



POP, LOCK, AND BLOCK IT

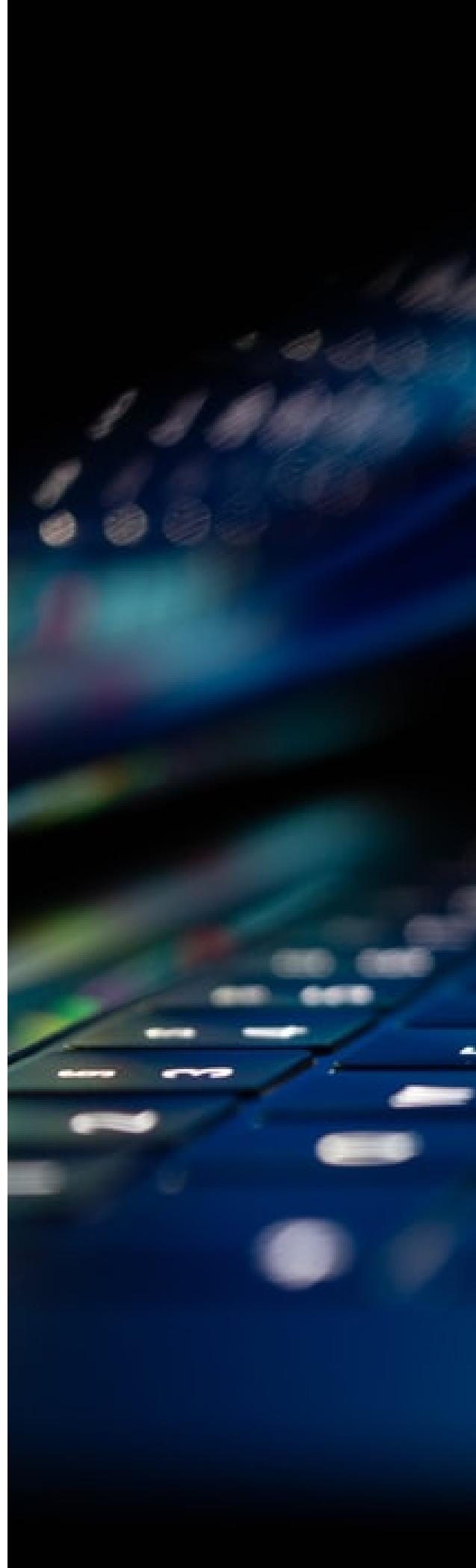
Why blockchain technology is the
multitasker you need

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Bitcoin, Blockchain, Buzzwords, Oh My!

An introduction to blockchain technology

Blockchain. It's a buzzword that has gained a lot of traction in the tech world largely due to the rise of Bitcoin, which uses public blockchain technology (more on that later). But how many of us really understand what it is, let alone how it can benefit us? According to IBM, "blockchain is a shared, immutable ledger that facilitates the process of recording transactions and tracking assets in a business network." Let's break that down.

Because blockchain networks are "immutable", meaning they cannot be altered or changed, (even by administrators of the network) anyone who has access to a blockchain network has complete visibility into all transactions within the network. "It provides immediate, shared and completely transparent information stored on an immutable ledger that can be accessed only by permissioned network members. A blockchain network can track orders, payments, accounts, production and much more" (IBM). Using blockchain, businesses can track raw materials, finished products, purchases, etc., so it's the ideal solution for someone who's looking for more visibility throughout their supply chain. Technically speaking, each action throughout a supply chain is recorded as a block of data and linked chronologically to the transactions immediately before and after it.

Because these chains cannot be manipulated, blockchains present both businesses and consumers a "ledger of truth". Now, not all blockchains are created equally, and there are big differences between public and private blockchains. Public blockchains, like the one used by Bitcoin, can use a ton of power, making them way less energy efficient than private alternatives. Private blockchains are governed by one organization, who knows exactly who has access to the blockchain.

Public vs. Private Blockchains

Public

- Like Bitcoin, anyone can join and participate in
- Requires substantial computational power
- Little to no privacy for transactions

Private

- Single organization governs and controls who can participate
- Can run behind a corporate firewall and even on a single premise, making it more efficient

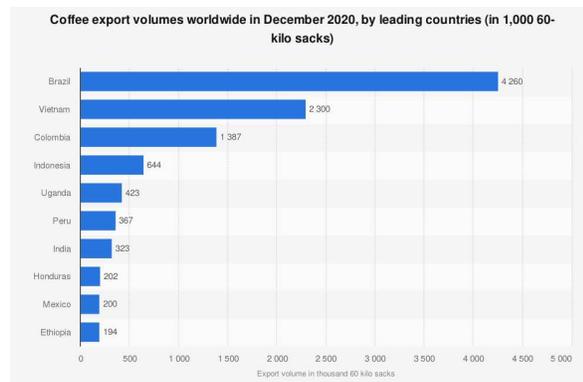


Build Trust, Block Counterfeits

Why companies are using blockchain to achieve their goals

There are many reasons why businesses would seek out a blockchain provider, but two notable ones are increased need for consumer trust and for anti-counterfeiting purposes. Let's take the food industry for example. Especially in the U.S., our food systems have become heavily industrialized, leading to massive corporations controlling a lot of the food supply.

The food industry is increasingly using blockchain in order to track products through the entire supply chain, which is especially important for industries where sourcing issues are a big concern. Take coffee for example. Despite the top coffee consumers being across Europe and the US, Latin American countries are the primary producers and exporters.



Historically, coffee farmers have been underpaid for their goods, leading unethical working conditions such as the use of child labor and unsustainable farming practices in some of Earth's most biodiverse regions. Also, it's been notoriously difficult for consumers to truly know where their coffee comes from. But, according to ThomasNet, an online platform for food supplier discovery and product sourcing, "Folgers' 1850 Coffee brand will [now] be packaged with a QR code that gives access to an app that allows you to learn more about the origins of your coffee." Folgers is able to do this because they've incorporated blockchain technology into their supply chain.



Build Trust, Block Counterfeits

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74% of coffee drinkers want more insight into a company's supply chain, and more people have "little to no confidence in big brands", according to ThomasNet. The way brands can combat this and reinstate confidence in consumers is through transparency and tangible evidence that company's are working towards the initiatives consumers care about.

The second purpose, which dovetails into consumer trust, is using blockchain technology for anti-counterfeiting measures. Early Metrics reported how "In 2019, LVMH partnered with Microsoft and ConsenSys to develop AURA, a blockchain-based platform to authenticate luxury goods." During manufacturing, luxury products "receive a unique identifier. When a customer purchases a luxury product, they can then access its online certificate which has been cryptographically signed by the brand and all those involved in its supply chain (design, raw materials, manufacturing, distribution)."

Not only does combating counterfeits in this way build consumer trust, it also saves companies huge amounts of time and money. BCG noted that businesses "invest significant time and money tracking parts, validating provenance, communicating with partners, and filling out copious documentation to ensure the authenticity of their products, protect customers, and satisfy regulatory and compliance demands." Not only are counterfeits an issue at the supplier and sales level, counterfeit returns can also be costly. "Counterfeits can lead to spikes in service requests, unnecessary and costly replacements, and skewed customer satisfaction figures. Invalid support requests not only consume time and budget, they make it hard for a company to isolate and address genuine problems in a timely fashion" (BCG).

At the root of many company issues—whether that be sustainability, counterfeits, consumer trust—is supply chain transparency. Incorporating blockchain technology into your business ensures your brand is staying true to its values, while providing the most accurate information for your consumers. Vi3's tools utilize private blockchain technology, and even better? We're one of few sustainable options.



It's a Package Deal

How you can achieve your goals with Vi3's tools

Vi3's suite of tools utilizes blockchain technology to provide you with accurate, live-time data for each of your supplies and products, wherever they are in your supply chain. Better yet, Vi3's blockchain is private, ensuring you, and no one else, has access to your data. Having a private blockchain also comes with environmental perks, and we're pleased to share that ours is Carbon neutral.

V Source offers an integrated solution to help brands make better decisions around sourcing, and take control of their inventory, in real time, at every step of the way. Because each of your products will be imbued with highly-unique, serialized identification, you'll be able to pinpoint counterfeits with V Enforce—stopping counterfeits before they make it into the hands of consumers, no in person authentication required. Finally, with V Connect, you'll be able to tell the story of your supply chain with your consumers, further building brand trust.

We have a team of trusted advisors ready to discuss your individual goals and tailor recommendations to your specific needs. Isn't it time you find a solution that really does it all?

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