

WELCOME TO THE HERF!

The Blockchainsmoker
Tallinn, Estonia



INTRODUCTION

The Blockchainsmoker – NFTs on Cardano for Exclusive access to hand rolled Premium Cigars.

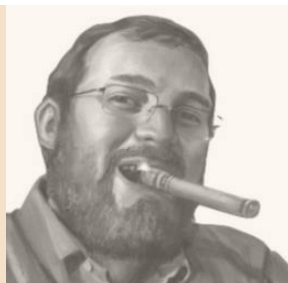
The Blockchainsmoker is both a cigar club and a collection of 2400 NFTs on the Cardano blockchain. Each NFT is a cigar club membership token. The difference between this NFT collection and a "normal" one is here you get access to purchase instantly collectible, one-off concept Limited Edition, Ultra Limited Edition and Special Concept cigars from many different brands around the world. These cigars are **exclusively** made for, - and sold to The Blockchainsmoker NFT holders.

The Blockchainsmoker builds a bridge from the crypto world with its highly exclusive NFTs, into the physical world giving access to high quality, premium, Limited Edition cigars made by elite brands from across the world.

How did it all start? It was in the beautiful D'Boiss cigar lounge in Tallinn, during a lengthy discussion over three – as always – excellent Casdagli Cigars, one in the hand of each of what is now the three co-founders, Jeremy, Martin and Rune (more on the last page below). The three cigar aficionados quickly realised they had all the components needed for the project: The principal concept which came from Rune, the vast connection network into the cigar world through Jeremy, and the technical blockchain knowledge through Martin. Both Martin and Rune are blockchain enthusiasts with solid knowledge about the space. Last but not least; a wealth of passion sparked synergies from all three! Together, all that will make this project something very special;

An NFT cigar club where aficionados can enjoy exclusive access to smoke masterful works of cigar art, in the form of one-off edition cigars from some of the best companies around the world.

Many people in the crypto industry are avid cigar smokers. One The Blockchainsmoker cares a lot about is of course the man who will host our NFTs on "his" decentralised Cardano network, Mr. Charles Hoskinson. @Charles, thank you for your part in building an amazing, future-proof network! We are looking forward to enriching the Cardano ecosystem and building a strong and lasting bridge between NFTs and Cigars!



Let us get closer and more personal here, because connection and trust are built that way, so henceforth, we refer to 'you' and 'us' instead of being formal.



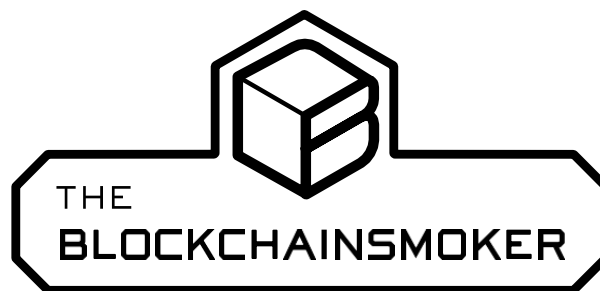
PROBLEM

The world of NFTs is more or less disconnected from the world of cigars. Limited Edition cigar concepts and NFTs are a perfect match, but nobody has been able to create a working cigar club concept that is designed for the NFT industry.

There simply does not exist a pure cigar brand that **exclusively** offers quality cigars with features relating to Blockchain technology, designated to those who understand the references to that space; a brand offering a solution where the crypto and cigar lovers can get the best of both worlds.

SOLUTION

A unique concept: a cigar club for exclusive access to one-off concept, crypto themed, premium cigars from across the world. All through membership NFTs.



We aim to establish a highly regarded NFT cigar club, offering members coveted Limited Edition and collectible cigars. We have everything needed in order to make this happen:

- ◆ A wealth of business experience within our team of founders, all three having been part of creating successful companies
- ◆ a co-founder who is also the founder of Casdagli Cigars, Jeremy Casdagli
- ◆ A concept that can create value both from the cigars and the NFTs
- ◆ In depth knowledge of the cigar market
- ◆ Vast network access into the cigar industry
- ◆ True passion for, and the knowledge to consistently ensure an offering of the highest quality cigars
- ◆ Access to (near) worldwide cigar distribution
- ◆ Expertise from blockchain and NFT solutions

We call our consensus mechanism Proof-of-Smoke (PoS). We are of course joking, however it illustrates one of the purposes of the project, to bring together elements of the two worlds; Cigar and Crypto. Each of our cigars will feature something that in some way relates it to the crypto world.

We believe that reaching out to the two worlds with an offer like this will create a lot of attention which in turn will put buying pressure on the low NFTs supply. When you smoke a cigar from us, you are given access to something coveted by many, yet available to few.



BEFORE WE MOVE ON, LET'S ADDRESS THE ELEPHANT BEAR IN THE ROOM

Crypto winter is upon us. Why are we not worried?

There is no doubt that the current situation in the crypto market is rather dire. Most tokens are down over 80%. There only needs to be a few words said for crypto scandals in 2022: Celsius, Luna, FTX, Genesis, Gemini... we could go on and on. On top of that – a general market recession lurks in the shadows. Yet, we are not worried. Why?

The Blockchainsmoker project is different from other NFT projects because the value does not only come from the NFT collection, but also the value they represent in the physical world. The added value is tied to what the “membership” gives you access to, namely the cigars, and that is uncorrelated with the current volatility in the crypto market. Our NFTs also carry the value of what it represents; access to take part in something remarkable within the world of cigars. Utility NFTs are just starting to hit the market and they are here to stay. We will be here whichever way the market swings, letting people smoke the best cigars, tailored to the crossover between the cigar world and the crypto world.

And by the way – the cigar business is booming these days!



WHY DOXXED?

We are running a business, not rugging a business.

We do respect teams that decide to stay anonymous, like our incubators in The Ape Society, and we fully acknowledge there are many good reasons for making that choice.

In our case, we decided straight off the starting line that we are going to be a fully doxxed (publicly known as opposed to an anonymous) team. The nature of adding a layer – namely the cigar business - on top of the NFT collection would either way make it more difficult to stay anonymous. Even if it would have been easy, our decision would still remain the same. All three founders are experienced businesspeople, and we are used to being exposed to our clients. Our main objective is creating a community of cigar lovers, make it a famous one and to offer them access to something exceptional. Being doxxed makes this a lot easier, especially since we have Jeremy on our team with his reach into the cigar world.

Launching the NFTs is the first stage of the journey. Next comes building up a great community, then creating excitement around the cigars we launch and the brands we launch them with. Next is actually launching the cigars and make sure we are all excited to share cigar smoking experiences with each other. All through this, what we believe will make us successful is working with you, the community, to constantly develop, improve, and add value to the cigar club concept. That way we create the best possible experience together.

We don't mind being held accountable and believe that transparency is the best starting point to prove your intentions are good and to build trust in the community, as should be the case anywhere else in the business world.

We also want to meet our members, so when in Tallinn, please let us know and we'll do our best to have a cigar with you in our fantastic lounge in D'Boiss.

CASDAGLI CIGARS IS OUR MAIN CIGAR PARTNER

Quality, uncompromising cigars consistently ranked amongst elite brands.

Before we go into the NFT distribution model, we want to make sure to underscore the quality level of cigars we can offer NFT holders. This deserves a lot of attention as it lays the foundation of our premium quality offering.

The Casdagli family heritage is so interesting and so rich with history that books have actually been written about it. I strongly recommend having a good look around the Casdagli Cigar webpages (<https://casdaglicigars.com/>). Founded by Jeremy Casdagli, Casdagli Cigars are loved and followed by a rapidly growing community due to ever increasing popularity. People recognise quality when they experience it. Jeremy is a man of significant stature in the cigar world, and **we are excited to have Jeremy Casdagli as one of the three founding members of The Blockchainsmoker.**

Some background on the brand:



“The Casdagli Cigars brand has grown from a small regional brand to an almost worldwide available cigar. The history of Casdagli Cigars is huge, even though the brand is still quite young.

Casdagli Cigars was founded in 1997, but the history starts in the 1800s when the Casdagli family started trading grain, tobacco, cotton, and breeding of Arabian horses. The continuation of the family tradition in the luxury goods trade is demonstrated by the adoption of Colossus of Rhodes as the family trading symbol on the brand logo.

The original production of Casdagli Cigars in 1990s was produced in Cuba, 100% hand rolled by the master torcedor Carlos Valdez Mosquera – simply one of the best there has ever been. The whole production was initially very small – only 500-1,000 cigars a month destined for the London market. Own label cigars were made for some of the top establishments including The Rib Room at the Carlton Park Tower and The Capital Hotel. Casdagli Cigars also became the choice for certain celebrities and members of the Saudi Royal Family.”

(Source: <https://casdaglicigars.com/heritage/the-story-of-casdagli-cigars/>)



Rest assured knowing this is the brand joining forces with The Blockchainsmoker to provide NFT holders exclusive access to The Blockchainsmoker experience!

Casdagli cigars are world class. Immerse yourself in reviews here if you like:
<https://casdaglicigars.com/category/reviews/>





THE APE SOCIETY IS OUR NFT INCUBATOR

We are proud and excited to be part of The Ape Society's incubator programme, "The Factory" (<https://factory.theapesociety.io/>).



After getting in contact with The Ape Society, both their team and ours quickly realised this partnership was "meant to be". They soon offered us to become part of their recently launched incubator programme. We accepted their offer, and truly believe this gives us an ideal starting point!

It is a well-known fact that the leading project on the Cardano network, The Ape Society, have created a fantastic community on the Cardano network. Their artwork is beautiful, and the concept is miles ahead of other NFT projects. The thing that really stood out for us was the way they think of adding value in everything they do. We admire how The Ape Society build and expand their business by constantly adding new features to their society, where ultimately everyone is rewarded. We are truly excited to be part of this incubation programme.

The main features offered are:

1. **Minting powered by Anvil** where our mint will run through a reliable, vetted platform and process that has the trust of the community.
2. **Mentorship** as we access the expertise of Ape Force One, the team behind The Ape Society.
3. **Exposure** through support from one of the strongest crypto communities which will give us a significant head start in our venture.

NFT DISTRIBUTION

Membership NFTs for a small collection lending itself to a more intimate community of cigar lovers.

Only 2400 membership NFTs will ever be minted. Of those, there are three levels, starting with the top one:
200 VIP Inner Lounge
200 VIP Lounge



2000 Club Lounge

Here is an overview of the different levels and privileges that comes with each one.

NFT LEVELS	 Club Lounge 2000 NFTs	 VIP Lounge 200 NFTs	 VIP Inner Lounge 200 NFTs
An allocation, airdrop NFT for access to buy a set number of any Limited Edition cigar offered*	✓	✓	✓
Exclusive access to The Blockchainsmoker accessories*	✓	✓	✓
Access to online events like live streams, podcasts with the founders, tutorials, and classes	✓	✓	✓
Access to interviews with partnering Cigar companies	✓	✓	✓
Guaranteed allocation to Ultra Limited Edition cigars	✗	✓	✓
Potential allocations for Ultra Limited Edition 'The Blockchainsmoker' accessories	✗	✓	✓
Potential invites to private cigar tastings and cigar pairings, both live and online	✗	✓	✓
Exclusive access to Special Concept releases (cigars, accessories and more)	✗	✗	✓
Potential for larger allocations to Limited Edition cigars and Ultra Limited Edition cigars	✗	✗	✓
Potential invites to exclusive dinners	✗	✗	✓
Potential invites to cigar related trips, e.g., cigar factory visit with The Blockchainsmoker founders	✗	✗	✓
*Excluding Ultra Limited Editions and Special Concepts			



A few things to note regarding NFTs:

◆ **Both Membership and airdropped NFTs can be sold on the open market**

The membership follows the NFT owner, and all rights are lost once the NFT changes owner. The airdropped NFTs can be traded freely on the open market until the date of expiry.

◆ **Airdrop allocation NFTs - according to membership level - each time a new cigar is launched**

Providing a cigar launch is made available for the NFT holder's cub membership level, each holder of a membership NFT will be airdropped at least one NFT for a specific allocation of cigars they can purchase when a new cigar is launched. One airdropped NFT will typically - but not necessarily always - relate to one box of cigars.

◆ **the differences between Limited Edition, Ultra Limited Edition and Special concepts?**

- **Limited editions** typically have a maximum production of 24,000 30,000 cigars
- **Ultra limited Edition** typically have a maximum production of anywhere from 2,000 to 10,000 cigars
- **Special Concepts** are typically 2,000 or less cigars but may include additional components than cigars

◆ **Cigar allocation sizes for airdrop NFTs**

Allocations will vary based on the type of launch as per the point above. All type of launches will likely have 5 or 10 cigars per allocation, but there may be exceptions.

◆ **Unredeemed airdrop NFTs will have an expiry date – typically 2 months after each airdrop**

In order to be able to keep a sensible warehouse storage level, a set expiry date will be implemented for airdropped NFTs. Each NFT will have this printed on them and they will be auto updated saying 'EXPIRED' once the expiry date is met, rendering them unusable. Typically, the expiry will happen 2 months after a cigar allocation airdrop. The period may be increased or shortened on a per-launch basis.

◆ **All NFTs will be verified on The Blockchainsmoker app before transactions can be initiated**

We are supplying a custom-programmed solution to check and verify that holders have valid NFTs that can be used for purchasing cigars.

◆ **Cigars from unredeemed airdrop NFTs may be offered to other NFT holders**

In the event that allocation NFTs expire (remember they can also be sold on the open market to non-members), The Blockchainsmoker may issue new NFTs with similar restrictions as the membership airdrops. It would typically be offered on a First Come First Served basis and would be well communicated beforehand through our media channels

◆ **There will be a royalty fee of 7% on membership NFTs**

The 7% fee pertains to any The Blockchainsmoker membership NFT issued.

◆ **There will be a royalty fee of 10% on membership NFTs**

A 10% fee is taken for all sales of allocation NFTs, including airdrops. There is a significantly bigger administration overhead of these NFTs as The Blockchainsmoker will be doing these mints in-house. Allocation NFTs have a completely separate policy number than that of the main collection and there is also an expiry date connected with each one, requiring us to update each of them accordingly.



OUR COMPETITORS

We are the first!

We are the first company to launch a concept like this. We have the first mover advantage and that normally sparks some attention. United Cigars launched an NFT cigar in 2021, simply a picture of a cigar which was not put into production. This is not competition, but we mention it as a curiosity as they seem to be the first to launch anything into the NFT space from the cigar world.

The only really significant cigar NFTs we have come across have come from La Flor Dominicana which had a concept where, by selling 7 NFTs, the NFT owners can buy up to 70 cigars per month for as long as they hold the NFT. However, it is only one cigar out of their whole assortment and there are only 7 people or businesses able to buy the NFTs through separate auctions. We do not regard this as competition, but we applaud their concept. Their experiment was hugely successful, and they sold the 7 NFTs for a total of ca. \$614,000. At least six out of the seven were sold to commercial buyers. There was one anonymous buyer so there is an outside chance they could be private.

Our concept is completely different and something that over time will be much bigger. We aim to attract the best brands in the world to offer special one-off editions of the highest quality cigars only offered to our club members. **Our members will have the chance to build up a fantastic collection of unique cigars!**

MARKET FIGURES

Many people, few NFTs.

Any cigar smoker that somehow identifies themselves with the crypto society is part of our “low hanging fruit” market. Those who smoke cigars but are not in the crypto market we target to convert into crypto enthusiasts, by giving them a good reason to do so. Here are some base numbers to make assumptions from. Let us start with the Cigar world and use USA as example, one of our key target markets:

Percentage of U.S. adults who smoked cigars in 2020:

3.5% of all adults

6.3% of adult males

0.8% of adult females

(Source: <https://tinyurl.com/2p8v8w5m>)

According to the United States Census Bureau, the adult population was 258.3 million people in 2020.

(Source: <https://tinyurl.com/2p8cwvep>)

If we then look at the number of people involved in the crypto market from a survey conducted in March of 2022, we find that at least 21% of people in USA have at least used or invested in crypto once.

(Source: <https://tinyurl.com/ynxtza5a>)



21% of 258.3 million people is 54.24 million people that are already in the crypto market.

3.5% of these 54.24 million means there are approximately **1,890,000 people in the direct target group**. We know that the crypto world is predominantly male (around 2:1) so the crossover percentage is in our favour in terms of market numbers.

We need only 2400 of all these. That means we have a minimum of 788 people to target per NFT only in the US. Then we can add all the other potential markets, Europe, Asia... the world is our proverbial oyster.

In conclusion, the market is much bigger than what we need in order to be successful.

MARKET REACH

Targeting the overlap between two worlds; Cigar and Crypto

We are creating a wealth of publicity around the brand, yet we will keep membership NFTs exclusive with a relatively small NFT collection of only 2400. Publicity will be coming from both the crypto community and the cigar community. As the numbers have already shown us, the number of enthusiasts culminating in the common space is more than large enough. That is our prime market which we will target from both the cigar and the crypto side. We believe it is easier to recruit from the crypto side to start with as we have a vast network which we can reach through The Ape Society incubation programme. We also aim to “convert” non-crypto people by providing easily available crypto onboarding user guides. We want to enrich the Cardano network’s span by bringing more of the cigar herd into the NFT space.

The cigar world

With Jeremy Casdagli on our team, we have a distinct advantage of attracting publicity in the cigar space. We also have a direct route to contact and attract cigar producers around the world. Jeremy’s name is synonymous with quality and respect in the industry.

The NFT angle is likely to give us extra attention from the cigar press, something we want to take full advantage of, and we have a good network of contacts here within the biggest cigar publications. A press release will come out closer to the Genesis minting event. Casdagli Cigars will announce The Blockchainsmoker cigar club across their social media, targeting those who overlap with interest in crypto and NFTs.

The crypto world

As we have explained in the chapter about The Ape Society’s Factory, this is by far the most significant publicity campaign. Furthermore, upon launching The Blockchainsmoker brand through The Factory, we are likely to get attention from different media channels.

A “mini economy”

Each time we launch cigars, NFT holders – based on their access level – receive airdrops that function as “vouchers” where they can redeem them to buy the cigars. If they do not intend to buy the cigars, they can sell or gift the allocation to someone else. The buying pressure could potentially be quite strong for certain cigars, especially the ones where only the top tier or top two tiers have access, but also when we launch Limited Editions from bigger brands with many followers wanting to get their hands on something unique. Over time, the Membership NFTs may therefore become a source of income.

We can hardly wait for the Genesis Mint and to launch the first cigar, come and join us on the journey!



CORE TEAM HISTORY AND BACKGROUND

Rune Wennesland - *The Blockchainsmoker*

Operations

LinkedIn Profile

<https://www.linkedin.com/in/rune-wennesland/>

Favourite Vitola

Toro



Jeremy Casdagli - *The Cigar Master*

All things Cigar

Profile

<https://casdaglicigars.com/>

Favourite Vitola

Lancero



Martin Grüner - *The Cryptographer*

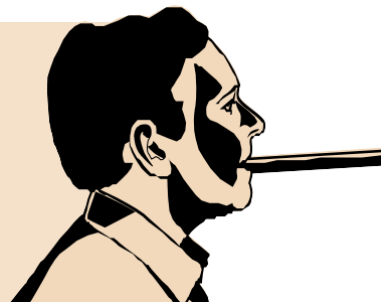
NFT and Blockchain

LinkedIn Profile

<https://www.linkedin.com/in/gryner/>

Favourite Vitola

Toro



Website and contact details

www.theblockchainsmoker.com

<https://twitter.com/theblockchainsmoker>

<https://www.instagram.com/theblockchainsmoker>

