



OpenSea

Lesson 26

To convert a digital manuscript into a revenue-generating product, such as a Non Fungible Token, we would need to use a few different types of technology. Once we created the product, we'd need to list the NFT in a marketplace, which is what we'll cover in this lesson, as part of the Prison Professors MasterClass series on the digital economy.

We'll discuss OpenSea.

OpenSea is a leading decentralized marketplace for buying, selling, and trading non-fungible tokens (NFTs), which are unique digital items verified using blockchain technology. It plays a crucial role in the NFT ecosystem by providing a platform where creators, collectors, and traders can interact.

Below I provide an overview of OpenSea and its role in NFT creation:

Platform Overview

- » **Decentralized Marketplace:** OpenSea operates on a decentralized network, primarily the Ethereum blockchain, but it also supports other blockchains. This approach ensures transparency, security, and immutability of transactions.

- » **Wide Range of NFTs:** The platform hosts a diverse array of NFTs, including digital art, collectibles, game items, domain names, and more. This variety attracts a broad user base, from artists and gamers to investors and collectors.
- » **User-Friendly Interface:** OpenSea is designed to be accessible to both beginners and experienced users in the NFT space. It offers an intuitive browsing experience, easy search options, and straightforward listing procedures.

Role in Creating NFTs

- » **Minting Platform:** OpenSea provides tools for creators to “mint” new NFTs directly on the platform. Minting is the process of turning digital files into blockchain-based assets. This process involves creating a new block, verifying the information, and then adding it to the blockchain.
- » **Smart Contracts:** When an NFT is created on OpenSea, a smart contract is generated on the blockchain. This contract includes the NFT’s ownership, provenance, and other metadata. It ensures the uniqueness and ownership rights of the digital item.
- » **Marketplace Features:** After minting, creators can list their NFTs for sale on OpenSea. The platform offers various sale options, including fixed price listings, auctions, and bundle sales. Creators can also set up royalties to receive a percentage of sales whenever their NFT is resold on the secondary market.
- » **Community and Visibility:** By listing on OpenSea, creators gain access to a large and active community of NFT enthusiasts. This visibility can lead to increased interest and potentially higher sales for their digital items.

Significance

OpenSea democratizes access to the NFT market by offering a platform where anyone can create, buy, and sell NFTs without the need for in-depth blockchain knowledge. It has been instrumental in the mainstream adoption of NFTs, providing a vital link between creators and collectors. Moreover, OpenSea’s role extends beyond transactions; it fosters a community where artists and developers can showcase their work, collaborate, and push the boundaries of digital ownership and art.

In summary, OpenSea's role in creating NFTs is multifaceted, serving as a minting platform, a marketplace for transactions, and a community hub for the NFT ecosystem. It has become a cornerstone of the digital art and collectibles market, driving innovation and accessibility in the space.

NFT and Amazon Marketplace: Comparisons

Choosing to mint an NFT (Non-Fungible Token) and sell it on OpenSea rather than publishing content on a platform like Amazon involves a consideration of the unique benefits and opportunities that NFTs provide, especially in the realms of digital ownership, scarcity, and creator economy.

Below we offer several reasons why someone might prefer the NFT route via OpenSea:

Digital Ownership and Scarcity

- » **Unique Ownership:** NFTs offer a way to certify ownership of a digital item uniquely and securely on the blockchain. This is different from traditional digital publishing platforms where the item can be copied or distributed without control.
- » **Verifiable Scarcity:** Creators can limit the number of copies of their digital item, creating scarcity and potentially increasing the value of their work. This scarcity is verifiable on the blockchain, unlike digital items sold on traditional platforms that can be infinitely replicated.

Direct Creator Economy

- » **Direct Earnings:** Selling on OpenSea allows creators to earn directly from buyers without significant intermediaries taking a portion of the profits. This can result in higher earnings per sale compared to platforms that take a significant commission.
- » **Royalties:** NFT platforms often enable creators to receive royalties from secondary sales. If an NFT is resold, the original creator can earn a percentage of the sales price, offering a potential ongoing income stream that doesn't typically exist on platforms like Amazon.

Community and Market Dynamics

- » **Engaged Communities:** NFTs and platforms like OpenSea are often surrounded by vibrant communities of collectors and enthusiasts. These communities can offer support, visibility, and demand that might not be as strong on conventional platforms.

- » **Market Dynamics:** The NFT market can see rapid and significant fluctuations in value, offering the potential for high returns. Some creators and sellers are attracted to the speculative aspect of NFTs.

Creative and Technological Innovation

- » **Innovative Presentation:** NFTs can include not just the digital item itself but also additional content like augmented reality experiences, exclusive content, or interactive components. This can offer a more engaging experience than traditional digital products.
- » **Blockchain Integration:** By using blockchain technology, creators are part of an innovative and growing sector. This can appeal to creators interested in cutting-edge technology and looking to explore new forms of digital interaction and ownership.

Intellectual Property and Rights Management

- » **Control Over Distribution:** Minting an NFT provides a clear record of creation and ownership on the blockchain, which can aid in managing and protecting intellectual property rights.
- » **Flexibility in Rights and Uses:** Creators can specify the terms of use, reproduction rights, and other conditions directly within the NFT, offering more nuanced control over how their work is used and distributed.

The decision to mint an NFT and sell it on OpenSea rather than using a platform like Amazon reflects a creator's desire to leverage blockchain technology for verifiable ownership, scarcity, and potentially higher and ongoing earnings. It also indicates an interest in participating in the dynamic and community-driven NFT marketplace, which can offer different and sometimes more lucrative opportunities than traditional digital publishing platforms.

Critical Thinking Questions:

1. In what ways could a person use time in prison to create an income stream upon release using the OpenSea platform?
2. In what ways could a person earn an income upon release helping others convert digital products into Non Fungible tokens?
3. In what ways would memorializing a journey through prison through our free platform Prison Professors Talent, lead to the creation of a valuable digital asset?

Advocacy Initiative:

Prison Professors encourages the exploration of blockchain technology to create positive social changes, such as improved access to education. We invite you to be a part of our initiative by documenting all that you're learning through our MasterClass on the Digital Economy.

Please share your story and responses through the manner that works best for you:

- » Email: Interns@PrisonProfessorsTalent.com
- » Regular mail: Prison Professors, ☒ Digital Economy Course, 32565 Golden Lantern, Suite B-1026, Dana Point, CA 92629
- » Edovo tablet: Prison Professors, ☒ Digital Economy Course, 32565 Golden Lantern, Suite B-1026, Dana Point, CA 92629

Investment:

On Tuesday morning, February 27, 2024, at 7:05 am, the Coinbase Exchange showed Bitcoin valued at \$57,165.80

- » Total investment in BTC: \$192,202.76.
- » Total holdings: 4 BTC
- » Total value: \$228,663.20
- » Gain or Loss: \$36,460.44

The value of my holdings surpassed the total amount that I had paid by \$36,460.44 since I began investing in cryptocurrency, on January 31, 2024.

Separately, I purchased 1 ETH. It was valued at \$2,954.74 and Coinbase charged me a fee of \$66.48. My total investment: \$3,021.22. Value of ETH at end of day: \$3,258.32