSM 8x26. He was also an individual contributor on video drivers/HAL for YouTube H.264 HW acceleration on the world's first Android phone (T-Mobile G1, 2008) and later expanded into technical lead roles for video, audio and camera software teams at Qualcomm. Mr. Desineni contributed to the design, development and commercialization of more than 50 value added Android media features in over a billion Android devices. Some of these value-added features included joint work items with Google, as well as OEMs such as Samsung, LG and Xiaomi. These features were leveraged into adjacent products such as Android TV, set-top box, Android wear and Amazon Kindle/Fire TV. Key features include OK Google hotword detection, low power MP3 audio playback, custom audio post processing effects with Dolby, SRS true media, DTS headphone X, low latency audio for virtual reality, Netflix with secure video playback using widevine L1, wifi display, 4K camcorder and 4K Playback (H.264,VP9), Android HLS stack ABR optimization, OTT video with MPEG4-DASH, Live streaming, Gstreamer-OMX IL plugin development. Mr. Desineni also represented Qualcomm in multimedia standards bodies 3GPP and IETF (2005-2007), and authored and standardized multiple RFCs at IETF's audio video transport group. Mr. Desineni holds a Master of Technology in Computer Science degree from Indian Institute of Technology, Kanpur India, and a Bachelor of Technology in Computer Science degree from Sri Venkateswara University, Tirupati, India

## Advisory Team



## BILL GUTTENTAG

*Oscar Winning Film Director and Stanford Professor*

Bill Guttentag is a double Oscar-winning dramatic and documentary film writer-producer-director. His films have premiered at the Sundance, Cannes, Telluride, and Tribeca film festivals. He directed Nanking (THINKFilm/Fortissimo), a theatrical documentary which premiered at the 2007 Sundance Film Festival and featured Woody Harrelson and Mariel Hemingway, and was shortlisted for an Oscar. He also directed Soundtrack for a Revolution (Wild Bunch) which had its international premiere at the 2009 Cannes Film Festival and was also shortlisted for an Oscar. Mr. Guttentag won an Academy Award for the documentary Twin Towers (Universal, 2003), and has also received a second Oscar, three additional Oscar nominations, a Peabody Award, three Emmy Awards, two additional Emmy nominations, two Writers Guild Award nominations, a Producers Guild Award nomination, and a Robert Kennedy Journalism Award. Mr. Guttentag has been a lecturer at the Stanford University Graduate School of Business since 2001. He also teaches at the Hasso Plattner Institute of Design (Stanford d.school).



## SHEAU NG

*Former NBC Universal*

Sheau Ng is an experienced digital media and consumer electronics technology executive specializing in corporate strategy, technology innovation, IP, industry standards and policy issues at the intersection of digital media and consumer electronics. Mr. Ng has more than 20 years' experience in senior management and C-level leadership roles in media and technology businesses. He served as the Head of Technology R&D and IP at NBCUniversal Media Labs, VP Broadcast and Consumer Technology at NBC Universal, CTO at GE, and CTO at THX Ltd. (founded by George Lucas). Mr. Ng holds a PhD from Princeton University and a Masters degree from the Massachusetts Institute of Technology.



## NAMRATA GANATRA

*Coinbase and Facebook*

Namrata Ganatra is currently Senior Director of Engineering at Coinbase, the largest digital currency exchange in the United States. Ms. Ganatra previously served as CTO for Stockpile, a fractional brokerage on a mission to make it simple and affordable for Millennials and investors of any age, including children, to learn about stocks and get started investing. Earlier, Ms. Ganatra was Head of Engineering for Payments at Facebook, where she led the end to end payments platform and related products for Facebook, while managing a team of 50+ engineers.



## DAVID LEE

*Early Google Employee and Partner with Michael Bay*

David Lee was one of the first 200 employees to join Google, launching Google's first international ads and founding their offices in Asia, Europe and Latam. After Google, David co-founded XG Ventures, a Google alumni fund and was Co-founding Partner of SK Telecom Ventures. In 2015, he partnered with Michael Bay (Transformers, The Rock) at 451 Media, to lead their tech and media investments and partnerships. David is also a Partner at B&C Group, a leading talent management & production company, connecting Korea, Hollywood and Silicon Valley leaders in tech & entertainment.



## SEAN STONE

*American actor, film director, producer, cinematographer, screenwriter, and TV host*

Sean Stone is an American actor, film director, producer, cinematographer, screenwriter, and TV host. Stone hosts the television show, *Watching the Hawks* on RT America, with his co-hosts, Tyrel Ventura and Tabetha Wallace, and with guests they examine the worlds of media, politics and pop culture from different perspectives. Stone is also the co-host of the weekly internet news talk show *Buzzsaw* on The Lip TV ([www.thelip.tv/buzzsaw](http://www.thelip.tv/buzzsaw)). Stone's credit, as actor, director and producer, includes *Salvador* (1986), *Wall Street* (1987), *Born on the Fourth of July* (1989), *JFK* (1991), *The Doors* (1991), *Heaven & Earth* (1993), *Natural Born Killers* (1994), *Nixon* (1995), *U Turn* (1997), *Any Given Sunday* (1999), *Fighting Against Time: Oliver Stone's Alexander* (2005), *Resurrecting Alexander* (2005), *Perfect Is the Enemy of Good* (2005), *W.* (2008), *Singularity* (2008), *Wall Street: Money Never Sleeps* (2010), *Nevo* (2011), *Graystone* (2011), *American Road* (2011), *Don't Pass Me By* (2012), etc.



## TORY GREEN

*Former Disney and Fox*

Tory Green is an experienced entrepreneur and investor with a deep background in mobile and digital media. He is currently a Partner at Tiller Partners, a US-based VC firm. Prior to joining Tiller, Mr. Green was co-founder of The Art of Charm, an information-based publishing firm with a Top 50 iTunes ranking and over 2 million downloads per month. Earlier, Mr. Green was Director of Corporate Development and Strategy at 21st Century Fox and Senior Analyst at The Walt Disney Company. He also worked at Oaktree Capital Management and Merrill Lynch. Mr. Green holds a BA in Economics from Stanford University and played football for the United States Military Academy at West Point.



## ALAN CHIU

*Stanford Alum and Venture Capitalist*

Alan Chiu is currently a lecturer at Carnegie Mellon University Silicon Valley, Co-President at Stanford Angels & Entrepreneurs and Partner at X-Seed Capital. Mr. Chiu also heads the business strategy at Blockdoc/Healthblock, a digital health startup led by Stanford bioengineering professor Jan Liphardt. Mr. Chiu holds a Master of Science in Management degree from Stanford University Graduate School of Business, and a Bachelor of Applied Science degree from the University of British Columbia.



## CURRENT TRACTION

BitMovio was founded in the summer of 2018 and has raised \$1.2M in venture funding from top-tier venture firms and angel investors in the Silicon Valley, New York and Boston. We released our open beta product in web, iOS app and Android app forms in March 2019, which was covered by leading technology publication VentureBeat. <sup>(19)</sup>

Our product is currently in open-beta and accessible via:

- Web: <https://v.bitmov.io/>
- Android Play Store: <https://play.google.com/store/apps/details?id=com.bitmovio>
- iOS App Store: <https://itunes.apple.com/us/app/bitmovio/id1436731109?ls=1&mt=8>



(19) <https://venturebeat.com/2019/03/07/bitmovio-offers-gamified-rewards-for-viewing-streaming-videos/>



## Signed Content Partners

Since inception, we have gained wide adoption among the content community including premium film studios, production companies, TV networks, independent film producers, YouTube networks, and individual streamers.



We have acquired 3,000+ hours of content to date from several notable partners including:

- **The Outpost**, a sci-fi television series which is currently aired on The CW network in the US and distributed international by Syfy, an American cable network owned by the NBCUniversal Cable Entertainment Group division of NBCUniversal, a subsidiary of Comcast. *The Outpost* is the first on-air, current television series ever licensed by a blockchain-based video streaming service.
- **World Poker Tour (WPT)**, the premier name in internationally televised gaming and entertainment with brand presence in land-based tournaments, television, online, and mobile. Leading innovation in the sport of poker since 2002, WPT ignited the global poker boom with the creation of a unique television show based on a series of high-stakes poker tournaments. WPT has broadcast globally in more than 150 countries and territories, and is currently producing its 17th season, which airs on FOX Sports Regional Networks in the United States. WPT recently merged with Allied Esports, creating a gaming and Esports behemoth that will drive the future of produced and televised Esports tournaments. BitMovio has the right to stream multiple prior seasons of WPT's flagship TV series on our streaming service.
- **Endemol Shine International**, a global television production powerhouse with a portfolio of over 61,000 hours of owned and third-party programming across scripted and non-scripted genres. Global hits include non-scripted superbrands MasterChef, The Block, 24 Hours in A & E, Family Food Fight, Deal or No Deal, LEGO Masters, Ambulance, One Born Every Minute, My Kitchen Rules, Beat Shazam, Britain's Best Home Cook and Mr. Bean. Endemol Shine International is part of Endemol Shine Group. With world-class creative, production, distribution and commercial capabilities, Endemol Shine Group works on a unique local and global axis, comprised of over 120 companies across all the world's major markets, dedicated to creating content that entertains and enthralls billions of people around the world. In 2018, Endemol Shine Group had 700 productions on air across 270 platforms in more than 70 territories, travelling more formats than any of its peers. In this deal BitMovio acquired the rights to stream over 600 hours of Endemol's top unscripted content, including full seasons of *Wipeout!*, *Flavor of Love*, *Rock of Love* and many others.



- **Gunpowder & Sky**, an award-winning independent global studio dedicated to creating, marketing and distributing video content unrestricted by form, genre or platform. Gunpowder & Sky collaborates with both emerging and established talent to generate premium video content ranging from 90-second to 90-minute stories on all platforms. With in-house development, production, marketing and distribution capabilities, the company operates as a full 360-studio and oversees a library of over 1500 titles. In 2017, Gunpowder & Sky released numerous films and series, including *The Little Hours*, starring Aubrey Plaza, Alison Brie, Dave Franco, Kate Micucci, John C. Reilly, Molly Shannon, Fred Armisen, Jemima Kirke and Nick Offerman, which premiered to sold-out audiences in NY and LA, and nabbed the highest per screen average for its opening weekend. Gunpowder & Sky was also responsible for the Herbalife exposé documentary, *Betting on Zero*, which debuted as the number one documentary in the iTunes store; Ben Young's *Hounds of Love*, which won the Overlook Film Festival's Jury and Audience Award for Best Feature; and Spotify's most viewed series, *Drawn & Recorded*. In partnership with HBO and Blumhouse Productions, Gunpowder & Sky also released two horror films, *Totem* and *Like, Share, Follow*. Separately, the company also launched DUST, the first premium, digitally-distributed sci-fi brand showcasing thought-provoking visions of the future from both established and emerging filmmakers.

Most recently, during the 2018 Sundance Film Festival the company acquired the North American rights to Brett Haley's (*I'll See You In My Dreams*, *The Hero*) *Hearts Beat Loud*, a touching ode to the bonding powers of music, and premiered *Summer of '84*, the latest thriller from award-winning directors RKSS. Simultaneously, Trevor Stevens' directorial debut, *Rock Steady Row* also premiered and won narrative feature jury and audience awards at the Slamdance Film Festival. Headquartered in Los Angeles, with offices in NY and London, Gunpowder & Sky was founded by Van Toffler, Floris Bauer, The Chernin Group and AT&T. BitMovio acquired the right to hundreds of premium short films focused on sci-fi and horror, as well as nearly 50 feature-length films - some of which may be broadcast live on our platform.

- **Diagonal View**, a YouTube-focused multi-channel network owned by Sky Broadcasting (a subsidiary of Comcast Corporation), Diagonal View has a dedicated online audience of over 15 million subscribers, ranging across channels such as AllTime10s (5 million subscribers) and Draw My Life to AllTime Gaming and AllTime Movies. Its main sports channel, The Football Daily, reaches hundreds of thousands of fans on a daily basis and has worked with numerous A-List footballers including Rio Ferdinand, Jamie Redknapp, Jamie Carragher, and Gianluca Vialli. BitMovio acquired over 1,500 hours of Diagonal View's top channel content across a half-dozen genres, including paranormal / conspiracy, pop culture, sports and Esports.

## Current Negotiations

We are currently in active negotiations with a number of leading Hollywood film studios, TV networks, and key digital multi-channel networks for the right to license and stream their content on our platform. We anticipate one or more of the following partnerships to close during Q3 2019:



- MGM - including iconic film titles such as *The Terminator*, *Silence of the Lambs*, *Child's Play*, *Carrie*, *Robocop*, and TV series such as *Stargate* and *American Gladiators*
- Sony Pictures - broad-based licensing deal for global rights to feature films (*Spiderman* trilogy and many others) and TV series; also, potential to offer BitMovio's platform as a white-label direct-to-consumer product for one or more of Sony's direct-to-consumer digital businesses
- Jukin Media - leading viral-video focused YouTube multi-channel network with over 150 million fans and content which generates in the aggregate over 2 billion views per month
- The Young Turks - leading progressive, Millennial-focused news and commentary network with over 30 million subscribers and extensive distribution on YouTube, Hulu and Roku, among others



We also have over a dozen native YouTube & Twitch streamers who have started to leverage the BitMovio platform to engage with their fan bases, and anticipate onboarding dozens of others to our platform in Q3 2019.

Our product and services as well as partnerships have been covered widely in the leading technology and entertainment news outlets such as [VentureBeat](#)<sup>(20)</sup>, the [Blockchain News](#)<sup>(21)</sup>, the [Coin Report](#)<sup>(22)</sup>, the [Streaming Media](#)<sup>(23)(24)</sup>, [Advanced Television](#)<sup>(25)(26)</sup>, [Rapid TV News](#)<sup>(27)(28)</sup>, [NXT Alpha](#)<sup>(29)</sup>, [Poker News Daily](#)<sup>(30)</sup>, [C21 Media](#), [EContent Magazine](#)<sup>(32)</sup>, [The Savvy Screener](#)<sup>(33)</sup>, [World Screen](#)<sup>(34)</sup>, [Horrornews.net](#)<sup>(35)(36)</sup>, [IMDB](#)<sup>(37)</sup>, [GeekedOutNation](#)<sup>(38)</sup>, [Yahoo News](#)<sup>(39)</sup>, etc.



(20) <https://venturebeat.com/2019/03/07/bitmovio-offers-gamified-rewards-for-viewing-streaming-videos/>

(21) <https://www.the-blockchain.com/2019/04/17/powerhouse-production-company-endemol-shine-international-partners-with-blockchain-startup-bitmovio/>

(22) <https://coinreport.net/bitmovio-pre-seed-funding-closed-beta/>

(23) [https://www.streamingmedia.com/PressRelease/BitMovio-Partners-With-Endemol-Shine-International-to-Bring-Over-600-Hours-of-New-Content-to-its-Gamified-Video-Entertainment-Marketplace\\_49144.aspx](https://www.streamingmedia.com/PressRelease/BitMovio-Partners-With-Endemol-Shine-International-to-Bring-Over-600-Hours-of-New-Content-to-its-Gamified-Video-Entertainment-Marketplace_49144.aspx)

(24) [https://www.streamingmedia.com/PressRelease/BitMovio-Sets-Out-to-Grow-Horror-Film-Genre-with-Sponsorship-of-Horror-Film-Festival-and-Series-of-New-Content-Partnerships\\_48105.aspx](https://www.streamingmedia.com/PressRelease/BitMovio-Sets-Out-to-Grow-Horror-Film-Genre-with-Sponsorship-of-Horror-Film-Festival-and-Series-of-New-Content-Partnerships_48105.aspx)

(25) <https://advanced-television.com/2019/04/17/bitmovio-endemol-shine-partnership/>

(26) <https://advanced-television.com/2018/11/28/bitmovio-signs-sci-fi-films-fantasy-tv-series-to-its-marketplace/>

(27) <https://www.rapidtvnews.com/2019030755380/bitmovio-offers-streaming-video-gamified-experiences.html>

(28) <https://www.rapidtvnews.com/2018100353701/bitmovio-broadens-blockchain-content-platform.html#axzz5oUX0De9r>

(29) <https://nxtalpha.com/powerful-entertainment-industry-execs-back-blockchain-based-entertainment-marketplace-bitmovio/>

(30) <https://www.pokernewsdaily.com/wpt-to-air-old-episodes-on-new-bitmovio-streaming-platform-32724/>

(31) <https://www.c21media.net/bitmovio-bags-endemol-shine-shows/>

(32) <http://www.econtentmag.com/Articles/News/News-Item/BitMovio-Secures-Pre-Seed-Funding-Launches-Closed-Beta-of-Blockchain-Enabled-Platform-127456.htm>

(33) <https://thesavvyscreener.com/2019/02/20/bitmoviolaunch/>

(34) <https://worldscreen.com/endemol-shine-series-become-available-via-bitmovio/>

(35) <https://horrornews.net/136896/bitmovio-sets-grow-horror-film-genre-sponsorship-horror-film-festival-series-new-content-partnerships/>

(36) <https://horrornews.net/141217/the-carting-call-premieres-on-new-bitmovio-online-platform/>

(37) <https://www.imdb.com/news/ni62252447>

(38) <http://www.geekedoutnation.com/bitmovio-signs-the-telling-the-outpost-to-its-blockchain-enabled-video-marketplace/>

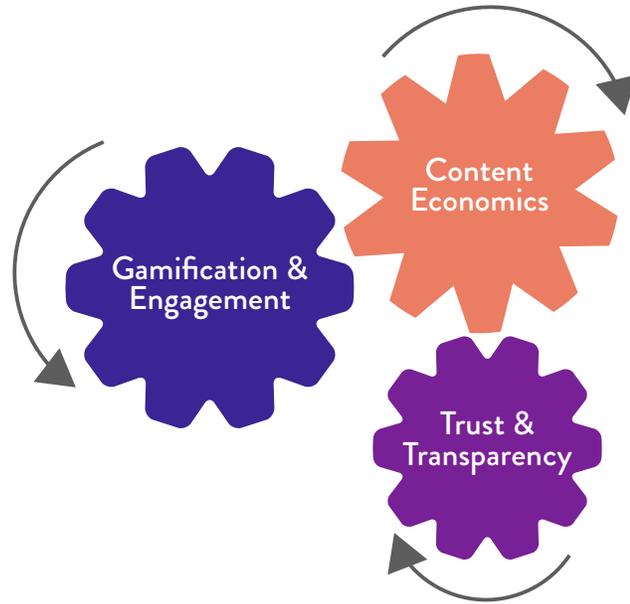
(39) <https://news.yahoo.com/bitmovio-sets-grow-horror-film-191851986.html>



## Business and Product Solutions

BitMovio is a blockchain-enabled, next-generation gamified video entertainment platform for the Fortnite generation with a freemium business model. BitMovio fundamentally transforms how content is monetized, how content creators are paid, how content creators and fans interact and engage, and how value and attention are compensated and rewarded. It provides unprecedented flexibility, interactivity and transparency for content creators to monetize their content and build their fan base in the web 3.0 era. The key problems we intend to solve in the entertainment industry are:

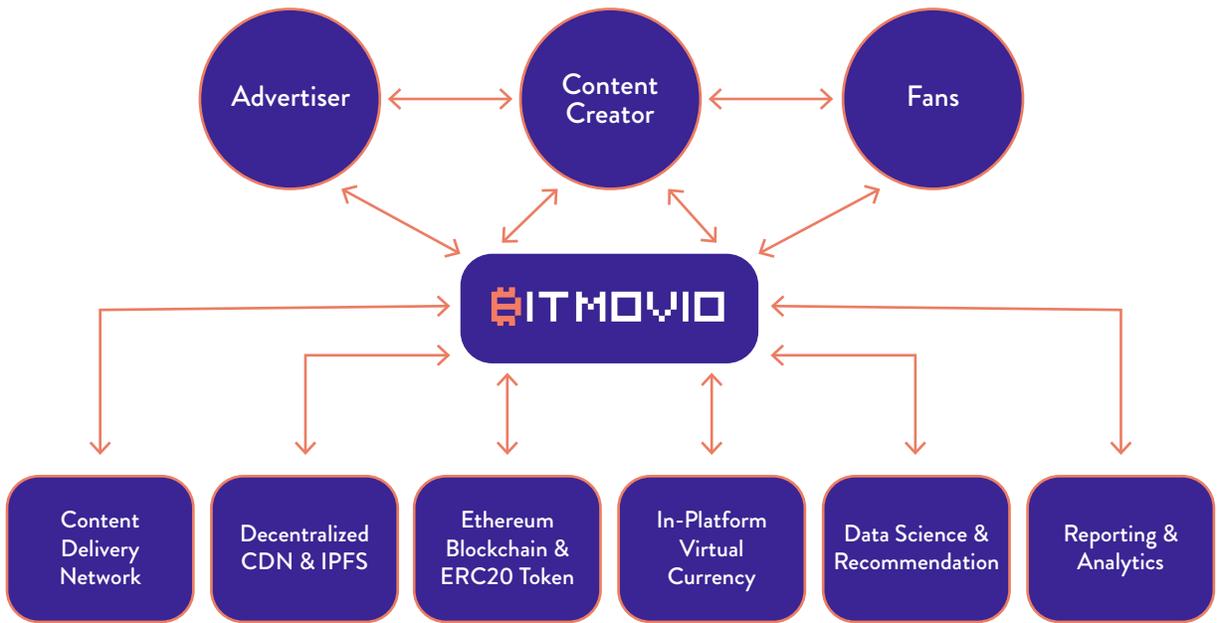
- content economics
- gamification and engagement
- trust and transparency



Our content creator community ranges from individual gamers, streamers, independent film producers to global production studios. We are initially focusing on the verticals of gaming/Esports, sports, sci-fi/fantasy, horror/thriller, paranormal / conspiracy, and other thought-provoking content verticals. Content creators can self-publish pre-recorded video-on-demand content, arrange live screening of video-on-demand content, and live stream important moments to share instantly with their fans, in each case on a global basis. They can earn revenue through a variety of monetization models and gamified incentives, and interact with their global fans through interactive experience such as real-time chat, on-screen bullet chat, tipping, gifting, microtransactions and more, creating an engaging and emotionally connected community on a global scale. Content creators can also pre-sell their upcoming content to their fans as an additional source of funding for their anticipated creative projects. Moreover, all of the transactions and payments are immediately visible and auditable on the blockchain. Content creators can also immediately cash out their earnings.

Consumers can enjoy free content and preview a portion of paid content without creating an account; however, they need to login in order to interact and engage with content creators and the BitMovio community. Consumers can interact with content creators and other viewers in real-time chat, on-screen bullet chat, and one-on-one messaging. Consumers can support content creators through tipping/gifting, microtransactions, recurring subscriptions/patronizing, and can also pre-pay a future creative project as support for the content production process. Consumers can share their favorite content to external social networks (Facebook, Twitter etc.) to help promote the content, and can also help safe-guard the community through content flagging and moderation. Through the BitMovio platform, consumers can contribute to the overall content viewing experience while earning rewards commensurate with their contributions.

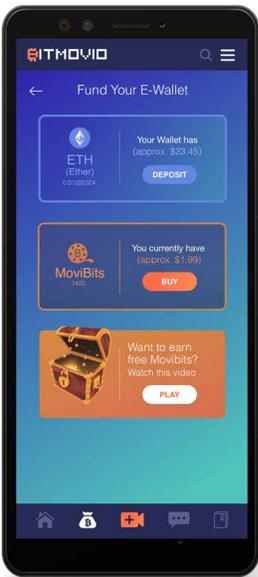
Advertisers and brands can directly engage with their targeted audience on the BitMovio platform through regular pre-roll or mid-roll video ads, or by incentivizing viewership engagement through rewarded video ads and also by sponsoring certain videos or content creators on the platform.



The BitMovio platform comprises five major building blocks

- eWallet and blockchain
- Video streaming infrastructure
- Gamification and Interactive Experience
- Data Science and Recommendation
- Reporting and Analytics

### eWallet and Blockchain



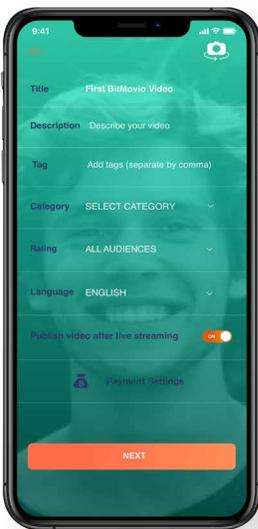
Upon sign-up, each user on the BitMovio platform will be assigned an eWallet supporting cryptocurrencies and virtual currencies. The BitMovio cryptocurrency wallet supports Ethereum and additional ERC20 tokens including our own MoviBits Token upon launch and integration. The BitMovio virtual currency wallet supports our in-platform virtual currency MoviBits which can be directly purchased by credit card, debit-card and mobile in-app purchases for mass consumer availability and convenience. Upon fully launching and integrating the MoviBits Token into the BitMovio platform and ecosystem, we will gradually phase out the MoviBits virtual currency in the platform.

MoviBits Tokens are planned to be implemented on the public Ethereum blockchain as an ERC20 utility token. The Ethereum blockchain is currently the industry standard with wide adoption for issuing custom digital assets and smart contracts owing to its large developer community and top-tier backing. Although transaction speed limits exist, future Ethereum upgrades will address these bottlenecks by leveraging off-chain payment channel networks. Advancements such as these will allow platforms like ours to track microtransactions down to the second.



## Video Streaming Infrastructure

On the BitMovio platform, content creators can publish pre-recorded short-form or long-form content with extremely flexible business rules - either immediately, or by scheduling a screening time to live broadcast the content and engage with fans. Content creators can set geo-blocking rules so that the content can be made available in a certain geographical region while being blocked in other regions, and they can also specify the payment rules in each geographical region, including free (which can be ad-sponsored with pre-roll and mid-roll ads), buy (rights to watch the video perpetually upon payment), rent (rights to access the video within 30 days after payment and 48 hours after starting to watch), and block (content is not made available). For premium content partners, we also support the option to enable the DRM (digital rights management) content protection for each piece of content they license to us. For DRM purposes we support industry standards such as Apple Fireplay, Google Widevine, and Microsoft Playready.



Content creators can also live broadcast real-time life moments and game plays through the BitMovio mobile app, and through desktop web. Live broadcasting on the BitMovio desktop web product supports both professional broadcasting tools such as OBS and direct webcam broadcasting via the Chrome browser through the webRTC protocol.

To enable the best consumer performance for live and on-demand video streaming, with highest availability, minimum buffering and latency and also decentralization, we are adopting a hybrid streaming infrastructure. The majority of our infrastructure is enabled by centralized solutions such as Amazon Web Services (AWS) Cloud Storage and AWS Content Delivery Networks. We are also planning to leverage decentralized solutions such as InterPlanetary File System (IPFS) for decentralized storage and Theta Network for decentralized mesh video streaming for both cost savings, added incentivization, and decentralization.

## Gamification and Interactive Experiences



Our content economics, token economics and interactive experiences are the core competitive advantages of the BitMovio platform.

### Diverse Monetization Model

We offer the most diverse way for content creators to monetize their creativity, including but not limited to short-form videos, live streams, feature-length films, and even scripts and ideas. Content creators can publish their content for free to reach the broadest fan base while earning revenue through fan donations and support and advertising sponsorships. Certain content creators can set up a small paywall - such as a few cents - as a micropayment for short or indie-content, while others can set up a paywall on par with iTunes for feature films. In each case the content creator / owner is in charge. Content creators can also set up weekly or monthly subscription options for their entire slate of content to



gain recurring support from their fan base. In addition, content creators can also pre-sell their concepts and ideas to their fans in exchange for future content viewership upon release as a source of pre-production "crowdfunding". We also enable the monetization of commentators' insightful comments which contribute positively to the viewing experience on the BitMovio platform.

### Gamification and Incentivization

Users can purchase tokens and use the tokens on the BitMovio platform. In the form of our MoviBits virtual currency, users can directly purchase them on the BitMovio platform with a credit card or via in-app purchase; in the form of MoviBits tokens, users can purchase them via partner exchanges and deposit them into their BitMovio eWallet.

Users can also earn tokens through activities on the BitMovio platform that contribute positively to the community experience:

- Content creators and brands can sponsor tokens to reward consumers to view and engage with their content and brands for promotional purposes.
- Consumers can earn tokens through a variety of engagement mechanism on the platform, including but not limited to content viewership, commenting and popularity of comments (through upvotes and downvotes), social sharing, content and comments flagging to safeguard the platform and a variety of other factors. The algorithms to govern user engagement rewards will be released at a later stage to enhance fairness and transparency and prevent abuse.
- Content creators can earn tokens based on the overall viewership and watch time of their published content, the engagement and social virality of that content and also their contribution to overall BitMovio ecosystem. Similarly, we will release the algorithms for content creator rewards at a later stage to ensure fairness, transparency and long-term sustainability.

### Interactive Experiences

Content creators and consumers are the core pillars of the BitMovio platform. We provide tools for content creators and consumers to engage both in a group setting and also on a one-on-one basis. Consumers can comment on each scene of the content through our on-screen bullet chat feature which is time-synced with the specific scene, and they may also comment on the entire video. Users can upvote or downvote comments, engage with other users and creators through real-time chat and direct messaging, and can also help flag content or identify comments that are age restrictive, violate copyright laws or are otherwise illegal





## Data Science and Recommendation

In order to scale the freemium model and drive mass adoption of both content creators and consumers, we are implementing an advanced recommendation engine and content curation tools, including personalized home pages, auto-play of similar videos, multiple playlists to optimize discovery and audience engagement, and many more.

## Reporting and Analytics

We offer transparent and intuitive reporting and analytics for both content creators and consumers to track real-time earnings and money spent in their eWallet. We also offer advanced content and audience engagement analytics for content creators to make informed decisions about their content performance and future content creation. Our content partners are already seeing the benefits - as our partner World Poker Tour recently told us:

*“Awesome dashboard! So easy to use and very straightforward. I especially love the engagement details and country info. Good stuff.*

*Very excited to see this progress.*

*Thank you again for the partnership!”*

# TOKEN ECONOMICS AND NETWORK DYNAMICS

## MoviBits Token Introduction

BitMovio is introducing the MoviBits Token (MVBIT) to power the next generation of entertainment, including live streaming, short-form videos, and long-form scripted television and film projects. This token is a utility token that will replace the existing virtual currency on the BitMovio platform, which is available on the web and via our mobile apps.

The MoviBits Token will allow token holders to unlock content and perform various functions on the BitMovio platform. The MoviBits Token will use the Ethereum blockchain to track all transactions made between end users and content owners, between advertisers and end users, between Bitmovio and content owners, and among users itself.

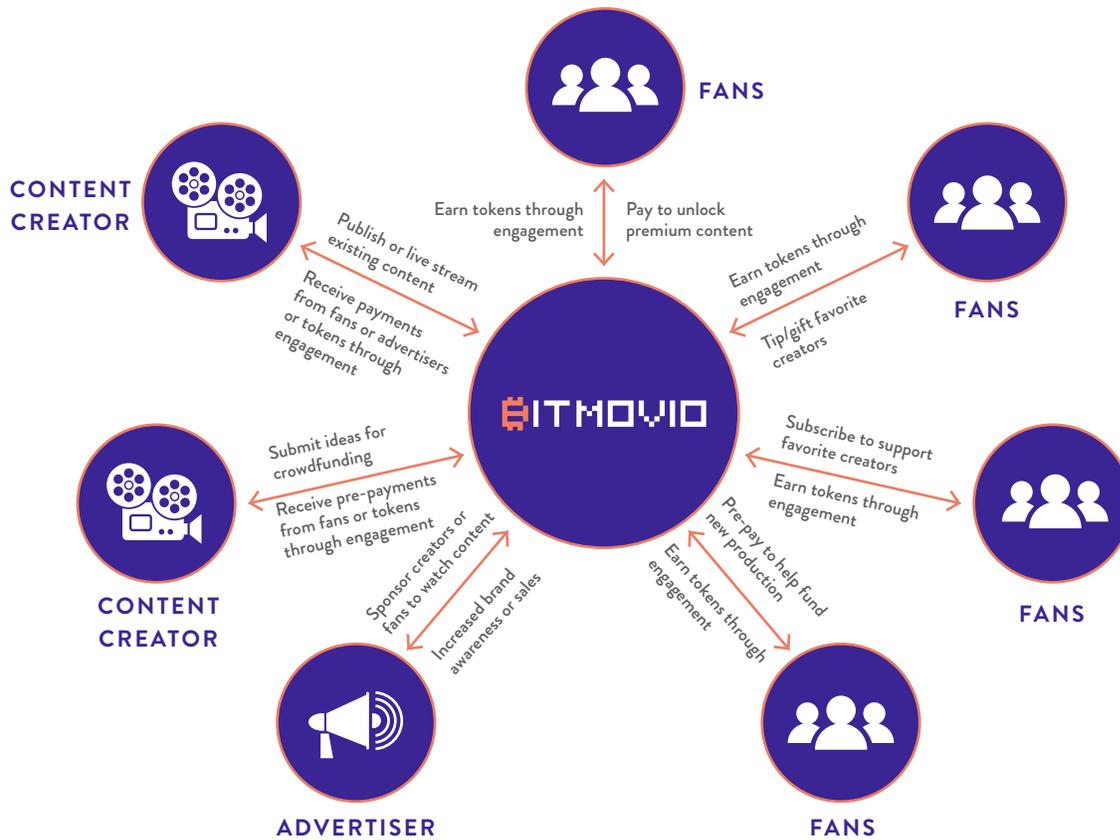
The rising popularity of the Blockchain as a fully transparent, distributed ledger provides a unique opportunity for users worldwide to contribute to new film and TV projects and premium user-generated content (PUGC), and to share their content in a way that end users will demand in the future. It also solves a number of problems that exist within today’s entertainment industry, as enumerated earlier, including the lack of transparency in content distribution, the lack of monetization platforms, the requirements for subscribing to OTT subscription services like Netflix, and the presence of centralized gatekeepers such as YouTube who censor or favor certain types of content in their sole discretion

## MoviBits Token Use Cases

The MoviBits ERC20 tokens will be used for all of the use cases that are currently represented on BitMovio’s existing website and mobile applications, and many additional use cases that can only be made possible with cryptocurrency. Some of the main use cases include:



1. Unlocking paid content for both purchase and rental of content (transactional VOD)
2. Providing tips and gifts to content creators and commentators
3. Subscribing to content creator channels
4. Encouraging engagement on the BitMovio platform
5. Providing an incentive for users to increase session times, watch specific content and positively engage with the community
6. Advertisers providing users with incentives
7. Funding of new content via the BitMovio platform
8. Incentivizing content owners to contribute new content to the BitMovio platform
9. Buying virtual goods for other users, or other forms of social interaction on the BitMovio platform



### MoviBits Token Allocation and Use of Proceeds

The MoviBits Tokens are released according to the ERC20 standard on the Ethereum blockchain. The total number of issued tokens will be 1,000,000,000 MVBIT tokens, and no new tokens will be issued. Tokens assigned to the team including advisors will be subject to standard lock-up and vesting terms.

In connection with this token offering, BitMovio will be selling up to 100,000,000 MVBIT tokens, representing 10% of the tokens that we anticipate will eventually make it into circulation. A breakdown of the percentage allocation of the tokens is below:



In connection with this token offering, BitMovio will be selling up to 100,000,000 MVBIT tokens, representing 10% of the tokens that we anticipate will eventually make it into circulation. A breakdown of the percentage allocation of the tokens is below:

- 10% of the tokens for this token offering
- 20% of the tokens reserved for future sales; these tokens will be reserved for sale to end users and for future token sales
- 20% of the tokens for content funding; these tokens will be used help crowdfund new content projects from BitMovio’s ever-increasing roster of streamers, film and TV creators
- 10% of the tokens for seeding the community (airdrop, early content adopters); these tokens will be used to grow the BitMovio community, including airdrops to end users of the platform, and incentives for content creators and advertisers
- 15% of the tokens allocated to team, advisors, etc; these tokens will be used to incentivize BitMovio management, the advisory team and strategic partners, including key figures in the entertainment industry
- 25% of the tokens will be held by the company in reserve

### Use of Proceeds

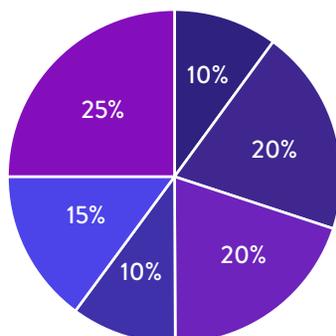
The proceeds of the tokens sold will be used to expand the BitMovio technology platform, content library, and to ramp up sales and marketing to grow the audience for this next-generation media platform. We anticipate selling up to \$5 million in tokens, which will be able to be used on the BitMovio platform.

The proceeds of this and any subsequent token sale will be spent approximately in the following percentages:

- 35% for R&D. We will continue to build the BitMovio platform, expanding from the current access points to include set-top boxes and other connected devices, and to keep adding social and freemium features to the platform.
- 30% for content funding. These funds will be used to help our content creators and user community create exclusive content that will only appear on BitMovio. We have many content creators already who are creating new content for BitMovio. These funds will allow us to secure rights for and help fund new content that our audience is most interested in.
- 20% for Sales & Marketing. These funds will be used primarily to grow the audience for the content creators who have joined the BitMovio platform. The commitment of BitMovio to spend money on marketing and user acquisition will accelerate the adoption of the BitMovio platform in all directions, including advertisers, content creators, and end users.
- 15% for legal and operations. These funds will be used for legal and operations of BitMovio.

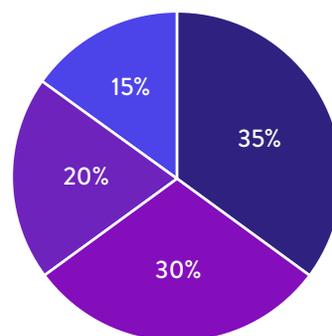
### TOKEN OFFERINGS

- Company Reserve 25%
- Initial Sale 10%
- Follow-on Sales 20%
- Content Funding 20%
- Community Seeding 10%
- Team, Advisors & Partners 15%



### USE OF PROCEEDS

- Legal Operations 15%
- Sales & Marketing 20%
- Content Funding 30%
- R&D 35%





# PRODUCT ROADMAP AND GO-TO-MARKET

## Product Roadmap

### Q1 2019

- Open beta release of BitMovio platform in web, iOS and Android app
- Support live streaming, pre-recorded video-on-demand, and live screening of pre-recorded content
- eWallet supports Ethereum cryptocurrency and MoviBits virtual currency that can be purchased with credit cards and in-app purchases
- Monetization model supports tipping/gifting and micro-transaction

### Q2 2019

- Include reward video ads to incentivize viewers to watch ads and earn MoviBits virtual currency
- Introduce advertising model (on mobile and web) for content creators to monetize free content
- Release advanced reporting and analytics for content creators and consumers
- Scale platform to support large volume of content creators and consumers

### Q3 2019

- Issue MoviBits Token, an ERC 20 utility token
- Build out data science capability for advanced content recommendations
- Introduce additional monetization models such as per-channel subscriptions/patronization
- Introduce additional incentivization models to reward positive behaviors on the BitMovio platform

### Q4 2019

- Integrate MoviBits Token wallet and use cases on the BitMovio platform
- Build out connected TV apps for large screen viewership
- Introduce prepayment for pre-production content projects as a source of "crowdfunding" for content creators
- Scale direct-to-consumer BitMovio platform adoption and scalability
- Architect platform for white-label solution pilot for additional content verticals

### Q1 2020

- First pilot of white-label solution for additional content verticals
- Integration with additional decentralized video streaming solutions such as Theta and IPFS
- Geographical expansion



## Go-to-Market

To ensure the long-term success of the BitMovio ecosystem, we need to build strong community support for both content creators and consumers.

### Content Community

To build the content community, we will adopt different strategies for premium and large-scale content partners versus independent and individual content creators.

For premium and large-scale content partners, we will leverage our strong networks and the connections of our founders and advisors in the Hollywood and international content ecosystem to acquire early adopters. So far, we have successfully onboarded World Poker Tour, Endemol Shine Group, Gunpowder & Sky, Diagonal View (the digital content arm of Sky, now owned by Comcast) and more. Leveraging the strong endorsements from those early adopters/innovators and the media buzz associated with our innovative gamified platform for the next generation of video consumers, we can continue the momentum to onboard additional premium studios including MGM, Sony and Warner, among others, as well as additional YouTube multi-channel networks such as Jukin Media, to name one.

For individual and independent content creators, we will leverage word-of-mouth and influencer marketing from our early adopters in specific verticals that are currently unfavored in the YouTube ecosystem. We also expand our presence at and, where feasible, sponsor trade shows such as VidCon to build our brand among the content creator community to help generate additional inbound leads.

### Consumer Community

A variety of tactics will be used to acquire users of the BitMovio platform:

- Influencer and content marketing to attract fans and supporters of specific content creators or content properties on the BitMovio platform
- Special live events and broadcasting events to create virality
- Gamified product features such as referral rewards, engagement rewards and interactivity that is unparalleled as compared with other video platforms.
- Social media marketing through platforms such as Instagram, Facebook, Twitter, LinkedIn, Reddit and Telegram to build followers and supporters of the BitMovio ecosystem.

## FOLLOW US ON SOCIAL MEDIA

#BITMOVIO

-  [instagram.com/bitmovio](https://www.instagram.com/bitmovio)
-  [twitter.com/bitmovio](https://twitter.com/bitmovio)
-  [facebook.com/bitmovio](https://www.facebook.com/bitmovio)
-  [linkedin.com/company/bitmovio](https://www.linkedin.com/company/bitmovio)
-  [reddit.com/user/bitmovio](https://www.reddit.com/user/bitmovio)
-  [t.me/bitmovio](https://t.me/bitmovio)