Lightpaper

POEM token

World's first tokenization of a poetry book using NFT tokens

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Í N D I C E

1. Promotors of the Project

Fundación Alambique para la Poesía, a non-profit organization, of a cultural nature, stablished under the protection of the Spanish Law 50/2000, of December 26th, has its assets permanently affected to the realization of the purposes of general interest that is detailed in its statutes.

These purposes are:

- TO DIGNIFY poetry: This requires its consideration as an object of beauty and a subject of conduct.

- TO DEFEND poetry: With its values of expression, communication, means of knowledge. To claim its importance in the integral formation of the human being: individual, social, cultural, ideological, moral, affective…

- TO DISSEMINATE the poetry: By all means and in all possible places: press, radio, television, internet; increasing its incorporation of multimedia and fostering constant interdisciplinary dialogue with all the arts: music, cinema, painting, sculpture, dance, advertising…

The *Fundación Alambique para la Poesía* is registered in the Registry of Foundations of the Ministry of Culture and Sports of Spain, with registration number 963.

Redpill Ventures is a *Token builder* that has been carrying out various tokenizations since 2018, from utilities to securities and STOs, investment funds, NFTs and launching of its own projects, accumulating more than 30 initiatives from multiple sectors.

The company is directed by Miguel Caballero and Javier Ortiz, founders of Tutellus and TurinLabs, where they provide services with their own infrastructure and equipment to clients around the world.

2. Introduction

One of the founding purposes of the Fundación Alambique para la Poesía (hereinafter "La Fundación") is the dissemination of Poetry, by all means and in all possible places (Fundación Alambique para la Poesía, 2010).

Since the appearance of the Internet, the transmission and spread of information in the world by electronic means has meant a fundamental change in human activity and has driven great changes in cultural diffusion. This fact has coexisted with physical supports and with the traditional dissemination of cultural content, specifically with books and their different forms of communication and commercialization. The contents, and the books, have been digitized to favor their preservation and dissemination, which today can be done through multiple computer media and from multiple technological and commercial platforms.

On the other hand, the most recent appearance of Blockchain technology (and specifically of tokenization), has meant a technological revolution of which it is still not possible to glimpse the enormous impact that it can have on human activity. This technology allows the storage and transmission of the value of things and cultural contents between individuals, without the need for the action of a trusted third party to guarantee these transactions. For this, Blockchain technology uses a cryptographic method based on decentralized computation of mathematical algorithms, with consensus protocols for the certification of the validity of information and value, and smart contracts that automate processes, thus validating and guaranteeing traceability, security and immutability of transactions.

As Ángel Guinda considers, in his essay "El Mundo del Poeta. El Poeta en el Mundo" (2007), new technologies are frequently used by the society as an end, rather than a means. From the *La Fundación* we intend to use the Blockchain technology as an additional medium to help spread poetry globally.

Thus, *La Fundación* wants to take advantage of, and use this technology to spread poetry in a novel way, in what we intuit is a new way of relating to the global market, and to bring everyone closer to the opportunity to access these digital contents while preserving access to physical books, thus uniting the digital, mathematical and cryptographic world, with the traditional world of printed books. This approach we are going to circumscribe the environment of poetry in its various ways of expressing itself, although the model that we describe and launch here in an original way, it is usable for the diffusion of any cultural work.

3. Diffusion of poetry and blockchain technology

The emergence of social networks has led to a democratization of access to culture and access to the publication of literary creation. Today it is possible, in a simple way, through a blog, a web page, or within any of the social media platforms, to publish content and make it accessible to anyone with internet access anywhere in the world. This, undoubtedly, affects the dissemination of poetry, and contributes to the appearance of innumerable contents that can be qualified, or that are qualified or self-qualified, as poetry, regardless of its value that the academic world, or the reader in general, can grant them.

This reality has changed the relationship between the work and its readers, and also has changed the perception that creators of poetry have of the possibilities of dissemination of their work, and even the perception they have of the quality of their own work, linking it to its diffusion. This is also applicable to the perception that readers have of the works, qualifying them subjectively based on the data objective of its dissemination that is easily discovered on social networks.

We are not trying here to make a critique or analysis of this social and cultural reality, which is based on a current technological reality that has promoted very substantial changes in the modes and habits of social relations.

As stated by Reynoso C. (2011), in his work "Social networks and complexity: Interdisciplinary models in the sustainable management of society and culture", the progress of the sciences can be philosophically questioned, on the other hand, the progress in mathematical techniques is beyond dispute. We want to take advantage of a new technology, based on mathematics, which appears as disruptive (Nofer M. et al, 2017) (Atzori, 2017), or perhaps as a foundational of a new social reality (Iansití M. & Lakhani K.R., 2017), such as cryptography Blockchain, to offer a new framework for dissemination, and valuation, of the poetic work, from the creation of a virtual currency, or token, that integrates the relationship between written and edited poetic work, and the cryptographic Blockchain world, in which cultural content and works are transmitted and disseminated, and specifically, poetic works. This valuation, which will be implicit in the value of the token, is not going to mean in any way, an evaluation of the poetic work, but simply the valuation of the mentioned token according to a market regulated by supply and demand, but it will facilitate the dissemination of the work. It is not, therefore, an experiment to value cultural works, poetry in this case, but it is about using a new technological medium, called Blockchain, and

based on mathematical cryptography, to ensure the dissemination of the poetic work, although without a doubt this new medium, which generates a new market, will also contribute to the valuation of the poetic work.

The objective therefore of the *La Fundación* is to unify the world of technology mathematics, with the world of poetry, through cryptographic transactions, safe and immutable, which facilitates the global dissemination of poetry. At our opinion, both worlds, poetry and mathematics, share beauty and truth.

4. Technological solution

4.1. POEM, the NFT token

The first token issued corresponds to the book "Los trabajos de la muerte", by Jorge Dot, edited by *Olifante*, in its collection *Papeles de Trasmoz*. This token is called POEM. It is a non-fungible token (NFT), indivisible, and that establishes a direct and unique relationship between the corresponding books. 250 tokens are created for 250 unique books.

For the edition of new titles, the word POEM followed by a correlative number will be used as the name of the token. Thus, the next published book will be assigned the name POEM2.

The possession of the token implies the right to obtain the physical book in exchange for the token, as well as access to the entire digital content of the book, for reading.

The physical book will be deposited and guarded by *La Fundación*, or it will be printed at the moment in which the owner of the token decides to exchange it for the physical book (redeem it). *La Fundación* will send the physical book to the postal address provided by the owner of the token, who has decided to redeem said token, and the token will be destroyed (see Figure 1.)
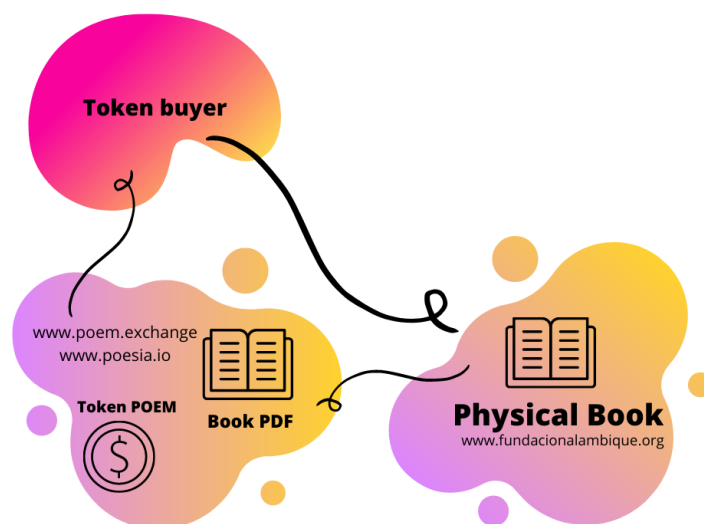

Figure 1. Relationship between the physical books and the POEM tokens

The book sent will have an indicator code of the token assigned to it (hash), the number of the book, and the author´s signature (see Figure 2.)

Token	
Tokens minted	
Book number	
Hash	
Title	
Author	
Signature	

Figure 2. Seal included in each book

4.2. Process of acquisition of the tokens

The token is registered in the Binance Smart Chain (BSC) under the BEP721 standard, with features typical of an NFT (Non Fungible Token), such as indivisibility, non-mining (limited to 250 units), ownership of each token and the cryptographic relationship through unique hashes with the corresponding books.

The token can be purchased, by accessing from poesia.io or directly entering poem.exchange. In both cases the book can be bought, sold or redeemed.

- To buy them, we only need to have BNB and be connected with our Metamask to BNB. The price of the token at all times is set by the contract itself. By purchasing them, the contract will give us access to the book in digital version, with its unique characteristics.

- To sell them, we will have to approve a prior contract (give POEM permissions to read and extract the token from our wallet) and we will sell it at the price set by the contract at that time.

- To redeem them the process will be similar to the previous one, we will only complete our information to receive the physical book at a postal address.

That said, we hope to find 2 types of buyers:

- The traders, who will carry out buying and selling operations in order to earn money from arbitrage.

- The holders, who will save their token with the aim of making it worth more over time, as well as there will be those who decide to burn some to increase the price of the rest and thus receive the physical asset.

The important thing is to analyze the tokenomic model, the liquidity of the pool and the number of operations that can be carried out each month. While the user can benefit from the increase in the price of the token as demand increases, the liquidity provider (issuer) will base its business model on the fees charged in each transaction (0.17%).

4.3. Token price evolution

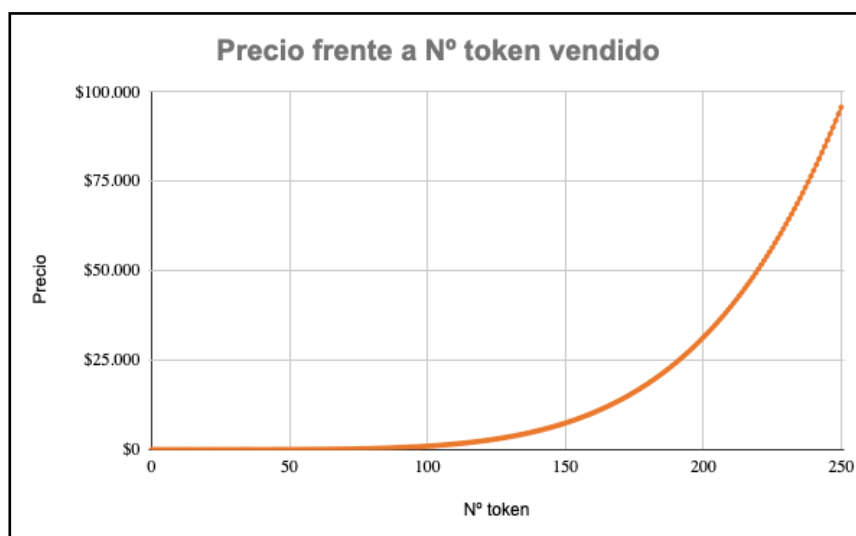The following graph shows the price of every token sold:

Figure 3. Token price evolution

We check that up to 100 units sold the price remains up to $ 1,000 per token; Unit # 150 will already reach a price of $ 7,700 and from token # 200 the price shoots up above $ 30,000. It must be remembered that the contract will always be available and with liquidity to be able to buy tokens, so it will be very interesting to monitor the model and its results.

The important thing is to analyze the tokenomic model, the liquidity of the contract and the number of operations that can be done each month. In this way, the user can benefit from the increase in the price of the token as its demand increases, and the first buyers will have bought at a tremendously competitive price.

In short, the POEM token represents a full-fledged social experiment: as it is the first tokenization by NFT of a book of poetry in the world, we will see in the coming months how the token is capable of absorbing value and how the model evolves from the prospect of financing other similar projects. It is, without a doubt, an exciting world that can mark the genesis of many future tokenizations.

5. Bibliography

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