

THE NEW NATURE OF DATA

ON REGENERATING ECONOMIES

André Vellozo

Part I. Value and meaning THE POST PANDEMIC RECOVERY PROMISE: A DIGITALLY TRANSFORMED ECONOMY 3

Part II. The organizations
IN A DATA ECONOMY DATA CAP IS
THE NEW MARKET CAP 8

Part III. The consumer

EVERYTHING IS YET TO BE CONNECTED,

TRANSFORMED, COMBINED 13

Part IV. Shared metrics

CONVERSATIONS = TRANSACTIONS 18

Part V. Store of value
THE DATA SAVINGS ACCOUNT 23

Part VI. The infrastructure
THE DATA VALUE CLOUD 27

Part VII. Transform and transcend
THE LAST MILE OF THE INFORMATION ECONOMY 30

THE POST PANDEMIC RECOVERY PROMISE IS ONE OF A DIGITALLY TRANSFORMED ECONOMY

Part I. Value and meaning

Race, color, gender, sexual orientation, nationality, politics, religion, wealth...behavior? This is a polarized world we are living in. But data is neutral.

It doesn't matter who you are, if you walk over this planet today, you count.

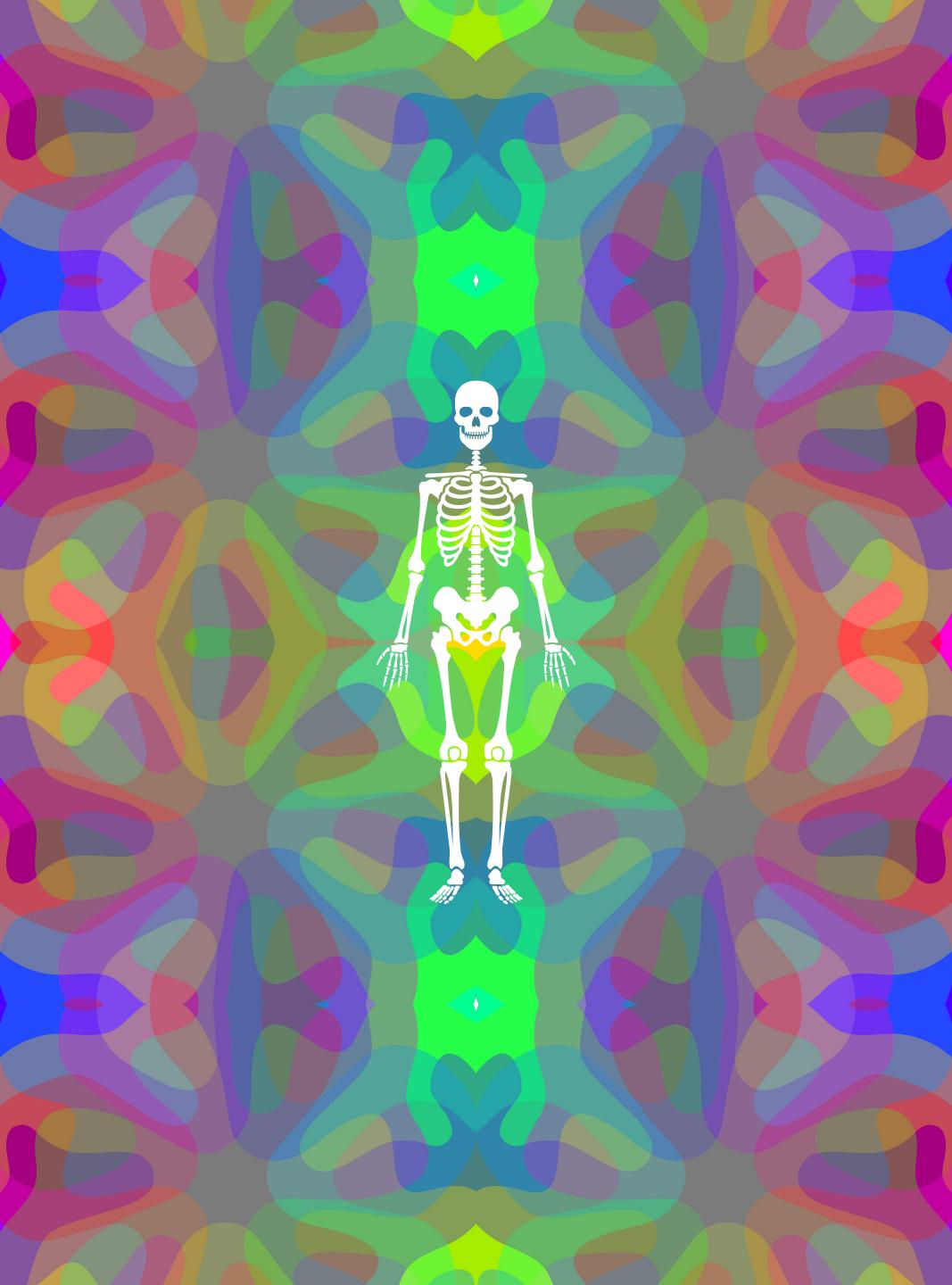
Simply because everything you do, or don't, generates value and data.

What gives us humans access to the symbolic domain of value and meaning is the fact that we die.⁽¹⁾

(Things have only value and meaning to me, because I know that one day...
I am not going to be here - The author)

Machines have no access to the symbolic domain of value and meaning.

Machines don't die.



The post pandemic recovery promise, is one of a digitally transformed economy.

It is about the amount of energy used to transform information into data and data back into information.

Versus the value it creates everywhere, for everyone, and for the better.

That is digital transformation's only definition.

Transforming the world from data poor to data rich.

A value-centric and data-driven world is the opposite of a data-centric and value-driven one. It is a world for the living.

Your digital footprint is part of who you are. Value your impact in the world and the way the world impacts you

Take back control of your business and personal data.



IN THE DATA ECONOMY DATA CAP IS THE NEW MARKET CAP

Part II. The organizations

Organizations are living systems. To survive in a hyper connected, and highly collaborative market they strive to increase efficiency.

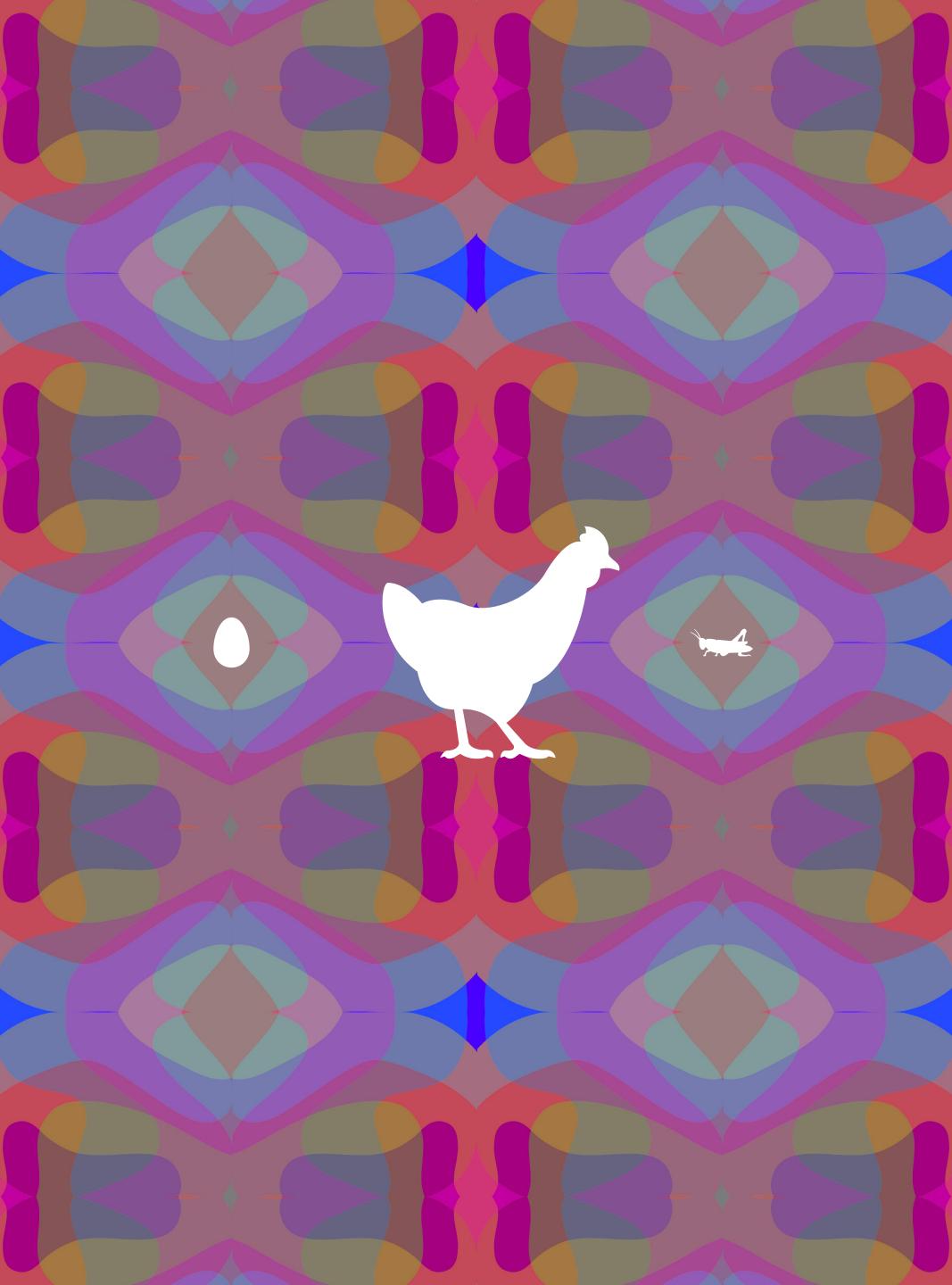
Data is the language and the environment in which these systems exist.

In the data economy, organizations preserve and increase efficiency by adapting and evolving. Combining and exchanging data allows organizations to change, create and manage value.

Yet while data fosters efficiency, it can also limit an organization's ability to evolve.

Constrained by limits imposed on data, organizations become unable to adapt to fundamental changes in the environment.

Unable to transform, an organization eventually declines.



There's a lot of value in enterprise data, big internet platforms are proud to say they run peta bytes of data.

But many organizations in the world run on datasets that are even bigger than Googles's or Facebook's.

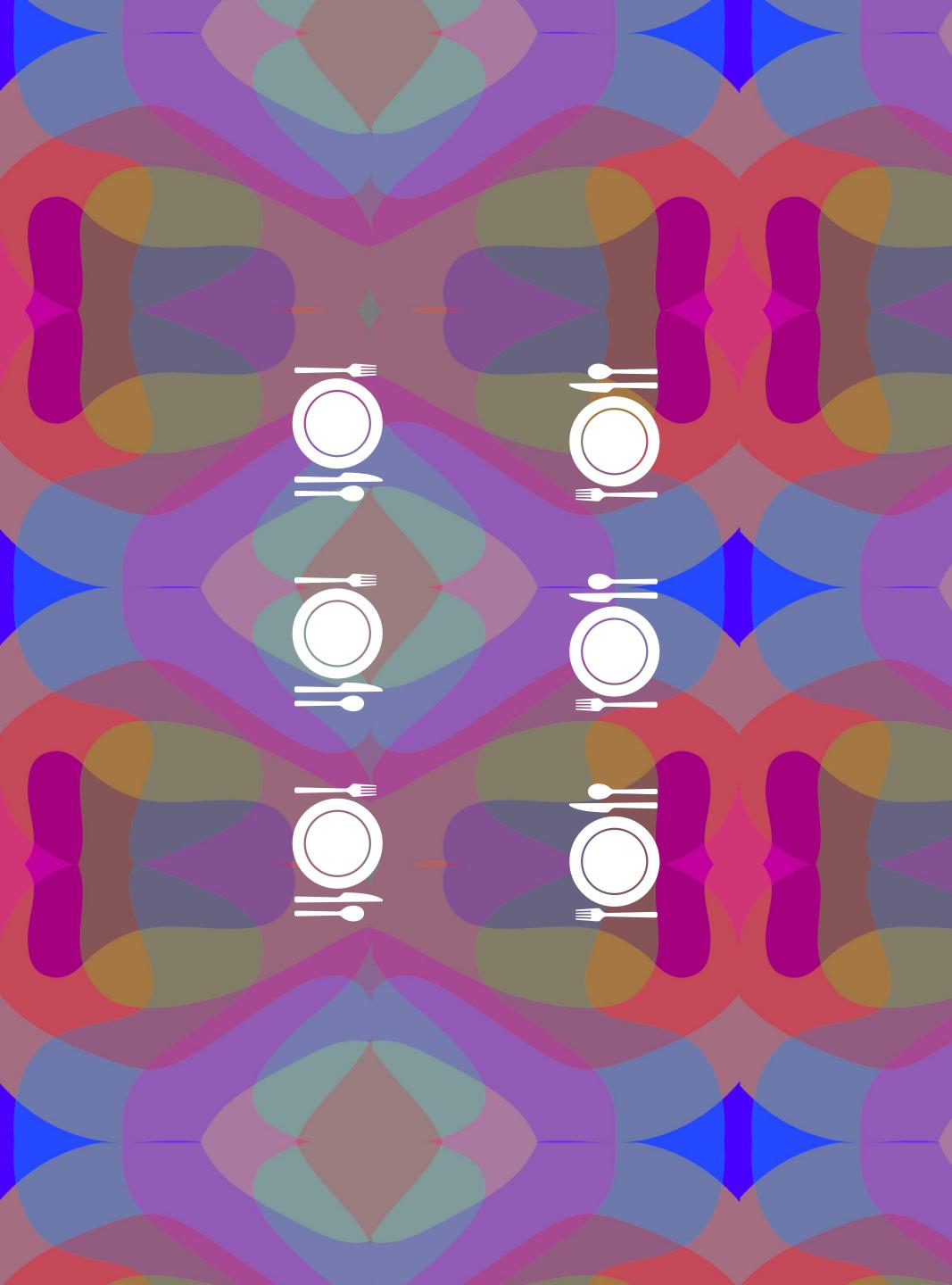
Some run much more relevant and valuable data.

The Fortune 200 list has six companies at the top and 194 below. Besides their Market Cap valuation, the only thing that makes them different is the way they process data.

The six companies on the top process data as a business, all the other process data for the business.

Transforming organizations from data poor to data rich, requires increasing their Market Cap by growing their Data Cap.

The data economy accelerates up to 2025. It will grow exponentially after that.



EVERYTHING IS YET TO BE CONNECTED, TRANSFORMED, COMBINED

Part III. The consumers

The era of Big Data is about to end.

Digital transformation and the monetization of data will transform technology, its rules of engagement, and the way we understand life, business, everything.

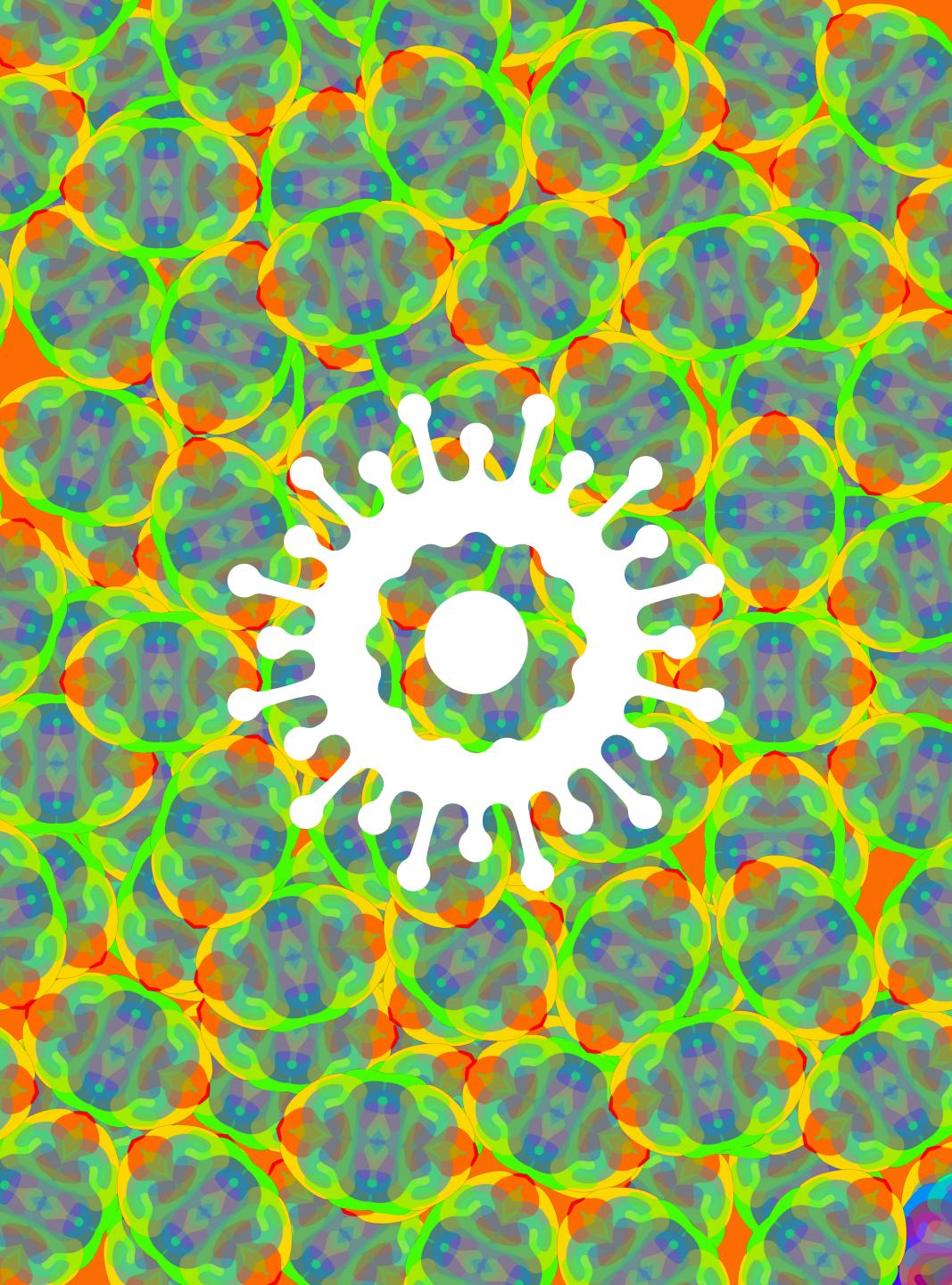
"We might perceive the whole universe as a flow of data, see organisms as little more than biological algorithms, and believe that humanity's cosmic vocation is to create an all-encompassing-data-processingsystem and then merge into it". - Yuval Noah Harari*

The universal rule is: Everything is yet to be connected, transformed, combined.

Always.

As constant as water or electricity, data will be common and accessible to be exchanged and valued by users.

The same way we became media people, we will all become data citizens.



Who pays for the energy that goes in your phone? Who pays for the carrier? Who bought the chipset that pumps data in and out of your phone?

You.

We are all paying to process ~50% of the data of the planet.

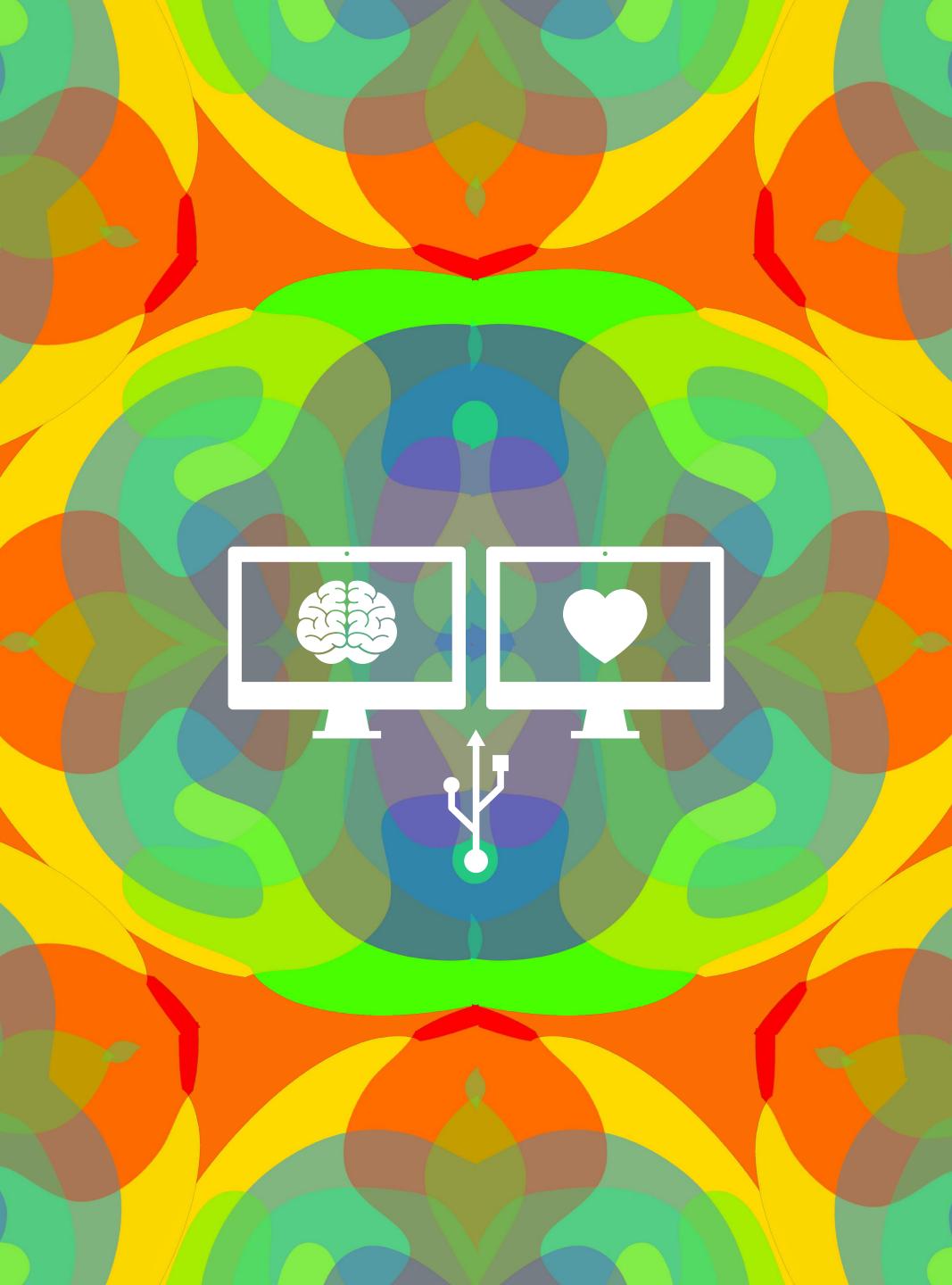
Today, we may be separated by devices, but we are all for sure, connected through data.

Because only relationships generate data.

So... learn how to use data for personal, professional and financial reasons.

Elevate your relationships with your friends, family, customers, companies and brands. Elevate your relationship with the planet.

Build trust in data



CONVERSATIONS = TRANSACTIONS

Part IV. Shared metrics

(If I can get access to every conversation and transaction an individual or organization has had, I can tell you how much every conversation they have had is worth - The author).

A measuring system is a language for communicating via units. It allows people to compare things in the world.

As money is bound to a national currency, the value that a banknote carries becomes an amount of units of that measuring system.

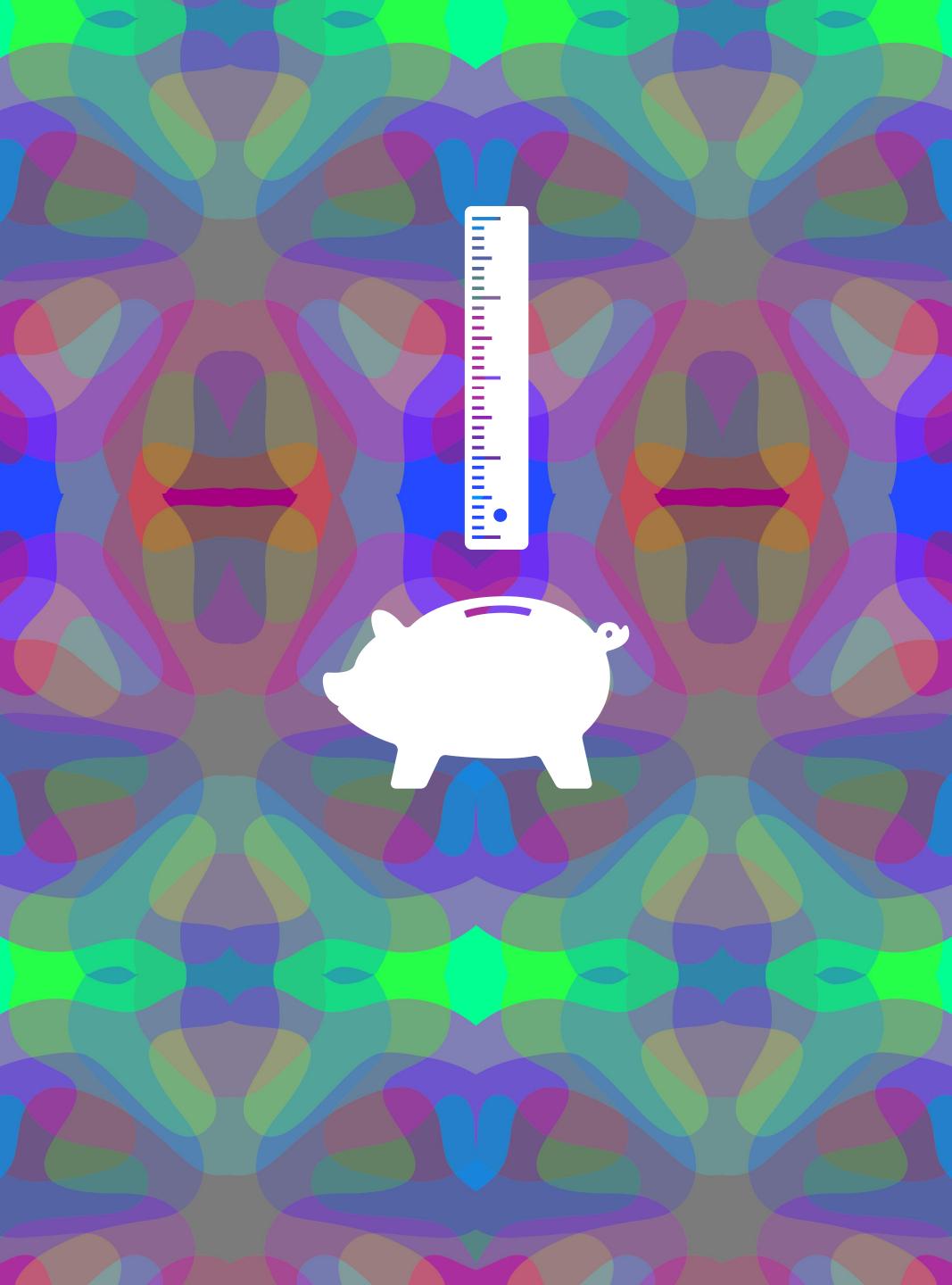
Data is the language of all measuring systems and it flows in between all things real and virtual.

It is the utmost medium of exchange.

Data monetization is about giving data transportability, divisibility and resistance to counterfeiting.

Looking for value, we can separate data in two large groups: conversations and transactions.

By the way, both share the same format.



From the industrial economy to the services economy:

Gold standard -> Transactions = Gold

"This gold certificate is legal tender in the amount thereof in payment of all debts and dues, public and private"

From the services economy to the information economy:

Debt standard -> Transactions = Dollar

"This note is legal tender for all debts, public and private"

From the information economy to the data economy:

Data standard —> Conversations = Transactions

"This data certificate is legal tender for all relationships, public and private"



THE DATA SAVINGS ACCOUNT

Part V. Store of value

We are born and raised in a technology stack that monetizes applications.

To use apps, we buy devices and OS, we pay for carriers and Wi-fi and we also pay for processing, storage and energy.

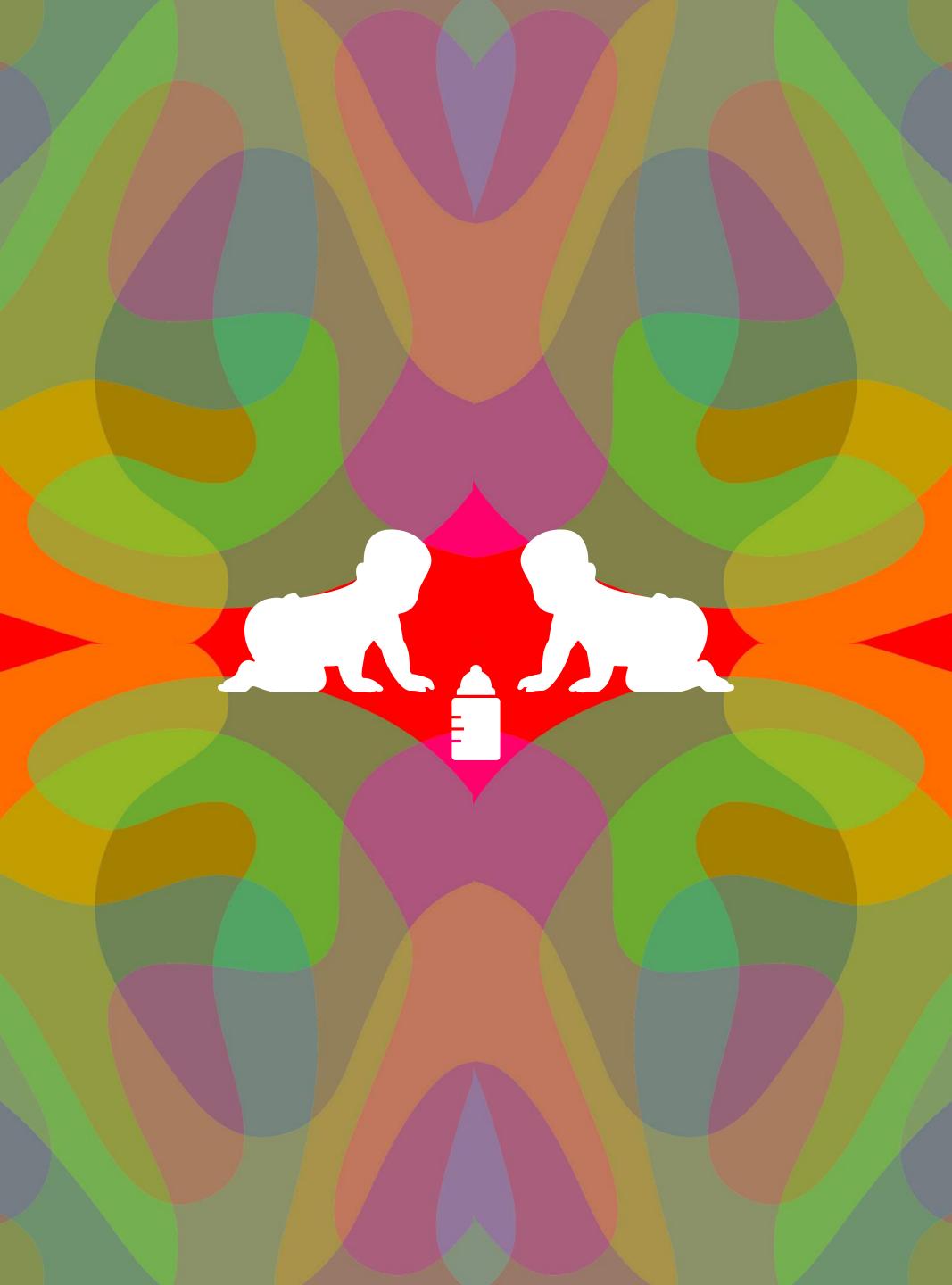
Apps that we interact with, look into the world to get information and transform it into data.

They do it by fragmenting and specializing, so we can have email, messaging, entertainment, shopping, CRM, ERP experiences - as data goes to their specific silos.

The fragmentation and specialization idea goes all the way back to the industrial revolution.

To monetize data we need apps to perform the other way around. Transforming data back into information to create value for users.

Apps that combine and exchange data will transform the technology stack, from one that monetizes applications to one that monetizes the data.



Josh will be born in 2022, in a technology stack ready to monetize data.

Before he is five months old, Josh's data is already in ~68 different data bases. Eight years later, his data will be in hundreds of thousands of data bases.

Mommy and daddy got him a data savings account. They know how data is important for Josh's future, and they believe he is going to use it for personal, professional and financial reasons.

As Josh grows up, he will learn about himself, using his own data. Combining data with family and friends, he will learn about the others and the world. Using data apps, Josh will learn biology, history, math... and more.

He will buy food analyzing data to know how his diet affects his sugar levels, sleep and overall performance.

Josh will use data everyday, to value his impact in the world and the way the world impacts him.

THE DATA VALUE CLOUD

Part VI. The infrastructure

Today, the World GDP is \$80,934,771,028,340 By 2025 this same World will be processing 175,000,000,000,000,000,000 ...zettabytes.

175 trillion GB for a 8.1 billion humans population.

You pay ~\$2.99/month for 200GB storage, and ~\$75/month, for a 10GB carrier plan.

An organization pays ~\$600K/year for 200TB processing and storage, at1x fare for uploads and 5x for downloads.

Think about it...
Banks have interchange fees.
Carriers have interchange fees.
The cloud has no interchange fees.

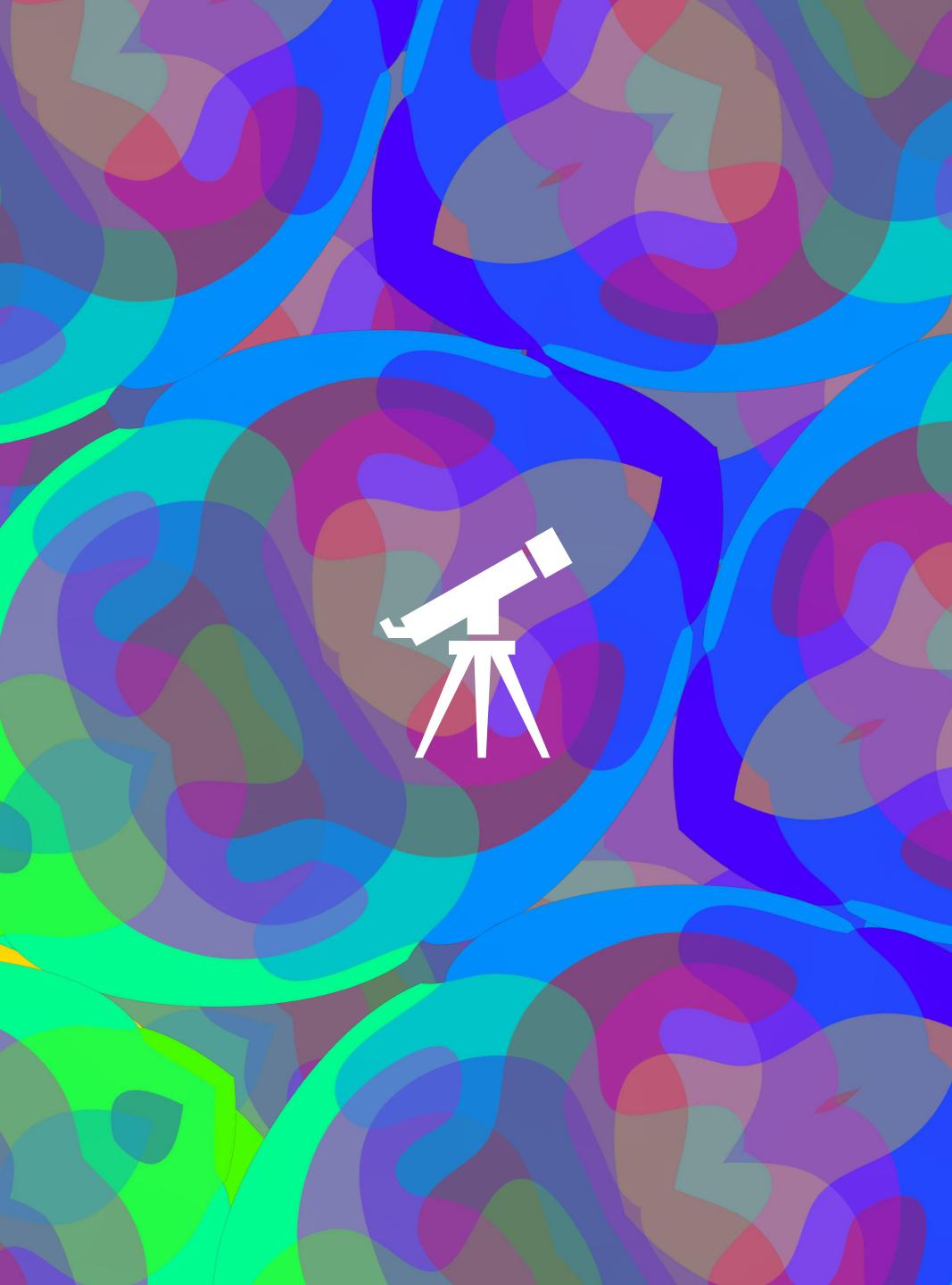
5G technologies, quantum computing and distributed computation solutions are making data processing cheaper every day.

Locked in the cloud, data is preparing to flow.



THE LAST MILE OF THE INFORMATION ECONOMY

Part VII. Transform and transcend



Gutenberg started the information economy with the printing press.

The machine that prints both news and money.

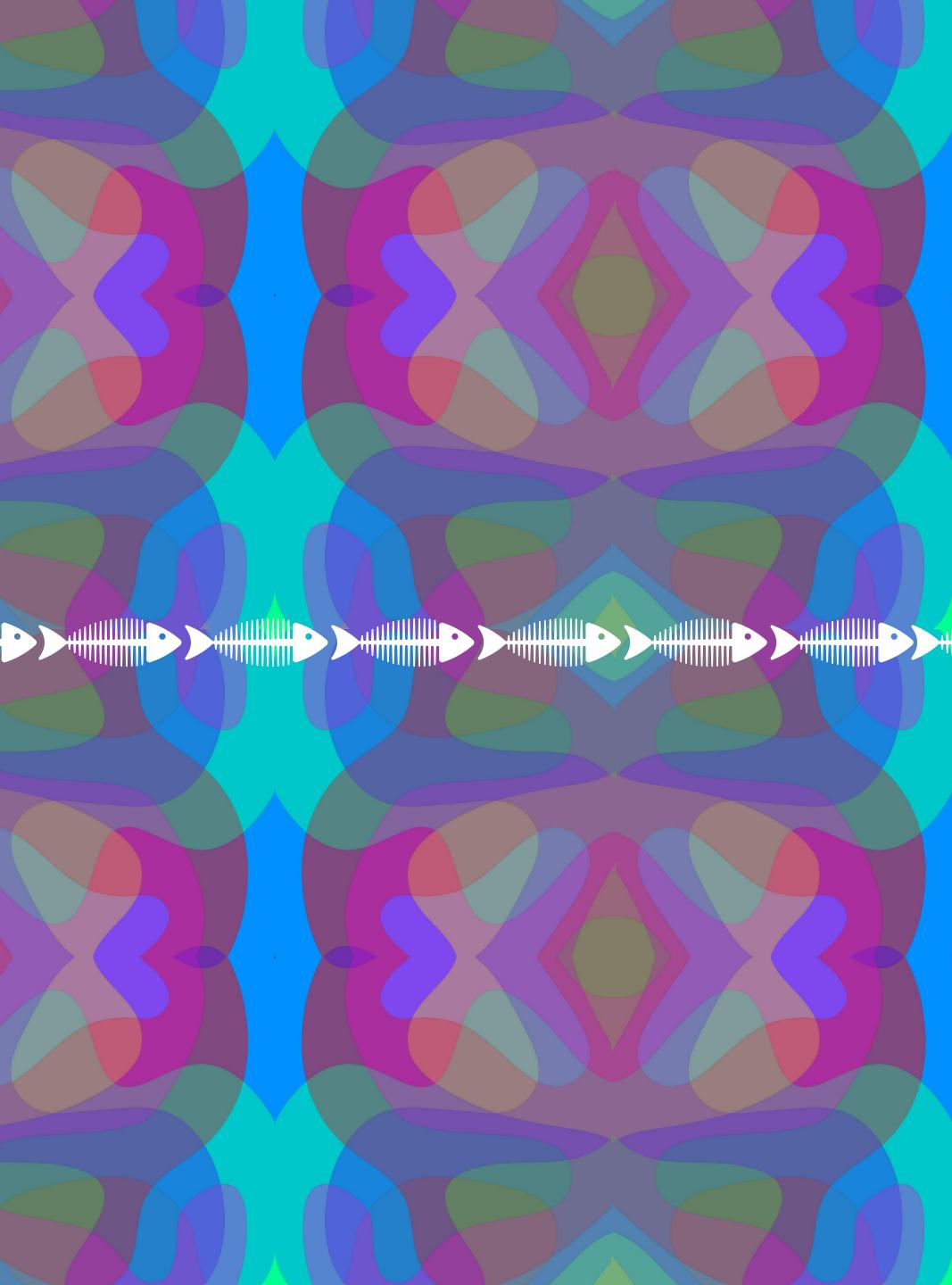
It is not by chance that those two things are so tightly connected.

Fast forward from Gutenberg.
Claude Shannon evolved the Information Theory.
He got us out of the analog world and into the digital adventure.

Then, Steve Jobs invited everyone into this digital world, allowing anybody to own a computing device.

A bicycle for the mind.

Efficiency.



The first miles of the information economy were all about efficiency.

We got it right.
But not without a cost.

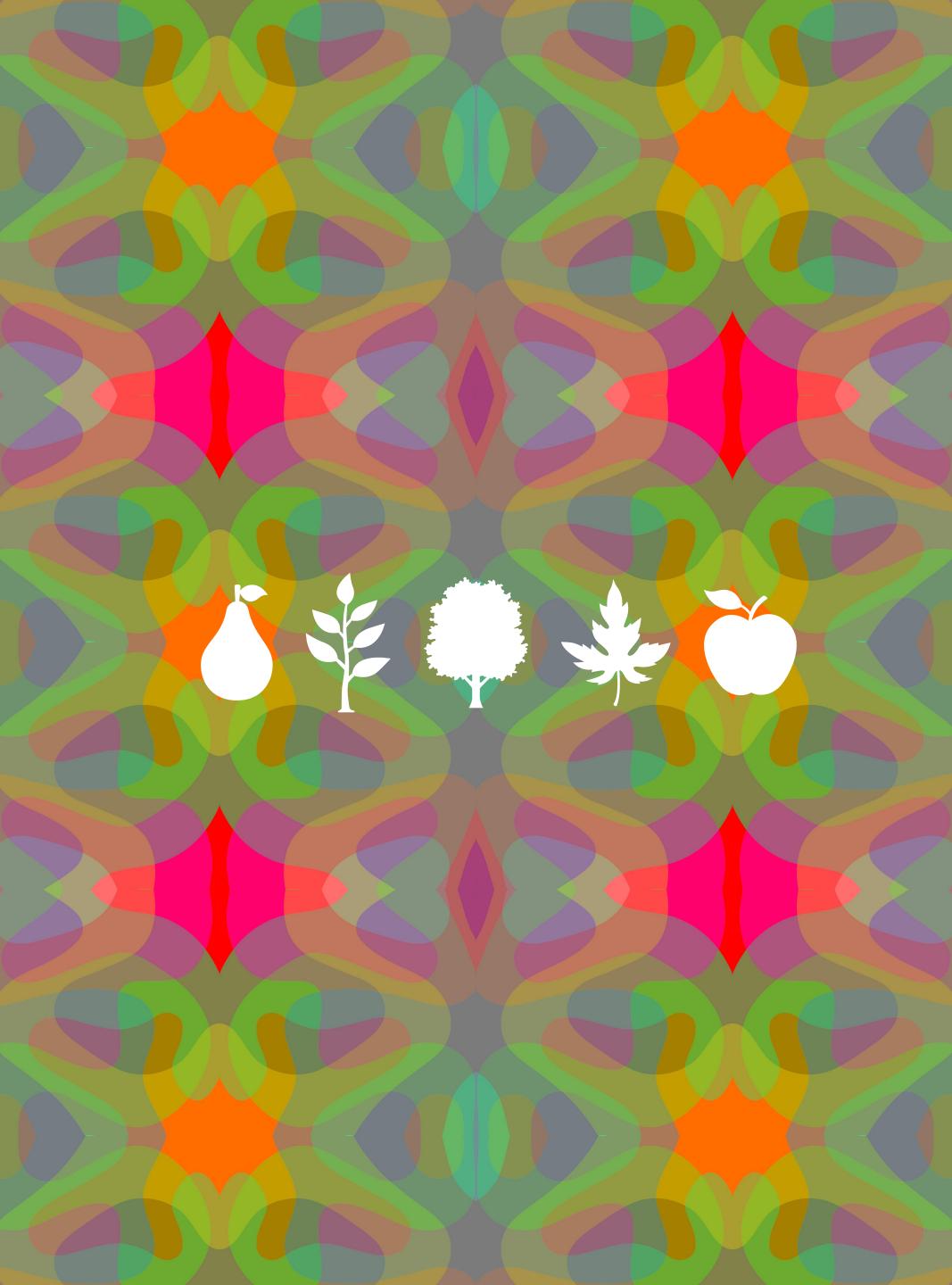
Look around. Can you see the planet? The oceans? The forests? The people? The conversations and the transactions we have been nurturing?

Sure, we can build a "better" media, a "better" bank, a "better" hospital, a "better" car, "better" food, and of course, we can built "better" technologies to make everything else "better".

But what happens when "better" is proven not sufficient? When "better" can't do the job?

The last mile of the information economy is about transcending efficiency.

We've got to go beyond "better".



Right now, we are using data to build a "better" financial system, burning a lot of energy to ship digital banks, cryptos, fin-techs, insure-techs and many different payment methods.

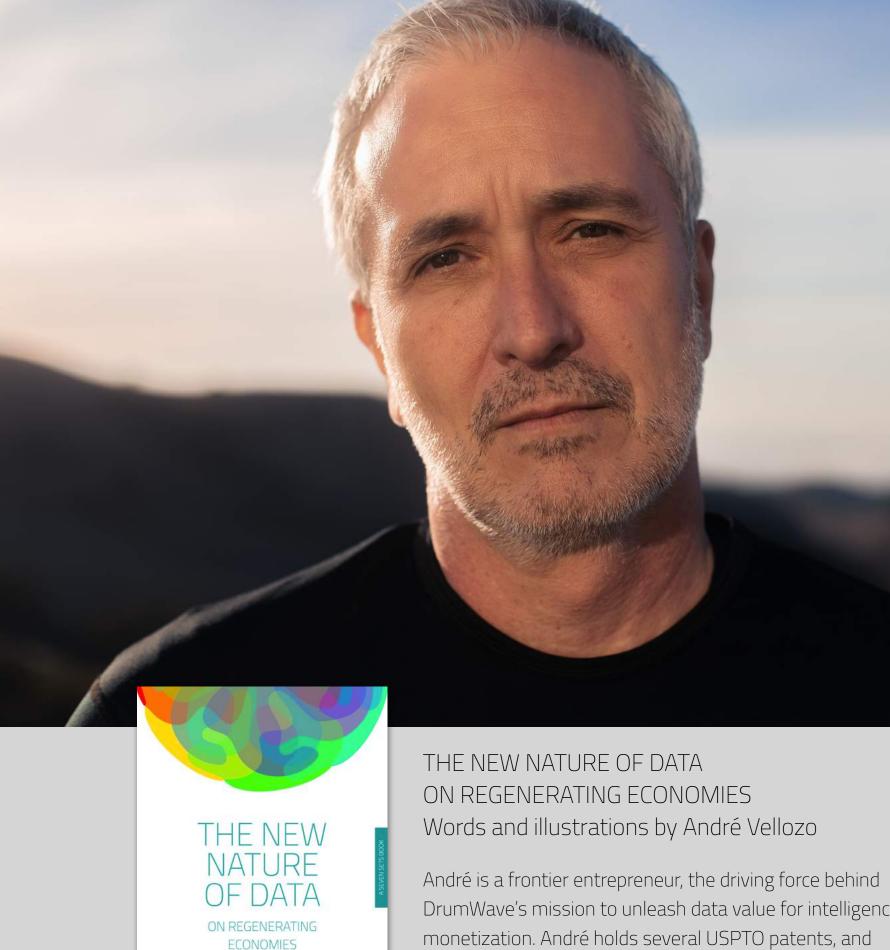
Data regulation is on the table. Ethics, inclusion, privacy, ownership, data valuation, ESG, and more.

The data economy's financial system is in the making.

In a World with unprecedented computation power, it will mark the end of a scarcity cycle, and the beginning of a regenerating one.

What is a financial system that transcends "better"?

One that establishes new values for value.



DrumWave's mission to unleash data value for intelligence and monetization. André holds several USPTO patents, and technology awards. He is Annie's husband and the father of Olivia and Camila.

Special thanks to:

Scott McNealy (who shows me exactly what it takes to do it) Brett King (he who sees the future) John Plunkett (who is always a source of inspiration) Roberto Nishikawa (who is sharp and focused) Lawrence Levy (who meditated all the way into it) João Bezerra (who is wise helping it) Cody Sanford (who just got here and knows how to do it) Alberto Blumenschein, Santiago Ortiz and the DW team (teachers and partners in this adventure)

> The Seven Sets logo and "Data Cap is the New Market Cap" are DrumWave Inc. trademarks.



https://www.internationaldatareserve.org/



1st Edition • Copyright © 2021 • All Rights Reserved.