




Crypto Chasers Confidential

In-depth analysis of Waltonchain | February 14, 2018

[Follow our Twitter](#) | [Subscribe to the Telegram](#) | [Website](#) | [RSS](#)

Basic Overview

Logo	Coin Name	Type	Supply	Whitepaper Style
	Waltonchain	Token	Circulating: 24,898,178 WTC Total: 70,000,000 WTC Max: 100,000,000 WTC	Non-technical

Marketcap	Whitepaper Link	Official Website	Source Code	CoinMarketCap
\$587,156,303 USD	Whitepaper	Website	No official GitHub or public source code, development done in private.	Coinmarketcap

About Waltonchain

Overview

Waltonchain is a Value of Internet of Things (VIoT) based project which aims to combine RFID technology and blockchain in order to create sensor based tracking and analytics solutions across a wide number of industries. They aim to deliver the project in 4 phases, below is a description of the four phases as described on their website, we have highlighted the important portions:

Phase 1

*As for the phase 1.0 of the project, the team has developed the clothing system integration scheme based on RFID. The system has been implemented in Tries, SMEN and Kaltendin. The condition of widely application and promotion has been met. **The team starts to research and develop the RFID beacon chip with proprietary intellectual property rights.** Such chip integrates asymmetric cryptographic algorithm based on the traditional RFID chip and is expected to achieve perfect combination of IoT and blockchain. According to the integrated solutions created by the team for the clothing industry based on RFID, it is expected to resolve a*

series of severe problems existing in storage, retail shops and after-sale service for the traditional clothing industry and complete the consolidation of Waltoncoin's platform. The application scenarios at phase 1.0 will establish Golden demonstration template for further rapid expansion of Walton application.

Phase 2

*At phase 2.0, our RFID beacon chip will be **mass-produced and can be used in clothing, B2C retail and logistics**. The whole business processes can be achieved for the logistics industry by matching multi-scenario block chain data structure, including full-path logistics information linking, store pickup, pricing, order placing, packing and storage, sorting and distribution, store management, dispatching, customer signature, customer assessment and feedback; taking advantages of non-modification and open traceability of personal identity verification and block chain records based on RFID, it is aimed at building safe and reliable point-to-point logistics information channel for the customers and providing business automation management information platform for the logistics company to avoid lost, delayed and wrong orders on a systematic basis. For further detail, please check Waltonchain whitepaper.*

Phase 3

*At phase 3.0, manufacturers will achieve **traceable customization of intelligent packaging**. The universal data structure used in describing the production cycle will be written in the blockchain; the customization data structure design will be conducted for different products by traceability; the authenticity and reliability can be guaranteed based on RFID identity verification; all processes will be covered, including material purchasing, production, assembly operation, packaging and inventory management; the material source and production quality can be verified and the quality problem source can be tracked; the possibility of counterfeits can be eliminated to fundamentally ensure the consumers' interests. **Moreover, the low-cost data information solutions can be provided to the manufacturers by means of the standardized and reliable business process information via blockchain so as to achieve intelligent management.***

Phase 4

*At the project phase 4.0, with the upgrading and iteration of assets information collection hardware and improvement of block chain data structure, all assets can be registered in Waltonchain in the future. Problems in asset ownership, article traceability and transaction voucher can be resolved. **At this time, Waltonchain and Walton Coin will be widely used in physical world and change the production mode and people's lives in the world.** The Walton-chain Project will bring to everyone a more convenient, intelligent and reliable world, as well as **handsome returns for Waltonchain investors.***

Supply and Distribution Statistics

The following statistics were found on [this Reddit post](#):

Circulating Supply: 24,898,178.21

WTC total: 100,000,000

ICO Prices:

Phase 1 7/8 ~ 7/15:

1 ETH = 680 WTC ~ 0.001471 ETH

1 BTC = 5780 WTC ~ 0.000173 BTC

Phase 2 7/15~ 7/22:

1 ETH = 610 WTC ~ 0.001639 ETH

1 BTC = 5185 WTC ~ 0.00019286 BTC

Phase 3 7/22 ~ 7/29:

1 ETH = 550 WTC ~ 0.001818 ETH

1 BTC = 4675 WTC ~ 0.0002139 BTC

Sources: [1](#), [2](#)


Token Allocation



- 100 million tokens total. Fixed.
- Dedicated to ICO: 35m (10m uncirculated)
- To be mined: 30m
- WTC foundation: 20m
- Team: 10m (2 year lockup)
- Angel Investor: 10m


Team Analysis

Team size is greater than 20 members

Note: It was difficult for us to find LinkedIn, GitHub, or educational data regarding many of the team members most likely due to the language barrier - and perhaps also the barrier of China's great firewall.

Team Member Name	LinkedIn	Education	Analysis	GitHub
Do Sanghyuk (Founder) 	None	Could not find much info on most likely due to the language barrier.	Previously was the Director of the Korean Standard Products Association according to our sources - seems to have an impressive background in product development. He was also the Chairman of Seongnam Branch	None

			of the Korea Small and Medium Enterprises Committee, Chairman of Korea NC Technology Co., Ltd., Senior Reporter of IT TODAY News, Senior Reporter of NEWS PAPER Economic Department, Director of ET NEWS.	
<p>Xu Fangcheng (Founder)</p> 	None	Graduated in Business Administration	Supply Chain Management Director of Septwolves Group Ltd. (Septwolves (Chinese: 七匹狼; pinyin: Qīpǐláng) is a tobacco and clothing brand based in Fujian, People's Republic of China. The brand was registered in 1990 in mainland China (for clothing only at that time). (Wikipedia))	None
<p>Mo Bing (Chief IoT Expert)</p> 	None	Doctor of Engineering (graduated from Harbin Institute of Technology)	<i>Research Professor of Korea University, Distinguished Fellow of Sun Yat - sen University, Internet of Things expert, integrated circuit expert, Senior Member of Chinese Society of Micro-Nano Technology, IEEE Member. Has published more than 20 papers and applied for 18 invention patents. Began his research of BitCoin in 2013, one of the earliest users of btc 38.com</i>	None

			and Korea korbit. Served as Technical Director of Korea University to cooperate with Samsung Group to complete the project “Multi sensor data interaction and fusion based on peer to peer network”. Committed to the integration of block chain technology and Internet of Things to create a real commercialized public chain.	
<p>Wei Songjie</p> 	None	Doctor of Engineering (graduated from the University of Delaware), Associate Professor of Nanjing University of Science and Technology	Core Member and Master Supervisor of Network Space Security Engineering Research Institute, Block Chain Technology expert in the field of computer network protocol and application, network and information security. Has published more than 20 papers and applied for 7 invention patents. Previously worked at Google, Qualcomm, Bloomberg and many other high-tech companies in the United States, served as R & D engineer and technical expert; has a wealth of	None

			experience in computer system design, product development and project management.	
--	--	--	---	--

View the [rest of the team on their official website](#)

Team Summary

Overall the team seems to be very solid based on the minimal amount of information we had, they are very transparent as well and regularly provide updates via social media and occasionally YouTube as well. Below we have compiled a list of relevant YouTube videos to acquaint you with the team:

[Waltonchain Introduction](#)

[Meet the Team: Xu Fangcheng \(Founder of Waltonchain\)](#)

[Meet the Team: Bing Mok \(CEO of Waltonchain China\)](#)

[Meet the Team: Lin Herui](#)

[Meet the Team: Suk Ki Kim](#)

[Meet the Team: Wei Songjie](#)

[Meet the Team: Office in South Korea](#)

[Waltonchain Office Tour](#)

You can view more relevant videos regarding Waltonchain on their [official YouTube channel](#)

Whitepaper Analysis

Here is an excellent whitepaper summary we found on [Reddit](#) we also gave our tldr; at the end:

The project is named after Charlie Walton, the inventor of RFID technology.

IoT (Internet of Things) refers to the information exchange and communication between objects on a network. Current IoT models are flawed because transactions can only be carried out under the same trust domain, which means devices must be verified under the same IoT service provider. This means current IoT models are not decentralized enough.

A new concept is introduced, the "Value Internet of Things" (VIoT). The proposed idea is to apply the blockchain technology to the IoT and connect the devices to the network via RFID (radio frequency identification) technology. RFID technology works by attaching a digital identity to a real-world object. Current real world applications include the US Military tagging all supplies and some pharmaceutical

companies tagging their products in order to identify counterfeits. In Waltonchain, RFID tag chips and RFID reader chips are utilized. The RFID tag is the device to be connected to the chain and the RFID reader is a node on the chain. The Walton software consists of the Waltonchain software system, the Walton protocol, and the Walton coin (WTC).

The Walton ecosystem consists of the parent chain (Waltonchain), subchains, and the token used for payment and circulation (Waltoncoin). The Waltonchain started with the Walton Genesis Block and provides a number of functions including transaction management, subchain management, smart contracts, alias and asset control, etc.

- 1. Transaction management: A total of 100 million WTC were issued. Block times are 60 seconds and up to 225 transactions can be included in a block. The Waltonchain serves as the public ledger of WTC transactions and is stored on nodes on the network.*
- 2. Subchain management: Subchains can be created by anyone and they can have their own subchain tokens. Subchains can elect their consensus mechanism (PoS, PoST, PoW, etc.) based on their applications.*

The Waltonchain utilizes a Proof of Stake & Trust (PoST) consensus mechanism, an updated version of PoS. "Walton constructed an innovative node reputation evaluation system" which is PoS with adjustable difficulty for each node. Walton aims to choose more honest nodes in order to improve security.

A byte fee is paid for transactions on the Waltonchain (pay fees for network usage). The accounting node may set a minimum cost for this fee and the transaction node may set a maximum cost. When both conditions are met, the transaction will be written to the blockchain. The accounting node performs the block calculation and consensus verification to obtain the byte fee. The Walton Parent Chain tokens must be used to pay this byte fee. Nodes holding parent chain tokens (WTC) will gain dividends from sub-chain development as the number of sub-chains and transactions increases.

A specific real-world application example of this project is included, Walton ecosystem applied to the apparel industry (i.e. clothing). In this example each Child Node is equipped with an RFID reader and is connected to a Master Node. Each Master Node is connected to the internet and communicates with other Master Nodes. The whitepaper talks a lot about the application, but a brief overview is below:

1. *Production: The target product is produced and an RFID is generated for each product. This product will be recorded at each child node in the production. A master node will create a Production Block.*

1. *Warehousing: The product is stored in the warehouse after production, containing 3 sections:*

warehouse-in inspection, storage location, warehouse-out inspection.

Each section has an RFID reader to record the corresponding information and a Warehousing Block is created that will connect with the Production Block.

1. *Logistics: Similar to the Warehousing node, recording the status of the product during transportation.*

2. *Stores: The node can be a store or a number of stores and will record the product as well as customer information and preferences.*

Near the end, the whitepaper outlines what seems to be a general roadmap for the project. I couldn't tell if this was the roadmap for the entire project, or if this is their plan for bringing each new client onto the Waltonchain platform.

1. *They have developed a clothing system integration solution based on RFID technology and have tested it out and now they are aiming for large-scale promotion. They have RFID chips with patent rights which use an asymmetric encryption algorithm that will be used with the Walton network.*

2. *The RFID chips will be in full mass production and there will be further improvement to the retail and logistics industries. There will also be improvements on the payment systems.*

3. *Improve the manufacturing process.*

4. *All assets are now registered on the Waltonchain.*

The end of the whitepaper introduces the team and the advisers for this project.

TLDR;

- **Waltonchain is using a custom proprietary RFID solution with their custom made RFID reader and tag, combined with blockchain to come up with a secure new IoT solution for different industries to help do intelligent tracking and speed up current business processes.**

- Walton is utilizing a new consensus mechanism which is essentially an updated version of Proof of Stake - called Proof of Stake & Trust - essentially PoS with difficulty adjustment capabilities.
- They have already developed a clothing application of the RFID technology.
- They're planning on mass producing these RFID chips.
- Waltonchain has child-chains in order to deal with scalability issues, with each child chain having its own transactions off of the parent-chain, and having the ability to use its own algorithm-e.g., PoS, PoW, etc.

Roadmap Analysis

- **January, 2018**
 - Establish Chinese language community
 - Establish WeChat groups, official accounts in Weibo, Zhihu, Toutiao and Telegram
 - Waltonchain operational headquarters relocation, global annual meeting - blockchain application forum
 - Review of 2017, plan for 2018, strategy release, strategic agreement signing, acknowledgement for 2017
 - Project cooperation
 - Agreements with KALTENDIN, Yunshan Huaxia, NDS (Korea), SWFTCoin, Card Cube Group, JU & KE Creative Studio, Fangfangxiang Culture & Media, Mobius (Silicon Valley, USA) Signed
- **February, 2018**
 - Waltonchain VI 2.0
 - Brand image upgrade, new creative VI design, development of basic use cases
 - Waltonchain UI 2.0
 - New UI Design
 - 2.14 St. Valentine's Community Campaign
 - Q&A Release
 - Waltonchain official website upgrade
 - Launch of the fully upgraded Waltonchain official website based on Waltonchain VI 2.0
- **March, 2018**
 - Online community AMA
 - Waltonchain team (including CEO, CTO, COO) will answer questions
 - All-new Waltonchain Wallet - launch of Waltonchain VI 2.0 wallet with full-node mining support
 - R&D collab. with Freyr on Culture and Arts Application Child Chains

Event	Time
Website Upgrade / Waltonchain UI 2.0	February
Q&A Release	February
Community AMA	March
Wallet with Full-Node Mining Support	March
Genesis Block/Parent Chain Operational	Q2
Converting from an ERC20 to WTC Tokens	Q2
Operational Release of Masternodes	Q2
Airdrop Reward Payout to Masternodes	Q2

Walton seems to be on track for an operational release of their masternodes by quarter two of 2018. Of course these dates aren't set in stone and are subject to change - depending on how fast the team moves a lot of the above things could even finish in Q1.

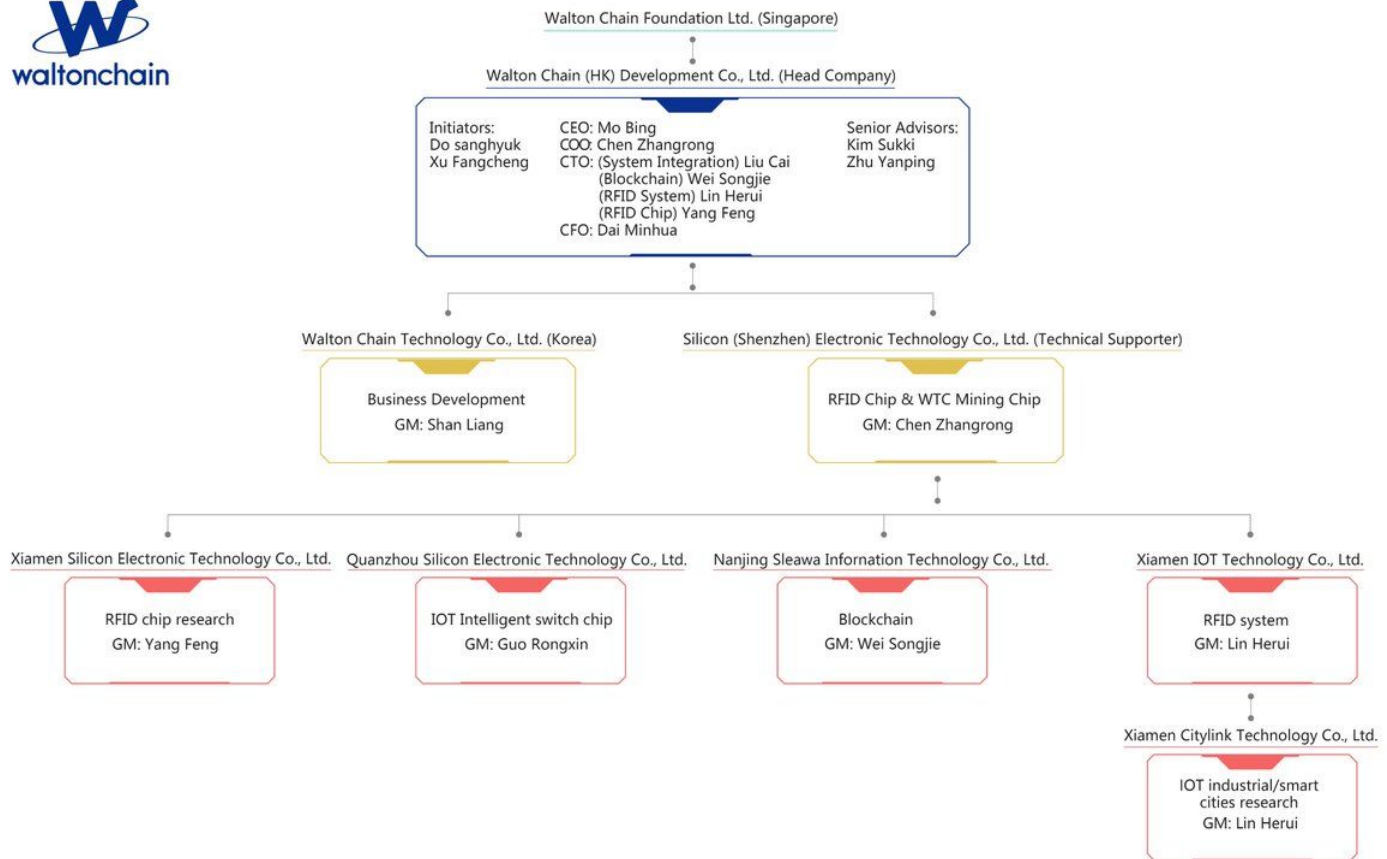
Social Media Analysis

Platform	Followers/Subscribers Count	Notes
Twitter	43.4K	
Reddit	18.25K	
Telegram	English Chat: 6015 members	There are also other Telegram chats dedicated to Waltonchain.

Other Relevant Details

Waltonchain won the Jinjiang competition in late September and are closely working with the Jianjiang government in China - they have also announced a number of strategic partnerships.

Waltonchain recently [announced a partnership with Loci](#) - a US based company which has created a platform for IP research.



Above is a breakdown of Waltonchain's company structure.

Conclusion

We rated this coin as **fundamentally sound** primarily because of the following reasons:

- The team is excellent and isn't tied to any one nation - since there is a headquarters in South Korea and the company also has partners in the United States.
- The team contains lots of industry experts in both IoT and blockchain and based on the videos and the information that we have seems to be very active.
- We do realize that a lot of the development is done privately but we can certainly see that the team is producing results as they have released their Waltonchain wallet software and are working on making the mainnet into a reality.
- Waltonchain is very transparent - they have YouTube videos are active on social media and chat platforms and have a very strong community.

References

1. "Waltonchain Official Website" URL: <https://www.waltonchain.org>

Disclaimer

The information provided in Crypto Chasers Confidential reports and blogs are for informational purposes only. It should not be considered legal or financial advice. You should consult with an attorney or other professional to determine what may be best for your individual needs.

Crypto Chasers Confidential does not make any guarantee or other promise as to any results that may be obtained from using our content. No one should make any investment decision without first consulting his or her own financial advisor and conducting his or her own research and due diligence. To the maximum extent permitted by law, Crypto Chasers disclaims any and all liability in the event any information, commentary, analysis, opinions, advice and/or recommendations prove to be inaccurate, incomplete or unreliable, or result in any investment or other losses.

Content contained on or made available through the website is not intended to and does not constitute legal advice or investment advice and no attorney-client relationship is formed. Your use of the information on the website or materials linked from the Web is at your own risk.