

SharedChain Executive Summary

SharedChain

A Global E-Commerce & Supply Chain Revolution

Ubiquitous Marketplace System, Inc. (DBA SharedChain)

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Funding:

Raised \$300K in pre-seed funding over the last 5 years

Seeking \$750,000 in seed funding with SAFE agreement at 20% discount or \$7M valuation cap

Use of Proceeds:

- Further development of Software Cloud Platform
- Marketing
- “Go Live” strategy in several key major metropolitan cities nationwide
- Development of sales and operations teams

Revenue Forecast:

- 2020: \$1.2M, 2021: \$9.3M, 2022: \$54M, and \$681M in 5 years (2024) based on 1% of Total US Available Market
- Positive Cash Flow/ Break-even: 5/2021 (17th month after product launch)
- Market Capitalization (MC) in 2024: \$3.4B (= \$681*5)

Competitive Advantage:

- The original developer of 3D supply chain process system
- The only platform for both communication and supply chains
- The only e-commerce platform that can efficiently transact almost all kinds including wet, natural, and frozen; sizes; and prices of products from all physical markets
- Provides next day delivery for all orders
- United States: Patent No. 8,793,194 B2

Key Executives:

- Luke Ho-Hyung Lee, CEO
- Michael Lin, CTO
- Jordan Wahbeh, VP of Business Strategy
- Darren Sweet, SC Network Development & Sales Manager
- Some more committed executives and managers in sales and marketing

Problem

There is no true optimized supply chain platform that allows for all orders to be delivered “same day” (or next day at least) to the consumer at the same time significantly reducing supply chain costs, improving profitability and providing real-time data analytics for product marketing, management, and forecasting. The liquidity costs of physical products have been unavoidably high, and the liquidity speed slows even in the modern information age market. As a result, consumer prices are still high, profitability is low and overall consumer satisfaction too low. Amazon is the only available resource that delivers products to consumers efficiently but not truly optimized.

Solution

SharedChain has developed an optimized supply chain operating system for the first time by dividing the market into multiple local markets, and by creating an Airbnb-like platform and an e-commerce marketplace in each local market. SharedChain has developed a global system of interconnected ‘local market’ networks, which we call a new Inter-Supply-Chain-Net (ISCN). This will reduce liquidity costs and deliver physical products more efficiently and cheaper. As a result, there is an opportunity for a reduction in consumer price, next day delivery for all orders, an efficient, optimized, fair, and profitable supply chain, and high consumer satisfaction.

Market

The U.S. B2C e-commerce market was \$504 billion (10.4% of Total US Retail Sales) in 2018, and the U.S. B2B e-commerce market \$889 billion (13% of Total US Wholesale). Because only SharedChain can efficiently transact almost all kinds, sizes, and prices of physical products, its market size will significantly increase.

Competitive Landscape

Almost all existing supply chain, commerce, or logistics companies including our competitors such as Amazon, eBay, Wal-Mart, UPS, and FedEx have been developed on the basis of the existing slow and expensive individual fulfillment processes. On the other hand, SharedChain is the first 3D platform- or infrastructure-based supply chain process system and could make faster and more efficient bundled & shared fulfillments. We believe SharedChain’s patented development of a revolutionary 3D supply chain network will provide our users with a sustainable cost advantage relative to the services available from any competitor. Moreover, there are some basic elements to develop an efficient 3-D supply chain process system like SharedChain. Without any one of them, it will be almost impossible to produce such 3D effects. We applied those elements for a patent, and it was successfully granted.

Business Model

SharedChain will mainly charge Transaction Fees to all participating providers, just like ordinary e-commerce platforms, and Connection Fee to all participating outsourcing service function providers, just like Airbnb. The Cost of Goods Sold (COGS) will be no more than 25% in the SharedChain cost model.

Management Team

- **Luke Ho-Hyung Lee**, Founder & CEO, the original developer of a [3D] supply chain process system, a recognized thought leader in the commerce, logistics, and supply chain management industries, and the contributor to CSCMP’s Supply Chain Quarterly and to Huffington Post.
- **Michael Lin**, CTO, previously worked with Microsoft, and graduated from University of Washington
- **Jordan Wahbeh**, VP of Business Strategy, The Wharton School
- **Darren Sweet**, SC Network Development & Sales Manager, Univ. of Phoenix

Traction to Date

CSCMP has endorsed the concept of a [3D] supply chain process system, and a [3D] supply network ranked #1 out of the Top 10 Supply Network Trends by ES3 Research. SharedChain software system is now fully operational.