

# NFT Jan 2022

Property of NEW ECW Productions





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NFT Overview



# NFTs



A Non-fungible token (NFTs) is a deed of ownership to a one-of-a-kind digital item, so you can own a piece of art even if you can't touch it.

It is a digital asset (code) that represents real-world objects like art, music, in-game items and videos. They are bought and sold online, frequently with cryptocurrency, and they are generally encoded with the same underlying software as many cryptos.



Some people treat them like they're the future of fine art collecting and some people treat them like Pokémon cards, where they're accessible to normal people but also a playground for the mega-rich.

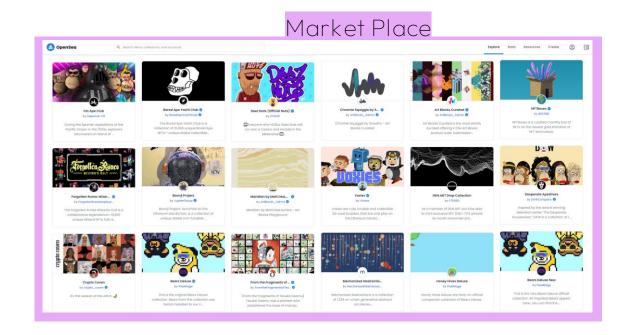


An item is made unique by giving it a unique code. Because of the code, one becomes the owner of that digital asset as it cannot be replicated.

### NFTs



Like eBay, Alibaba, Etsy & Amazon, there are multiple platforms (marketplaces) for NFT creators to sell there digital art. The majority of artists will list an NFT as part of collection.











Sold on Jan 3 2021 for \$557k

# NFT History

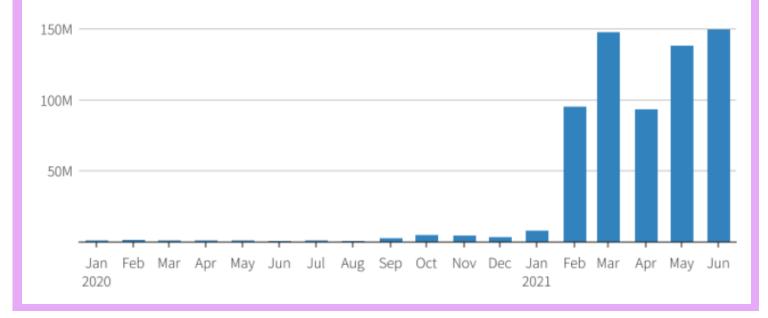


The first known "NFT" made in May 2014, consisting of a video clip made by McCoy's wife Jennifer. McCoy registered the video on the Namecoin blockchain and sold it for \$4. It went on to sell for \$1.4m in June 2021.

#### Quantum by Kevin McCoy & Anil Dash

### NFT sales on OpenSea near \$150m in June

Monthly non-fungible token sales volume on OpenSea marketplace, in U.S. dollars



In just the second half of 2020, the <u>volume of artistic NFTs</u> and usercreated content sold has grown from \$1 million per month to over \$20 million per month. That's a 20x increase in just six months, and then.....

# Expanding Market 2017-Present



### Given away for free in 2017

own.

#### What Are **CryptoPunks? The Ethereum NFT** Sensation Some of the oldest ever NFTs are now some of the most desirable-and expensive-crypto collectibles. Here's what they are-and how you can buy your By Andrew Hayward 5 min read • Sep 1, 2021 In brief · CryptoPunks is an Ethereum-based NFT project from 2017, making it one of the earliest examples of crypto collectibles. · Prices skyrocketed as the wider NFT market expanded in 2021, leading to numerous sales in excess of \$1 million each.



Today (Dec 2021): Current Lowest Price Punk Available 61 ETH (\$240,091.12 USD)

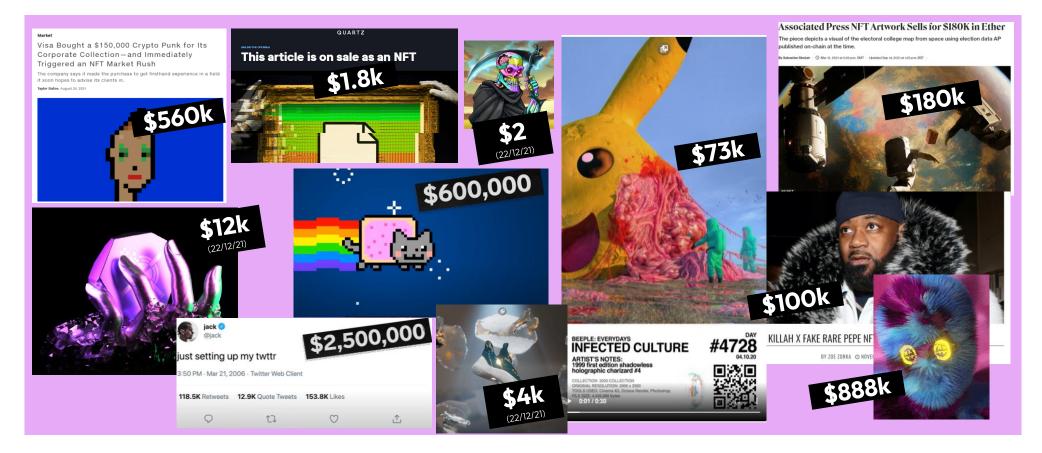
Number of Sales (Last 12 Months) 12,059

Total Value of All Sales (Lifetime) 620.61KE (\$1.8B)

### Examples



#### The Crypto market is merely about currency speculation, the NFT art market is independent and real.



Whilst NFTs are not as mainstream in the way that smartphones or Star Wars are mainstream, they do seem to have, shown some staying power, even outside of the cryptosphere.

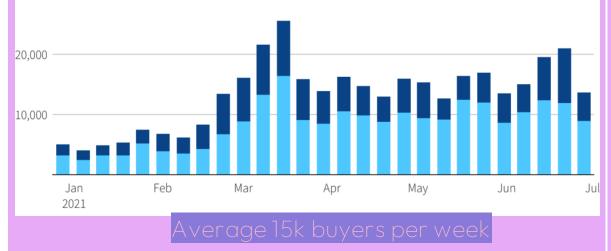
## Volume & Value





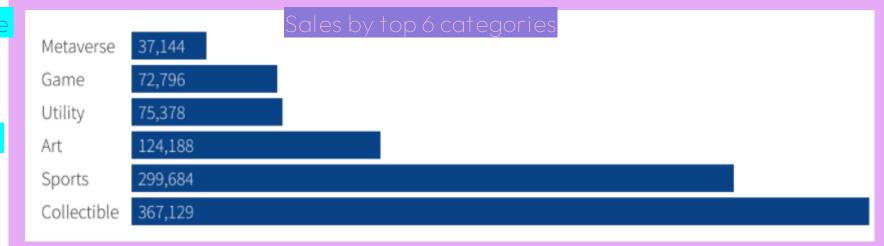
Number of buyers on non-fungible tokens on the ethereum blockchain per week

primary market
 secondary market





As of June 2020, "the most traded NFTs belong to the games and collectibles categories. Only 10% of transactions are related to the NFTs classified as art".



Weekly non-fungible token sales volume on the ethereum blockchain, in U.S. dollars

## Volume & Value

Beeple posted a new work of art online every day for 5000 days.

"I could distribute as free content, or I can sell it"

There were 353 bids in total for this artwork, with bidding <u>reaching \$1</u> <u>million</u> in the first hour. It's the <u>3rd most expensive</u> <u>artwork</u> sold by a living artist (No. 4 when adjusted for inflation).





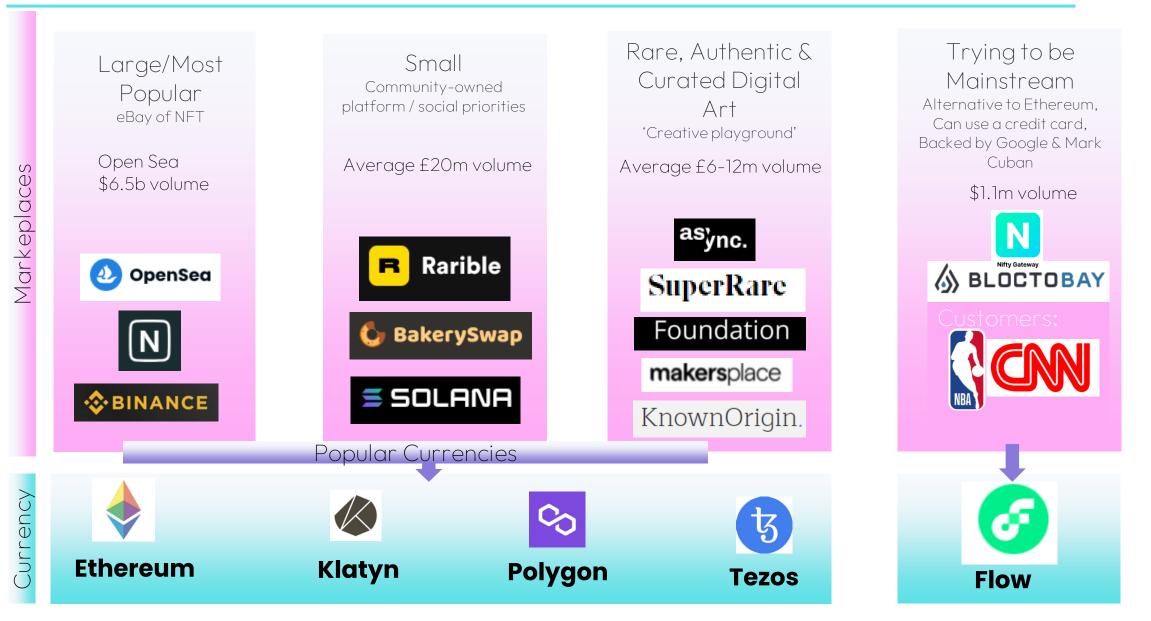
Price Realised Estimate unknyw USD 69,346,250 Physical item sent to owner (tablet with scrolling media)

Cristies, see the value in the uniqueness of the digital artwork. They have said publicly that they want to 'lean into' the market.



# Marketplaces & Currency Examples





# NFT Potential



# Music NFT's

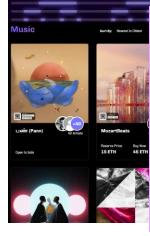


Foundation marketplace, released NFT's by TPain, Shakira, Rage Against the Machine. Nifty Gateway released music by deadmau5, Grimes, and Steve Aoki .

Music producer and DJ 3LAU, sold NFTs of his tokenized 'Ultraviolet' album for \$11.6 million in 2021.

In 2021, American DJ, Steve Aoki, he also created a \$1 million NFT track for Jenny DAO, ('Jenny Metaverse DAO Token').

#### asyncmusic



Freddy Got Magic + ②
@SupaBwe

independent artist can make label money by themselves in the NFT space, essentially removing the risk of being undervalued/cheated/reliant on/by corporate entities. if i hosted a space explaining NFTs and where artist who specialize in music fit, would you tune in?



### Music NFT's Merch



# Artists can sell physical & virtual merch. E.g. 3D figures, wearables for metaverse avatars, concert tickets and exclusive behind the scenes footage.



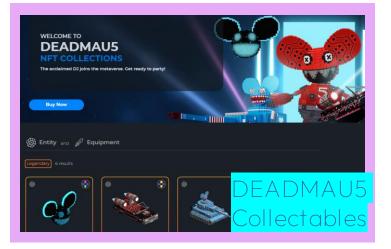
Grimes Death of the Old \$388k



Canadian musician, Grimes, for example, sold NFTs featuring never before seen images and videos for over \$6 million (topgrossing piece sold for \$389k)

#### Snoop VR Mansion: NFT ownership







Dallas Symphony/MET Orche... 0.05 ETH 9/25 Place a bid 🛛 57

rche... Dallas Symphony/MET Orc... 0.5 ETH 14/15 ♡ 57 Bid 0.005 wETH ♡ 44

05:07:51:40 Jaft ) Dallas Symphony/MET Ore... Minimum bid 1/1

Q 27

21.5 wETH

In August 2021, The Dallas Symphony Orchestra dropped classical-music themed NFTs complete with a full concert video, behind-the-scenes videos, and VIP access to a reunion concert. Bidding started at \$50,000 for the primary NFT.

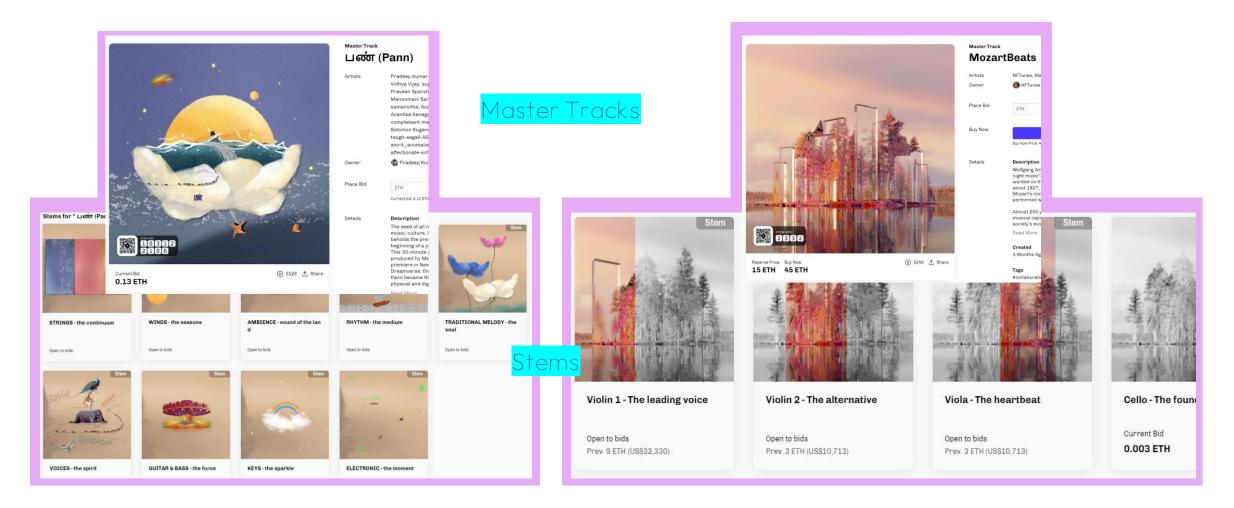
This includes additional such as dinner with the musicians, air fare and a hotel stay. However, there were 3 tiers to cater for less pricey budgets.

### Music NFT's Evolve



After it's sold, the music can evolve; like sampling, music can change according to different owners.

#### Tracks can be split into items, producers can sell beats & songwriters can sell lyrics as NFTs.



# Evolution of Art via NFT's



### The Future of Fine Art: Digital Art can change with time...

A creator can have their work tied to specific real-world changes.

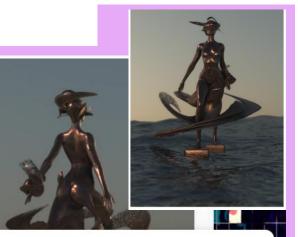
### With triggers such as:

- Time
- Weather
- Stock Market changes

### You could:

- Watch a tree grow over 100 years
- Music can change with time
- Music samples and/or lyrics can unlock on a audio track after 10 years of ownership
- Watch the seasons change on your NFT as they change outside your window
- Watch a bag of money fill with every daily increase in the stock price
- Have the sunset every night in the piece of art

Asyn is an invite-only marketplace that focuses on programmable music that changes over time.



### MANIFESTO

#### Layers (0)

Re

2 LIH

Fully Autonomous. Updates each hour in a 24-hour cycle. No ownable Layers in this piece. Only the Master can be purchased.

U.U EIN

# Noteworthy Case Studies



# Case Study – Video as NFT 1.0



### DJ turned TV Producer

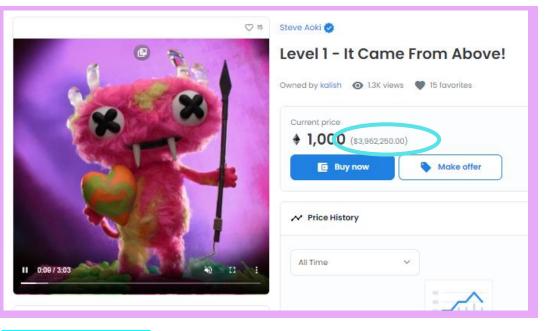
#### **Business**

### Steve Aoki Has Secured Funding to Pilot His NFT TV Show

The crypto-forward DJ is creating a "proper pilot" episode of his experimental NFT TV show, "Dominion X."

By Danny Nelson · ③ Aug 17, 2021 at 2:45 p.m. BST · Updated Sep 14, 2021 at 2:41 p.m. BST ·





### Trading Card

An NFT animated character of the show, is its own NFT.

Aoki says he wholeheartedly believes that NFTs will be a "part of culture" within five years.

# Case Study – Video as NFT 2.0



### Vitalik Buterin Joins Cast of 'Stoner Cats,' Mila Kunis' New Animated NFT Show

Ethereum's founder will voice a taxidermied cat named Catsington.

By Cheyenne Ligon  $\,\cdot\,$  () Jul 25, 2021 at 10:01 p.m. BST  $\,\cdot\,$  Updated Sep 14, 2021 at 2:30 p.m. BST  $\,\cdot\,$ 

To watch the first five-minute episode, viewers must purchase a non-fungible token (NFT) that is both a digital artwork of a randomly selected character from the show as well as a ticket to unlock all "Stoner Cats" episodes as they are made.

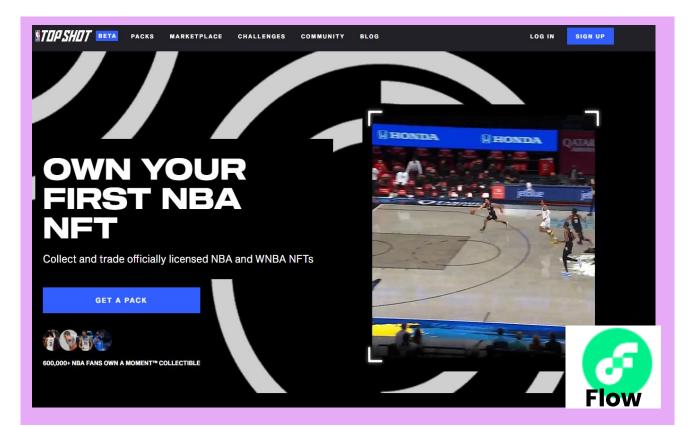
The NFTs will sell for 0.35 ETH (\$750)



# Case Study – Mainstream NFT's



### NBA's Top Shot, the marketplace where basketball fans can buy NBA highlights as NFTs. This is one of the first big attempts to legitimise NFT trading.



Private blockchains like *Flow*, are completely devoted to NFT transactions, allowing them to sidestep some of the issues with cryptocurrencies like Ethereum i.e. restriction against credit cards payments.

These 'block chains' move away from what cryptocurrencies were supposed to do in the first place, which is create a decentralized network where anyone can make transactions without the oversight of a single institution.

# Considerations



# Administration & Costs



### Admin:

Fees:

- Account initialization with Selected Market place ID Checks
- Obtain and Load Wallet
  - Bank Approval by Crypto seller manual Process
  - o Bank deposit
  - Transfer to wallet that trades on OpenSea (MetaMask / Coinbase etc.)
  - Buy and Sell NFT's
  - To Withdraw manual bank transfer request
- Account initialization fee
- A one-time approval fee per NFT
- Gas fees
  - Accepting an offer
  - o Transferring (or Gifting) an NFT to someone
  - o Buying a NFT
  - o Canceling a listed NFT
  - o Canceling a Bid
  - Converting WETH back to ETH, and vice versa.
  - Freezing your metadata
  - Bridging ETH or withdrawing ETH to and from Polygon



### Final sale £\$1,800

It cost Quartz roughly \$250 to conduct these transactions. This included a \$200 "gas fee" at the time of listing, paid to "mint" the NFT on the blockchain, and a \$50 fee to transfer the token's ownership on to new owner.

If a transaction is successful, OpenSea marketplace charges 2.5% of the final sale price as a fee. Of note, SuperRare charge 15% followed by 3% for subsequent sales. (Oct 2021)

Item sale price:	\$1.000	\$10.000	\$50.000	\$250,000
OpenSea Fee 2.5%	\$25		\$1,250	\$6,250
SuperRare Fee 15%	\$150	\$1,500	\$7,500	\$37,500

# Website & Launching NFT Series



NFT Calendar is main marketing tool

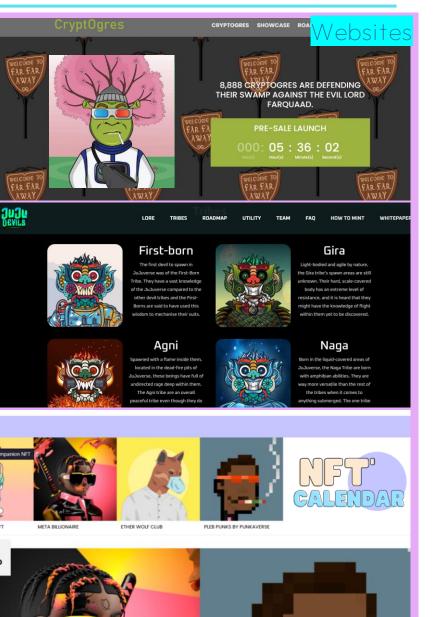
STAGE 00 – COMMUNITY BUILDING & MARKETING (giveaways via Websites)

STAGE 01 – SERIES 1 PRESALE – Superfans (earn future rewards)

STAGE 02 – SERIES 1 LAUNCH – Public

STAGE 05 – MERCH DROP – Building a Franchise

STAGE 05 – OTHER OPPORTUNITIES – Games, books, etc.



# Climate Effects



### CryptoArt is a tiny part of global emissions.

Climate effects of NFTs are still a relatively small portion of all Ethereum transactions, however, there is still should be considered.

Figuring out the culpability of NFTs is a little like calculating your share of emissions from a commercial plane flight. If you're on the plane, you're obviously responsible for a portion of its emissions. But if you hadn't bought the ticket, the plane probably would have taken off with other passengers and polluted the same amount anyway. Take "Space Cat," an NFT that's basically a GIF of a cat in a rocket heading to the Moon. Space Cat's carbon footprint is equivalent to an EU resident's electricity usage for two

months.



Whilst in 'proof of work', Ethereum transactions will incur a high electricity requirement, Ethereum has said for years that it will eventually switch to proof of stake "That would essentially mean that Ethereum's electricity consumption will literally over a day or overnight drop to almost zero".

### Short term: Choose less polluting platforms

#### CHARITY

Everyone has once dreamt of changing the **WORLD**, but **METABILLIONAIRE** are not only **DREAMERS**, we are **DOERS**.

As a proud partner of Oumma Sans Frontieres, **we launched 20 Water Wells** in different countries throughout **Africa**.

We are also currently working on the launch of the **METABILLIONAIRE SCHOOL**.

We are so grateful to have the opportunity to provide education and resources to the less fortunate.



Long term: Above+ offset Co2 (carbon credit), agricultural/nature reserve projects & other social initiatives

# Legal Implications

- Selling an NFT intrinsically means that all of the rights are sold with the art piece.
- Therefore, contracts with all involved crew (dancers, actors, camera, set) design etc.) should be in place to ensure claims for distribution royalties cannot be claimed.

Cele

NFT

 Where no contract was/is in place, can retroactively sign waiver to royalties.

### **Tarantino NFT Auction Going Ahead In Spite Of Miramax** Lawsuit

By Ola - January 6, 2022 - Updated: January 7, 2022 (9 4 Mins Read Search ... ibs has announced the official dates for the auction of their Tarantino NFTs. Notably the sale is moving forward despite a lawsuit from Miramax aiming to stop it. Registration for Latests NFT News the auction opens on January 10th, with the sales taking place between January 17th and 31st. Registration opens January 10 TARANTINO

Jay-Z, for sued his former partner for trying to sell an NFT allegedly consisting of the singer's 1996 album 'Reasonable Doubt"

# Opportunities



# Opportunities



### Are you an artist?













### Do you have any ideas or upcoming projects you have?

- Now you've made your short film and taken it to festivals why not sell it as an NFT?
- You're art is popular on Insta, could your fans interact with it in new ways?
- You love performing at the club on Friday nights, this is your art and you can share it!
- Are you a musician who loves technology, we can help you find new ways to create and distribute your sound.
- You enjoy reading poetry to your writers group and they love hearing it. Share it with the world others will love it just as much.
- You are a expert, bottle it up and share it!



# Opportunities



### NEW ECW Productions can give you the tools and guidance to turn your digital art into an asset you can sell.



### Made for NFT sale



### Artist

- Understanding your worth as an artist?
- How much does your time, skills and expertise cost?
- Who is your audience... Peers? Art Collectors? NFT collectors?
- How to value your work?

### Future Royalties from all sales

As mentioned, NFT provide a hard-coded percentage cut of every sale on the secondary market, some platforms offer better percentages for selling the NFT via their market place first i.e. Binance.





### We'd love to hear from you, so don't hesitate in reaching out.





# Appendix 1 - Sources



- <u>https://decrypt.co/80595/best-nft-marketplaces</u>
- o <a href="https://www.domusweb.it/en/art/2021/12/16/nfts-four-secrets-to-understand-their-real-value.html">https://www.domusweb.it/en/art/2021/12/16/nfts-four-secrets-to-understand-their-real-value.html</a>
- o <u>https://www.bestnfts.com/</u>
- o <u>https://pixelplex.io/blog/top-ten-blockchains-for-nft-development/</u>
- <u>https://www.coindesk.com/business/2021/07/25/vitalik-buterin-joins-cast-of-stoner-cats-mila-kunis-new-animated-nft-show/</u>
- o <u>https://nftevening.com/calendar/</u>
- <u>https://universecontemporary.com</u>