

# HYDRAULIC

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**"FORGET  
INTELLECTUAL  
PROPERTY AS YOU  
KNOW IT"**

# Think HyDRAULIC

Covering far more than just trademarks and patents, intellectual property (IP) is arguably the most valuable asset class belonging to any modern business.

Yet, the waters of IP remain distinctly murky, with the processes and technologies required for its protection, valuation, and monetisation accessible only to the big players at the very top of business, represented by teams of lawyers, and flush with cash.

Everyone, not just the big players, should be able to put their IP assets to work: from artists looking to fund their next installation, to franchising boutique brands, or inventors hoping to make their ideas a commercial success.

# Obscurity

The current IP markets are fatefully obscure, beholden to the stale pen and print of the legal industry, and widely misunderstood or even ignored by those outside of this industry.

The legal documents required for effective IP management are often jargon-filled and deathly dull to the average creative or business. Moreover, the topic of IP is rarely discussed publicly in any meaningful way.

This obscurity yields an artificially low demand for IP services from many creatives and businesses that need them the most, not least of which are small to medium sized enterprises whose assets are overwhelmingly intangible.

All the while, the services that do exist for the more IP-savvy creatives and businesses are expensive, with value-for-money IP professionals incredibly hard to find.

# Undervaluation

Access to single-item IP valuation tools, where standalone patents, trademarks, or innovations can be valued, is incredibly limited, resulting in discrepant valuations and the general undervaluation of IP assets.

What's more, existing valuation tools are built with outdated technology and their outputs unreliable, leading to an overall lack of usability.

# Illiquidity

There are countless creatives and businesses that boast a robust portfolio of IP but do not have the critical mass of tangible assets required to exploit traditional lending services.

With a lack of lending platforms concerned solely with intangible assets such as IP, these same creatives and businesses are therefore unable to turn their new ideas or projects into a reality.

# A Novel Web3 Platform

HyDRAULIC is a novel Web3 platform providing valuation and liquidity solutions for the IP markets. Fuelled by innovations in marketplace technologies and machine learning methodologies, HyDRAULIC is well placed to disrupt and subsequently revolutionise the IP markets forever.

- 1.** IP owners submit any new ideas or projects they would like to fund along with the details of the IP they want to borrow against.
- 2.** IP owners assign their IP to HyDRAULIC as collateral and choose to borrow funds from either our internal liquidity pool, our marketplace, or both.
- 3.** IP owners use the loan amount to fund their new idea or project, paying the loan back over an agreed time period.

# Seamless Web2 Integration

Solomon Intellectual Property Management is an IP services platform providing on-demand access to IP services from internal and external providers.

The integration of this platform and HyDRAULIC represents an end-to-end IP management solution, with the users of these platforms together forming a community centred around all things relating to IP.

# Reliable IP Valuations

Central to HyDRAULIC is a proprietary and expertly moderated valuation tool enabling accurate and reliable valuations of the assets IP owners want to borrow against.

This tool will guide business-critical decisions, with users benefitting from a valuation model that works across a wide range of IP assets by exploiting machine learning methodologies informed by real-time exchange data.

This tool will also act as an oracle, enabling transparent price discovery within the IP markets.

# Liquidity Pool

Liquidity providers can stake HyDRAULIC tokens and other crypto assets to earn a fixed rate of return. Staked assets will form a liquidity pool from which IP owners can instantly recruit funding following manual approval of a loan by the HyDRAULIC team.

# Marketplace

IP assigned to HyDRAULIC as collateral may also be tokenised, with IP-backed tokens subsequently offered to users of our marketplace. These tokens can be purchased, with buyers earning a fixed rate of return for helping to fund the ideas and projects of creatives and businesses borrowing through HyDRAULIC.

# Reduced Risk

By utilising the liquidity pool or marketplace, or both, at different times to fund a range of ideas and projects, HyDRAULIC will operate a reduced-risk lending model.



# Staking

HyDRAULIC will have a platform-native token with a staking function that allows holders to stake their tokens in our liquidity pool to earn a fixed rate of return.

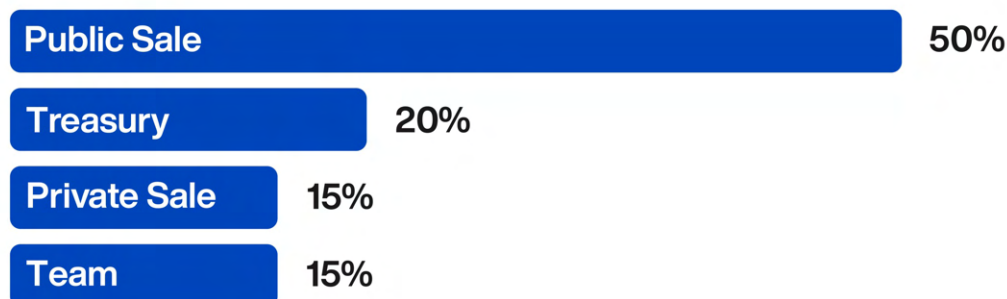
# Governance

The HyDRAULIC token will be governed by the HyDRAULIC team.

# Buyback And Burn

HyDRAULIC will buyback and burn tokens on a regular basis using revenues generated by the platform.

# Distribution



# A Mortgage-Less World

The value held in physical real estate worldwide is estimated to be \$327T, with the global mortgage lending market valued at around \$12T in 2021.

This means that nearly 4% of all real estate is currently being borrowed against.

Yet, despite the IP markets in Europe and the US being worth an estimated \$13T, the global IP-backed lending market is valued at just several billion dollars.

The IP-backed lending market is therefore drastically underexploited, with enormous headroom, especially considering the artificially low demand for IP services previously outlined.

HyDRAULIC will fill this void.

# Businesses Are IP-Rich

IP-intensive industries in the US and Europe represent 38% and 45% of total GDP, respectively.

Exploiting Web3 technologies, HyDRAULIC will enable IP-backed lending at scale across countless countries and verticals, turning the global IP markets firmly on their head.

## A UK Perspective

Between 2017 and 2019, industries with higher-than-average use of the three registered IP rights, trademark, copyright, and patent, accounted for nearly 60% of total goods export value and 20% of total UK employment. Furthermore, recent estimates show that between 70-80% of the value of UK companies are held up in intangible assets.

HyDRAULIC will unlock the value of IP assets belonging to UK businesses.

# Use Cases

## Businesses

Boutique brands, e-commerce businesses, retailers, and artisans can recruit funding for franchising and expansion through HyDRAULIC by leveraging their trademark and other brand assets, such as copyrighted materials, and utilising revenue-split agreements.

## Creatives

Artists and designers can recruit funding for their next series, installation, or exhibition through HyDRAULIC by leveraging the value of past, current, and possibly even future works.

## Inventors

Leveraging designs or patents for products and inventions through HyDRAULIC enables inventors to recruit the funds needed to continue their research or drive the development and commercialisation of their products.

## Use Cases

### Investors

Both retail and institutional investors can take advantage of the staking function offered by HyDRAULIC to earn a fixed rate of return on any liquidity provided to the HyDRAULIC liquidity pool.

### Fans

Fans can help to fund the ongoing and future projects of their favourite creatives and businesses, fostering a strong sense of community through the HyDRAULIC marketplace by purchasing IP-backed tokens to earn a fixed rate of return.

### Secondary Sales

After tokenised IP is purchased on the marketplace, lenders can use HyDRAULIC to buy and sell these tokens, speculating on their future value.

# Thank You

Thank you for your interest in HyDRAULIC and for taking the time to read our light paper.

Supporting us will give you the chance to be part of a dynamic and innovative project that is poised for significant growth in the future.

We believe that HyDRAULIC has the potential to truly revolutionise the IP markets, and fuel global innovation, and we are hugely excited about the value HyDRAULIC will deliver to creatives and businesses alike.

If you have any further questions or would like to learn more about HyDRAULIC, please do not hesitate to contact us.

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HyDRAULIC is a platform developed by Solomon Intellectual Property Management.

[WWW.HyDRAU.LC](http://WWW.HyDRAU.LC)

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