

# ICO Review: Mercury Protocol (GMT)

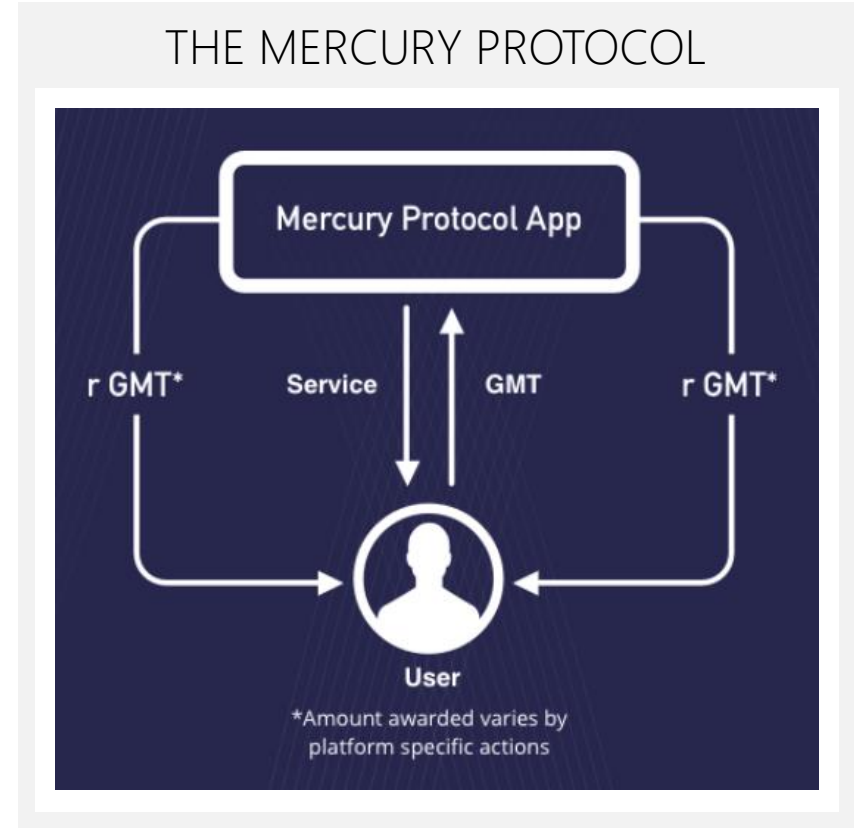
The Future of Communication Platforms

October 17, 2017



# What is Mercury Protocol?

- A suite of smart contracts that enable a more secure, more private social network to form on the blockchain, instead of isolating the network in centralized servers.
- Applications can leverage tokens to incentivize meaningful interactions while users can utilize them to gain access to premium services.
- They can also charge GMT tokens for premium services or award it to active users for positive participation.



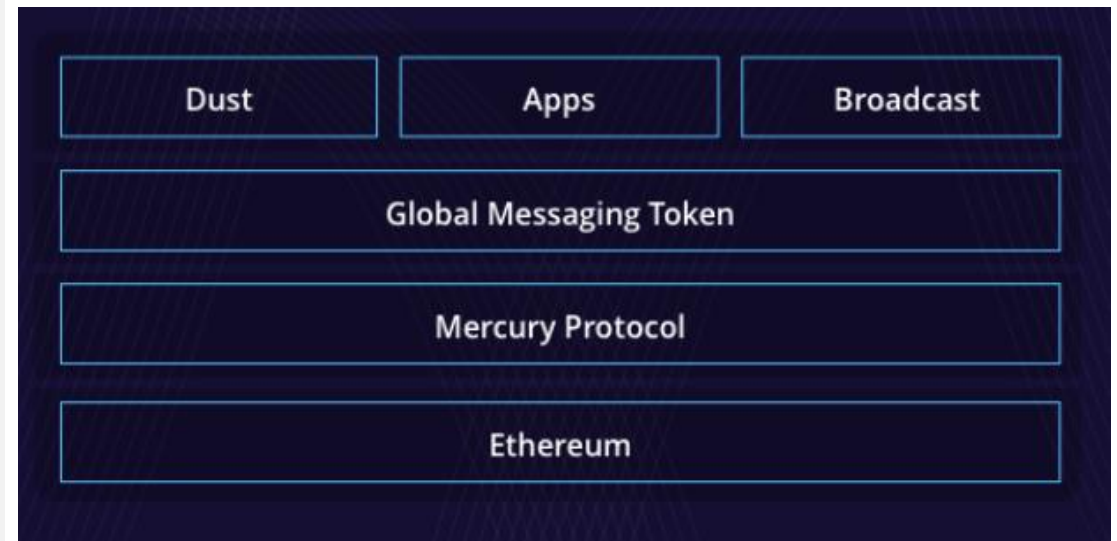
# What is the Dust messaging app?

- Dust, a messaging app created in 2014, will be the first application to utilize the Mercury Protocol.

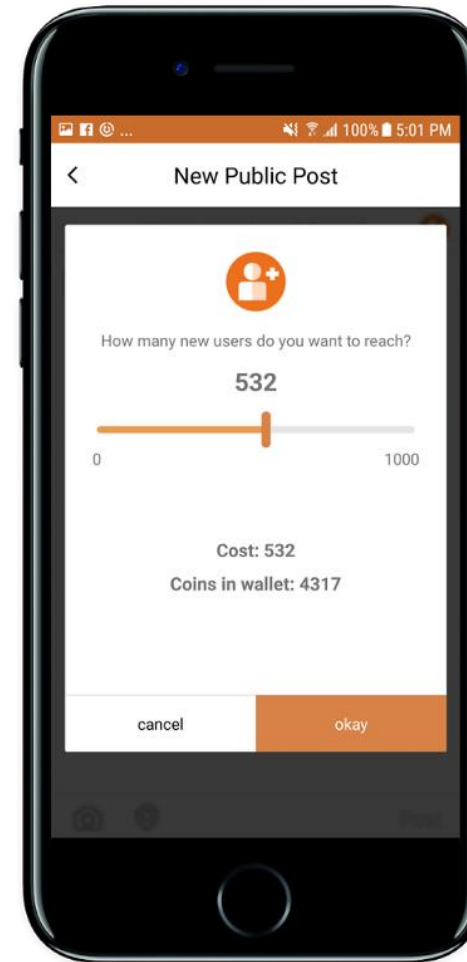
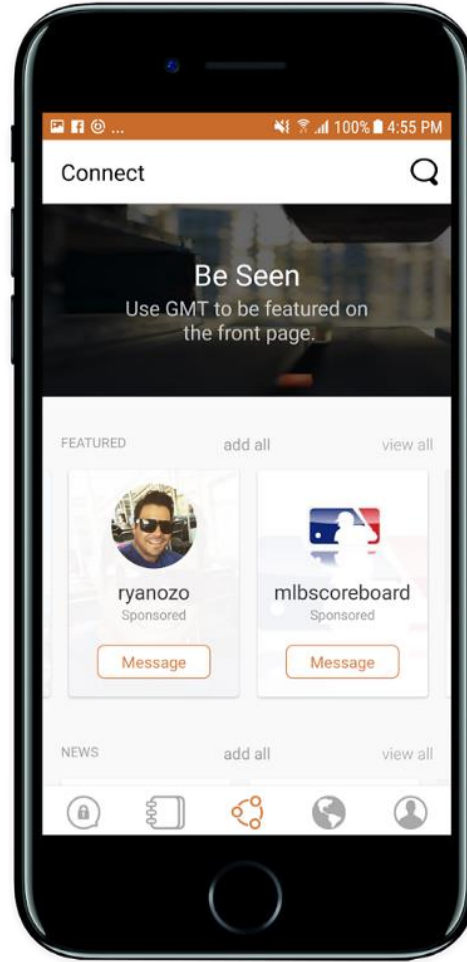
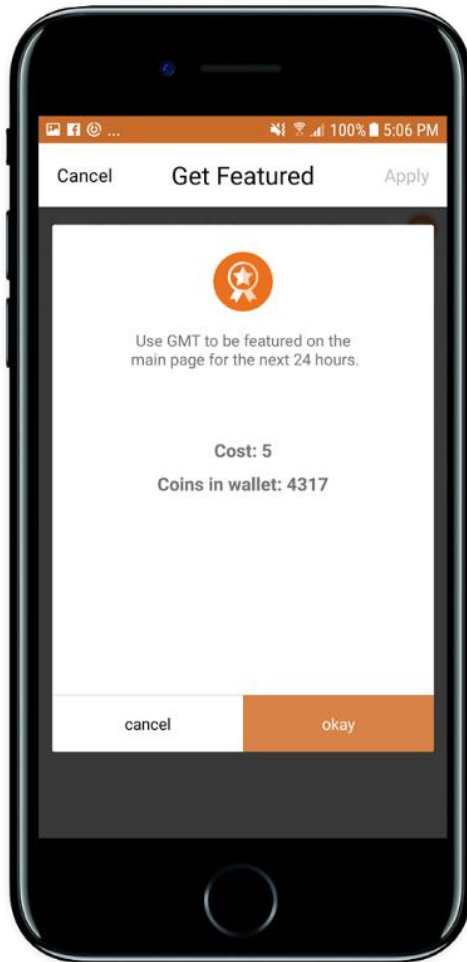


- Broadcast is on the pipeline and will be the second app integrating with the protocol.

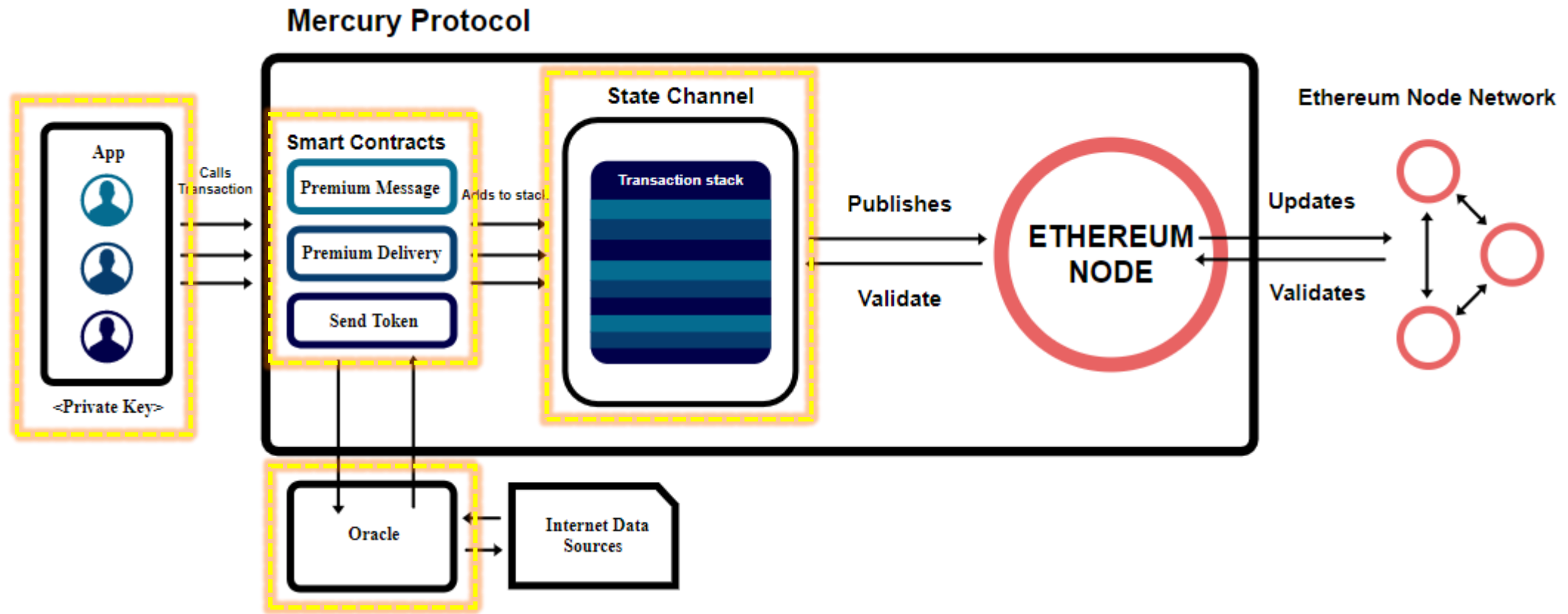
## THE TECHNOLOGY STACK



# Dust after integration with Mercury Protocol



# What is Mercury Protocol?



# Development roadmap

## Milestones

2014: Radical App LLC and Dust are founded.

2015: In-memory patent application filed. Blast feature implemented.

2016: Reached 1 million users and 1 billion messages sent on Dust.



## Q3 2017

Mercury Protocol development.

Integrate GMT wallet within Dust.

Deployed GMT token contracts to Ethereum testnet Rinkeby.

Begin internal admin testing of smart contracts on the test network.



## Q4 2017

Implementation of oracles and state channels within Mercury Protocol.

Implementation and security audits of decentralized governance smart contracts.

Launch web UI for decentralized governance.



## Q1 2018

Complete state channel implementation.

Open-source Mercury Protocol.

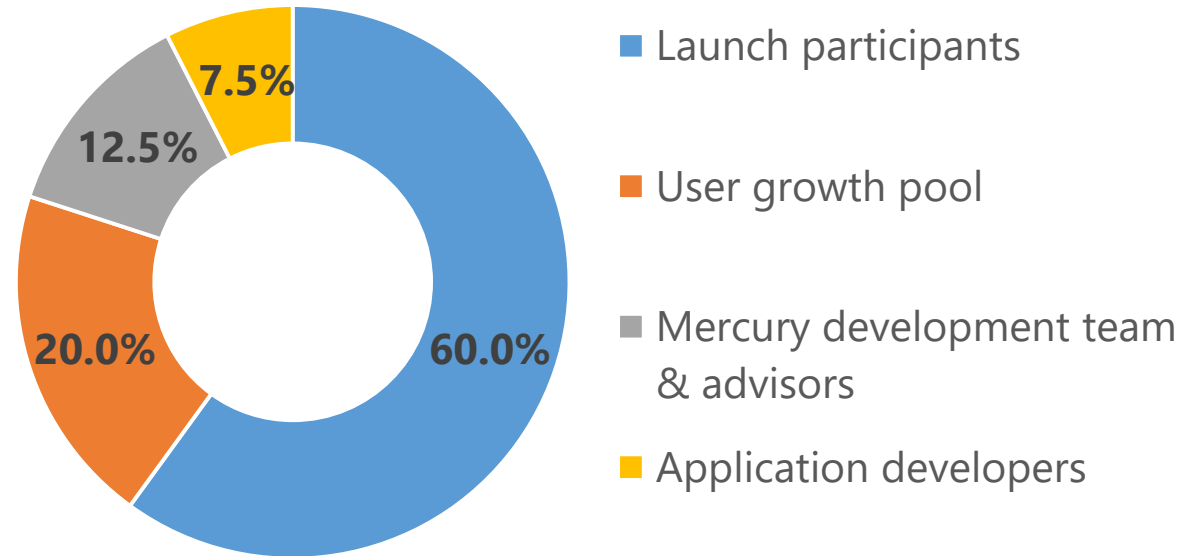
Mercury Protocol hackathon.

# GMT token sale summary

## ICO SUMMARY

- **Project name:** Mercury Protocol
- **Token symbol:** GMT
- **Website:** <https://www.mercuryprotocol.com/>
- **Hard cap:** US\$24M (ICO contributors own 60% of total token supply if hard cap is reached)
- **Total supply:** 1 billion GMT tokens
- **Max market cap at ICO (fully diluted):** US\$40M
- **Presale or white list:** No presale. Need to register on their website in order to participate in the ICO
- **ERC20 token:** Yes
- **Bonus structure:** None
- **Timeline:** October 25, 2017
- **Token distribution:** Immediately after contribution

## TOKEN ALLOCATION



# Use of GMT tokens

- GMT tokens are used for unlocking premium services for applications built on top of the Mercury Protocol. The following are proposed use cases for the protocol within Dust:
  - 1-to-1: Conversations
  - 1-to-Many: Announcements
  - Many-to-Many: Discussions
- Users are rewarded GMT for being active on these applications and networks. This creates an ecosystem that encourages active participation on the apps built on top of Mercury Protocol.



## THE TEAM

# Who are the people behind Mercury Protocol?



**Ryan Ozonian**  
Chief Executive Officer



**Rohit Kotian**  
Chief Technology  
Officer



**Igor Shpitalnik**  
Lead Backend  
Engineer



**Preethi Kasireddy**  
Lead Blockchain  
Engineer



**Alex Rupprecht**  
Android Team Lead



**Sameer Khavanekar**  
iOS Team Lead



**Mark Cuban**  
Advisor

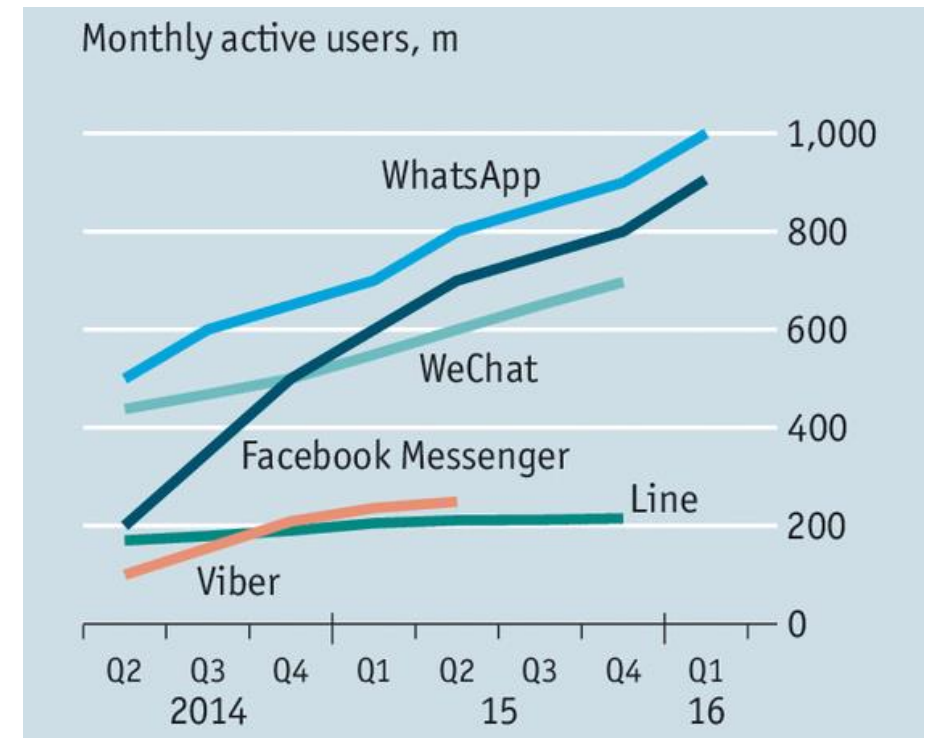


**Nick Tomaino**  
Advisor

# The opportunities

- Good ICO structure – there is no bonus/discount to ensure a level playing field.
- The messaging app industry is large. If Mercury Protocol is successful, the upside can be substantial.
- The company already has a functioning product, Dust, since 2014. Dust and Broadcast, with implementation of the Mercury Protocol, could be in market as early as next year.
- Allows service providers to bootstrap a network out of the box with low cost infrastructure.

GROWTH OF MESSAGING APP INDUSTRY



Source: Statista, The Economist

# Our concerns

- According to the white paper, the biggest differentiation of Mercury Protocol over currency players is that it does not collect user information and monetize it.
  - We are not sure if many users would care about this, as long as they can use all the necessary functions for free and enjoy the user experience.
  - The messaging industry has an enormous network effect, so users may not want to try a new app.

## DUST/BROADCAST VS. COMPETITORS

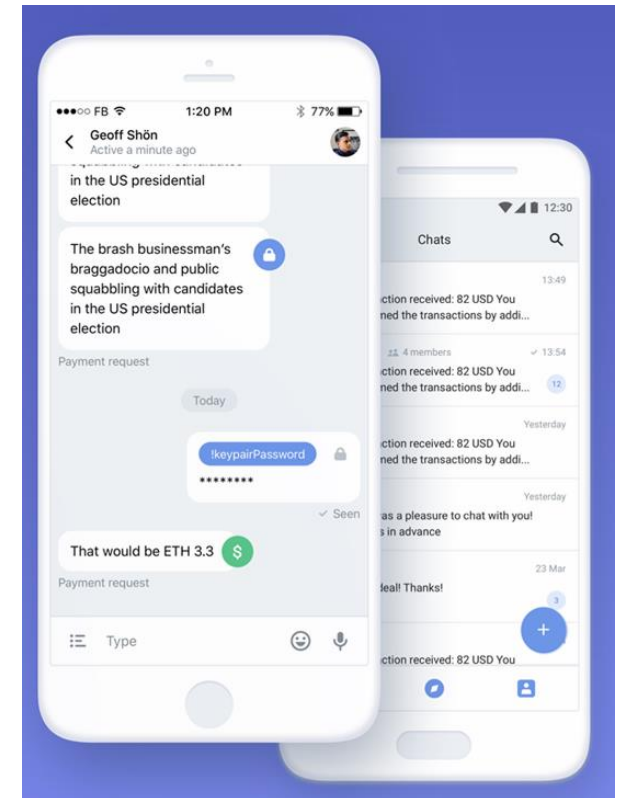
	Decentralized token system	In market in 2018	Participant incentives	Open source protocol	Strong focus on privacy
Status	✓	✗	✗	✓	✓
WeChat	✗	✓	✗	✗	✗
Toshi	✓	✓	✗	✓	✓
Messenger	✗	✓	✗	✗	✗
Signal	✗	✓	✗	✓	✓
Dust	✓	✓	✓	✓	✓
Broadcast	✓	✓	✓	✓	✓

Source: Mercury Protocol whitepaper

# Our concerns

- If Dust and Broadcast are not popular after integrating with Mercury Protocol, it would be difficult for third party developers to take the plunge and build applications on top of Mercury Protocol.
- The project will implement state channels and oracles – looks like it is a pretty complicated project and may face a lot of challenges during development.
- The use case is rather limited compared to Status, its closest competitor. Status' use cases include running dApps, sending payments, storing cryptocurrency, which cannot be done by the Mercury Protocol.

## STATUS MOBILE OS



# What do we recommend?

## For flipping: **Neutral.**

- Even with Mark Cuban as an investor, the project is not very hyped. Neither the Telegram nor Slack channel are very active. However, the hard cap is relatively low so it has the potential to be filled quickly.

## For long-term holding: **Neutral.**

- If the project is successful, it can tap into a multibillion industry. With a detailed development roadmap, the team looks like they know what they are doing.
- However, the project has many uphill battles to fight.

***CrushCrypto***