

## White Paper

# The Bitcoin Movie Bringing The Story of Bitcoin to The Big Screens

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### Abstract

*Stories inspire, inform, and empower our consciousness, open doors to ways of thinking that help us deal with the unexpected and imagine new possibilities. In filmmaking the art of storytelling is a central concern. Bitcoin has affected many lives and will continue to do so in the years to come, providing infatuating stories that people around the globe will relate to — films that will encourage Bitcoin out of the obscurity it is surrounded with and ease audiences worldwide to recognize the true potential of blockchain.*

*The Bitcoin Movie is an attempt to bring Bitcoin to the big screens in form of a full length high quality production film. This white paper explores a proposed method to finance and produce a motion picture with a compelling Bitcoin related story where crowdsale participant are involved in sharing the potential profits and picking the best storyline to present Bitcoin to audiences worldwide.*

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### The Power of Storytelling

For over 27,000 years, since the first cave paintings were discovered, telling stories has been one of our most fundamental communication methods. Stories have a unique ability to infect minds with ideas and attitudes that spread contagiously. When we enter into a story, we enter into an altered

mental state — a state of high suggestibility. Studies show that our fears, hopes, and values are strongly influenced by stories and in order to get infected by a story we must be emotionally transported — we need to lose ourselves in the story.

### The Many Stories of Bitcoin

Stories are almost always about facing problems and trying to overcome them. Stories have a problem-solution structure. Stories are usually about trouble. What happens when a man forgets he bought 100\$ worth of Bitcoin in 2009? Is there a story to tell about Mt. Gox, Bitcoin's \$460 million disaster? Or How a 29-year-old idealist built a global drug bazaar and became a murderous kingpin? What possible futures can we depict? What mystery can we unfold?

Bitcoin has affected the lives of many and will continue to do so, providing stories that can inspire, intrigue and captivate audiences worldwide. Bitcoin can create stories people will relate to — stories that will push Bitcoin further out of the shadows and help the world wake up to the huge potential of blockchain.

### Our Responsibility

Bitcoin was given to us — and it is our duty to make sure we pass it on to others and aid in the democratization and decentralization of the world. Each one of us is individually responsible to watch over this community, help it grow and make sure that standards are objective and beneficial to its core message of decentralization.

Unfortunately, the motion picture industry is anything but decentralized with a handful of studios controlling the market. Major studios today are largely in the business of making big movies, and numerous stories, despite being very good, do not fit the mould of the big franchises. Many stories (i.e. scripts) bounce from studio to studio, cast and crew come and go according to availability, and even a great story can be postponed for years — or never get told.

Therefore, the first full length quality production film, depicting one of the many stories of Bitcoin, should be our responsibility. It should be our responsibility to choose what story should be told and it should be our responsibility to select who should be the one to tell it.

## **Value, Perception and Adoption**

Price fluctuations on the Bitcoin exchanges are driven by many factors. Bad press and common public misconceptions are two of them. "You need to buy a whole Bitcoin", "Mt Gox (or other disastrous news) = Bitcoin", "We've seen most of what Bitcoin has to offer", "Bitcoin can be shut down", "Bitcoin is used for illicit activities more than cash is" and numerous other wrong ideas need to be explained to the general public in order to increase adoption rate in the years to follow.

Movies tell stories. When we enter into a story, we enter into an altered mental state — a state of high suggestibility where misconceptions can be altered and ideas retold.

## **The Business of Filmmaking**

Today profits are what drives the film industry. When the media decide whether or not a movie is a hit, the main criterion they use is the box office gross. If a movie has made money back to the producers, it is labeled as a "success."

Even though theatrical runs generate the greatest revenue, PPV, VOD and online streaming are increasingly generating more and more returns to movie production studios.

Investigating the numbers, movies with budgets exceeding \$1M released from 2010 to date have generated an average 370% gross return. A more in depth analysis of 336 movies in the \$10-25M production budget range reveals that 73% reached the break-even point (as a general rule of thumb, a film has to earn twice it's production budget in order to break-even), half of which delivered 300% and higher returns. 46 movies generated returns of 700% and more,

with movies like Black Swan, The King's Speech and The Fault In Our Stars around the 2500% mark and Les Intouchables outperforming them all with an impressive 4490% gross return.

## **Investing in The Bitcoin Movie**

Although there are many reasons why someone should or should not invest in movies, and anyone considering it is advised to get well informed before doing so, the question anyone reading this should really ask is: "How many times have I been offered to participate in a movie and gain a potential profit?"

Investing in The Bitcoin Movie will represent an equity stake in the production of the film where potential net profits generated by the resulting film will be distributed amongst token holders. The Bitcoin Movie Tokens (from now on referred to as "TBM tokens") will also be used for voting on some important decisions in the filmmaking process.

The Bitcoin Movie, represented by the TBM token holders, is to be considered a movie financing entity with an extension to film production to oversee the filmmaking process.

## **Decentralized Filmmaking**

Crowdfunding is one of the most interesting developments in movie financing history and is becoming a more and more established route for independent film production studios.

Advancements in blockchain technology that the crypto community has and continues to develop, allow us to finally organize transparent digital token crowdsales with escrow multi-signature accounts or smart contracts and distribute tradable equity tokens back to investors. This represents a great shift in movie crowd-financing, replacing t-shirts, special tickets and other perks with equity — transforming donations into investments, fans into stakeholders.

Distributing equity tokens to a pool of crowdsale participants opens up the

possibility to achieve a more decentralized filmmaking process, especially in the beginning stages of development and preproduction. Development is where the creative juices start flowing, the story takes shape and begins to mold together. Inviting-in a Bitcoin community of token holders to select a Bitcoin related storyline can be a very powerful and potentially essential resource in choosing the right path to success.

## Decisionmaking Process

The majority of The Bitcoin Movie crowdsale participants is expected to come from the Bitcoin community, therefore it is important to get them actively invested early on to set the movie production direction.

After the successful crowdsale, a creative agency with professional writers will be hired to develop possible Bitcoin related storylines. Token holders will then vote on which storyline they find most fit to develop further. To avoid majority holders having more influence on the storyline and to protect the general opinion, each token holder will be eligible for 1 vote only. Based on the chosen storyline a reputable screenwriter will be hired to deliver a quality script for the movie.

In 'Stage 2' of The Bitcoin Movie, an opinion survey will be conducted amongst token holders to understand the general sentiment. The poll participants will be asked to consider the chosen storyline and answer a questionnaire that will help the production team highlight important aspects of the movie prior to its production start and influence which filmmaking professionals will be persuaded.

Throughout film production, if needed, token holders may be required to vote on other important issues, just like private movie investors are consulted in traditional filmmaking. It is important to clarify that due to the mechanisms of filmmaking the token holder's vote cannot represent the final verdict - in the end, the final decision will be up to the director and production team.

## The Bitcoin Movie Budget

Movies live and die by their budgets. The hard costs of physically producing a film vary dramatically and depend on the film, with low budget films ranging from \$200K to \$1M, high budget films usually around \$50-75M, and blockbusters with budgets of \$150-250M.

The Bitcoin Movie targets the production budget of high quality movies with compelling stories, e.g. "The imitation game" starring acclaimed actors Benedict Cumberbatch and Keira Knightley which grossed over \$233M worldwide against a \$14M production budget and received eight nominations at the Academy Awards.

Determining a film's budget starts with the words on the page. Every line written into a script affects the cost of the film. Therefore, it is important to split the production of The Bitcoin Movie into two stages.

Stage 1 (development) will focus on acquiring a great story and producing a compelling script. Stage 2 (pre-production, production, post-production, marketing and distribution) will focus on actually shooting the film and bringing The Bitcoin Movie to the big screens.

## Crowdsale Details

As described in the previous chapter, the movie production will be split into two stages: Stage 1 (development), and Stage 2 (pre-production, production, post-production, marketing, distribution).

Similarly, the token crowdsale will follow in two stages targeting the estimated minimum and maximum funds needed to complete each stage.

It is important to note that only those participating in the 'Stage 1' crowdsale will have the opportunity to vote on the storyline the movie will follow.

## Stage 1

**Minimum goal:** 500 BTC

**Maximum goal:** 1,000 BTC

**TBM tokens:**

- 1) 7,000,000 TBM tokens distributed to 'Stage 1' participants
- 2) 1,500,000 TBM tokens for bounty rewards
- 3) Zero TBM tokens distributed to the Founding team after 'Stage 1'

**Date of 'Stage 1' start:** May 5, 2017

**Date of 'Stage 1' end:** June 5, 2017

To increase trust in The Bitcoin Movie project zero TBM tokens will be distributed to the Founders team after the 'Stage 1' crowdsale process is successfully completed, leaving the incentive to finalize the project open right up until the end of film production.

## Stage 2

**Minimum goal:** 13,000 BTC

**Maximum goal:** 25,000 BTC

**TBM tokens:**

- 1) 79,000,000 TBM tokens distributed to 'Stage 2' participants
- 2) 2,500,000 TBM tokens for bounty rewards
- 3) 10,000,000 TBM tokens distributed to the Founders team

**Date of 'Stage 2' start:** TBD (Q1 2018)

**Date of 'Stage 2' end:** TBD (Q1 2018)

## The Bitcoin Movie Tokens (TBM)

The Bitcoin Movie will issue a fixed total supply of 100,000,000 TBM tokens. The TBM token will be an Ethereum-based token of value. Ethereum was selected over Counterparty to issue TBM tokens due to its well established infrastructure. TBM tokens will represent equity in The Bitcoin Movie project and will serve to distribute potential net profits amongst TBM token holders.

Ideologically speaking, a project like The Bitcoin Movie needs to be fully funded with Bitcoins only. To follow this symbolic gesture, BTC Relay will be used. BTC Relay is an open source project by ConsenSys enabling Ethereum-based networks to interoperate programmatically with the Bitcoin network. Practically speaking, it will implement a 'Fund with Bitcoin' button in the Ethereum-based decentralized application allowing Bitcoin holders to interact with the crowdsale smart contract.

## Budget Breakdown

The budget is divided in stages following the 2-stage crowdsale process.

### 'Stage 1' Budget

The funds from the 'Stage 1' crowdsale will be used to hire an established creative agency with professional writers to think of and develop possible storylines for The Bitcoin Movie. These storylines will then be voted on by the token holders (see chapter 'Decisionmaking process').

Based on the winning storyline a reputable screenwriter will be hired to deliver a quality script for the movie. The screenwriter will be offered a 'X against Y' deal, meaning that the writer gets X first and Y when the film gets into production. The Y part will be financed from 'Stage 2' funds.

The budget breakdown will vary on the total funds raised during 'Stage 1', with the possibility to increase the funds invested in promoting the script or upgrading the 'Stage

2' marketing budget if more than the minimum 500 BTC are raised.

- 1) Creative agency fee (i.e. acquiring possible storylines) 11%
- 2) Reputable screenwriter fee (i.e. X part of the total 'X against Y' deal) 45%
- 3) Attracting talent (e.g. contacting agents, promoting the script) 5%
- 4) Operations (i.e. management, salaries, expenses) 15%
- 5) Development (i.e. membership website and Dapp development) 7%
- 6) Legal fees 6%
- 7) Marketing 'Stage 2' 8%
- 8) Reserve fund for unexpected costs and possible budget changes 3%

### 'Stage 2' Budget

To make a movie, a script breakdown is essential. Without it, it is impossible to establish what a movie will cost.

The budget will be dictated by choices that may change dramatically depending on director, locations, size and cast prominence, stunts, and the effects needed both during and after principal photography.

A carefully crafted budget to provide a roadmap for the entire film project will be created after the 'Stage 2' crowdsale is complete.

### Production Roadmap

Outlining a reliable Roadmap for The Bitcoin Movie is quite hard at this time. There are many factors to be taken into account. Even so, the roadmap through 'Stage 1' has already been envisioned, with milestones further up the timeline currently labeled with a 'TBD' (i.e. to be defined) status.

### Idea Creation

(February 2017)



### Concept Development and Promotion

(March - May 2017)



### 'Stage 1' Crowdsale

(May 2017)



### Storyline

(Sept 2017)



### Screenplay

(Q4 2017)



### 'Stage 2' Crowdsale

(Q1 2018)



### Pre-production, Production

(TBD)



### Post-production

(TBD)



### Marketing

(TBD)



### Movie Distribution

(TBD)