



Fundamental Report - Metaverse

Prime Rating Report V1.2

Protocol: ULTRA
Category: Platform
Version:
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Previous Report: [Link to previous report](#)

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Season/competition: Off-Season

Scorecard

1. Value Proposition	Points
a) Novelty of the solution	11 / 15
b) Target market size	12 / 15
c) Product-market fit	8 / 15
Total Points - Value Proposition	31 / 45
2. Competitive moat	Points
a) Integrations & partnerships	8 / 10
b) Intellectual property	6 / 10
c) Infrastructure - security	4 / 10
d) Infrastructure - fees and ancillary infrastructure	9 / 10
e) Treasury management	0 / 10
Total Points - Value Proposition	27 / 50
3. Token economics	Points
a) Genesis token distribution	4 / 15
b) Purpose of the token	2 / 10



c) Ongoing token issuance / inflation	4 / 10
d) Value capture	0 / 10
e) Token liquidity	2 / 5
f) Extrinsic productivity	2 / 5
Total Points - Tokenomics	14 / 55
4. Team	Points
a) Credibility and reputation	9 / 10
b) Relevant experience	12 / 15
c) Thought leadership and public presence	6 / 10
d) Ability to foster a community and coordinate resources	8 / 15
Total Points - Team	35 / 50
5. Governance	Points
a) Extent of governance capabilities	1 / 10
b) Active governance contributors	0 / 5
c) Governance infrastructure robustness	2 / 10
d) Process and ease of use	0 / 5
Total Points - Governance	3 / 30
Total	110 / 230



1. Value Proposition

The "Value Proposition" section assesses the value a protocol delivers to its users. The rating is based on the size of the problem a protocol addresses and the product/market fit of the protocol's solution

a) Novelty of the solution (15 points)

This score evaluates the novelty (uniqueness) of the protocol. Has the protocol introduced any innovations that help solve users' problems, either technical or organizational? Or has it just forked someone else's code?

Answer: [Ultra](#) is a blockchain-powered game distribution platform that has its eyes set on changing the status quo. Ultra intends to champion how games are distributed to users, who benefits from the games distributed, and most importantly, what portion of the total benefit accrues to the game distributor and the users of the game. Ultra saw the inequitable distribution of game proceeds as a problem, they saw the fact that a larger percentage of the proceeds goes to the distributor rather than the game developer as not fair. Its mission is *to build a first-class PC game publishing platform and ecosystem that puts an end to the current distribution monopoly by providing opportunities to game developers, players, and influencers*. According to their [whitepaper](#), Ultra is going to be a collection of tools to help developers properly distribute their games with ease. The tools include

1. content distribution tech that allows developers to easily upload, version software, branch, download, and patch, handle errors in real-time, optimize the network traffic route, Dynamic CPU usage throttling, and many more features.
2. There is also an overlay technology that permits the integration of different user interfaces into games.
3. The Ads tech which has been developed over 4 years and currently serves 33 billion ads per day, provides audience targeting, advertiser API, +20 ad formats; banners, video, mobile and rich media, DSP/SSP communication with ad exchanges, and many more features.

Ultra is also building a mobile companion app called Ultra GO, that allows you to manage from your mobile device. [Ultra has over 70 employees spread across the world functioning in different capacities in different aspects of the company. It is using different collaboration software, the likes of confluence and Asana \(for the marketing team\), to help them get their tasks done faster and quicker and also to help them achieve their objectives unitarily. This would help them reduce operational costs](#)

Score: 11

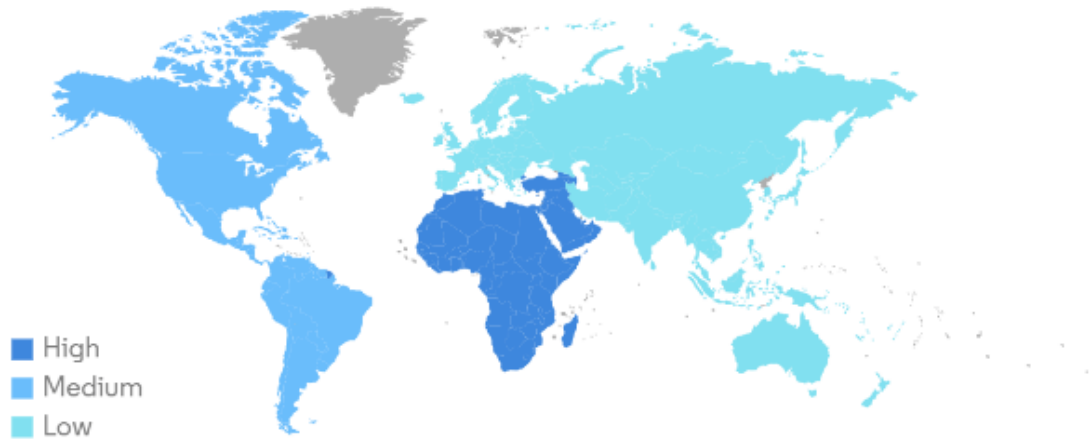
b) Target market size (15 points)

The target market size evaluates the current and future size of the problem a protocol aims to solve. While the term Metaverse is all-encompassing, what is the target market size for the relevant sector? For example, NFT games are trying to disrupt the traditional gaming industry, which is reported to be worth roughly \$175 billion.

Answer:



Gaming Market - Growth Rate by Region (2022-2027)



Source: Mordor Intelligence



The target market is divided into the direct and the indirect. The direct target market includes the game developers who publish games on distribution platforms. The indirect target market includes the users and the influencers who use published games or help promote them respectively. The availability and growth of these elements are essential to the development and growth of Ultra as well.

According to a report written by [NewZoo](#),

1. In 2022, the global esports audience will grow by 8.7% Y-o-Y to reach 532 million. Esports enthusiasts—those who watch esports content more than once a month—will account for just over 261 million.
2. The number of esports enthusiasts will grow to 318 million in 2025, with a CAGR of +8.1% (2020-2025). In 2025, the total audience will surpass 640 million.
3. Esports will generate nearly \$1.38 billion in revenues globally by the end of 2022. China accounts for nearly a third of worldwide esports revenues.
4. Digital and streaming are the two fastest-growing revenue streams for esports, with 2020-2025 CAGRs of +27.2% and +24.8%, respectively. Growing awareness around digital assets and NFTs will likely boost investment and fan interest in acquiring in-game items of esports IP.

When you think of game distribution, you automatically think of [Steam](#). With such a wide range of games on offer from traditional online multiplayer shooters to farming simulators, there is something for every gaming taste on the platform. Steam is regarded as one of the biggest online gaming and game-streaming platforms in the world and according to [a report published in February by Statista](#), steam registered over 25.47 million peak concurrent users in May 2021. As of 2021, Steam has over 10K games spread across different genres for gamers to play.

Ultra is offering developers the opportunity to publish and coordinate game distribution with increased benefits than other platforms offer, they are offering users access to exceptional games and a platform that is perfect considering the important integrations and partnerships, however, it doesn't go without saying that Ultra will have to compete with other web3 platforms for users as well.

Score: 12



c) Product-market fit (15 points)

Product-market fit evaluates the degree to which a protocol satisfies market demand in their specific sector. How many users does a protocol have? What is the trading or transaction volume on a platform? Is there growth on both the buy and sell-side of the market? Is the protocol targeting the right product segment at all?

Answer:



Has the solution found a market that it serves, a market that needs its product offering? Of course, it has. Major streaming and game distribution platforms like Steam, Apple, and Google, in exchange for ease of use, monopolize games resulting in a massive difficulty that developers face due to large commission fees and loss of control, hence the need for ULTRA. ULTRA should be commended for the groundwork they do in gathering information and measuring interest by reaching out to game developers where they would be able to find them. [From several of their community updates](#) and other articles in the [articles section](#) of their website, you would find information on what gaming conference their team attends, who they spoke to, particularly game developers across different scales, and their responses. The response has provided insight into what Ultra is building to help game developers and gamers. Take a look at their 5.9K+ discord channel and their 79K+ Twitter page, you would be able to estimate the level of interest that their audience has in their products. Most of the complaints, suggestions, and comments are mostly about how the protocol makes promises and almost never delivers [like this very good example](#). Comments are not all negative. This is to say that Ultra has shown signs of market fit but this is especially difficult to ascertain with certainty if the protocol keeps underdelivering.

Score: 8



2. Competitive Moat

The "Competitiveness" section looks at a protocol's competitive moat in the space and its unforkable assets. This includes integrations and partnerships, intellectual property, the underlying infrastructure being used, and treasury management.

a) Integrations & partnerships (10 points)

Due to crypto's open-source nature, the code of most protocols can easily be forked. This score represents one piece of unforkable value. Some indicators are the number of applications built on top of the protocol (vertical integration) and other entities integrating the protocol's services (horizontal integration).

Answer: Beyond the collection of logos that you find on most websites as an indicator of partnerships, Ultra actually has some partnerships and integration that help improve their product offerings. According to their [whitepaper](#), Ultra is built on the [EOSIO blockchain](#). This infrastructural integration is important because it helps ultra deliver faster transactions at no cost to users at all. Ultra employed a modified version of EOS to be able to achieve this.

At this point, it will be easily comprehensible if the essential partnerships are organized in groups or their importance/usability.

1. **Exclusive partnerships:** [Ultra partnered with Avant Labs to distribute a Play-to-Earn NFT game called Elarium](#). This partnership is exclusive to Ultra. This makes Ultra important to Avant Labs' Elarium distribution process because according to their update regarding the partnership, they are in charge of everything, most importantly, distribution and marketing.
2. **Performance:** [Ultra recently partnered with AMD to better optimize their cryptographic computing performance](#) and this really helps Ultra to deliver on their product promises. This partnership helps enhance performance on the platform for gamers using AMD processors and graphics cards.
3. **NFT interoperability & Co-marketing services:** [Elrond isn't the only one who partnered with Ultra](#) to provide exchangeability of game items, [SandBox did too](#). This partnership allows game players to exchange their virtual game items across platforms. Besides from NFT exchangeability, Ultra also partnered with SandBox to provide co-marketing services.
4. [There is a partnership agreement between Ultra and Atari to enhance game distribution and to improve their availability on PC/gaming consoles](#)
5. [Direct integration with Theta.tv Network](#) to allow users earn by streaming ultra gameplays for people to watch or watching ultra gameplay in itself.
6. [A partnership with SkyBound Entertainment to bring The Walking Dead series and several other available and upcoming titles to its users](#). Skybound Entertainment was Ultra's first publishing partner. [Ultra also partnered with Digarti Games for the same purpose](#)
7. Ultra is integrated with [Simplex](#) and [Shopping.io](#) so users are able to buy UOS tokens with their credit card, and spend UOS when shopping with Amazon and Walmart (with a 2% discount). This means you wouldn't need an exchange or chain-native wallets.

Score: 8



b) Intellectual property (10 points)

Intellectual property is and will continue to be a crucial part of the metaverse. This score considers if a project, for example, developed a unique IP that creates a sustainable competitive moat around it or, as an alternative, secured IP through agreements with outside parties.

Answer: Ultra has been raking up different partnership deals some of which involve the sharing of the intellectual property of the parties involved but nothing magnanimous in terms of IP deals happened.

Score: 6

c) Infrastructure - security (10 points)

Metaverse projects make all kinds of choices when it comes to infrastructure. Some build their own solutions, whether Ethereum side-chains or a new blockchain entirely, and some deploy to an existing sidechain or a level 1 blockchain. These decisions have significant trade-offs across security, maintenance, ease of use, costs and scalability, etc. This score assesses specifically the security of the chosen infrastructure solution.

Answer: Ultra as a blockchain game distribution platform is built on the EOSIO blockchain technology. [Ultra did tweak certain elements of the technology to suit what they are trying to build.](#) To be more specific, Ultra “made amendments to the governance system – Ultra needs to maintain a degree of control over what happens on the platform to be able to deliver a proper corporate-grade business environment. We removed the Block Producers voting mechanism and manually designated our first BPs including well-known actors of the video game and blockchain industries such as Ubisoft, Bitfinex, EOS NY, and EOS Rio. This isn’t to say that UOS tokens will never have a voting privilege; we just believe that at this point in time, there are no models which have been proven sufficiently reliable enough to suit our corporate partners’ standards. We’ll keep an eye on the work and research being done in this field. In the meantime, we have decided to protect our corporate partners’ interests by manually giving their transactions various privileged mechanisms we’ve put in place on the Ultra blockchain network.”

According to the preceding information, it is clear that for Ultra to maintain security there was a trade-off. They gave up decentralization for security. However, they did say that providing voting power to token stakers is not a total write-off. Currently, there is a trade-off between decentralization and security however, it would be nice to how this plays out, and how they decide to provide users with decentralization and security. Of course, they do not have any point for these but it is nice to point it out.

Score: 4

d) Infrastructure - fees and ancillary infrastructure (10 points)

The section above assessed specifically the security of the chosen infrastructure solution. This score, however, looks at the other side of the scalability trilemma - fees and the ancillary infrastructure like bridges, wallets, etc.



	Ultra	Ethereum	Bitcoin
Transaction confirmation speed	Up to 3 sec	Up to 10 min	Up to 12 hrs
Transaction volume	11,000 / sec	20 / sec	7 / sec
Transaction fees	0 USD	~0.5 USD	~5 USD

Answer: To start with, according to their whitepaper, since Ultra is built on the EOSIO blockchain technology, generally, they enjoy the benefit of no transaction fees and faster Transaction Per Seconds (TPS). However, as time went by, Ultra in their words discovered that they, *Needed Bigger Guns*. So they capitalized on this capability and even went further with it. They were able to surpass the 11000 TPS benchmark by EOS, they were able to get it up to 12000 TPS. [You can read all about the improvement they made here](#). Under normal conditions, all transactions are free, However, when the network has reached max capacity, transactions will enter a queue and will be executed for free in due course. You can gain priority over other transactions on the network by locking up UOS coins (staking) to get Ultra Power and have your transactions executed in under 0.5 seconds, even when the network has reached its max load capacity. [Ultra also incorporated a p.network bridge within the wallet client, making bridging between Ethereum and Ultra simple.](#)

Score: 9

e) Treasury Management (10 points)

Treasury management refers to the project's management of its assets and balance sheet. How diversified is its treasury? If diversified, are the assets productive? For example, does the project own its liquidity? Are there procedures and plans in place for managing the treasury?

Answer: Treasury Information is not publicly available.

Score: 0

3. Token Economics

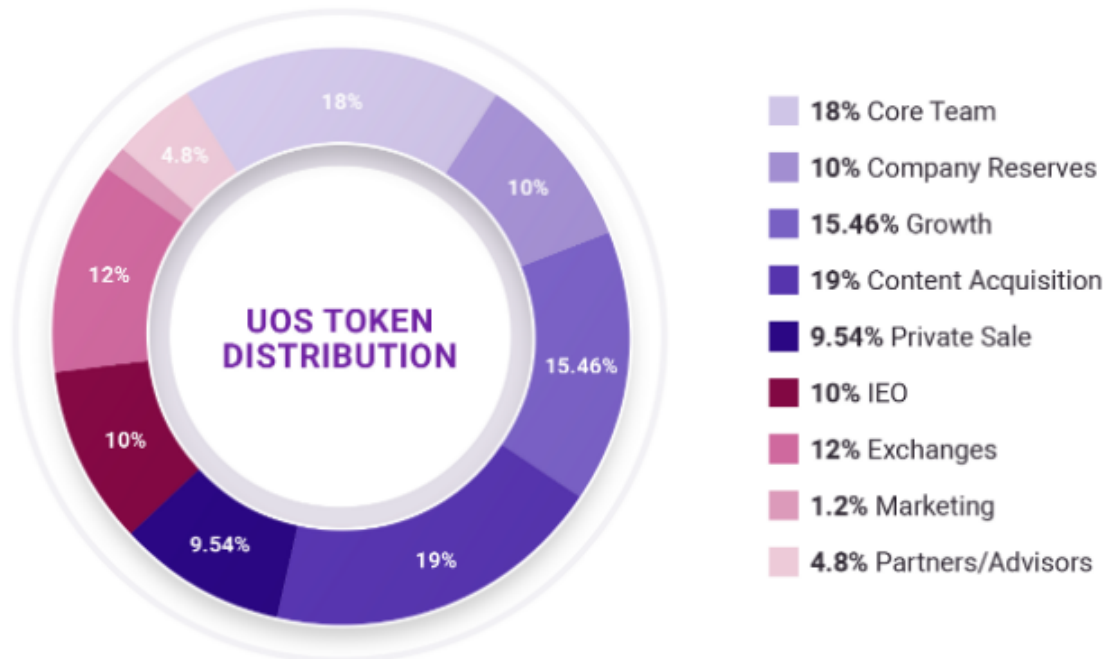
The "Token Economics" section assesses the function of a protocol's token. This includes the token distribution, its functionality, and the ability of the token to incentivize desired behaviours and value capture potential.

a) Genesis token distribution (15 points)

Token distribution can be an indicator of a healthy protocol and, if done well, can improve coordination and alignment among different stakeholders. Was the initial distribution fair and balanced? Are the tokens distributed widely or is the ownership concentrated?



TOKEN ALLOCATION



Answer: From the diagram attached above, it is evident that only 22% is available through a 10% IEO and 12% through exchanges, and the other 78% went to the Team(18%), Reserve (10%), Growth (15.46%), Content Acquisition (19%), Private Sale (9.54%), Marketing (1.2%), and Partners/Advisors(4.8%). Community allocation is extremely low.

The core team and future hires have an 18% allocation of the total token supply with a 1 year lockup period and a 1.5-year vesting period. [Ultra says the purpose of this scheme is to align the interest of the team and future hires to that of the protocol](#) but come to think it, the project started in 2019. By now, their stake in the tokens is fully vested. It is clear that Ultra didn't think this aspect through. Moreso, Ultra's distribution scheme does not align with that of its stakeholders. Hence, the distribution is not fair and balanced.

Score: 4

b) Purpose of the token (10 points)

This score evaluates the purpose of a token in the project's ecosystem. For example, does it provide utility? Does it have governance rights attached to it or a built-in value capture mechanism?

Answer: The following are the use cases of the UOS token:

1. **Transactional purposes:** The main function of UOS is to allow users to transact when the chain is running at max capacity. This is achieved by making it so that "the more Ultra Power one has, the faster one's transaction gets executed." Ultra power is achieved by staking UOS, the more you stake the higher your power. This is



reduced as you transact but resets every 24hrs. Furthermore, there is an option for businesses building on Ultra to 'sponsor' transactions. For example, a game developer might purchase and stake UOS to allow players of their game to continue transacting for free beyond what they could achieve alone. One major benefit of this, it can be targeted using NFTs or specific contracts belonging to that game.

- 2. **Staking:** Actors within the Ultra ecosystem can be rewarded with free games, swag, and exclusive content by holding UOS tokens.

As for further utility, there are no governance rights associated with the token. As mentioned earlier, It can be used for game/item purchases, ads services, incentives, p2p payments, referral rewards, NFTs, and to mine other crypto assets.

Score: 2

c) Ongoing token issuance/inflation (10 points)

Most tokens have built-in inflation. This section evaluates the purpose of that inflation. Is it justifiable? Does it help improve the coordination and alignment of incentives for the protocol? Does it incentivize positive-sum behaviour? Are the benefits flowing to all relevant stakeholders or just select groups?

Answer:





Partners / Advisors	48,000,000	FULLY VESTED
Core Team	180,000,000	FULLY VESTED
Content Acquisition	190,000,000	FULLY VESTED
Growth	154,581,702	FULLY VESTED
Private Sale	95,418,298	FULLY VESTED
Exchanges	120,000,000	FULLY VESTED
IEO	100,000,000	FULLY VESTED
Marketing	12,000,000	FULLY VESTED
Company Reserve	100,000,000	Conditional (10%)
Total	1,000,000,000	

The image above was pulled from [the Ultra medium's post on Token Metrics and Allocation](#) (an updated version). The above shows that the majority of the tokens from the distribution schedule have been distributed, fully vested, and/or in circulation. Whatever is left of the distribution schedule will be directed towards growth and marketing which is expected to impact the value of the token.

Score: 4

d) Value capture (10 points)

The ability to accrue value and consequently distribute it to stakeholders can be an effective coordination mechanism and deliver long-term benefits to a project.

Answer: There are no measures to accrue value for the project to distribute to stakeholders later.

Score: 0

e) Token liquidity (5 points)

Is the token widely available and is there sufficient liquidity to facilitate all protocol functionalities?



Answer: UOS is listed on both CEX and DEX and [the list can be accessed here](#). It is worthy of note, however, that UOS is not listed on major and well-known Centralized Exchanges (CEX) such as Binance, FTX, or even Coinbase. Most of the DEX liquidity can be found on [Uniswap](#), with the largest pool being USDC/UOS on Uniswap V3. UOS is listed on only 16 exchanges and the transaction volume isn't that much with KuCoin as the leading exchange with over \$522,230 in transaction volume.

Score: 2

f) Extrinsic productivity (5 points)

Can the token be used outside of the project's ecosystem? For example, can it be used as collateral elsewhere, be staked for yield or rewards, etc.

Answer: UOS tokens can be provided to Uniswap as liquidity for rewards [Source](#)

Score: 2

4. Team

The "Team" section describes the quality of the team behind the protocol. The current version of Prime Rating favours teams that are publicly identifiable. In the case of an anon team, the track record of the specific anons involved can be taken into account.

a) Credibility and reputation (10 points)

Are the identities of the core team public? In the case of anon team members, do they have a track record or reputation in the crypto space?

Answer: Ultra has an organized website with [a section of the website on the team](#). You can check them out and their LinkedIn profiles as well on the website.

Score: 9

b) Relevant experience? (15 points)

Does the team have a track record of execution? Have individual team members built a product or a business before? Does the team have the necessary skills? For example, if a project is making a game, do they have a game developer?

Answer: David Hanson and Nicolas Gilot, the co-founders of Ultra both have experience in the gaming industry. Nicolas worked with Subor, a Z+ gaming hardware. Before Ultra, David was the Founder & CEO of different businesses as well as the Lead system architect and designer for a Chinese software company. Mike Dunn, the Chief Technology Officer (CTO) has a wealth of experience like being a member of the WebXR Working Group. They were building extended reality (XR), a combination of AR, VR, or Mixed Reality experience.

Human Resources (HR) is managed and coordinated by Martina Pöldvere who has over 20 years of working with different companies to recruit and manage company talents. She is bringing all of these experiences to ULTRA.

Marketing & Partnerships: Janneke van Swetselaar currently handles partnership deals at Ultra and she has over 8 years of experience working in marketing for the likes of BlueStack. These experiences will definitely come in handy in the job.

Legal: Caroline Fontaine has been in the legal practice for a while. She was the legal director for Ubisoft, and a legal manager/director, EMEA for Kyriba.



Members of the team have experience in the game industry, tech, software, and hardware development, and most importantly, people with game and blockchain development experience. [You can refer to their LinkedIn Company's page for more information.](#)

Score: 12

c) Thought leadership and public presence (10 points)

To what extent do the protocol contributors participate in the public debate around the metaverse? Are the team members giving presentations, sharing their thoughts and opinions, and do they help raise the industry's collective intelligence?

Answer: Ultra is not doing too much when it comes to their public presence. It is safe to say they are fairly moderate when it comes to public presence. [The team regularly attends events](#) to speak about their product, and different aspects of the crypto space and/or to meet with game developers or other people to introduce their product as you would find in many of their community updates on their articles page on their website. Regularly, David, one of the co-CEOs, who goes by [@UltraDavid](#) on Twitter also contributes to talks on the platform about blockchain gaming.

Beyond this, for a company that launched its [YouTube page](#) years ago, it should have grown its page past over 4K subscribers. They barely post regularly on the page. If we look at their social media, their Discord has close to 6K members and their Twitter page has 79K+ followers. Ultra can actually do better when it comes to their public presence and how often they contribute to public debate.

Score: 6

d) Ability to foster a community and coordinate resources (15 points)

How effective is the team at attracting and coordinating resources for the benefit of the protocol? Do they manage the community well, fostering a welcoming and positive environment? Does the community represent the project well externally?

Answer: Ultra maintains a Discord, Twitter page, and Telegram channel as community channels and discussions regularly happen on these channels about the direction of the protocol. However, Ultra doesn't engage its community members enough as seen on their discord channel. For the most part, Ultra tells its members that this is what they are working on at the moment and they only get one channel, #general-discussion, to discuss issues around the platform and protocol and not really on updates and others.

Score: 8

5. Governance

The "Governance" section evaluates all aspects of the protocol's governance, from infrastructure to processes and distribution of governance power.

a) Extent of governance capabilities (10 points)



Distributed governance should allow token holders to participate in the governance process. How much influence does the current governance process have when everything works as intended? What parts of the protocol does governance touch? Who can put forward a vote, and are there any limits or requirements (number of tokens, only the team can queue votes up, etc.)?

Answer: By structure, the infrastructure that Ultra is built upon which is the EOSIO blockchain technology has a Delegated Proof of Stake (DPoS) governance system however, since [Ultra is built on a customized EOSIO blockchain technology, they have disabled this system](#). Their explanation for this is that “*First, the audience we are targeting doesn’t particularly understand or care yet about the underlying tech. Second, even if we exclude ourselves from votes, the coin isn’t yet well distributed enough to ensure a fair distribution of the voting power. Third, we need the right amount of qualified and truthful block producers to meet industry standards.*” Instead, they selected a mix of well-recognized block producers with high reputations from both the crypto space and the games industry, respectively called “Technical block producers” and “Corporate block producers”.

Score: 1

b) Active governance contributors (5 points)

Governance is time-consuming, and governance apathy is a common problem in most democratic systems, including crypto. Therefore, it's essential to have a sufficient number of community members allocate resources to the governance process of the protocol. How many individuals participate in the debate around the protocol? How active are voters? Is delegation enabled?

Answer: Based on the above, only the TBPs and the CBPs can contribute to governance. There is no discussion channel on Discord and the community members are not allowed to pitch in governance matters.

Score: 0

c) Governance infrastructure robustness (10 points)

Robust infrastructure relates to how well the technology, software, and models used by the protocol's governance withstand actual use cases. Does the protocol have a reliable voting mechanism? How robust is the governance process, and does it facilitate good governance? Are the votes binding, or do they function solely as signals to the team?

Answer: Due to the nature of Ultra's governance, it is difficult to determine what infrastructure they employ or if they employ any infrastructure at all. However safe assumptions can be made. Block producers are Trustees for the protocol who run nodes and testnets and in the case of TBPs, the mainnet. These nodes could be assumed to be the medium of consensus of some sort. They should get a 5 but because of the unavailability of information and because these are safe assumptions, the score is reduced by 3.

Score: 2

d) Process and ease of use (5 points)

This score is based on the documentation and process for governance. More specifically, how easy it is to participate in governance. Does the protocol have a formal governance process? Is sufficient documentation available? Is there a basic framework to establish social consensus? Are there channels dedicated to governance debate?

Answer: N/A

Score: 0



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