

Blockpulse research report: Productivist

Marien Irzykiewicz, CAIA – Director of Research
marien@blockpulse.eu

Steven Lubka – ICO Analyst
steven@blockpulse.eu

Thibaut Ingelaere – Legal Officer
thibaut@blockpulse.eu

Laurent Bourquin – Financial analyst
laurent@blockpulse.eu

Highlight

- ❖ Offers a unique manufacturing solution that routes user orders to manufacturers in the most efficient way possible.
- ❖ Has created a smart device which interfaces with manufacturing equipment and connects the equipment to the blockchain.
- ❖ Allows users to submit manufacturing orders to the marketplace and receive those orders in a way which saves time and money.

Project description

The Productivist manufacturing ecosystem is being developed as the standard for decentralized smart manufacturing.

It provides a framework to allow marketplaces and manufacturers to connect to be part of the decentralized manufacturing ecosystem.

Productivist will provide a foundational infrastructure layer for digital manufacturing.

Productivist consists of a blockchain protocol which is built using Hyperledger Fabric, the Productivist smart device which interfaces the manufacturing equipment to the Productivist blockchain, and the interconnection of many marketplaces and companies which customers send orders to.

The goal of Productivist is to provide a base infrastructure to connect all players in the smart manufacturing economy.

By placing the entire manufacturing ordering process on one interconnected ecosystem, Productivist enables customer orders to be routed to manufacturers in the most cost-effective manner.

Token: ProducToken

Token abbreviation: PROD

Token type: ERC20

Total token amount: 385 mln

Tokens for sale: 238mln
(bonuses will determine the final amount)

Unsold tokens will be burned

Token price: 1 PROD = 0.1€

Bonus structure: several rounds

More insight :
www.blockpulse.eu

ICO website :
ico.productivist.com

The application can split one order between multiple manufacturers if this will create the most efficient workflow.

It also will route orders based on the geographic location of the manufacturer, the availability of the production facility, the types of equipment, and even the level of experience the manufacturer has with the specific type of project.

Hosting all of this on the blockchain increases the security of the entire process, when a client submits an order they can rest assured that the file will be delivered in a secure and tamper proof way to the production site, and the manufacturer can be certain that the file they have received is 100% authentic.

The Productivist protocol allows purchasers and manufacturers to use a feature called “Ghost” which has important ramifications in building a global smart manufacturing network.

The anonymity provided by the Ghost protocol will allow purchasers to protect their intellectual property while interacting with multiple manufacturers. Manufacturers can also benefit from this feature as it allows them to quote multiple prices to different clients.

Project concept

Market opportunity

The global smart manufacturing market is projected to hit 395 billion dollars by 2025.

Government initiatives and investments to promote smart manufacturing adoption have driven market growth over the last several years, and it is expected that countries across the economic spectrum will see further growth in the years to come.

For example, China will be investing billions into smart manufacturing over the next decade under their flagship manufacturing program “Made in China”.

The proliferation of 3D printing, simulation, and modeling will enable many industries to experience significant growth, especially the automotive industry and aerospace.

General concept

Productivist is positioning itself to create a wide-reaching manufacturing ecosystem to spearhead the development of manufacturing 4.0 (smart manufacturing).

It will create a decentralized manufacturing network which will connect users with manufacturers all over the world via a proprietary smart device.

Productivist will form the foundational basis for marketplaces and manufacturers to connect with users to, and by deploying the ecosystem on blockchain, it will protect user information and intellectual property.

Product

A decentralized manufacturing ecosystem. The ecosystem interfaces directly to manufacturing equipment via a smart device which allows the user's orders to be routed directly to the ideal manufacturer, making the cost of production more efficient and saving time.

Market problems- It is difficult to find the right manufacturer for a given project, and information can be untrustworthy. Manufacturers struggle to connect with the right clients, and clients with the right manufacturers.

Solutions/opportunities- Productivist removes the problem of selecting the right manufacturer for a project by routing user orders to the best production facility.

It also allows manufacturers to receive orders from clients by being connected to the Productivist marketplace. These orders will always be optimized to suit the production facilities equipment and materials.

Blockpulse opinion:

- ❖ Productivist has a multifaceted solution to improve efficiency across the entire manufacturing ecosystem using a combination of AI, blockchain, a digital decentralized marketplace, and a machine enabled smart device.

Freelabster

The Productivist team has previous experience in designing platforms to help people produce goods, in 2016 they launched freelabster.com which can be interpreted as an early version of Productivist.

It allowed clients to present their product to a panel of manufacturers, and the allowed the manufacturers to bid on the projects.

It helped eliminate the struggle for the average person to connect to a wide range of production sites and simultaneously allowed manufacturers to connect with more clients.

Freelabster currently features over 3,000 experts who help users make the right choices for their project, as well as connecting clients to over 10,000 3D printers.

Freelabster has allowed the production of over 100,000 printed items which have been successfully manufactured and delivered to clients. It boasts an impressive 48-hours turnaround time alongside the ability to process the average order in 3 minutes.

We have analyzed part of business plan of Freelabster. As a recent startup, they have generated substantial revenues, but charges did not allow them to generate profit last years.

Technological features

Productivist features several core technological elements:

- The ability to host multiple marketplaces to enable users to connect with producers
- A smart device to connect production machines to the blockchain
- A machine learning program to route orders to the best manufacturer/s for the job
- A blockchain to protect intellectual property and user information
- DRM validation to protect against modification of orders and tampering
- The ability to create private blockchains when needed within the ecosystem
- A token to incentivize, reward, and coordinate all members in the ecosystem

Smart Device

The smart device directly connects to a wide range of manufacturing equipment. It is able to receive the order requests directly from the marketplaces and automatically begin production of goods.

While the production process is happening, it reports each step of the process to the client over the blockchain.

Production Scoring System

Productivist uses a scoring system to determine the best location to route customer orders to. In order for a given manufacturer's smart device to receive an order, they must have the right score to match the job.

The system evaluates many pieces of information, such as the manufacturers' material, location, experience, availability and manufacturing capacity.

Each producer is assigned a score between 100 and 1,000 with a higher score representing a more efficient and higher quality match for the given job.

By using machine learning to route orders to the producers with the highest scores, the Productivist system streamlines the entire manufacturing process.

Blockchain application:

Unlike many other projects who use a blockchain where they don't actually need a blockchain to accomplish their goal in an efficient way, Productivist offers a number of unique design features which can only be accomplished via a blockchain.

Productivist is creating their own Blockchain based on elements of the Hyperledger Fabric.

The Productivist ecosystem uses blockchain to achieve several goals. The first is that it stores personal information which is used to validate the identity and history of experts.

The blockchain allows this information to be confirmed and validated by the network without giving out personal information where it needs to remain private.

The second use of the blockchain is to enable clients to send their intellectual property directly to the production machines to ensure that no intellectual property is shown to unauthorized parties.

Productivist also uses the blockchain to create a DRM validation that will prevent modification of the initial designs provided by the client to the manufacturer.

Additionally, the blockchain allows each step of manufacturing process to be streamed and validate to the client so they know exactly where their order is in the process. Finally, Productivist will allow clients to create private blockchains within the ecosystem if they need to.

The Productivist foundation will oversee the governance of the ecosystem (unlike Bitcoin/Ethereum which have no governance). The board of directors will be composed of clients, advisors, and manufacturers (no marketplace CEOs will be able to decide strategic decisions).

BlockPulse opinion:

- ❖ Productivist offers many layers of advanced technological solutions to fundamentally upgrade the manufacturing process from the ground up.
- ❖ Productivist utilizes the unique capacities offered by a blockchain application to protect user privacy, intellectual property, and ensure products are not altered in the manufacturing process.

Business case

Market niche

An integrated manufacturing ecosystem which connects clients with manufacturers in a way which overcomes a critical production bottleneck by allowing all parties to exchange services effectively.

Productivist can save costs and time for all parties and benefit the world by enabling a more efficient and smarter production cycle.

Business model

Productivist does not operate as a for profit business, but as a foundation which oversees development of the entire ecosystem. In addition to this, Productivist is a tech company which is using its substantial expertise to build the most advanced solution for the smart manufacturing age.

The ecosystem is a system designed to connects clients to manufacturers and for those parties to conduct transactions use the PROD token.

The PROD token can then be used to purchase materials and equipment at discounted rates by manufacturers. Service providers and marketplaces also need to hold a balance of PROD.

Competition overview-

Syncfab:

Syncfab is a smart manufacturing marketplace which has similarities to Freelabster. It allows users and manufacturers to connect to source manufacturing projects.

The main difference between Syncfab and Productivist, is that Syncfab solely offers a marketplace to connect orders, while Productivist is building an open platform that will form the base of an entire ecosystem.

This is like the difference between a website and Amazon Web Services. One is an application, the other is framework to build many applications.

Supply chain solution companies (IBM, Syncron):

There are several large companies which are entering into the blockchain sector in regard to supply chain.

These companies have a degree of overlap over some of the services offered by Productivist, however they do not offer the same service in relation to the manufacturing industry.

They may enter the manufacturing industry at a later date however, and that is something to be aware of.

BlockPulse opinion:

- ❖ Productivist provides an innovative solution to developing a robust decentralized manufacturing ecosystem.
- ❖ Productivist is the only company currently pursuing the goal of creating an ecosystem as opposed to a single marketplace.
- ❖ Productivist is building on the experience they gained developing Freelabster, a single marketplace, and evolving to the next stage of decentralization and innovation.

Tokenomics

Token Characteristics

PROD is a utility token which is designed to fuel the Productivist ecosystem. It is the sole manner in which parties transact within the ecosystem.

It is also designed to incentivize members to use the token to purchase new supplies and required that registered parties hold reserve balances of the token. The PROD token is used to pay for manufacturing time and costs.

The price of PROD token will increase substantially as the network onboards more users, marketplaces, and manufacturers. As these new providers and users join the network, their participation and the purchase of PROD reserves enables the price of the token to grow.

Productivist also features the “Productivist Reserve” into a foundation, which help to the stability of the value of PROD tokens when they have been used to pay for a service, without interfering with the growth of the price of the token.

Once PROD has been committed to pay for a service, it will function as a “stable coin” with the Productivist Reserve from the foundation, serving as a counterparty to ensure the stability of the value of the token. A third party will certainly be in charge of this compensation management.

Token Utility

The PROD token is used to transact within the Productivist ecosystem. It is can be used to order the production of goods and by manufacturers to purchase new machines and materials at a discount. It is also utilized to reward experts for their contributions to the ecosystem.

Purchasers can spend tokens to receive preference in the workflow. PROD tokens are required to be held in reserve by service providers.

Token circulation

The PROD token is a pre-mined ERC20 token which has a maximum total supply of 385 million coins. 238 million PROD tokens will be sold in the ICO, however more may be generated due to bonuses and other factors. No new tokens are ever created, and Productivist may burn tokens that are held with the Productivist reserve.

Productivist aims to capture 0.88% of the manufacturing marketshare. If this goal is reached it will result in an annual volume of 2.84 bln€ (a daily volume of 7.78 mln €).

BlockPulse opinion:

- ❖ The PROD token is well incentivized to produce a token which increases in value in a consistent manner due to the way that participants in the ecosystem are incentivized to hold and use the token. Participants in the ecosystem are required to hold PROD token in certain reserves to participate in the system which will facilitate greater price appreciation of the PROD token.
- ❖ Tokenomics are well designed for utility token framework, among others to incentive the use of token: manufacture’s orders priority, discounts, stable mechanism via a foundation to ensure differed payments, expert contribution rewards.

Team and Legal

Project team

Executive team members		Role
1.	BENJAMIN PESTEL	Co-Founder & CEO
2.	STANISLAS GOBERT	Co-Founder & CTO
3.	MÉLISSA IBGHI	Co-Founder & CLO
4.	MAZEN GHARBI	Co-founder & Full Stack Engineer
5.	ÁLVARO CANTON	Co-founder & Head of Communications
6.	MARTHA SCOTT	Strategy & Business Developer (EN)
7.	HAN XU WANG	Additive Manufacturing
8.	BENOIT BENICH	System Administrator
9.	NICOLAS MERLE	Blockchain Leader
10.	LUC YRIARTE, PHD	Blockchain Engineer
11.	JEREMIE FRANÇOIS, PHD	Blockchain Engineer
12.	ZINE-EDDINE HASNI	Blockchain Engineer
13.	MARCOS CARVALHO	Digital Strategist
14.	SANDRO TAVARES	Designer / UI/UX
15.	ANA SOUSA	Designer / Illustrator
16.	NICOLAS TRIMARDEAU	Traffic Manager

Advisors and partnerships

Advisors		Background
17.	PATRICK MUSSO	Head of economics Research at CNRS National Center for Scientific Research.
18.	JEAN-MARIE LE SUEUR	Owner of Asterwind CO. Ltd, 30+ years experience in Manufacturing & Supply Chain.
19.	DANIEL DOPPLER	President at Colossal Factory and experienced in artificial intelligence.
20.	SÉBASTIEN GRIFFON	CTO of Play it open, expert in smart contract and traceability application. Ethereum developer.
21.	JULIEN GOBERT	Payment specialist at Worldline, head of development, International Issuing Back Office
22.	MATHIEU PESIN	Co-founder OpenWood. Manufacturing in the Blockchain enthusiast
23.	BENJAMIN FUENTES	IBM Cloud Garage & Blockchain Advocate at IBM. Certified Hyperledger Fabric mentor.
24.	ALEXANDRE CAPETTA	@Capetlevrai. Co-Founder of BaleineFR : one of the biggest crypto-community in France.
25.	LUCA BENEVOLO	CEO of Cryptense. Blockchain expert & contributor. ICO strategist.

Legal background

Productivist has been registered under RAS AL KHAIMAH legislation under the number 0000004021987.

Productivist uses a KYC/AML screening for its ICO. Investors in the United States of America (accredited investors are allowed), People's Republic of China, South Korea, Cuba, Iraq, North Korea, and Syria region are not allowed to participate in the ICO.

Productivist takes steps to ensure its token will be treated as a utility token so it can avoid being classified as a security.

BlockPulse opinion:

- ❖ The project team has extensive experience in the sector and has run a successful web platform connecting manufacturers and consumers.
- ❖ The team is composed of a variety of highly experienced individuals in the fields of manufacturing, software engineering, and blockchain engineering.
- ❖ A highly qualified panel of experts has been engaged to advise the project which expertise in many economic and technological areas.
- ❖ Productivist is essentially a tech company which has committed to building a decentralized ecosystem for manufacturing. Its members have extensive experience in the tech sector, and its team features multiple PHD members.

ICO campaign

Preparation

The Productivist ICO is composed of many rounds, including a presale, with scaling discount bonuses. It also includes a robust bounty program to raise awareness of the project, alongside a

referral program. Productivist plans to list on a variety of exchanges following the token sale. They also featured a flash sale with a bear market bonuses to incentivize buying while cryptoasset prices were in a downtrend.

Token distribution

61.70% of PROD tokens will be sold in the Token Sale.

17.3% of PROD tokens will be created to be part of the Productivist Reserve and will be held by Productivist.

16% of PROD tokens will be distributed to Productivist's founders and employee (expected 10%) and employees (6%). *Please review the last version of whitepaper for this upcoming change.*

5% of PROD token will be dedicated to the Referral and Bounty program

Vesting period:

3 years, linear, for employees and founder's teams (10%).

Funding allocation

30% IT Development

20% Marketing and Sales

15% Acquisitions & Partnerships

12.5% International Expansion

10% Admin and Operations

5% Development Fund

5% Legal

2.5% Bug Bounty Program

BlockPulse opinion:

- ❖ The Productivist ICO offers purchasing rounds, a bounty program, and a referral program.
- ❖ Productivist is only issuing a moderate amount of tokens to their own founders and employees which will instill confidence among investors.

BlockPulse conclusion

- ❖ The Productivist manufacturing ecosystem is being developed as the standard for decentralized smart manufacturing. It provides a framework to allow marketplaces and manufacturers to connect to be part of the decentralized manufacturing ecosystem. Productivist will provide a foundational infrastructure layer for digital manufacturing.
- ❖ The PROD token is well designed through a system of incentives and design features to promote Productivist users to maintain token balances and thus increase the value of the token as the ecosystem grows. Users holding balances effectively reduces the circulating supply of the token which stimulates continuous growth of the price of the token. As more users enter into the Productivist ecosystem the price of PROD will growth substantially.
- ❖ Smart Manufacturing is a huge market opportunity that will only grow over the next decade. Productivist removes the bottleneck between clients and production sites, while also preserving privacy and intellectual property. It offers economic benefit to all players in the system and could easily become a global platform for smart manufacturing.

About us

This report has been compiled by BlockPulse SAS (company name registered in France, registration code 838 885 820 RCS PARIS).

We meet and/or converse with the founders in person and are very selective on the quality of the proposed projects.

We work with a network of independent experts coming from financial and crypto world since 2017 to serve you thorough due diligence on selected projects.

We emphasize among others: business model, competition, technology, legal, token structuration, team background.

Disclaimer

The views expressed within this report are BlockPulse in its entirety.

You are encouraged to conduct your own research and due diligence, and to seek the advice of a qualified professional before engaging in any transaction. The contents of this report and its attached documents have been prepared without taking into account your objectives, financial situation or needs.

Because of that you should – before taking any action to acquire, deal in or follow a recommendation (if any) in respect of any of the financial products or information mentioned in or downloaded from or through this website – consult your own investment advisor to consider whether it is appropriate in regard to your own objectives, financial situation and needs.

While BlockPulse believes the information contained in this report is based on information which is considered to be reliable, its accuracy and completeness are not.