

ICO Review: Ink Protocol (XNK)

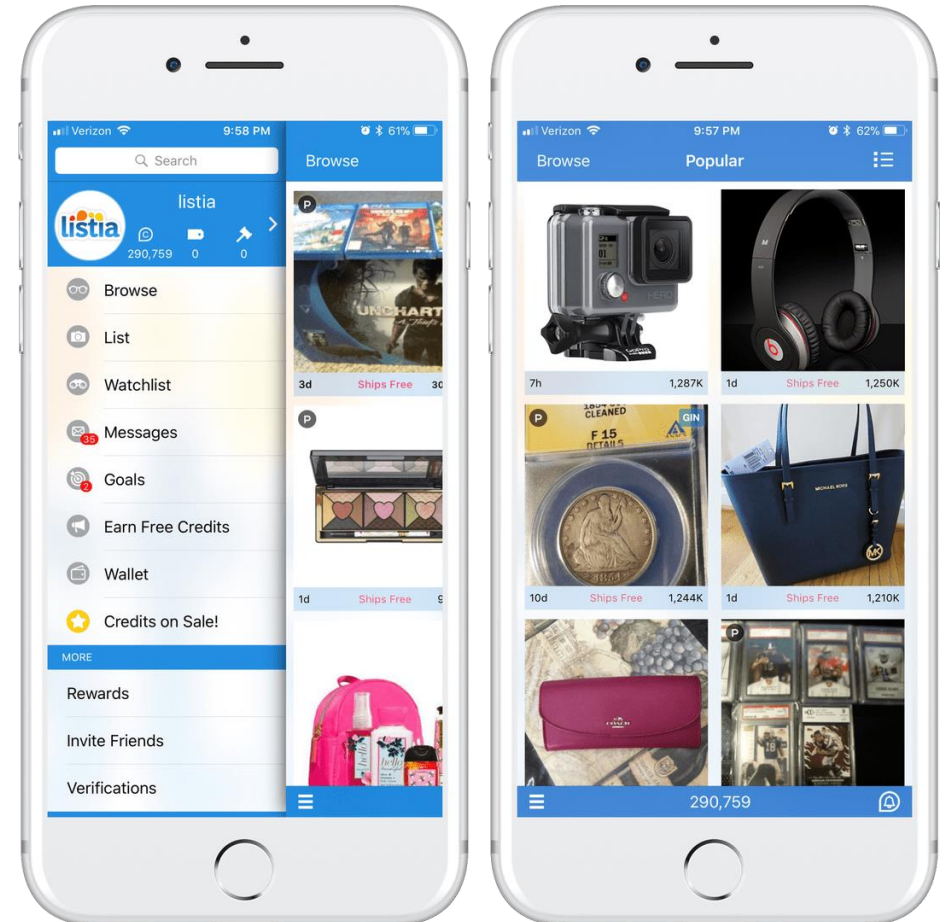
Reputation and Payments for Marketplaces

January 11, 2018



What is Ink Protocol (and Listia)?

- Listia is a web and mobile marketplace where users exchange goods, trading unwanted items for credits that can be used to purchase goods offered by other users.
- They are now building the Ink Protocol and will launch it on their marketplace with a corresponding token called XNK, designed to take over the role of Listia Credits.



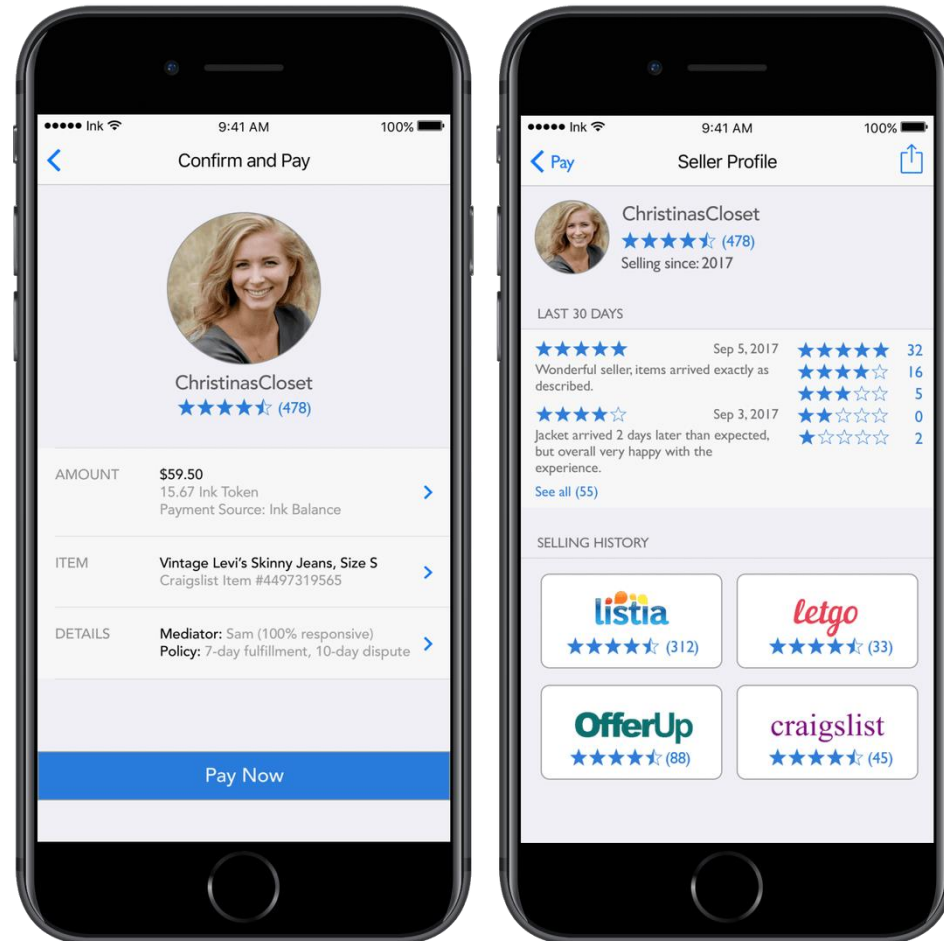
Decentralized reputation and feedback

- The smart contract will feature a decentralized feedback mechanism, where buyers can leave feedback for the seller about each transaction.
- Any marketplace that supports the Ink Protocol will benefit from improved trust and security for their platforms.
- The idea is that users will begin to see completed P2P transactions as something they should be credited for.

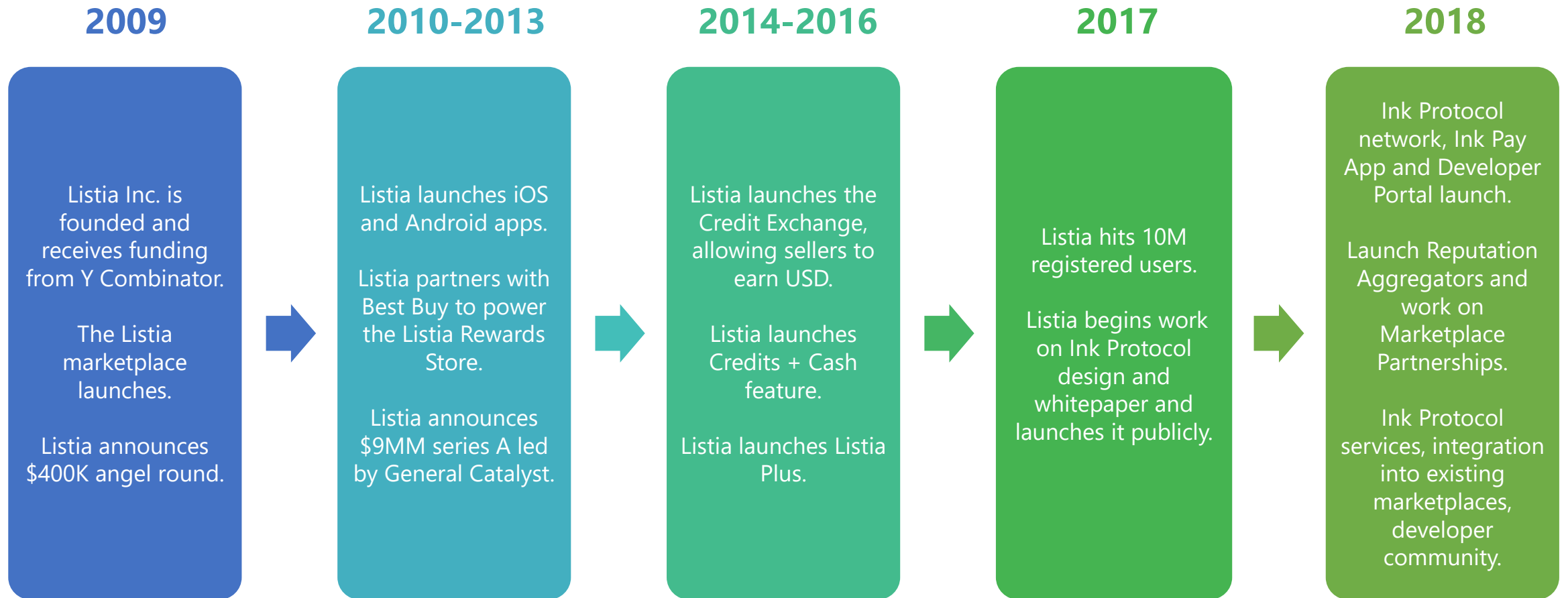


PROJECT OVERVIEW

The Ink Pay app



Development roadmap

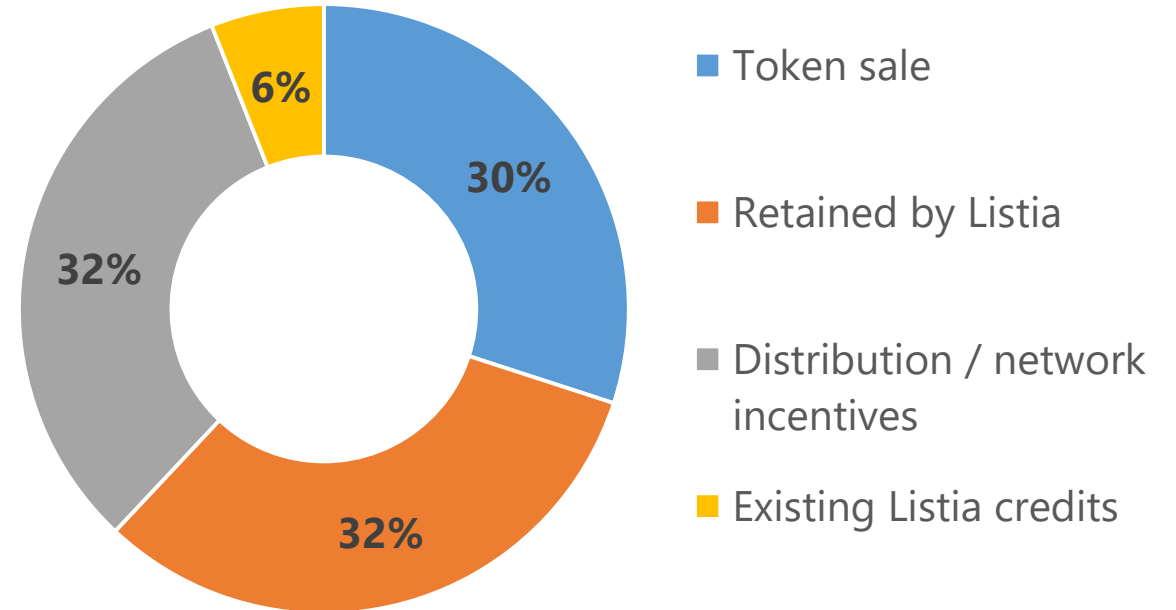


XNK token sale summary

ICO SUMMARY

- **Project name:** Ink Protocol
- **Token symbol:** XNK
- **Website:** <https://paywithink.com/>
- **Hard cap:** US\$15M for 30% of tokens
- **Conversion rate:** 1 ETH = 7,500 XNK
- **Max market cap at ICO (fully diluted basis):** US\$50M
- **Bonus structure:** 10-20% for presale investors based on tier
- **Presale or white list:** Both
- **Countries excluded:** USA, China, Canada
- **Timeline:** Presale registration live until 8pm UTC January 22, 2018 / Presale from January 22 to 31, 2018 / Crowdsale registration from 8pm UTC January 22 to February 1, 2018 / Crowdsale from February 1 to 28, 2018
- **Token distribution date:** After token sale ends

TOKEN ALLOCATION



Use of XNK tokens

- XNK will replace Listia Credits as the marketplace currency, and users with existing Listia Credits will be able to trade them in for XNK.
- Customers will benefit from the transition to XNK because it will be more fungible and tradable for other currencies.
- The token/blockchain will also act as an added level of security using escrow and third-party dispute resolution.
- There is also a staking function where the seller must stake their reputation against the tokens until the buyer receives the item. Mediators will receive fees as incentives.



THE TEAM

Who are the people behind Ink Protocol?



Gee-Hwan Chuang

Co-Founder & CEO, Listia

M.S. and B.S. in electrical and computer engineering from Cornell University. Before co-founding Listia in 2009, he worked as a software engineer for ZyXEL Communications and founded GEE! Technologies.



James Fong

Co-Founder & President, Listia

B.S. in electrical engineering from Cornell University and M.S. in electrical engineering from San Jose State. Worked as an engineer for Sun Microsystems and Micron technology in the early 2000s before co-founding Listia in 2009.



Gee-Hsien Chuang

Head of Product, Listia

B.S. in computer science from Cornell University and MBA from the National Taiwan University. Worked as a software engineer for Tropian, Cisco, and Slideshare before becoming the first employee of Listia.



Ngan Pham

CTO, Listia

Ngan received a B.S. in computer science from the University of California Davis in 2007. Worked as an IT assistant for Stellartech Research and a software engineer for StreamSend.

The opportunities

- Listia is an established platform with 10 million registered users and is backed by reputable VCs. This shows the experience and capability of the team.



ANDREESSEN
HOROWITZ



Naval Ravikant
Max Levchin
and others...

- The token model makes sense. We believe the switch from Listia credit to XNK token would be smooth and not impact the user experience at all.
- Since Listia will implement the use of XNK tokens soon after the end of ICO, there will be immediately traction with the usage of tokens. This is different from most other ICOs that will not be able to launch their platform until 3-12 months after ICO.

Our concerns

- From the public information that we gathered (app ranking history, website traffic, the co-founder admitting that Listia's growth is not as fast as everyone wanted, and last fund raising round being four years ago), we believe Listia is not a growing business. The switch to XNK token does not dramatically change the business model of Listia so the ICO may not be of much help to Listia's growth.
- It is less than 2 weeks before presale begins and the future roadmap of the project is not released yet. We cannot analyze the soundness of the roadmap and level of planning of the team in executing its vision.

What do we recommend?

For flipping: **Positive.**

- With a hard cap of US\$15M, solid team and high market awareness, we believe the project can be sold out with unmet demand.

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

- We are not sure how successful and profitable Listia is given the various information we gathered.
- The utilization of cryptocurrency does not dramatically change and improve the business model of Listia, so we are neutral about the benefits that the adoption of blockchain has on Listia.

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