Value Proposition

Swiss investment fund built on blockchains data indexing.

9/13/22

Graz Network

Blockchain and Digital Assets Management

Contents

The technologies of decentralized finance are constantly opening up new investment opportunities, broadening the spectrum of entrepreneurial possibilities. Once the speculative euphoria is over, we expect markets to be focused on the utility and the rationality promising projects.

Thus, the time seems right to invest in an emerging technology based on solid fondamentals, offering real added value to the community.

To this end, Graz Network is specialized in the indexing of information held by blockchains. By choosing *The Graph Protocol*, we are investing in an ecosystem that combines returns and revenues, while meeting the demand for information from decentralized application developers.

1 Abstract

DeFi or Decentralized Finance, allows three types of income: *Investing*[1] , *Trading*[2], *Staking*[3]. For those who choose conservative risk management, the probability of achieving a return higher than the market, remains low. So, how to find additional incomes, independent of the market's volatility, but benefiting from its dynamics?

This issue is the problem statement of our value proposition and behind the creation of *Blue Sky Mine* investment fund. Its detailed business implementation can be consulted through the *Corporate and Business Strategy*[4] document.

As we do not consider market speculation a source of revenue. In our mind, the value of a cryptocurrency is an expression of its future use. Thus, we anticipate the emergence of the blockchain's indexing market, by funding interfaces for *Web3* developers.

2 Customer needs

The Blockchain is based on principles[5] that generate large amounts of raw information. These data are difficult to use, asking the problem of processing it, in order to put the results of each search in a comprehensible and accessible form.

In the nineties, Internet faced a similar problem. Then necessary investment for the development of search engines imposed centralized solutions, facilitating Ads revenues. But thirty years later, the centralization is questioned, for monopoly and privacy reasons.

---

1   Long term assured gain, controlled risk taking.

2   Short term potential gain, high return for a corresponding risk taking.

3   Regular income for a substantial investment, long-term gain, low risk.

4   *Ref. Appendice 8.1*

5   Transparency, Immutability, Replication

Nowadays, *Web3* application creators are increasingly demanding the information held in blockchains. Unable to finance the infrastructure required to their own search systems, they are willing to pay services to format and distribute this untapped source of business value.

Graz Network's goal is to monitor this demand and take advantage of disruptive technologies to position his investments by financing competitive offerings.

3   Value proposition

3.1   Proposition

First swiss investment fund based on blockchains data indexing. We are taking part in *The Graph Protocol* ecosystem, in order to maximize our returns and capitalize them in potentially disruptive emerging technologies.

We develop decentralized *Web3 APIs[6]*, proposing a simple informational structure, allowing efficient reuse of blockchains information.

We index blockchains data for *DApps[7]* developers, by proposing decentralized *GraphQL[8] APIs* based on *The Graph protocol*.

3.2   Discontinuous innovation

The Graph Protocol is a distributed indexing protocol. It organizes blockchains data to make it easily accessible with the *GraphQL* language. Anyone can build and publish open interfaces, called *Subgraphs*, making information easily accessible.

Subgraphs are able to compose a Global *GraphQL APIs* of all the public information in the world. This data can be transformed, organized, and shared between applications so that anyone can query it.

The *GRT* token is used to secure and govern the network. It encourages behaviors that are essential for the network. Customers pay in *GRT* a decentralized network, to index, cache and query data stored on the various blockchains.

---

6   Application Programming Interface, set of programming code that enables data transmission between softwares

7   Decentralized application, a distributed open source software application that runs on a blockchain network

8   Graph Query Language, a query language for APIs and a runtime for fulfilling those queries with your data

3.3 Defensible technology

The Graph Protocol is an *open source*[9] technology. Being able to participate in the genesis of its development is a considerable competitive advantage. While the technology itself cannot be protected, the experience gained from its implementation and use constitutes an effective technological defense over time.

Information retrieval is based on indexing. The more blockchains develop, the more information to be processed increases, the more expensive it is to process. Thus, in addition to the experience acquired, first arrivals have the advantage of complete indexation and a more competitive information.

Once established, *The Graph Protocol* will be difficult to substitute. Not only because of its decentralization but also because of the indexing work already done. A comparison can be made with many Internet protocols[10], which have still not been replaced, even if better ones exist.

3.4 Disruptive Business Model

The Graz Network business model is based on different profit sources. Revenues from one segment are optimized through reinvestment in another. Build on an emerging ecosystem, it use *tokenomics* to optimize revenues trough time.

Business Model Canvas				
Partenaire clés	**Activités clés**	**Proposition de valeur**	**Relations clients**	**Segments clients**
Experts	Liquidity Farming	Indexing blockchains data, GraphQL APIs	Social Media	Developpers Web3, Investors
	Ressources clés		**Circuits de distribution**	
	GRT Tokens		The Graph Protocol	
Structure de coûts			**Sources de revenus**	
Ressources			Fees, Rewards, Token inflation , Trading, Staking	

---

9   Made by many people and distributed under an OSD-compliant license

10   SMTP, HTTP, TCP, IP, FTP

3.5 Business Analysis

The Mintzberg's *SWOT* analysis, which relate the internal strengths and weaknesses to external opportunities and threats, show us fund-specific competencies to the industry opportunities.
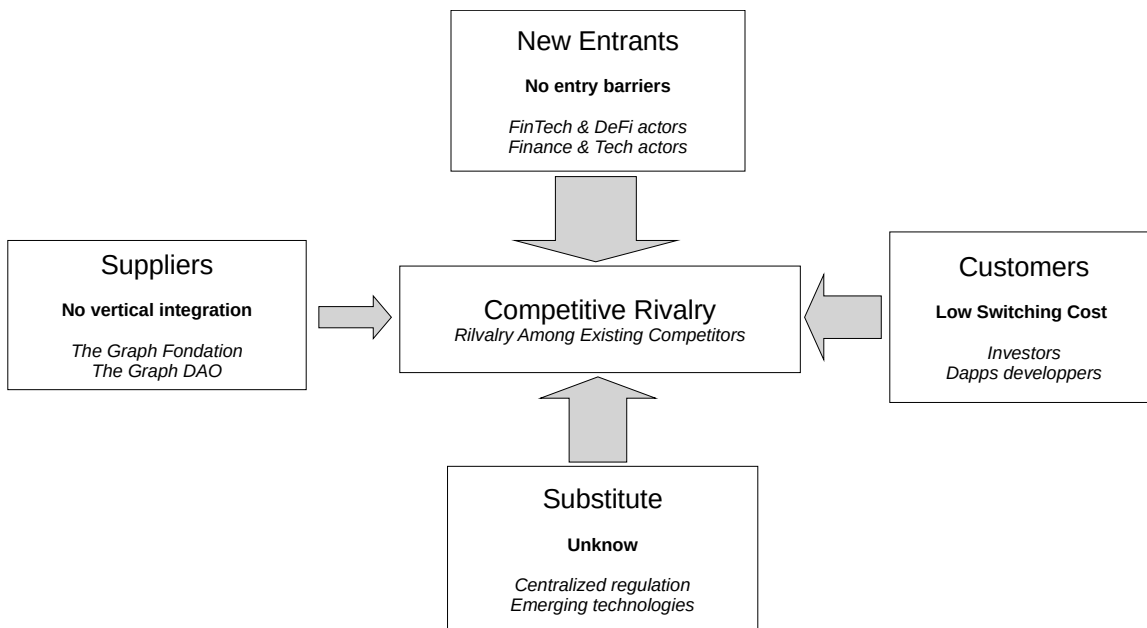
```
┌──────────────────────────────────┐          ┌──────────────────────────────────┐
│ Specific Ressources and Capabilities │          │   Competitive Market Dynamic   │
└──────────────────────────────────┘          └──────────────────────────────────┘

      ┌──────────┐   ┌──────────┐              ┌──────────────┐   ┌──────────┐
      │ Strengths │   │ Weaknesses │             │ Opportunities │   │ Threats  │
      └──────────┘   └──────────┘              └──────────────┘   └──────────┘

┌─────────────────────┐ ┌─────────────────────┐  ┌─────────────────────┐ ┌─────────────────────┐
│ Talent-attracting Soil │ │ Technological complexity │ │ First mover          │ │ Regularizations      │
│ Close of sources of    │ │ Scarce human resources  │ │ Emerging market      │ │ Centralization       │
│ knowledge              │ │ Necessary training      │ │ Low development cost │ │ Alternative technologies │
│ Fiscal Optimization    │ └─────────────────────┘  └─────────────────────┘ └─────────────────────┘
└─────────────────────┘

            ┌──────────────┐                        ┌──────────────┐
            │ Competencies  │                        │ Opportunities │
            └──────────────┘                        └──────────────┘

                          ┌──────────────────┐
                          │ Corporate Strategy │
                          └──────────────────┘
```

The Porter's *Five Forces* model determines the degree and nature of competition in the industry. It indicates a balanced competitive sector, that as all emerging technologies, is likely to change.

```
                          ┌──────────────────┐
                          │   New Entrants    │
                          │  No entry barriers │
                          │ FinTech & DeFi actors │
                          │ Finance & Tech actors │
                          └──────────────────┘
                                   ↓
┌──────────────────┐      ┌──────────────────────┐      ┌──────────────────┐
│   Suppliers      │      │ Competitive Rivalry   │      │   Customers      │
│ No vertical      │  →   │ Rilvalry Among Existing│  ←   │ Low Switching Cost│
│ integration      │      │ Competitors           │      │                  │
│ The Graph Fondation │   └──────────────────────┘      │ Investors        │
│ The Graph DAO    │              ↑                      │ Dapps developpers │
└──────────────────┘      ┌──────────────────┐          └──────────────────┘
                          │   Substitute      │
                          │    Unknow         │
                          │ Centralized regulation │
                          │ Emerging technologies │
                          └──────────────────┘
```

3.6 Profit Plan

Simons's *Three Wheels of Profit,* illustrates the operating cash flow cycle, shows us the value creation and how to determine if the profit plan is adequate.
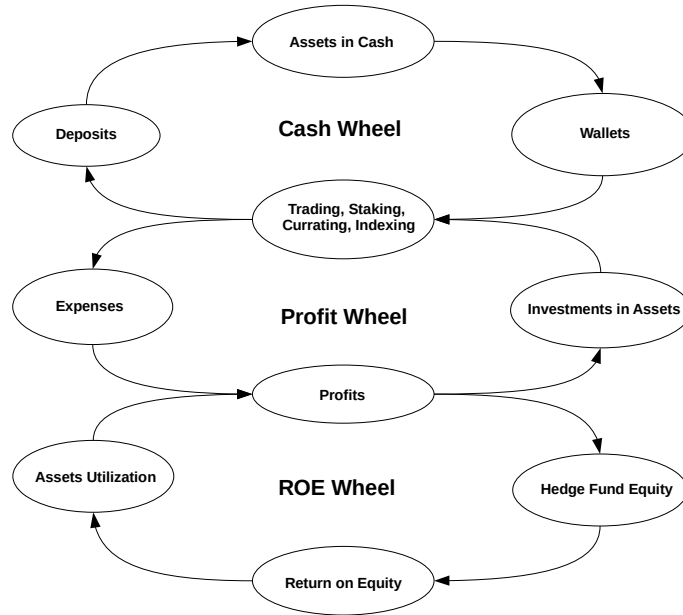
Value is created by the revenues of *DeFi* (Investing, Trading, Stacking). Value is also generated by the *tokenomics* of the ecosystem (*Fees*, *Reward*, *Query Market Shares, Token inflation)*. Then, knowledge capitalization of *Subgraphs* and indexing *Nodes* add final value.
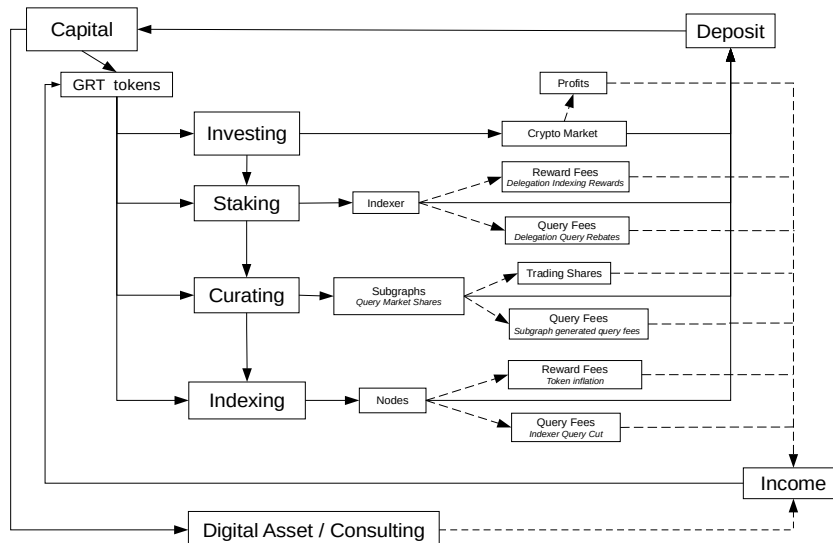
ROI is optimized by the interoperability of a common ecosystem financial processes. The *Blue Sky Mine* index witness the created value of the fund.

4 Implementation Strategy

4.1 Perspective

We believe in a free and open economy. Therefore, we are convinced that information monopolization hinders the creation of value.

In our opinion, the decentralization of knowledge, which includes the decentralization of information systems, is the solution against sclerification of knowledge.

By eliminating intermediaries, Blockchain technologies will generate, by serious cost reduction, a greater liquidity of our financial system.

Cryptocurrencies are a contractual exchange medium that doesn't require a third party to intervene. They are the solution to many of today's problems.

The value of a coin or token is an expression of its future use. We choose to not consider market speculations as a source of income.

Graz Network supports democratization of finance, in order to broaden the spectrum of entrepreneurial opportunities, often limited by the rigidity of a centralized system.

4.2 Position

We see blockchains indexing as an emerging market. Positioning ourselves in the *Web3 API* indexing market for *Dapps* developers is our strategy.

- Graz Network supports the decentralization of information systems.
- Graz Network invests in the indexing of blockchains
- Graz Network invests in decentralized blockchains
- Graz Network invests in useful coins and tokens
- Graz Network chooses *The Graph Protocol* and *GRT* as its indexing assets.

4.3 Plan

1. Asset Management (BTC, ETH, GRT, BNB, CHSB)
   - Capitalize the following tokens GRT, ETH, BNB
2. Staking as _Delegator_[11]
3. Business Intelligence(BI) database on _Indexers, Curators and emerging blockchains_
4. Developing _Subgraphs_
5. Investing as _Curator_[12] (validation of s_ubgraphs_)
6. Investing as _Indexer_[13] (management of _Nodes The Graph_)
7. Get official certifications _GraphQL_, _AssemblyScript_, _Solidity_, _The Graph_
8. Commercialize _Subgraphs_ development
9. Initial coin offerings (ICO) of an equity token (BSM)

4.4 Pattern of action

Knowledge Management

1. Technology watch
2. Internal documentation
3. Active participation
4. Updating business intelligence database
5. Validation through certifications

Business Strategy

1. Buying
2. Trading
3. Staking
4. Selling

---

11 Network participants who stake GRT to one or more Indexers

12 Network participants that assess and signal on the _Subgraphs_ that should be indexed

13 Node operators that stake GRT in order to provide indexing and query processing services

5 Futur Direction

Future is to apply our business model to other ecosystems and to create a fund built on emerging blockchains technologies. And Create independent business entities.
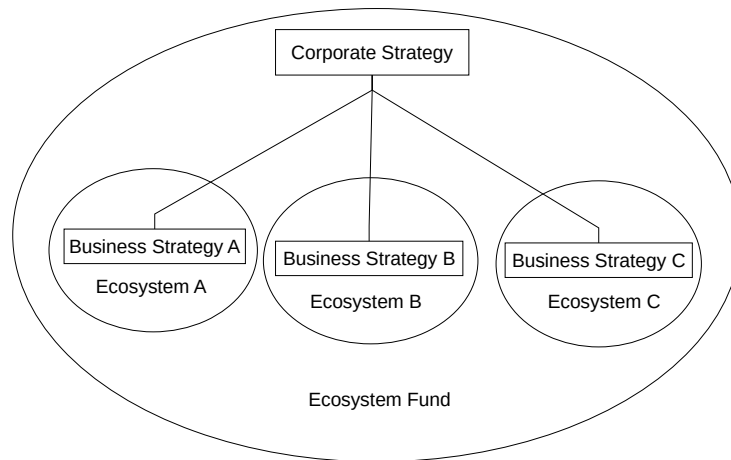
Knowledge Management

- Create Business Intelligence database about *Blockchains*, *Tokens, Indexers* and *Subgraphs* which likely generate high demand.

- Develop *Subgraphs* for indexing high potential cryptocurrencies. Publish them, to be supported by *Curators* and used by *Indexers*.

- Obtain certifications. Commercialize *Subgraphs* developments.

Business Strategy

- Stake GRTs to successful *Indexers* as *Delegator,* to receive a percentage of their query fees and indexing rewards earned.

- Invest GRTs in *Subgraphs* validations as a *Curator,* to receive *Subgraph Mint Shares* and a part of 10 % from query fees generated by the validated *Subgraphs*.

- Manage Nodes as an *Indexer*, to receive the query fees generated by the use of hosted *Subgraphs* and the *Indexing rewards* that are generated via the 3% annual protocol inflation.

- Initial coin offerings (ICO), equity token (BSM)

6   Conclusion

Graz Network is a free investment fund build on decentralized technologies, specialized in blockchains indexing. Our strategy is to take position in the market in order to identify trends and opportunities.

Information retrieval is an important issue in *Web3* development. If the *Google of Blockchains[14]* is to come, it will likely be decentralized and its solution close to *The Graph Protocol*.

Being able to participate in the youth of its development is a competitive advantage. As *open source*, the technology itself cannot be protected. But its know-how constitutes over time, an effective technological defense. Then, in addition to the experience acquired, first arrivals take the advantage of reliable indexing.

Graz Network invests in disruptive innovations that provide solutions that are different from what has been proposed until now. These innovations are rare. But they are the ones that precipitate the failure of the leaders, and generate important ROI.

---

14   The Graph Is the 'Google of Blockchains', Bloomberg Technology

7 Appendices

7.1 Corporate and Business Strategy

{Where ressources will be invested ? How to compete in defined product markets ?}

7.2 Business Model

{How to create value for customers and differentiates itself from competitors}

7.2.1 Perspective and Mission

{Business Mission Statements}

7.2.2 Position in Industry

{Business Strategy }

7.2.3 Plans and Goals

{Business Performance Goals and Measures}

7.2.4 Patterns of Action

{Business Strategy as Patterns in Action}

7.3 Strategic Risk

{Events or set of conditions that reduces the ability to implement the Business Strategy}

7.4 Graz Network Logo

(((graz)))

8   References

The Graph :A Decentralized Query Protocol fo Blockchains, Y.Tal, B.Ramirez, J.Pohlmann, https://github.com/graphprotocol/research/blob/master/papers/whitepaper/the-graph-whitepaper.pdf

The Graph.com, https://thegraph.com/

The Graph Fondation, https://www.notion.so/The-Graph-Foundation-e822e66d7b614fd-d899a647f5db51a68

An Overview of Blockchain Indexing Protocol, K.Takyar,https://www.leewayhertz.com/blockchain-indexing-protocol/

The Graph: Fixing Web3 Data Querying, Markus Waas, https://ethereum.org/en/developers/tutorials/the-graph-fixing-web3-data-querying/

Crypto Report: The Graph Is the 'Google of Blockchains', Bloomberg Technology, https://www.bloomberg.com/news/videos/2022-05-03/crypto-report-the-graph-is-the-google-of-blockchains-video

The Graph $GRT: The Decentralized Google For Blockchains, Maximilian Perkmann, DataDrivenInvestor, https://medium.datadriveninvestor.com/the-graph-the-decentralized-google-for-blockchains-10498169d62d

Performance Measurement and Control Systems for Implementating Strategy, Robert Simons, First Ed., Pearson Education Limited