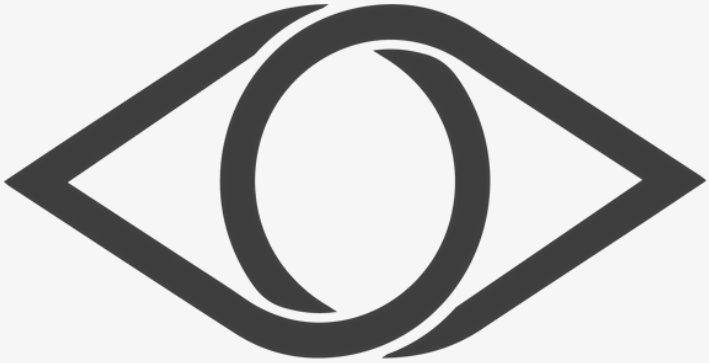
GAUPA LABS

JANUARY 2022

WHITEPAPER



Gaupa Labs

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PROJECT DESCRIPTION

In today's highly interconnected international markets, the global economy depends on complex interactions between multiple entities to manufacture and distribute goods.

More than ever, supply chain management tools are in the spotlight, with companies investing to handle the ever-growing complexity of modern supply chains. With a total worth of 16 billion U.S. dollars in 2020 according to Statista, the global supply chain management market represents an important market for software companies such as SAP and Oracle, which can be identified as the leading supply chain management software suppliers.

At the same time, data analysis and cloud computing are amongst the highest priorities in the investment strategies of supply chain companies. As a result, the demand for modern supply chain software that supports **data analysis, rapid and secure data access** as well as **tamper-proof and fail-safe data storage** is ever-growing.

Furthermore, according to a Statista report from 2018, 21% of supply chain professionals identified **visibility** as the most significant organisational issue.

Gaupa Labs offers a novel combination of **supply chain management software** and **blockchain technology** to enhance both security and transparency throughout manufacturing processes. Furthermore, this enables novel approaches to data analysis while reducing costs linked to documentation, data protection and data verification in the process.

The vision is to apply this technology to improve transparency on supply chains that are especially concerned with environmental impacts, ecology and working conditions. This approach will help companies get more visibility by highlighting their efforts while improving their internal supply chain management.

OUR GOALS AND OBJECTIVES

By combining traditional supply chain management with state of the art blockchain technology, we seek to improve transparency throughout production and retail. While providing a service that helps our customers highlight their efforts regarding the impact of their supply chain operations, we simultaneously offer a tool that can be used to optimise the internal usage of supply chain management software. The latter is due to the inherent properties of a blockchain, which include among others **security, fail-safety** and **minimal costs,** as well as reduced overall **overhead costs**.

OUR SCOPE OF WORK

THE SERVICE PROVIDED OFFERS SUPPLY CHAIN TRACKING BASED ON A BLOCKCHAIN NETWORK.

BLOCK CHAIN

Using **blockchain technology** for supply chain management offers the following benefits:

- Cost reduction due to digitisation
- Immutable documentation from raw material over every production step to the end product
- Stored information is by design tamper-proof and secure
- Ability to prove conditions for certifications without disclosure of confidential data
- No single point of failure due to decentralisation
- Enhanced system security
- Very low running costs

Data recorded throughout the supply chain is written onto a blockchain network via a software interface provided by Gaupa Labs.

The interaction with the blockchain is handled by a suite of smart-contracts. This ensures all confidential data stored on the blockchain is encrypted while remaining usable to prove conditions for certifications, as an example.

This is being combined with a decentralised database solution for internal use, in order to reduce the size of the blockchain.

Moreover, the service includes a digital platform that enables a seamless user experience for data analysis, interaction and verification with the possibility of connecting third-party software.

All agents of the supply chain can interact through transactions on the platform and the underlying blockchain. In this process, access to information can be organised on various levels.

External agents will be able to verify information without full disclosure due to the properties of the underlying blockchain.

The information, in turn, may be used for customer relationship strategies such as transparency campaigns.

The service offered can be adapted depending on customer needs, for example, ensuring, interoperability with norms and industry guidelines.

Service costs are paid in a subscription model, including software updates as well as customer support.

MARKET

The global supply chain management market is estimated at a worth of 16 billion U.S. dollars in 2020, according to Statista, with the two most prominent companies in supply chain management software reporting a combined revenue of 6.1 billion U.S. dollars for the year 2020.

POTENTIAL MARKET

Gaupa Labs will focus on offering tailor-made solutions to Small & Medium-sized Enterprises (SMEs); we believe several companies find themselves lacking the tools needed to track the production, shipping and labour used for the end product provided to their customers. Therefore, losing some of the benefits of providing high-quality, sustainable and fair products through the lack of transparency on the efforts made.

Customers are being more aware of their consumption and looking for businesses aligned with their personal beliefs. Surveys (source) show that more than 50% of consumers choose a retailer according to the traceability and transparency of origin of the products offered.

MARKET SHARE

At the time of writing this plan, few comparable solutions exist. A few other projects are in a Proof-of-Concept stage. No similar project exists to date on the chosen Blockchain Network **Elrond** and thus in the selected ecosystem.

Existing products target different market segments, namely large corporations and raw material tracing.

In summary, the demand for more transparency from a customer perspective and effortless supply chain management with very low overhead is presently unmet. However, the entry barriers to the market are low since software development is not very capital intensive.

ABOUT THE TEAM

The founding team consists of three persons who want to make a difference for our planet while using their skills within new technologies. They are passionate about environmental projects and are very excited about the many possibilities of blockchain technology. Therefore they decided to pool their skills and ideas to find a more sustainable solution to manage supply chains and readily communicate about product quality and sustainability.

JOAQUIM TIRACH
CO-FOUNDER
CEO

Economist with experience in marketing, hospitality and the food industry. His passion for high-quality products and craftsmanship enticed him to study blockchain technology to bring transparency.

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LUKAS SCHILD
CO-FOUNDER
CTO

Software Engineer with experience in large scale software projects. Graduated with honours in information system technology and automation, now looking for innovations that promote equity, transparency and sustainability in manufacturing processes.

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RAQUEL MOTZFELDT
CO-FOUNDER
COO

Senior Robotics Engineer, specialised in automation, programming and industrial engineering. She is actively engaged in environmental issues and sustainable development initiatives.

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PROJECT TIMELINE

Roadmap

Q1 2022

- First Demo Version
- Layer 2 Testnet Deployment

Q2 2022

- Mainnet Launch
- Customer Onboarding
- Reward System Demo

Q3 2022

- Community Platform Launch
- Reward System
- Marketplace

Q4 2022

- Additional Community Features

PROJECT TIMELINE

First Quarter 2022

The first quarter of 2022 marks the presentation of the Gaupa Labs core product: the supply chain software that integrates with the Gaupa Network blockchain.

A demo release will serve as Proof-of-Concept to acquire new investors, customers and community members alike. In order to show the full potential of the software solution, a testnet will be deployed, with the full functionality of the Gaupa Network.

While presenting the functionality of the network, a test network allows changes. This is especially useful if protocol changes have to be applied or critical flaws are to be identified and fixed accordingly.

Furthermore, the test network will serve to test all connections to the underlying Elrond Network.

Second Quarter 2022

After driving the development of the supply chain management software as well as the blockchain protocol for the Gaupa Network, the main network will go live in this phase.

Additionally, the customer onboarding planned for this phase includes shipping the software solution to our clients and working actively on customising the software according to their needs.

Finally, the reward system will be presented and a demo of the system will be deployed to the test network.

Third Quarter 2022

While the first quarters are being focused on enterprises, the community is an essential part of the project's success, and will therefore be the main concern of this project phase.

A community platform for interaction with the blockchain and the participating companies will be presented and deployed.

Furthermore, the reward system will go live on the main network after intensive testing on the test network.

Finally, a marketplace for direct business to customer sales of the blockchain featured products, with rewards, will be enabled.

Fourth Quarter 2022

The last quarter of 2022 is planned to produce additional community features, which reward early adopters of the system as well as accelerate the adoption of the marketplace.

Additionally, this phase would serve to implement features that might be requested or become necessary through our interaction with customers, community members and are judged essential for the success of the project.

STRATEGY

INDUSTRY POSITIONING

Gaupa Labs plans on targeting small businesses in the food and agriculture sector first.

However, since the service offered by Gaupa Labs is not limited to agricultural products, we plan on extending the range of targeted industries to producing businesses within sectors with strong customer relations, especially with regard to sustainable and fair production. This includes, for example, clothing, electronics and furniture.

CLIENT & CONSUMER POSITIONING

As the first step in our strategy towards new potential clients, we plan to contact SMEs where the need for our solution has already been identified.
We believe that those companies will see the numerous advantages of our project, knowing that some of them have already shared their interest. We will emphasise that we offer a supply chain management tool that will reduce costs and help secure and analyse all production data, as well as the opportunity to communicate to the customers and build trust thanks to immutable and irrevocable proof.

In phase two of this project, we plan on building a community of customers, representing potential new sales for our new clients.

The community will be built around the empowerment of the consumers by enabling them to make well-informed decisions. By buying products from our clients, the consumers will receive rewards that can be spent on products from all participating clients.

This reward system will build customer loyalty and promote all the companies working with our technology.

ECOSYSTEM

After a thorough comparison between the existing blockchain ecosystems, we decided to work on the Elrond Network, mainly due to the following properties.

- Existing Network: To offer a scalable, secure and decentralised network, we concluded that only an existing ecosystem would meet our criteria.
- Transaction Speed: The Elrond network uses Adaptive State Sharding to allow up to 100,000 transactions per second.
- Transaction Fees: Elrond offers one of the lowest transactions fees per today's date.
- Secure Proof-of-Stake: We wanted to use an ecosystem that positively impacts the planet, with a focus on sustainability. Elrond is the first European Blockchain to become Carbon Negative.
- Ease of use: The launch of the Maiar app proves that Elrond is an efficient blockchain, focusing on democratising the technology.
- Layer-2: Elrond Network allows us to create a second layer for all internal transactions that communicates continuously with the main layer.

STRATEGY

COMPETITIVE POSITIONING

There are currently no direct competitors on the **Elrond** blockchain. However, multiple initiatives are working on comparable solutions.

On the market, **Responsible Sourcing Blockchain Network (RSBN)** most notably offers an existing solution to their customers. Based on a **Hyperledger Fabric network**, RSBN offers tracing of supply chain steps, particularly regarding sources and lifecycle of raw materials. Moreover, the services provided include auditing and assurances. While counting big players among their clients, the service focuses on raw materials and internal tracking.

Gaupa Labs, in contrast, considers the whole supply chain to reduce documentation overhead while providing more transparency to customers. Thus focusing on a different, broader market, in addition, Gaupa Labs is mainly targeting SMEs.

Furthermore, Gaupa Labs uses a provably decentralised blockchain infrastructure with strong security properties and very low transaction fees.

Other notable projects include **Track & Trace on Amazon managed Blockchain**, which focuses on anti-counterfeit measures and product authenticity.

Consequently, Gaupa Labs intends to focus on a global market, specifically targeting SMEs in the food and agriculture sector. This strategy allows close partnerships which would enable product development with direct client feedback and collaboration on a high level until product maturity and beyond.

Moreover, due to low costs and uncomplex integration into existing supply chain processes, companies without an existing digital supply chain management are being targeted.

ORGANISATIONS

TWO ORGANISATIONS, ONE OBJECTIVE

The initial idea for the project structure is based on a model which distributes the decision making power over multiple entities.

Firstly, the company developing and maintaining the software will be registered in Norway as an Aksjeselskap (AS), a private limited company. The founders will all be members of the board and hold equal shares of the company.

Secondly, a foundation will be registered, which will serve to manage the funds raised from the token sale. The foundation will be working with advisors and other experts as well as partnering companies.

Finally, the community would be involved in project decisions via a token which will serve as voting right on decisions to make. This would effectively lead to a hybrid structure with elements of a Decentralised Autonomous Organisation (DAO).

THE THREE PILLARS OF THE PROJECT ARE:

1. GAUPA LABS - THE SOFTWARE COMPANY DEVELOPING AND MAINTAINING THE SUPPLY CHAIN SOFTWARE AND THE NETWORK
2. GAUPA FOUNDATION - MANAGING FUNDS, COOPERATIONS AND PARTNERSHIPS
3. THE COMMUNITY

MARKETING

PRE-LAUNCH PHASE

During the period prior to the launch of the Gaupa Network and its native token, GAUPA, we will mainly focus on raising awareness around the imminent token sale for both institutional and retail investors while building our community.

The funds available to Gaupa Labs pre-launch are mainly focused on spreading brand awareness in different communities.

Our Demo release will allow users to interact directly with parts of our software and explore a hands-on example of how our product can assist them. The demo will mainly serve the purpose of attracting new investors, clients and promoting the project.

While building on the Elrond Network, we've been noticed as one of the aspiring projects, mentioned on the official Wiki Elrond website, highlighted in several communities with interviews, presentations and Ask Me Anything (AMAs) are scheduled.

POST-LAUNCH PHASE

Once the Gaupa Network is active and the Token Sale is completed, we will switch our focus to promoting our ERP and supply management tools to SMEs.

We also believe companies will be attracted by our services, not only for the tools we provide and the added transparency toward their existing userbase but also for the exposure to a completely new community that shares the same values and is looking to consume in a responsible way.

TOKENOMICS

INTRODUCING GAUPA TRANSPARENCY TOKEN

At Gaupa Labs we've decided to release a token named Gaupa Transparency Token with GAUPA as ticker. The utility token will allow a smooth experience for all participating members of the ecosystem.

SECURING THE NETWORK

The Gaupa Network is a Layer 2 blockchain interacting with the Elrond Network, to be able to secure the transactions and avoid malicious actors compromising the network. Therefore, the Gaupa Network uses a Proof-of-Stake consensus mechanism, with the Gaupa Transparency Token as the native asset. Validators will have to stake their GAUPA to be able to approve transactions and be rewarded for securing the network.

SUBSCRIPTION FEES

Companies using our ERP and Supply Chain Management tools have the possibility to cover their subscription fees using GAUPA with a small reduction compared to FIAT price.

Companies are therefore incentivised to become validators, securing the network in their own interest, while being able to cover entirely or partly the subscription fees through rewards. At the same time, they are driving the decentralisation of the network,

REWARD SYSTEM

Community members and consumers also get benefits from holding Gaupa Transparency Tokens. With the Reward System, users will be able to receive tokens based on their purchases and the support they bring to the companies participating in the Gaupa Network.
The Reward System will be detailed at a later date.

In addition, consumers can decide to become validators or to stake some of their GAUPA to a validator owned by a company that they want to support to get additional benefits, as well as, the staking rewards.

AVAILABILITY

We've decided to build the Gaupa Network on Elrond as
their focus on democratising blockchain technology is something we believe is essential. The creation of the Maiar Mobile Wallet, allows people to exchange funds using only a "herotag" this makes it as easy as any traditional financial service but, decentralised!

With this digital wallet and the Maiar Exchange, we believe most people with a smartphone could buy and spend GAUPA in an intuitive way.

At first, the token will be available on Decentralised Exchanges before focusing on more centralised entities (FTX, crypto.com, Binance etc..).

TOKEN SUPPLY

A LIMITED SUPPLY OWNED BY THE COMMUNITY

INITIAL SUPPLY: 75,000,000 GAUPA
TOTAL SUPPLY: 100,000,000 GAUPA

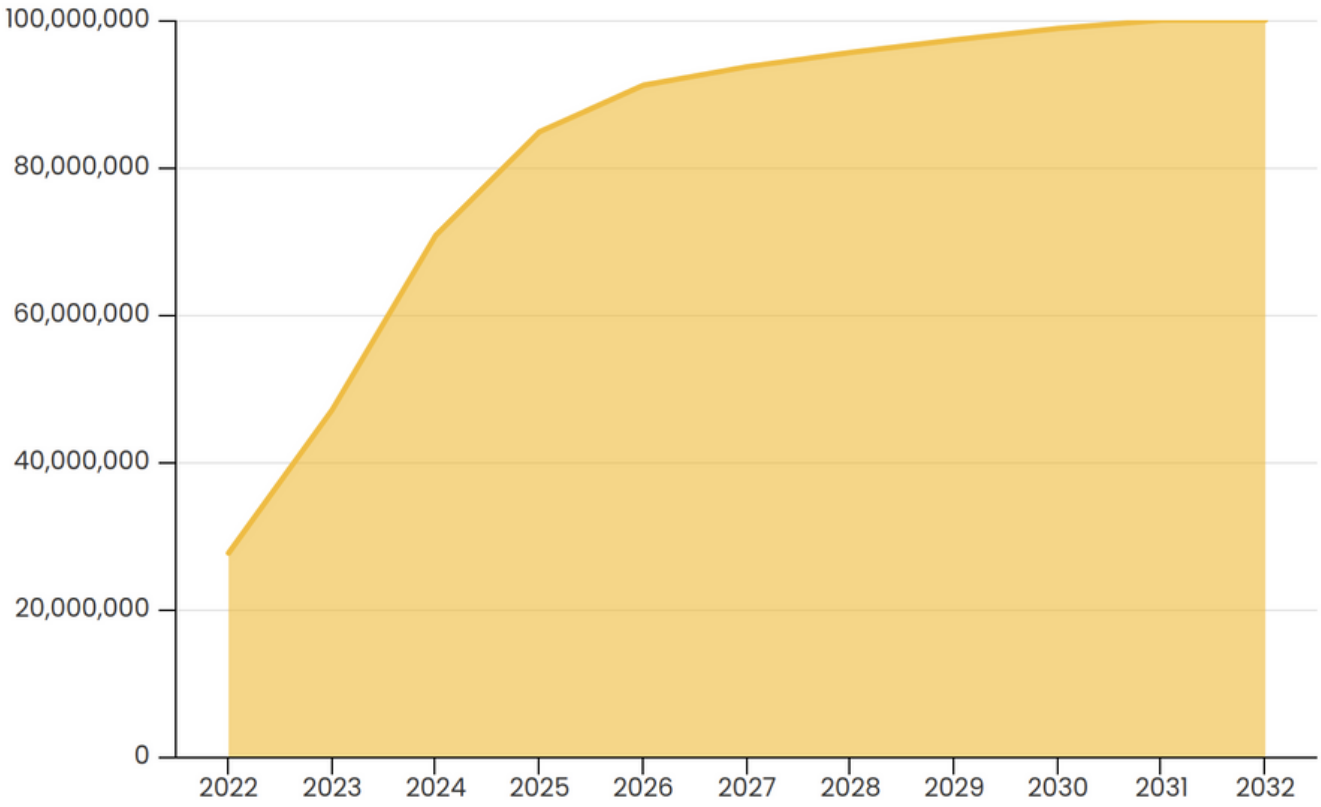

Figure 1 - Token Liquid Supply

SUPPLY LOGIC

The Gaupa Transparency Token has a hard cap of 100,000,000 to allow the token to gain value as the project gains adoption and therefore reward early supporters. The total supply was decided to allow a vast distribution while being seen as a valuable token even if held in smaller amounts.

The initial supply will be 75,000,000 with over half being locked through vesting periods that will be discussed page 14.

The total supply will be reached after 10 years where the transaction volume should suffice to incentivise validators to stay active.

TOKEN DISTRIBUTION

A COMMUNITY OWNED TOKEN

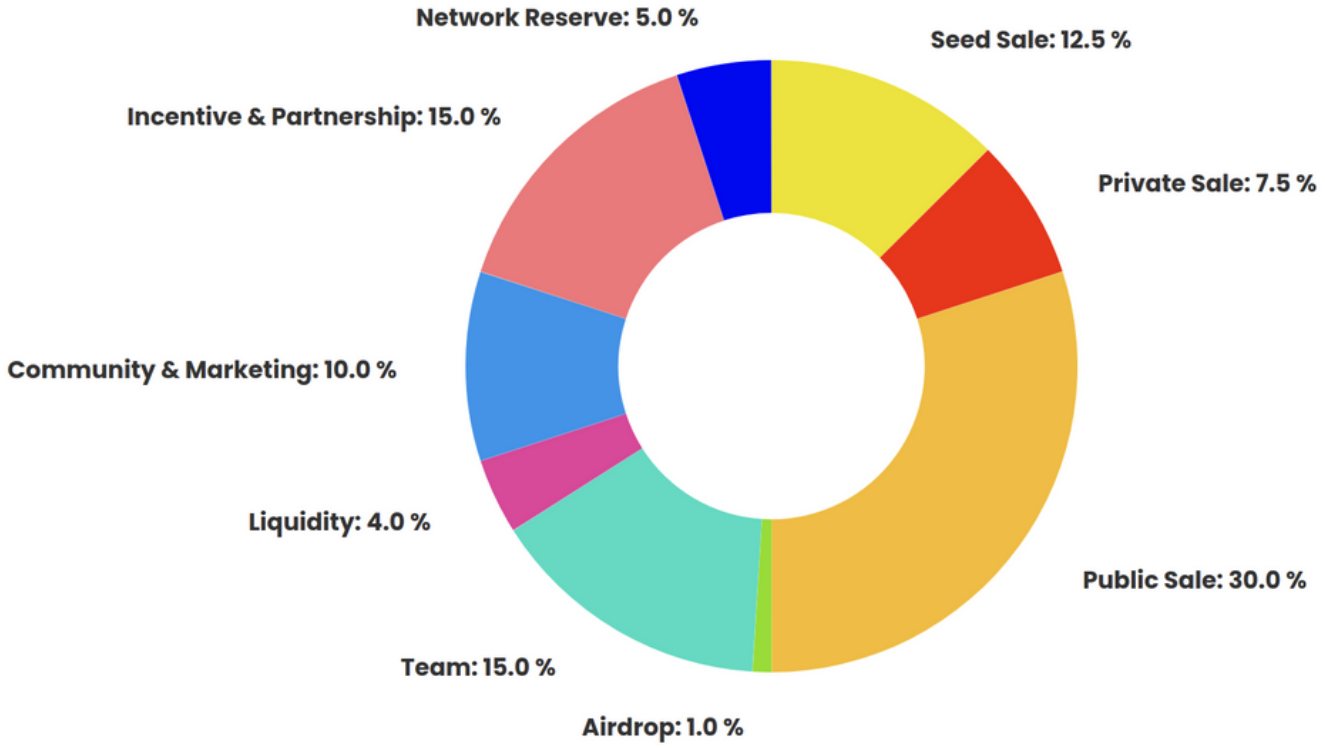

Figure 2 - Token Distribution

DISTRIBUTION LOGIC

Through inspiration from other successful projects known for their healthy tokenomics, we decided to distribute 50% of the initial supply to both institutional and retail investors, with a main focus on the latter. At Gaupa Labs we strongly believe that for a token and therefore the network to be decentralised, the supply needs to be distributed as broadly as possible.

In our goal to make the Gaupa Foundation become fully decentralised in the long term, we believe making 30% of the supply available to retail investors and community members creates a solid fundamental on the voting power of the Gaupa Community for the years to come.

While the Seed and Private sale phases offer the Gaupa Transparency Token at a more preferential price, the vesting period has been established to diminish the exposure to high sell pressure while creating a steady stream of liquidity for new actors.

TOKEN VESTING

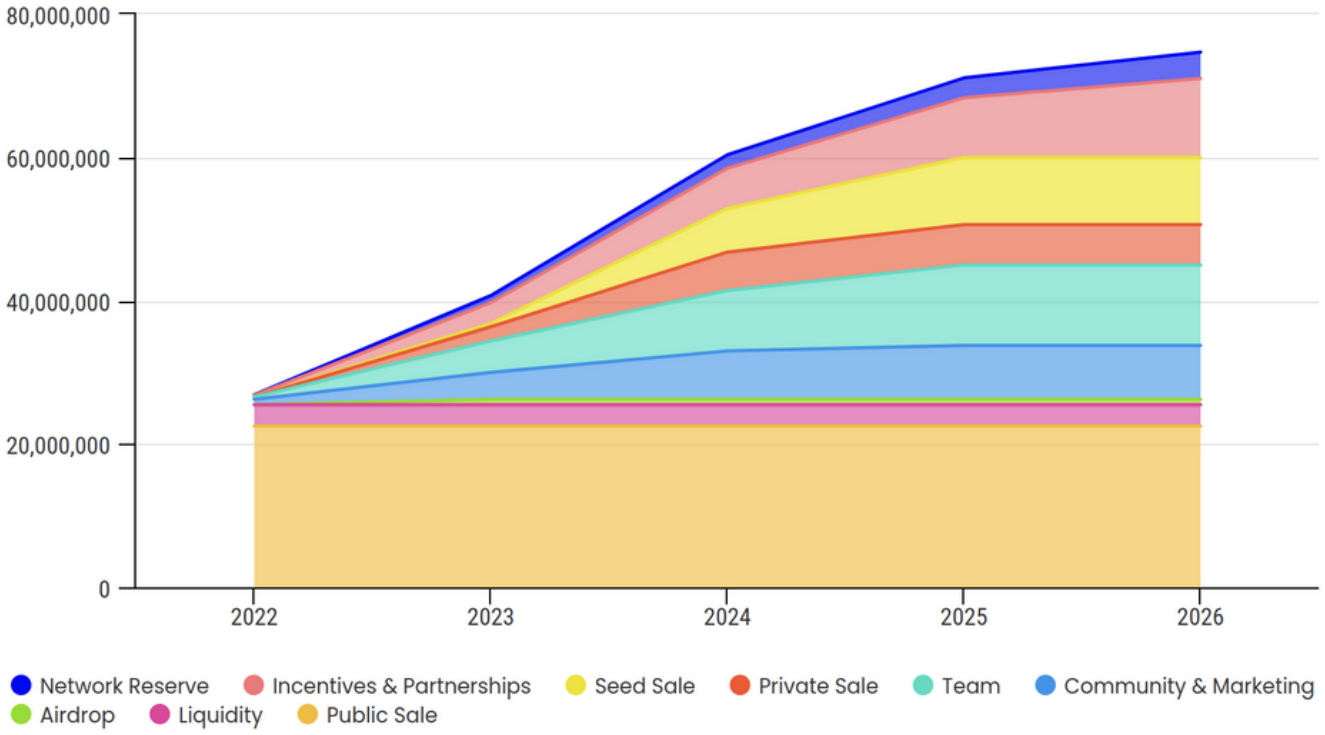

Figure 3 - Token Vesting

CLIFF AND VESTING PERIODS

As shown in the graph (see above) and the table (see below), the public sale doesn't have any form of distribution cliff or vesting, allowing the community to trade, stake and use their tokens from launch date. Liquidity will also be used right away to allow a decentralised exchange from Elrond's native token (EGLD) to GAUPA.
All other tokens will be distributed following a vesting period to allow a healthy evolution of the total available supply.

	% of initial supply	% of total supply	Tokens	Cliff	Vesting
Seed Sale	12.5%	9.38%	9,375,000	12 months	5% monthly
Private Sale	7.5%	5.63%	5,625,000	6 months	5% monthly
Public Sale	30.0%	22.50%	22,500,000	N/A	N/A
Airdrop	1.0%	0.75%	750,000	TBA	TBA
Team	15.0%	11.25%	11,250,000	N/A	3% monthly
Liquidity	4.0%	3.00%	3,000,000	N/A	N/A
Community & Marketing	10.0%	7.50%	7,500,000	N/A	10% every 3 months
Incentives & Partnerships	15.0%	11.25%	11,250,000	N/A	2% Monthly
Network Reserve	5.0%	3.75%	3,750,000	N/A	2% Monthly

Table 1 - Token Distribution and Vesting

STAKING DISTRIBUTION

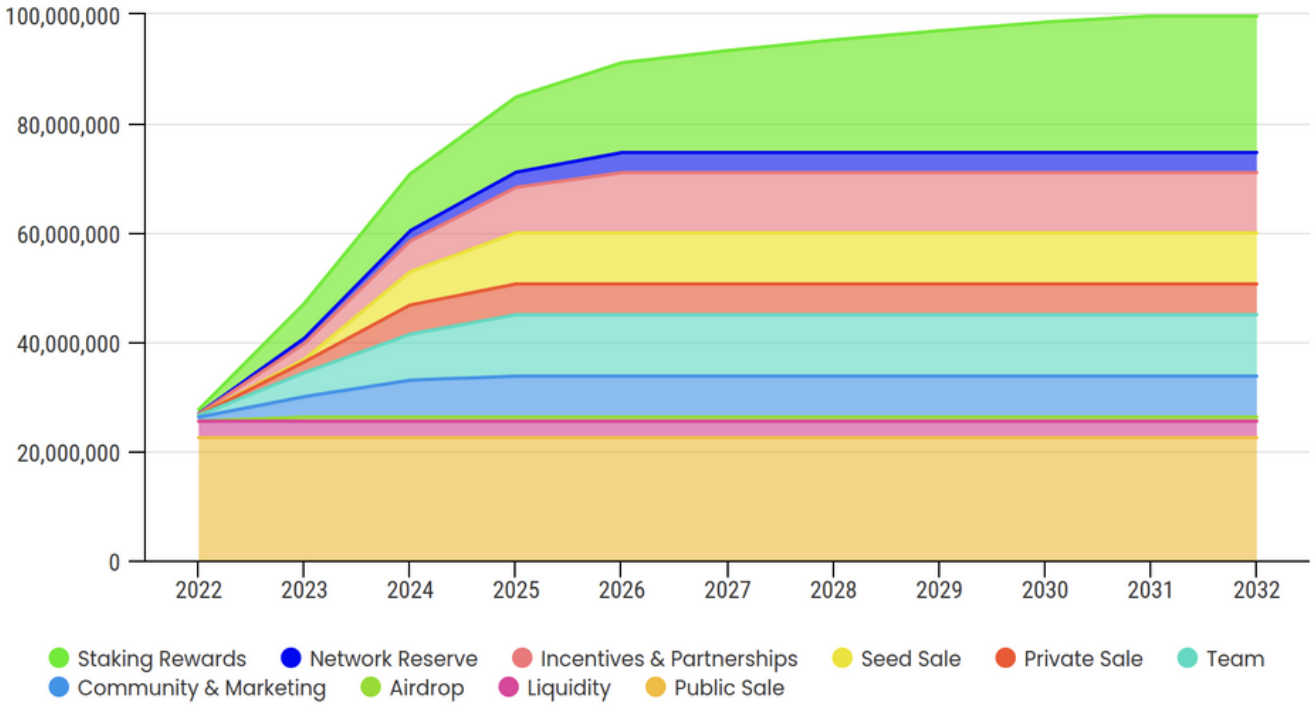

Figure 4 - Staking Distribution

STAKING REWARDS

All active validators are rewarded by the network for their effort in keeping the blockchain secure.
Those rewards come from two different sources:

- The 25,000,000 remaining of the total supply, distributed in a decreasing fashion to the validators. Rewarding the early validators generously to entice decentralisation.
- 90% of all transaction fees are sent to the validators. Allowing them to obtain higher returns through increased transactions taking place on the network.

STAKERS

In addition to the validators, all users who have delegated their tokens to a validator will see a return based on the revenue generated by the validator, minus fees.
This allows any user to take part in the network and receive some tokens for it.

EXPECTED RETURNS

As mentioned earlier, the returns will be more important in the first months after the official launch of the network.

The first month we expect the Annual Percentage Rate (APR) to be around 65% and bring an average return of 40% the first year of the network.

The returns from newly created tokens will be reduced as transactions on the network increase. Allowing the transaction fees to replace the initial incentive.

CONTACT

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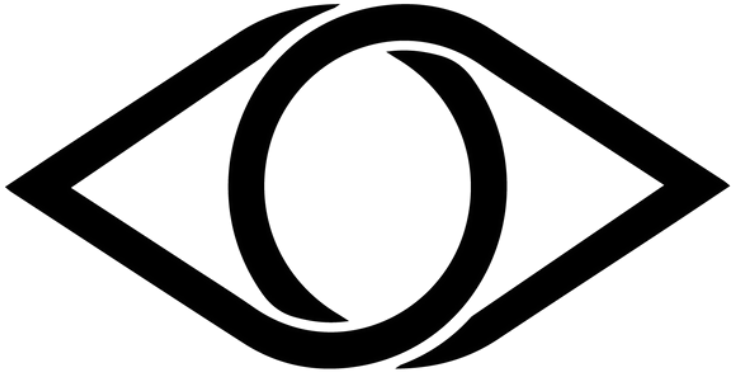

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DISCLAIMER

The Whitepaper can change due to external factors, stakeholders will be kept updated. The GAUPA token is conceptual and subject to ongoing legal, tax, regulatory, technical and compliance reviews.