

Meet Freeverse, Web3 infrastructure for Living Assets™

As part of our quick fire questions series - or QFQs - we spoke to Alun Evans, cofounder and CEO of Freeverse about the next era of NFTs, bringing Living Assets to the general public, and educating clients about the “technical” aspects of incorporating blockchain.

Temps de lecture : minute

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The Freeverse founding team was brought together in 2019 by Toni Mateos (CTO), co-creator of Dolby Atmos, a surround sound technology that has reached tens of millions of users in 90+ countries. Ferran Estalella (COO), Alessandro Siniscalchi (Head of Engineering), and I joined him to start a company based on the vision of using blockchain technology to bring true digital ownership to the mainstream. We had all witnessed the fallout of first-generation NFTs due to hype and speculation, and we wanted to develop an entirely new way of using NFTs (what we call dynamic NFTs or Living Assets™) because we believe in the technology's possibilities.

So together, we set out to bring this technology to the general public, focusing first on the simple idea of allowing gamers to trade their in-game assets among themselves, legally, for real money while permitting companies and content creators the right to control how those assets are used within their applications. Today, we have developed many more use cases for our Living Assets™ technology, extending beyond games into brand loyalty and membership programs, as well as “phygital” goods.

Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers and so on?

Our mission is to power the future of digital ownership. To do this, we leverage blockchain technology to create Living Assets[™], which are dynamic, mutable NFTs that can evolve, scale, and appreciate in value according to how they are actually used.

We allow brands and game developers to create Living Assets[™] that can be bought and sold by users (or players) in any currency without paying gas fees and with less impact on the environment. This is something that, alongside our partners, we believe will be the next generation of NFTs, an advancement that can't come soon enough given the (often rightly so) backlash against "static" NFTs as we know them today. The properties of most NFTs are set permanently at the time of their creation. Whereas a dynamic NFT allows properties to change and evolve based on the owner's or user's interactions with the asset.

This allows for what we call "User Generated Value" (UGV), where users can change and evolve their digital possessions, making them more (or less) useful to other users, and thus directly affecting their market value. Examples could be upgrading an in-game sword, or a loyalty program card by interacting with a brand on social media.

How has the business evolved since its launch? When was this?

Our end goal is to help companies truly engage with their audiences, increase revenue, and improve lifetime value with digital assets. At first, we were primarily targeting game developers, specifically in Europe and

North America who are “web3 ready” and create multiplayer games. However, today we are also working with a number of consumer-facing brands looking to build stronger customer loyalty, such as in the fashion, food & beverage, and sports industries.

How are you funded?

In 2019, we raised a \$500K pre-seed round of funding and \$850K seed funding in 2021. In May 2022, we raised \$11M in *Series A funding* from a number of leading investors, including Earlybird Venture Capital, Target Global, Adara Ventures, 4Founders Capital, Mario Götze (professional football player), Avi Meir (CEO Travelperk), Lucas von Cranach (CEO Onefootball), and Maex Ament (Cofounder of Taulia & Centrifuge).

What has been your biggest challenge so far and how have you overcome this?

One of our biggest challenges involves educating and helping brands overcome the “technical” aspects of incorporating blockchain technology so that they can mint and manage their own NFT collections. With any novel technology, it’s also crucial to provide a seamless experience for the end customer, so that they can engage with the brand without any technical expertise required.

At Freeverse, we strive to make it incredibly easy for a brand to integrate our technology (API & SDKs) into any game, metaverse, website, or app. We then work closely with our customers to ensure that their NFT campaigns are tailored to their specific customers’ needs. We also employ rigorous security measures using a fraud-proof Layer 2 protocol, deployed on proof-of-stake blockchains to ensure low energy usage.

How does Freeverse answer an unmet need?

We have all seen the fallout of the first generation of NFTs due to hype and speculation, which left many people scammed and disappointed. Thankfully, that era of NFTs is over.

At Freeverse, we have always been focused on the more practical and valuable ways to use NFT technology. Our Living Assets™ allow user interactions to affect the NFT's properties and therefore affect its value (rather than basing value on speculation or scarcity). This moves NFTs away from being something to gamble with or collect to actively engaging with the underlying brand or offering. With Living Assets™, the owners are more encouraged to return to the original creator of their assets to interact, share, or even trade them, thus increasing long-term user retention.

There is a massive opportunity here for the games industry – and for brands in general. For example, we partnered with U-Play Online to incorporate our Living Assets™ technology into their football management game, *Striker Manager*, to give players true ownership of their progress in the game and enable them to trade their assets with other players. We are working with sports car brand CUPRA to power their metaverse, *Metahype*, with Living Assets™ in the form of a gamification system that automatically rewards users for engaging within the platform over time.

What's in store for the future?

We believe dynamic NFTs are the natural evolution of the technology. We have already built a platform that can power this next generation of interacting and creating value with digital assets, and our goal is to continue helping more brands truly engage with their audiences, increase revenue, and improve lifetime value – be it through a video game, loyalty program, or any other digital campaign. We will be announcing many

more exciting partnerships with global brands in the coming months.

What one piece of advice would you give other founders or future founders?

Be mindful that there are some decisions that you take very early on when forming your company, which may appear to be inconsequential initially, but end up becoming increasingly important later on. When you are setting up, it's tempting to move quickly, build things, test the market, etc. and that means you're full of desire to get 'the basics' done as quickly as possible. But some things need to be considered very carefully: founding team composition, share distribution, investors rights, shareholder agreement, company location and incorporation... all of these are crucial issues. If you get them wrong, you can usually live with the consequences in the short term, but they may come back to bite you in the future. So you should take time to make the right decisions at the start of the adventure.

Alun Evans is the cofounder and CEO of *Freeverse*.

Article by Alun Evans