



*for secure storage and
exchange of verified data*



Identity



Ownership



RFID/NFC



Corporate workflow



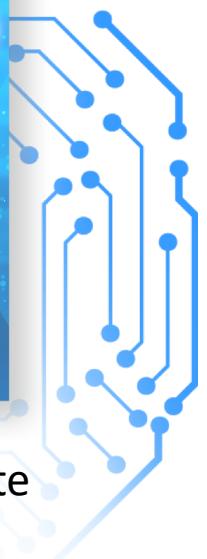
Diplomas



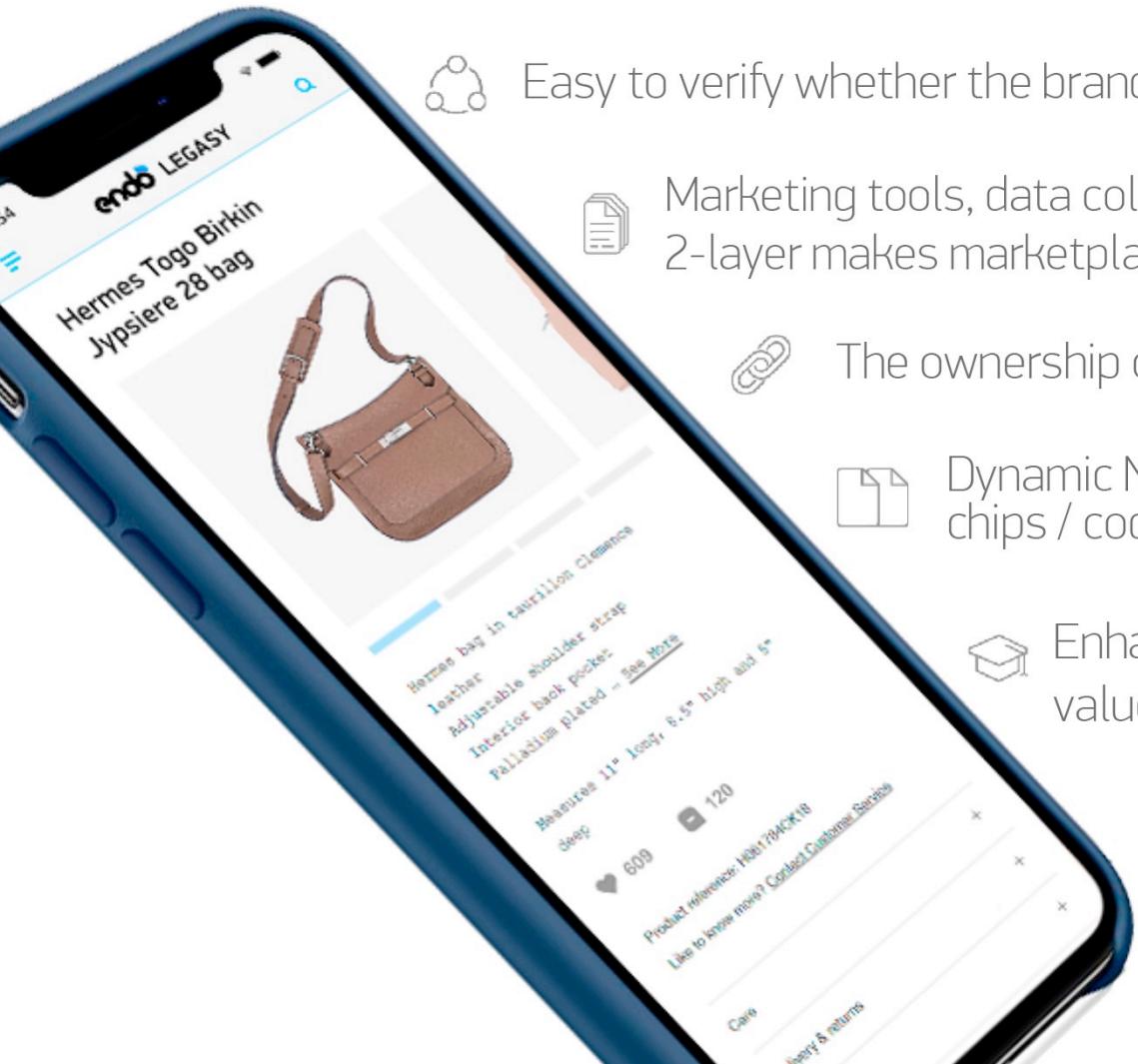
Supply chain



Digital certificate
based on
ENDO
Blockchain



Product verification: ENDO Legacy



Cloud icon: Easy to verify whether the brand is original

Document icon: Marketing tools, data collection,
2-layer makes marketplace

Link icon: The ownership of things

Dynamic NFC
chips / codes

Graduation cap icon: Enhances brand
value, knowledge





Statistics

Up to 5% of goods imported into the EU are fakes.

The UK loses at least \$21 bln. a year to replica clothing and shoes.

Up to 80% of products sold on the Internet with the brand name Hermès is counterfeit.

A report by the US Chamber of Commerce stated that “counterfeiting and piracy costs the US economy between \$200 bln. and \$250 bln. per year and a total of 750,000 American jobs”.

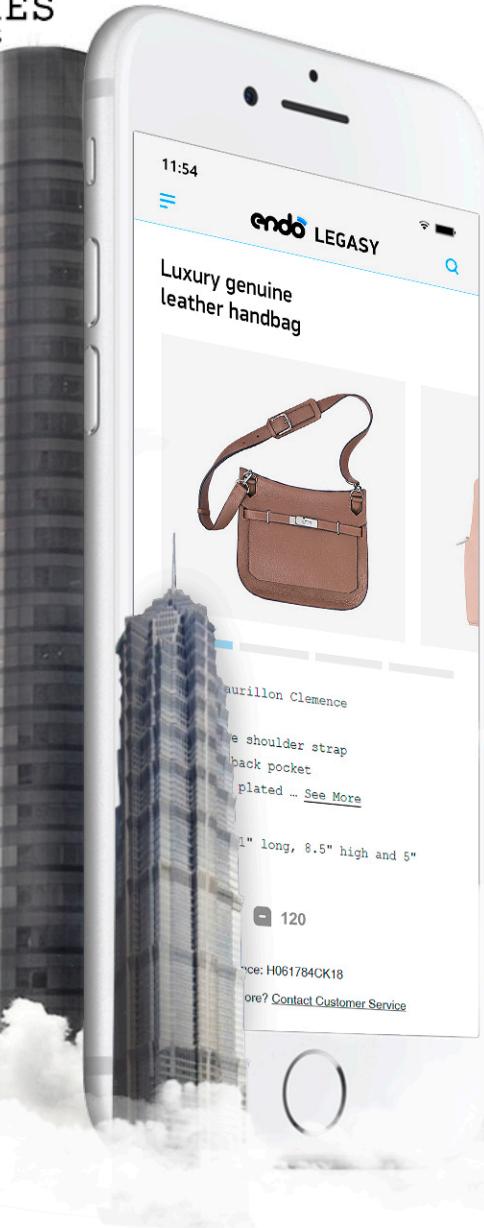
The counterfeit handbag market value is estimated to be worth \$70 mln.

Counterfeit product value is projected to rise to \$1954 billion globally, by 2022.

\$461 bln.

is the global value of imported fake goods by 2013





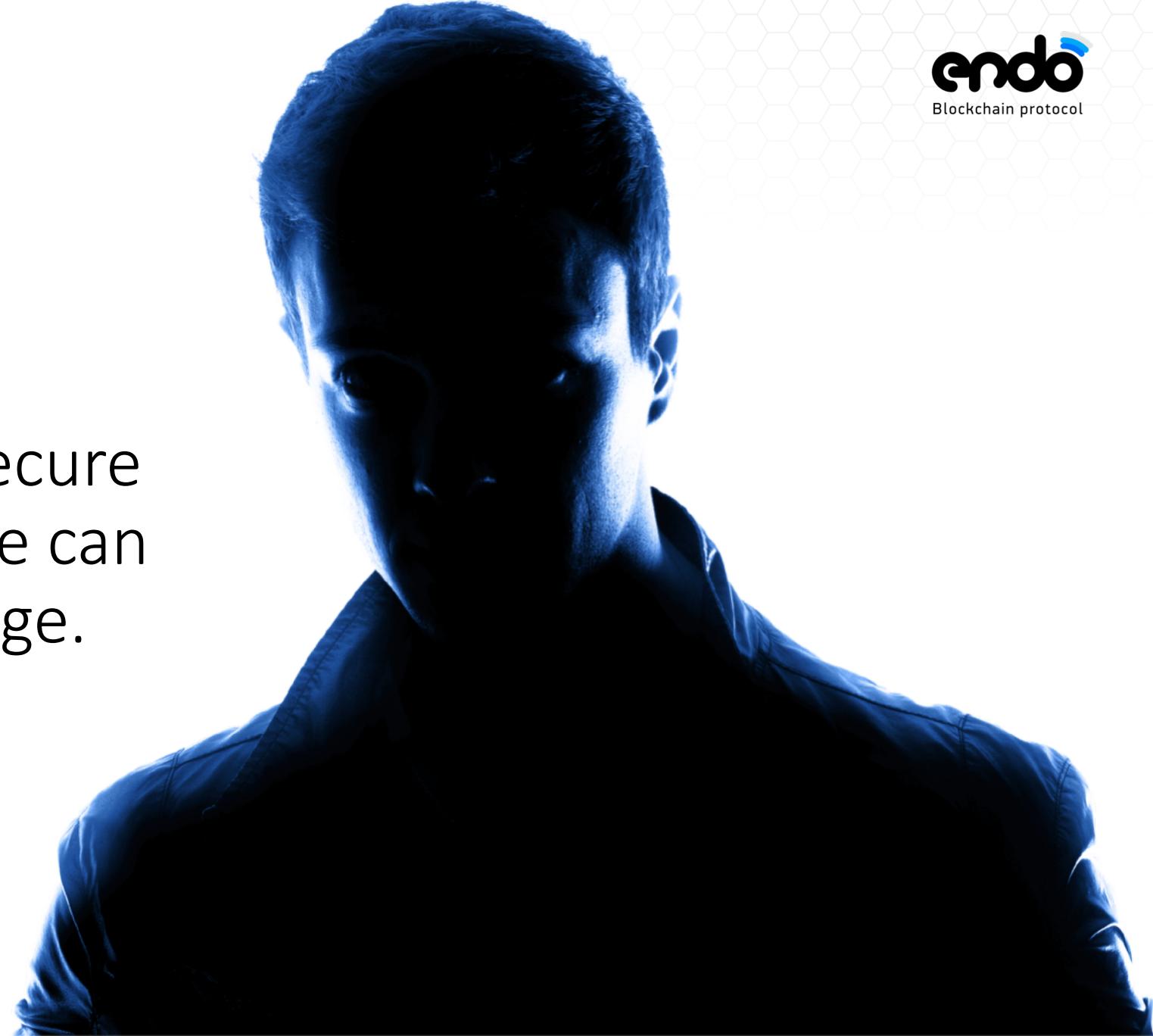
To give everybody
the opportunity to verify
any item in a fast, easy,
and reliable way.





However...

It must be a 100% secure
system, which no one can
tamper with or forge.



ENDO Legacy



Mobile app that instantly verifies the authenticity of goods.



Digital passport for ownership of goods.



NFC-chip implemented in goods & connected to blockchain, the encrypted code of which is impossible to forge.



Additional features that will allow to establish client relations and enter secondary market.



Marketplace for selling bags for the secondary market



Further, customized solutions can be developed on the blockchain

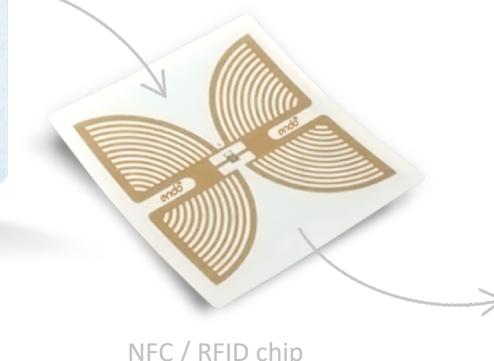
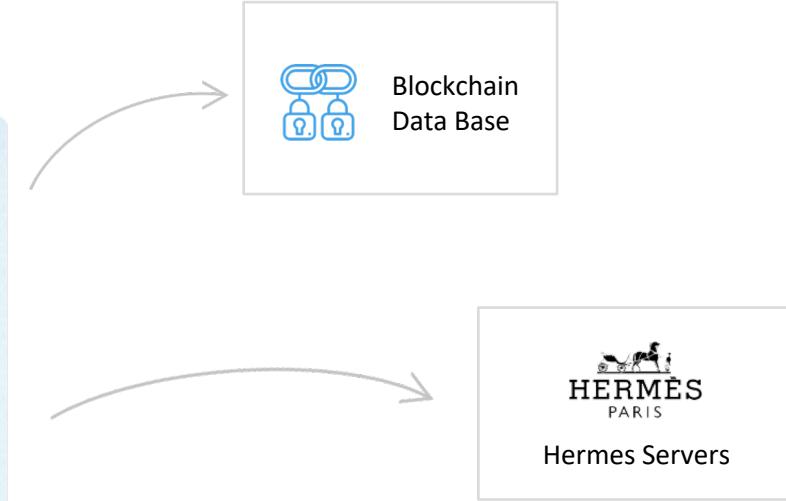
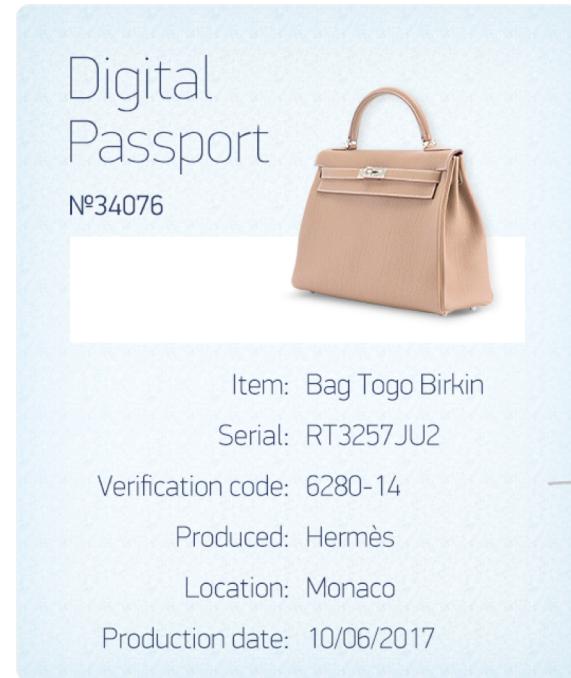
* a set of communication protocols that enable two electronic devices to establish communication

Digital passport of goods NFC/RFID

For each original Hermès item an electronic passport is created on the company's server. This passport contains information about the item, serial- and verification code.

The serial- and verification code is encrypted onto the NFC / RFID chip and onto the blockchain. The NFC / RFID chip is then stitched into the Hermès product.

All modern smartphones can read RFID and NFC. It takes years to hack a chip.



Chip is then stitched
into the Hermès product



How does it work?

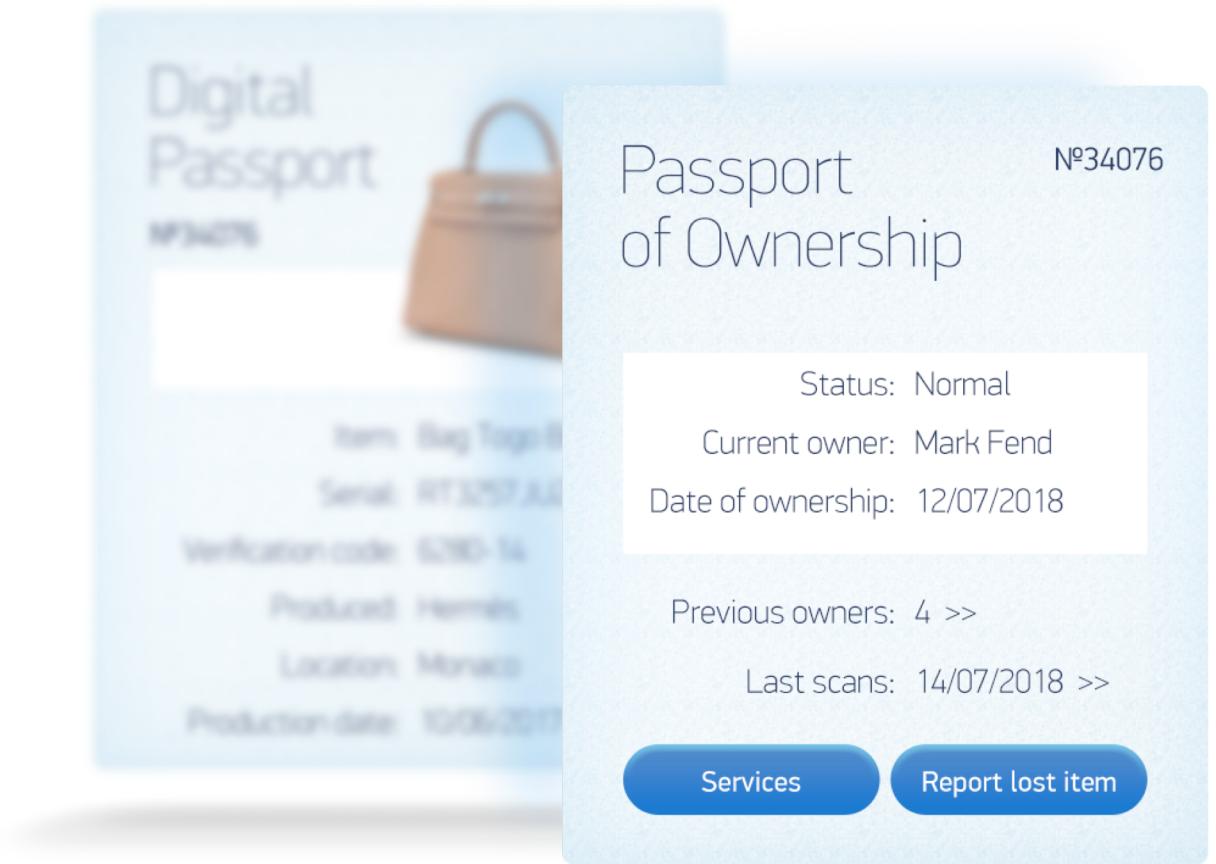


- 1 NFC chip with verification code is sewn into a handbag, clothing item, etc. This verification code is also stored on Blockchain.
- 2 Smartphone scans the code from the chip.
- 3 App verifies the code stored on Blockchain.
- 4 ENDO Legacy shows whether or not the product is authentic.

ENDO Legacy: Digital Passport of Ownership

Benefits:

1. After purchase, an item is tied to a person by an electronic passport, where ownership rights are confirmed.
2. The owner can use the company's customer services.
3. In case of loss or theft, the owner can make an instant notice. This will make it harder to sell the lost or stolen item.
4. Person who found the lost or stolen item can easily return it for a reward.
5. Possibility to check the last scanning of the lost or stolen item.



Track and trace ownership of goods

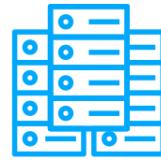
- The user can view the full history of the bag
- The history can be hidden if it is needed
- SPA can be used only after the bag is authorized
- SPA employees can instantly check the information and verify the bag's authenticity, so the bag's price increases
- The user can remotely guarantee that the bag belongs to him
- Remotely change owner for selling the bag

The app can get the data from the supply chain about the production and distribution among the stores



SUPPLY CHAIN

an easy way to check the status of products worldwide



Unified tire turnover
database



Supply chain tracking of
every item



Cost optimization profit





 **Hermes Birkin**
Status: Original
Value: 27 000 €
SPA, location tracking, owner history

if a buyer
doesn't pay the
full amount

 **No name**
Status: Deactivated
Value: ≈ 500 €
-

The canceled chip invalidates the **value of the bag**

- Hermes – is expensive and luxury, so not everyone who desires it can afford it
- There is a potential segment of buyers who will be interested in installment purchase
- Hermes is able to void the status "original" without the third party

The main value of
goods is the
authenticity



Lost status and the identity cancellation

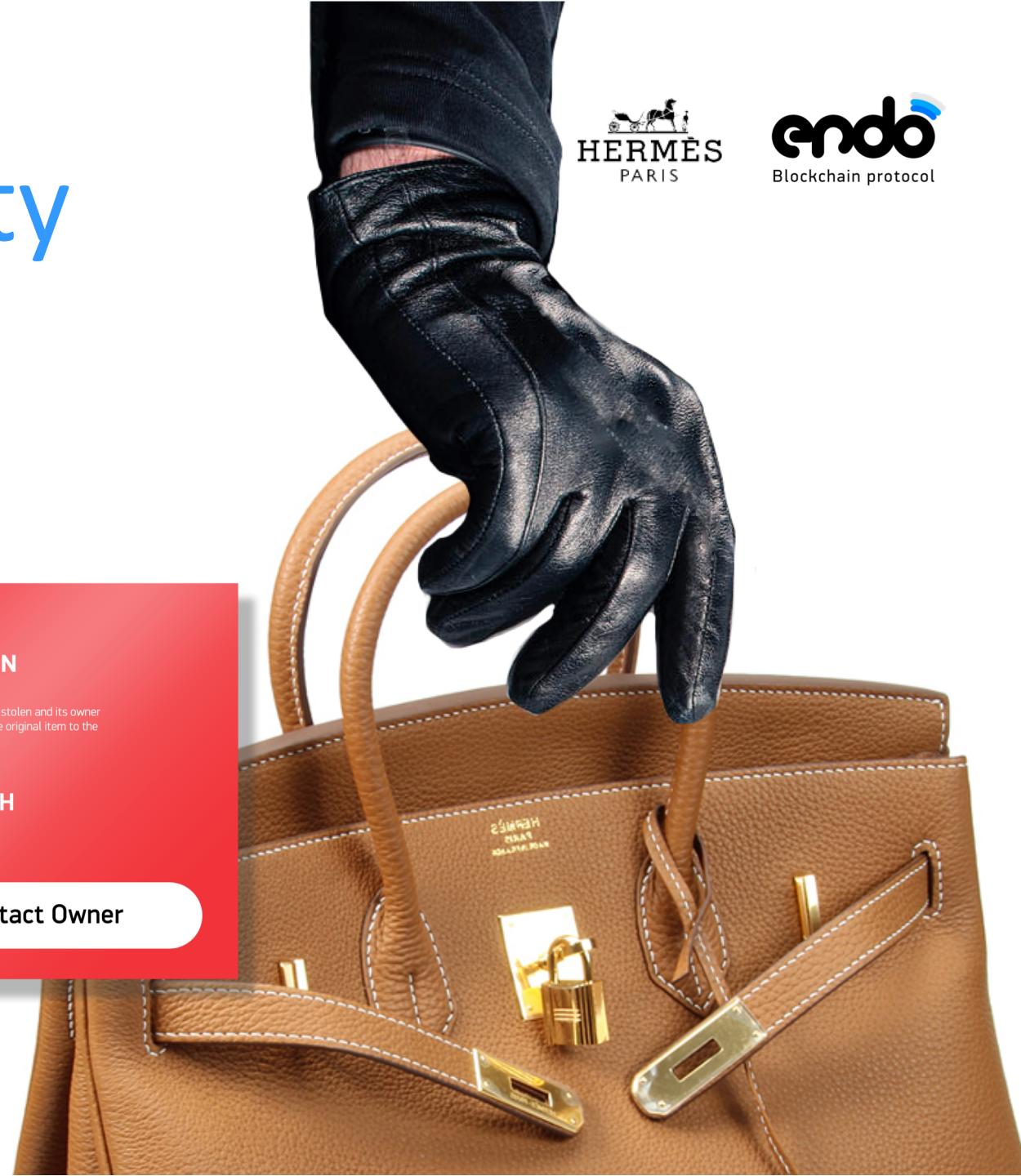
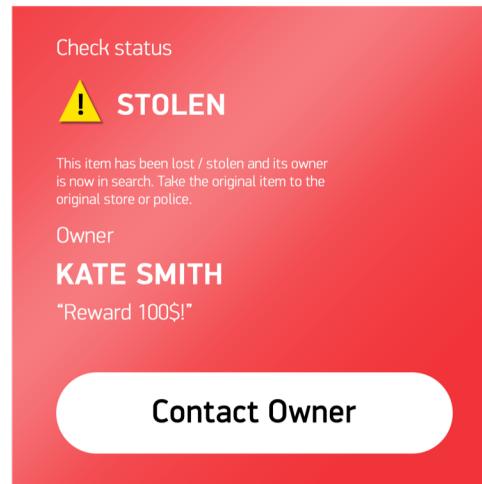
- In case of loss or theft, the owner can make an instant notice
- The value and price of the bag with an unconfirmed original chip are reduced.

It will get harder to sell the lost or stolen bag.
Person who found the lost or stolen bag can easily return it for a reward.

Liquidity decreases, so it will be more profitable for a thief / finder to return it to its owner and get a reward



Possibility to check the last scanning of the lost or stolen item.



HERMÈS
PARIS

endo
Blockchain protocol

Hermes bags is an investment

The value of the bag increases due to its digitalization and awareness of its authenticity

It will get harder to sell the lost or stolen bag.
The person who found the lost or stolen bag can easily return it for a reward.



DIGITIZED

NFC



TRACKING



Hermes Kelly

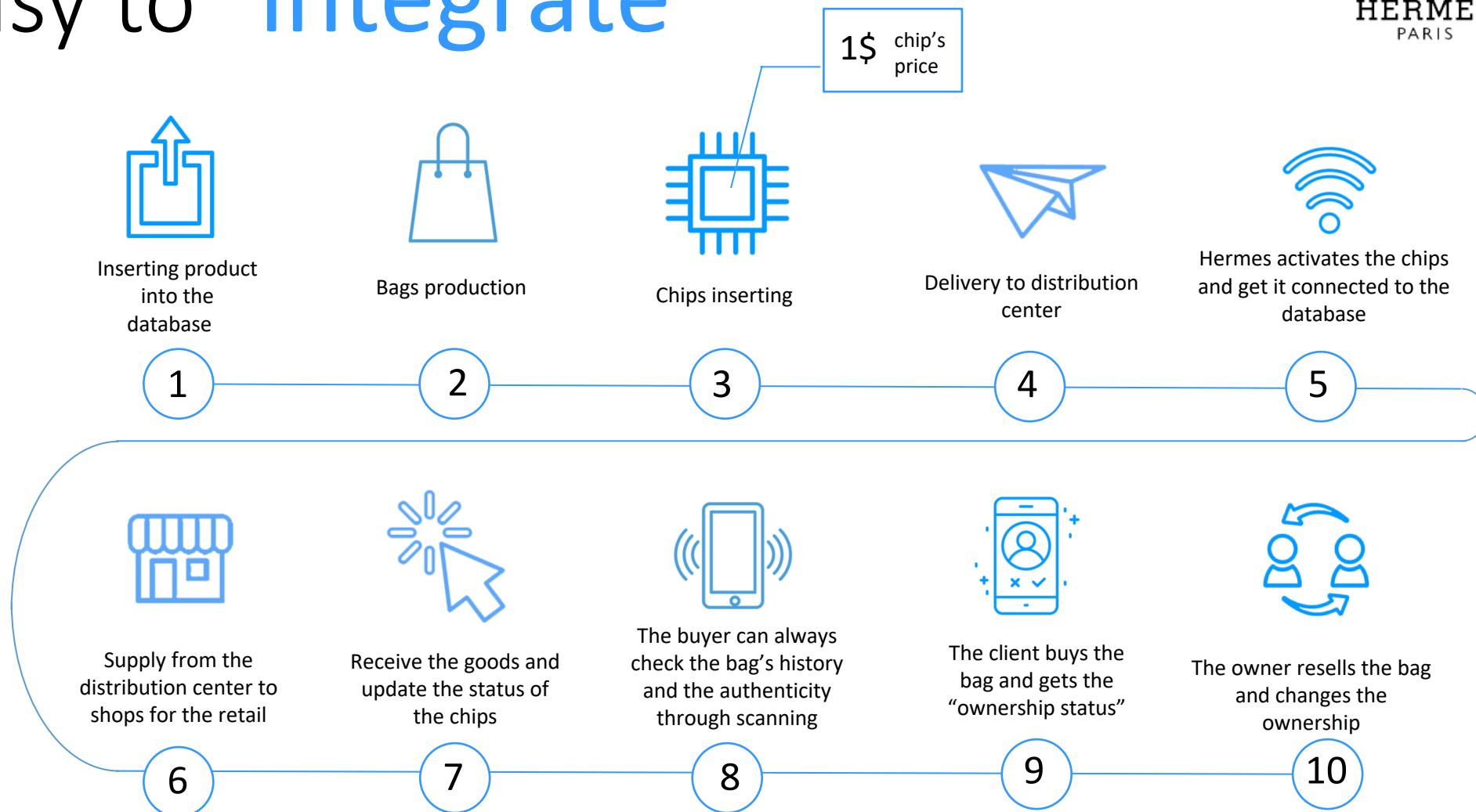
Limited edition: 12 Pieces

OWNER:
Victoria Beckham
PURCHASED:
27.01.2016
SOLD:
17.09.2016
VALUE:
+ 20 000 €

OWNER:
Kim Kardashian
PURCHASED:
30.12.2016
SOLD:
08.03.2017
VALUE:
+ 15 000 €

OWNER:
Bella Hadid
PURCHASED:
24.01.2018
SOLD:
08.03.2018
VALUE:
+ 27 000 €

Easy to integrate



Installment plan:

- increase in Hermes sales
- open a new audience segment
- earn installment interest



Shoe company «Westfalika» uses
installment plan for its customers

2010
year the share of sales in installment was
20%

2012
year increased to 45%, with an income
of \$1,5m.

2017
year the installment portfolio increased
by 20,7% with an income of
\$3,24m.



Appraisers

Our solution brings the following advantages:

1. Cease using appraisers
 - appraisers can intentionally or unintentionally make a mistake
 - appraiser services are inconvenient and entail to a decrease of a value
 - pricey, takes too long and inconvenient
2. Hermes can receive an additional profit
 - by installation of chips and their replacement



Hermes authentication services take:



up to
30 days/verification



up to
€200/verification

One-time fee for instalment of one chip can be up to \$100

Extra marketing instruments



Research: data analysis after the bag-scanning

The app provided with information about closest SPA center, care products and info, accessories, etc.

Target market and customer profile information

Care information can be easily added to the app

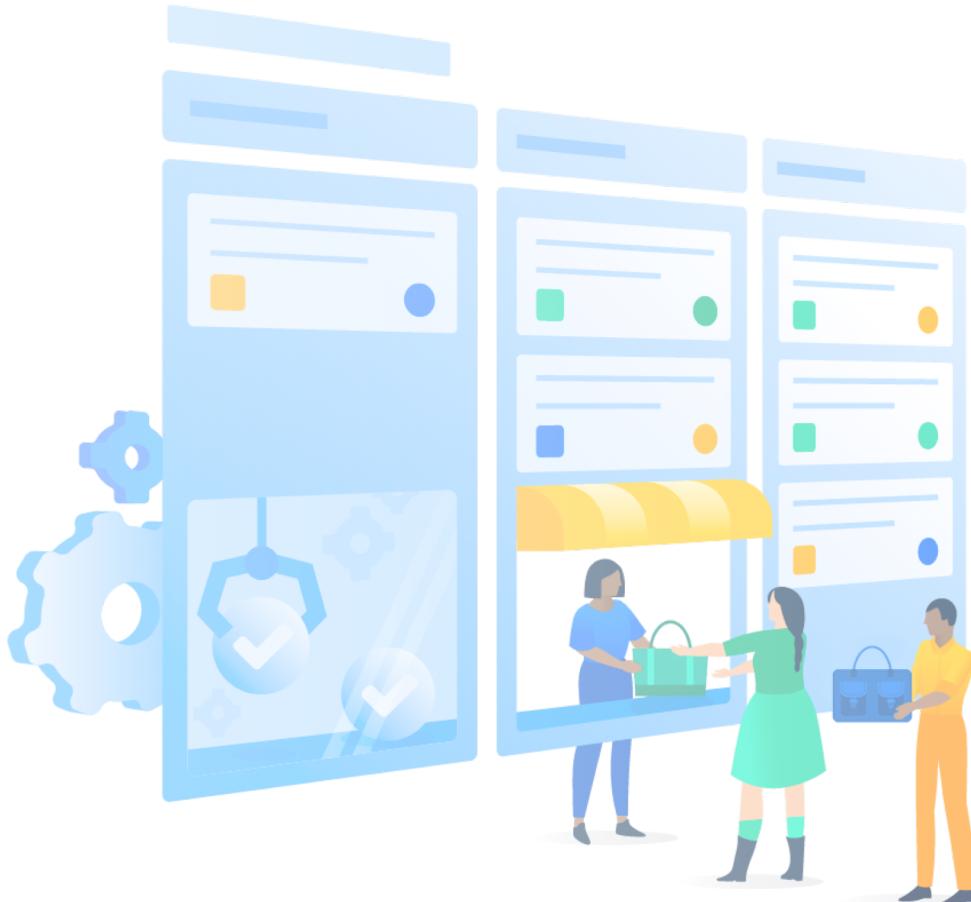


Small features

-  Open and fair auctions.
-  Fast viewing of item description.
-  Fashion look advice for items.
-  Information about Hermès handbag spa-centres.
-  Feedback about fashion items.



Control of secondary market



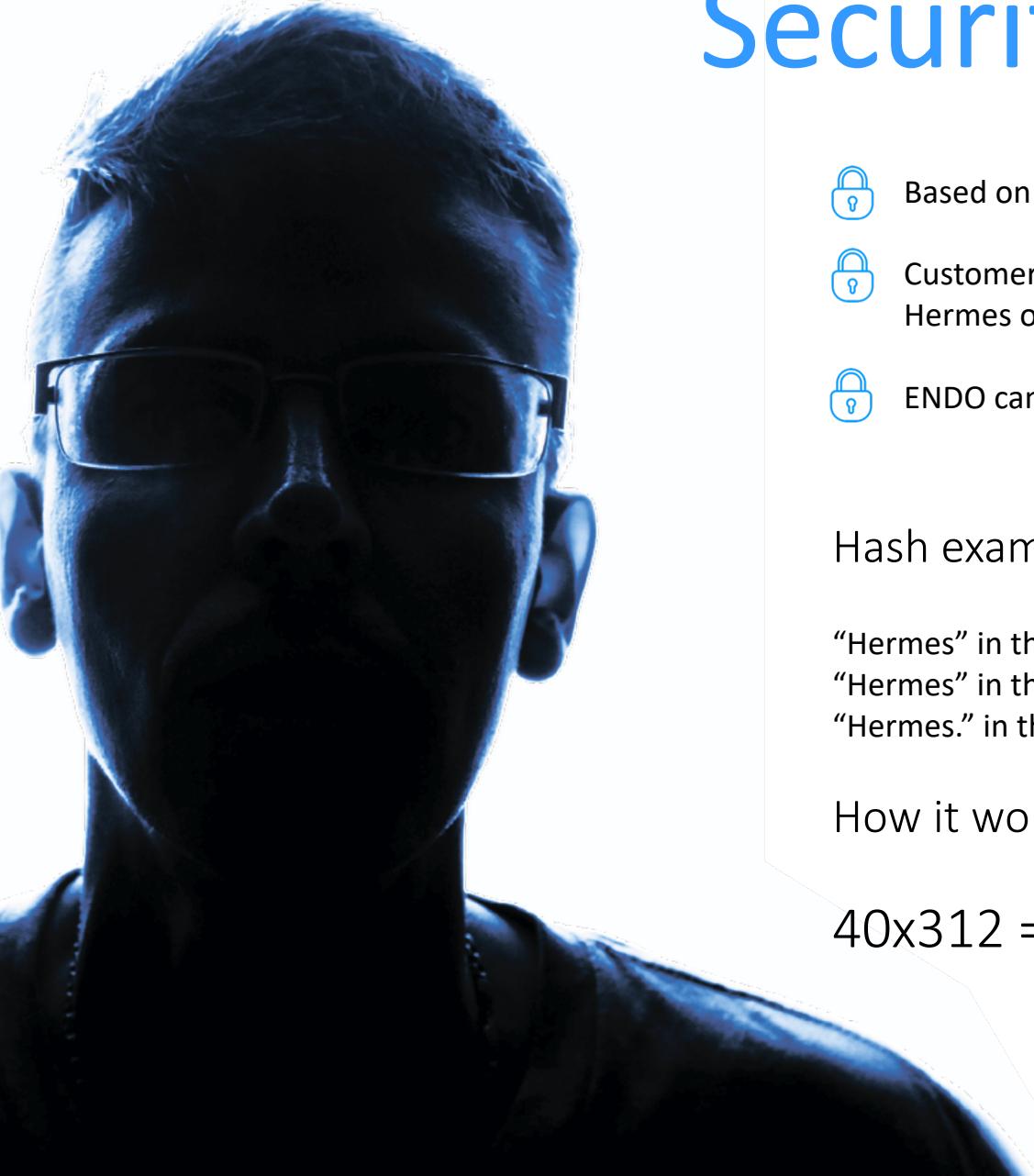
Since the ownership right is now digital, when the item is resold, the seller will transfer the ownership right to the buyer. This change will be entered into the digital passport and blockchain.

After understanding the real secondary market situation, Hermès will be able to provide additional services, such as escrow resale in the network of Hermès stores.

After introducing **ENDO Blockchain Protocol**, we can create a secondary market platform with integration of smart contracts.

Clients will be able to:

- Safely sell the authentic item using a smart-contract;
- Legally change the owner;
- Create an auction;
- Charge resale fees.



Security



- 🔒 Based on the Blockchain
- 🔒 Customers data and information can be viewed by Hermes only
- 🔒 ENDO can have the access to hash only

Hash example:

“Hermes” in the hash form - 07ed5b9541ca169ca02834c788bbf0bc
“Hermes” in the hash form - 07ed5b9541ca169ca02834c788bbf0bc
“Hermes.” in the hash form - b7b23c53a574de7d3ee661c5e14bb336

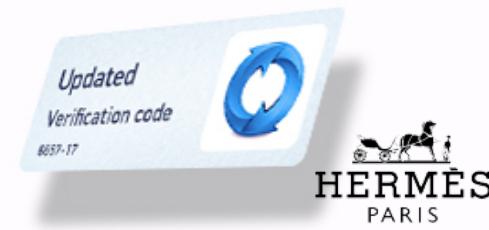
How it works:

$$40 \times 312 = 12480 \rightarrow 28 \rightarrow 28 \times 8 = 224 \rightarrow 2$$

ENDO Legacy: Why it's secure

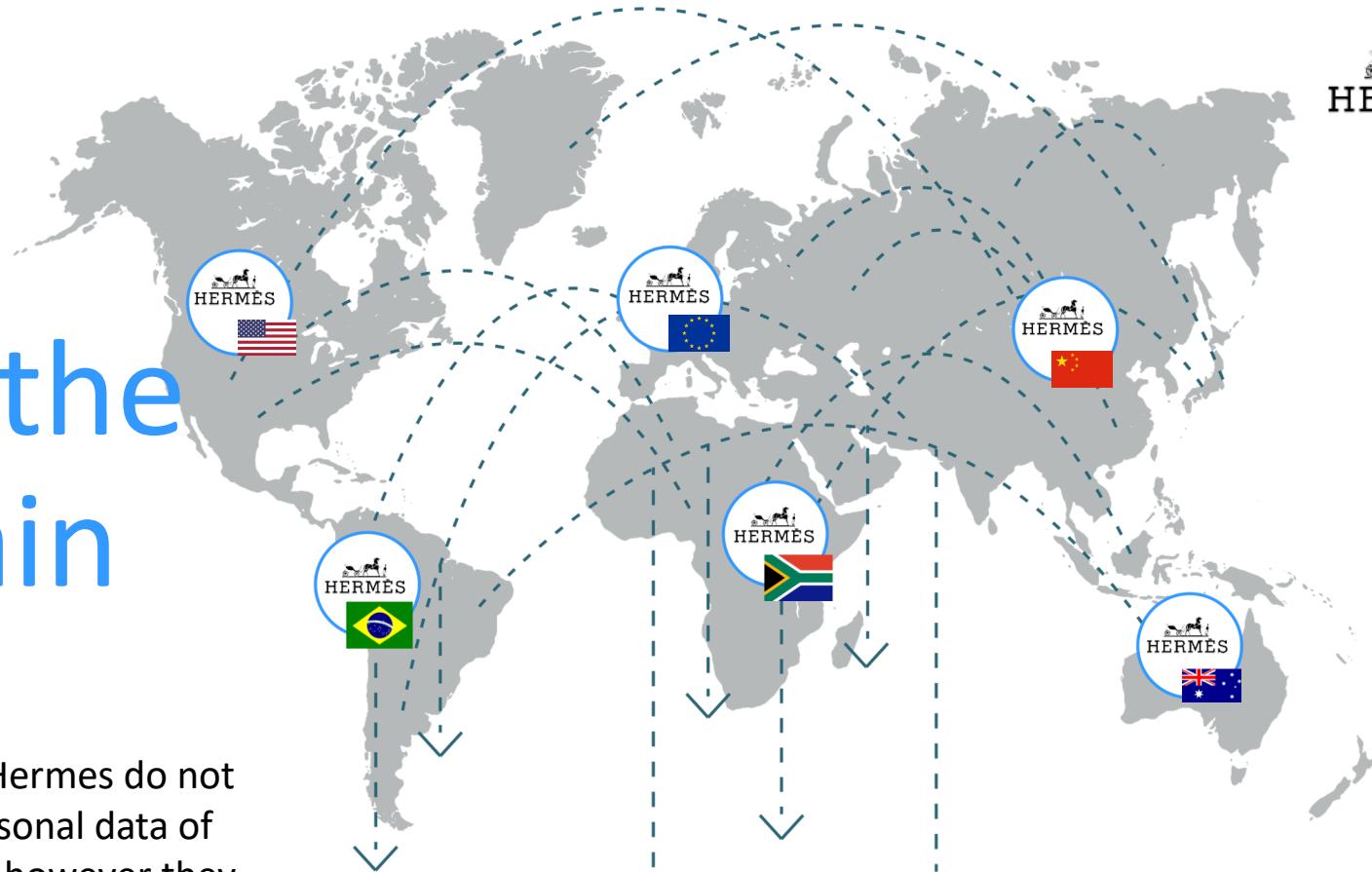
1. All data on a chip is **encrypted** and would take a year to decode, even with high computing power.
2. It's **impossible** to delete or edit data from Blockchain.
3. All data on Blockchain and in the chip is updated. Even if someone forges a chip (which is highly unlikely), **after each scan all information is renewed** and the old data becomes invalid).

This ensures transparent verification and review of product authenticity.



Unified system based on the blockchain

- ✓ Under the GDPR
- ✓ Different units of Hermes do not have access to personal data of clients worldwide, however they can check instantly the authenticity and the real owner





Blockchain protocol

The positive impact of the community

People will not buy fakes, because they can easily check the authenticity of goods





And if that's still
not convincing...



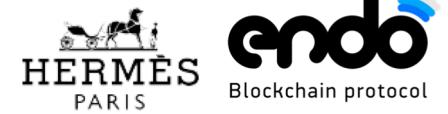
Scanning handbags is fun and creative.



Can be a good marketing/media campaign



Endo Legacy is even more



Endo Legacy can be implemented in:



cosmetics



medicines



paintings and
artwork



luxury brands



alcohol



machinery



watches



spare parts
for cars

The result

- Increase in company profit.
- Elimination of fraud, fakes, corruption and black market.
- Data storage, the full control and data transparency
- Under the GDPR
- Unified database verification
- Counterfeit goods reduction
- Increases liquidity
- Strengthening of company brand.
- Client confidence.
- Revitalization of traditional company values with Blockchain technology.
- Extra features for customers.



All of this is possible with
Endo Blockchain Protocol

A large, semi-transparent watermark or background image shows an aerial view of a city at night, with numerous glowing blue and white lights forming a grid-like pattern across the landscape.

endo
Blockchain protocol

Trust increases the Value