EQUITY MARKET 4.0:
A CENTRAL BRAIN TO ORGANISE COMMUNITY INNOVATION, COLLABORATION, WISDOM AND EFFORT TO ACHIEVE A GLOBAL CAPITAL MARKET

DEEPENING

EXPANDING

INTEGRATING

Large companies (Blue chips)
SME's (Green chips)
Ventures
Early stage innovation

Developing countries
Specialist financial centres
Major financial markets
Top 5 Financial Markets

Prices
Content management
Collaboration
Workflow

Delivered in 5 days! Available in 90! Transformation in 365!

An Economic Development 4.0 network

Version 2.3 (June 2011)
If you could create a “Central Brain" in 5 days to focus the effort and wisdom of 2 Billion people, what problem would you solve? What social, industrial or political endeavour would you transform?

Every social, political or industrial endeavour or needs a “Central Brain” to coordinate community innovation, collaboration, workflow, wisdom and effort toward valuable outcomes.

“CENTRAL BRAIN” FEATURES:

- **Transparent – knows everyone and their intentions**: Profiles are self published using community specific tags. People can find each other using tag based search which describes “who they are”, “what they are doing” and “what they are interested in doing?”
- **Comprehensive – knows everything about a specific community and shares it**: Information specific to the community can be published by anyone in a single location.
- **Meritocracy – better decisions**: A “helicopter view” and the “Wisdom of Crowds” means better, merit based decisions.
- **Knowledgeable** with community based linking of information to provide a “helicopter view” of each member and the community or ecosystem.
- **Efficient** – simply reproduces what people do everyday in an online community.
- **Simple, standard processes** – standardised business processes and managed workflows.
- **Pervasive** – reaches people within existing structures to align organisation and community goals.
- **Universal** – enhances existing organisational structures or a new structure.
- **Effective** – effectively allocates resources amongst competing consumption and investment options.
- **Interoperable** – tag based data can be freely shared with search engines and other central brains.
- **Respectful** – each user can freely choose to participate, contribute, share, link or maintain their privacy (or anonymity).
- **Focused on valuable outcomes**: Members can influence outcomes with ratings, voting on priorities and incentives provided by members.
- **Adaptable and learns** with new features and innovations provided instantly by open source communities.
- **Ubiquitous**: Can coordinate the effort and wisdom of two billion people using web applications and the reach of the internet.

“CENTRAL BRAIN” APPLICATIONS

Financial markets
- **Equity Market**
- **Fueling the growth of SME’s**
- **Stock exchanges**
- **Information data providers**
- **Innovation Ecosystems**

Economic development
- **Democracy (national)**
- **National Application Network**
- **International Democracy/Governance**
- **Health Industry**
- **Climate Stability**
- **Education**
- **Energy and resource allocation**
- **Food**
Applying Web 3.0 “Central Brain” networks to financial markets and economic development

Equity Market 4.0
- **Equity Market 4.0** is a single global network for the equity market. It fuels the growth of SME’s globally, deepens participation, expands functionality and improves capital allocation.
- **Equity Market 3.0** recreates what people do in the equity market everyday in a Web 3.0 network for a country, financial centre or organisation.
- Each company, adviser and investor can self-publish 20+ types of information or link to third party content to create a single, comprehensive information “storefront”. A critical mass of “storefronts” improve transparency and market efficiency.
- Sustainable competitive advantage available to partners from memorable domain names in 20+ countries including the top 5 financial centres.

Economic Development 4.0
- **Economic Development 4.0** is how the world works after applying Web 3.0 (or Facebook) networks to social, industrial and political endeavours.
- **Web 3.0** person to person networks overcome the design limitations of Web 1.0 hierarchies to deliver global transparency, meritocracy, productivity, accessibility and better decision making.
- We can create the Web 3.0 networks on the Critical Path to Economic Development 4.0 in 90 days.
- We will need the world’s entrepreneurs, philanthropists and statesmen to engineer and inspire their use.
- One global Web 4.0 network can replace local Web 1.0 hierarchies. Examples include Democracy 3.0, fuelling the growth of SME’s with Equity Market 3.0, Climate Stability 3.0, UNITED (International Governance 4.0) and Health Industry 3.0 plus patient health record.
- Other potential Web 4.0 networks include Education, Resources, Food, Energy and Oil. Peace may be an outcome of UNITED (International Governance 4.0), Democracy 3.0, Education 3.0 and Equity Market 3.0.
Equity Market 3.0 recreates what people do in the equity market everyday in an online network!

It is available in a 5 day “Lightning Strike” workshop

- Equity Market 3.0 applies the lessons of social networking and open source to the equity market.
- Equity Market 3.0 distributes 20+ types of information and facilitates collaboration amongst companies, advisers and investors in a semantic peer to peer network.
- A five day Workshop (“Lightning Strike”) delivers a template network to partners
- A partner can then customise and launch the network in 30-90 days.
- Partners include:
  - Investors
  - Social networks
  - Stock exchanges
  - Entrepreneurs
  - Information Data Providers
  - Government
What are the financial investor value propositions?

- **Highly valued by investors**: Social networks are highly valued. Industry networks are likely to have even greater value and represent the next investment opportunity – Industry 3.0!

- **High ARPU**: An online industry network could have an ARPU of $1,000 because it manages valuable industry information that participants are willing to pay to publish and pay to view. Typical social networks have an Average Revenue per User of $2-25 per annum. The information is not valuable.

- **Billion dollar revenue potential**: With an ARPU of US$1,000 per user, a community of one million people would deliver one billion dollars in revenue.

- **Rapid growth to millions of users in short time frame possible**: It is not unusual for social networks to acquire millions of customers rapidly.

- **Leverage the internet to reach two billion people at almost zero cost**: Internet users have grown from 360m in 2000 to more than 2 billion in 2011.

- **Reach higher growth markets** across the world, particularly Asia, China and India.

- **It can scale elastically** on demand to service a growing user base.

- **High profit margin**

- **Low and early break-even point**: The cost of deploying could be as little as a few hundred thousand dollars. It can be launched with 4-5 people.

- **The community creates knowledge which reduces the cost of creating a quality market exponentially**: The community creates knowledge by self-publishing, linking and rating content (not staff).

- **Minimal staff**: Equity Market 4.0 may never need more than 30 people to operate it.

- **Sustainable competitive advantage from a unique global portfolio of domain names**: Equity Market 4.0 derives sustainable competitive advantage by offering each storefront a memorable email and web address from hundreds of unique domain names which include "equitymarket" in 20+ countries.
What are the strategic investor value propositions?

SOCIAL NETWORKS AND SEARCH ENGINES

- Increases pages viewed and visitors during working hours to drive more advertising revenue and increase data quality
- Managing industry interactions drive higher ARPU: Social networks have relationships and manage social interactions of people working in financial markets. Higher ARPU can be earned by managing industry interactions.
- Overcome “stickiness” of competing networks or increase your own networks “stickiness” by offering Industry 3.0 income opportunities and lifestyle benefits: Users may not switch networks even if offered a better service. However, they may join a network that offers prospects for income and an alternative lifestyle.

INFORMATION DATA PROVIDERS

- A higher valuation multiple could be attracted from investors by applying or adding a social network model
- Reach beyond Web 1.0 proprietary technology and expensive channels to 2 billion internet users across the world with a cheaper Web 3.0 network using standard internet technologies and devices.

STOCK EXCHANGES

- The Stock Exchange industry is consolidating in mergers worth trillions of dollars. According the ASX Chairman, the reasons for consolidation are:
  - a merger creates the scale to sustain large technology expenses and the need to provide product and service diversification
  - a merger creates a larger player of more regional relevance
  - a merger expand the footprint globally and helps retain key staff
  - a merger expand the range of products and services that could be offered to [local] investors
  - a merger increase the visibility within the global investment community of [local] companies and give them deeper capital from a deeper pool of liquidity
  - a merger creates a broad international palette of products and services is needed to remain competitive against international competitors
- A Web 3.0 strategy is faster, cheaper and better than industry consolidation.
- Alternatives to industry consolidation is required. Industry consolidation may be prevented by competition and concerns about “National Interest”
- A Web 3.0 network delivers the benefits of industry consolidation by attracting a regional or global audience to a local exchange by applying the lessons of social networks and open source

COUNTRIES

- “To achieve the coherence, flexibility and responsiveness necessary for effective innovation policy, the national government requires a ‘central brain’ that is well informed, can take the overview and assume strategic leadership”
- [Satisfies] the need for, and ability to provide, a ‘helicopter’ view of the overall innovation ecology of the country;

Home page – local look and content in each country
Hong Kong

world class financial centre and gateway to China

With a central location in east Asia and with a rapidly growing Mainland China as its hinterland, the Hong Kong Special Administrative Region is an international business, trade and financial hub. Building on its traditional free market economic policy, Hong Kong has developed into a modern, vibrant and cosmopolitan services economy, underpinning the role of the city as a global business platform.

Hong Kong’s online financial market

The key entrances to Hong Kong’s financial market are listed below:

- www.financialmarket.hk
- www.cashmarket.hk
- www.debtemarket.hk
- www.bondmarket.hk
- www.equitymarket.hk
- www.forexmarket.hk
- www.derivativemarket.hk

How to participate?

You can incorporate in Hong Kong and benefit from low corporations tax, no withholding tax, location in one of the world’s leading financial centres and a network of tax treaties.

How we can help?

Our online industry network provides a virtual presence in Hong Kong, transparency by publishing your content online and a means to be found by others with tag based search. You can also set up web and email forwarding for your profile using memorable Hong Kong financial market domain names covering multiple asset classes. These may overcome the disadvantage of operating from a foreign finance centre and allow you to benefit from all that Hong Kong has to offer.

Please see our special offers for those setting up in Hong Kong in our online store:

The Hong Kong profile is also your gateway to different types of Hong Kong content. Please browse the content by using the vertical menu available in the Hong Kong country profile.

By: Marcus Cake CEO, Equity Market Limited [details | Web site]

Modified: 1995-07-01 07:00:00 PM; Expires: 1995-07-01 07:00:00 PM

Print | Email | PDF | Link to my content | Add to my watchlist | Rating | Discuss
Each company can self-publish 20+ types of information or link to third party content to create a single, comprehensive information “storefront”.

Each company can self-publish 20+ types of content
Each company can be found using tag, or semantic, based search

Comprehensive tags to deliver a productive result

Tags provide a quick summary of the company
The Web 3.0 network “Hack” is a disruptive design that delivers transparency, accessibility, collaboration, meritocracy, openness, self-determination and integration (in 30-90 days)

- The Harvard Business Review-McKinsey M-Prize for Management Innovation, defines a Hack as “a disruptive idea, radical fix or experimental design” that applies Web 2.0 values (including transparency, collaboration, meritocracy, openness, community and self-determination) that can unleash and “overcome the design limits of Management 1.0 (or Web 1) and help to create Management 2.0 (or Web 2.0)”
- The Web 3.0 network “Design” applies Web 3.0 principles to all social, industrial and political endeavours to create Web 3.0 networks or structures using a cloud-based open source content management system to tag and link the people and content within a community of common interest to facilitate information distribution, collaboration and workflow to deliver quality community outcomes. A single person can engineer a Web 3.0 network for any field of endeavour in 30-90 days!

- Web 3.0 networks deepens participation to lower tiers, expands features or functionality and integrates previously separate communities in social, political and industrial structures.
  - **Deepens participation**: Participation reaches lower tiers by using a Web application to connect all participants in a P2P network.
  - **Expands features or functionality**: The network reproduces what people do everyday online allowing new features and functionality to be added by simply adding new software functionality from open source software communities.
  - **Integrates separate groups**: Integration occurs as transparent open web networks transcend, complement or replace proprietary limited information channels needed before the internet.

- **Equity Market 3.0** is a national, finance community of companies, advisers and investors.
  - **Deepens** the market by facilitating service and capital delivery beyond major companies to SME’s, new ventures and innovation.
  - **Expands features and functionality** beyond prices to include comprehensive information distribution, facilitate collaboration, manage workflow and execute outcomes.
  - **Integrate countries and markets**: A transparent Web 3.0 network transcends traditional distribution channels with a single web application which simply treats disparate groups or countries as another tag to differentiate common content across a global community.

- The community can engineer Web 3.0 networks for global social, industrial and political endeavours to create Economic Development 4.0.
We are on the brink of a shift to global person to person networks!

- In the last one hundred years, we have used the hierarchy and proprietary channels to connect, organise and focus the effort of the global community. This structure offered limited community access, was opaque and resulted in less than optimal decision-making.

- In this Web 1.0, we “read” from the web as hierarchies distributed information.

- In Web 2.0, we “write” to the web and learnt the possibilities of peer to peer networks by participating in social networks.

- The internet has grown to connect a billion people and anyone can use it without cost or restriction. The internet enables a new transparent and accessible structure to organise and focus effort - Web 3.0, or person to person, networks.

- In Web 3.0, we “execute” on the web and collaborate to toward outcomes in communities of common interest. They harness the "Wisdom of Crowds" for superior decision making and focus collective effort to deliver the same commercial and community outcomes as the hierarchy.

- In Web 4.0, we “link” or “share” to integrate social, political and industrial endeavours around the world for global community governance and execution.

- Hierarchy³: “Hierarchy-cubed” is the influence of Web 3.0 networks in hierarchies by encouraging members of the hierarchy to participate in a relevant Web 3.0 networks and align hierarchy goals with community goals.

**Engineerings**: We can create the Web 3.0 networks on the Critical Path to Economic Development 4.0 in 90 days!

**Inspiration**: We will need the world's entrepreneurs, philanthropists and statesmen to inspire their adoption!
Economic Development 4.0 engineers Web 3.0 networks (or blocks) to UNITE social, industrial and political endeavours national and internationally

- Web 3.0 will have a profound effect on financial markets and economic Development.
- Economic Development 4.0 is the widespread use of web based person to person structures by social, industrial and political endeavours to deliver global transparency, meritocracy, accessibility and productivity. These endeavours include democracy, health, financial markets, education, processes of innovation and entrepreneurship.
- Economic Development 4.0 is the process of building national or international blocks in finance, education, health, government and other endeavours.
- Equity Market 3.0 is a “National” “Finance” “Community” applies the principles of social networks to the financial markets.
- Equity Market 4.0 is the integration of National Equity Market 3.0 networks to create an “International” “Finance” “Community”.
- Other applications of Web 3.0 networks include Education 3.0, Resources 3.0, Food 3.0, Energy 3.0, Oil 3.0 and Democracy 3.0
- Some global issues are outcomes of other networks. For example, Global Peace 4.0 may be an outcome of UNITED 3.0, Democracy 3.0, Education 3.0 and Equity Market 3.0.
- The hard part is consumer adoption which can be overcome with the inspiration from a few of the worlds greatest entrepreneurs, philanthropists and statesmen.
Equity Market 4.0 creates a global capital market by sharing content between country networks and differentiating between countries using tags.

**DEEPENS:**
Capital and service delivery to lower tiers from large companies to SME’s

**EXPANDS:**
more features and functionality

**INTEGRATES:**
a global market with transparency

- Global
- Liquidity
- Meritocracy
- Transparency
- Accessibility:
- Productivity
- Utilisation of people increases
- Global labour market
- Global capital market
- Improved capital allocation

**Benefits**
- Global
- Liquidity
- Meritocracy
- Transparency
- Accessibility:
- Productivity
- Utilisation of people increases
- Global labour market
- Global capital market
- Improved capital allocation
Equity Market 3.0 allows members to see industry content and facilitate collective distribution, matching, collaboration and execution in hours (not months).

- "I am looking for Spanish mining companies" Investor
- "I am making an investment in a foreign company. I need a local freelance adviser to monitor my investment" Investor
- "I am looking for internet and biotechnology companies in Asia Pacific?" Investor
- "I am looking for $5-10m Chinese technology companies to help grow" - Adviser
- "I need a lawyer, corporate adviser, underwriter, investors and broker experienced in UK technology listings Company"

Semantic or tag search to answer specific questions.
Fuelling the growth of SME’s, Ventures and Early stage innovation into fire breathing dragons from a “Lightning Strike” that grows from ripples to waves ...

Delivered in 5 days (“Lightning Strike”)

**Equity Market 3.0**

1. **Large companies (Blue chips)**
2. **SME’s (Green chips)**
3. **Ventures**
4. **Early stage innovation**

**Engineering**

Customised in 30-90 days

Recruit existing “National”, “Finance” “Community” organisations for inspiration and early adopters

**Inspiration**

Entrepreneurs
Endorsement to create and inspire adoption

Statesmen
Endorsement and aligning government tiers with common objective

Media
Partnership with TV (ie; Dragons Den reaches a community of 3m+ with an interest in ventures and innovation – Dragons Den 3.0?)

**Adoption**

Marketing

**Transform**

Integrate

Break-even

Share

Scalability

Accessibility

Cloud power

**Government**

Government departments participate to encourage and regulate

Existing community members
Incubators
Venture Capital Associations
Business Associations
Stock exchange
Non-government organisations

MarcusCake.com
Web 3.0 “Central Brain” for financial markets and economic development
Equity Market 4.0 will be crowdcreated in 365 days

- Equity Market 3.0 is an intersection of online social networks and financial markets.
- Equity Market 3.0 distributes information and facilitates collaboration amongst companies, advisers and investors in a peer to peer network.
- I aim to crowdcreate Equity Market 3.0 networks in 20+ financial centres in 365 days by establishing partnerships in each country with the “EquityMarket” domain name available in each of 20+ countries.
- Deliver a five day workshop “Lightning Strike” to create template networks for partners.
- Each template is created in five days and a partner can then customise and launch the network in 30-90 days.
- Widespread adoption of these networks is Equity Market 4.0.
- I will focus on five day workshops (Lightning Strikes) that spawn Web 3.0 networks underlying Equity Market 3.0 and Economic Development 4.0.

Details of countries and partnerships will be revealed by "Open letters", posts and "Country" pages at MarcusCake.com and summarised in later versions of this presentation.
Equity Market 4.0 Critical Path: The people and organisations that could build each country based Equity Market 3.0 network

- The Equity Market 4.0 Critical Path are the people and organisations that can create and inspire consumer adoption of Equity Market 3.0 networks in each country and specialisation

- Communities include:
  - Top 5 financial centres
  - Major financial centres
  - Specialist financial centres
  - Developing economies

- Potential partners include
  - Stock exchanges
  - Philanthropists
  - Online social networks
  - Entrepreneurs

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<thead>
<tr>
<th>Equity Market 4.0 Critical Path (speculative)</th>
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<td>&quot;EquityMarket&quot; domain names encompass 20+ countries.... Some potential partners below.</td>
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**Top 5 Financial markets**
- NYSE or NASDAQ - EquityMarket.net
- London Stock Exchange - EquityMarket.co.uk
- Tokyo Stock Exchange - EquityMarket.jp
- Hong Kong Stock Exchange - EquityMarket.hk
- Switzerland Stock Exchange – EquityMarket.ch
- Singapore Stock Exchange – Equimarket.sg

**Major financial markets**
- Ruler of Dubai – EquityMarket.ae
- Australian Stock Exchange - EquityMarket.net.au
- NZ Stock Exchange – EquityMarket.co.nz
- Barcelona Stock Exchange – EquityMarket.es
- & others

**Specialist financial centres**
- British Virgin Islands – EquityMarket.vg

**Developing countries**
- Google.org – EquityMarket.org
- George Soros – EquityMarket.gs

Details of other domains released shortly
A single Collaborative Macroexchange could service the global Equity Market community of companies, advisers and investors

- Equity Market 3.0 is not a stock exchange
- Stock exchange software could be added to Equity Market 3.0 to create “Collaborative Macroexchanges” for large financial centres or “Collaborative Microexchanges” for small or niche financial centres.
- A Cloud based "Collaborative Macroexchange" could perform the function of the global equity market with a greater degree of transparency, accountability and meritocracy.
- A "Collaborative Macroexchange" may:
  - not exist today, but could be created as fast as online social network of recent years
  - be spawned from a major financial centre (Hong Kong, Singapore, United Kingdom, Switzerland)
  - be spawned from a smaller financial centre (UAE, British Virgin Islands)
  - be created by a stock exchange, financial institution, country or online social network
  - leverage the "cloud" for unlimited reach, processing power and storage

+ STOCK EXCHANGE = COLLABORATIVE MACROEXCHANGE!
Problems within the Equity Market?

Problem

- Existing investment banking and equity markets are essentially a cottage industry with asymmetric information flows between potential customers, customers, advisors, brokers and sources of capital. As such they are highly ineffective and deliver bottle-neck returns to some brokers and investment bankers. The focus is on large companies.
- SME’s and early stage innovation find it very difficult to access correct skills and capital, while the full universe of experts and potential investors is not fully utilized.
- The global capital market is fragmented with capital markets, venture capital and innovation occurring in isolated pockets.
- There is an enormous opportunity in re-casting the financial services markets and service delivery by applying social networking concepts to the participants in these markets.

What is the meaning of “Equity”?

- In financial markets, equity mean “stock” or “shares” and defines how investor returns are distributed.
- In Law, “Equity is the name given to the set of legal principles, in jurisdictions following the English common law tradition, that supplement strict rules of law where their application would operate harshly” (to ensure fairness) Wikipedia
- Equity (economics), the study of fairness in economics Wikipedia
We can rely on the "Wisdom of Crowds" to run the world!

- The Wisdom of Crowds aggregated through Web 3.0 networks are likely to make wiser collective decisions than those currently made by single members of the group.
- Web 3.0 networks facilitate "the four elements necessary to form a wise crowd"¹:
  - diversity of opinion (each person should have some private information, even if its just an eccentric interpretation of known facts),
  - independence (people’s opinions are not determined by the opinions of those around them)
  - decentralization (people are able to specialise and draw on local knowledge)
  - aggregation (some mechanism exists for turning private judgements into a collective decision)
- In summary, we can rely on the Wisdom of Crowds to run the world through Web 3.0 networks on the Critical Path to Economic Development 4.0.

Source: ¹ The Wisdom of Crowds: Why the many are Smarter than the Few by James Surowiecki, 2004 and http://en.wikipedia.org/wiki/The_Wisdom_of_Crowds
Equity Market 3.0 – country and market benefits

- **transparency**: the community can find all market participants and content quickly through tag based search
- **capital effectiveness**: investors can apply capital quickly and diligently across competing markets and companies
- “To achieve the coherence, flexibility and responsiveness necessary for effective innovation policy, the national government requires a ‘central brain’ that is well informed, can take the overview and assume strategic leadership”
- “[Satisfies] the need for, and ability to provide, a ‘helicopter’ view of the overall innovation ecology of the country”
- **accessibility**: effectively service SME's below the radar in major financial centres (Collaborative Macroexchange 3.0)
- **market expansion**: increase the community of companies, advisers and investors active using a virtual platform for financial centres with small populations (Collaborative Microexchange 3.0)
- **productivity**: increase the utilisation of advisers and facilitate their contribution to SME's remotely
- **global market**: companies advisers and investors can participate in a global capital and labour market
- **reduce poverty in the Third World**: fuel the growth of SME’s in the Third World and earn income from remote services (Microequity 3.0)
- **enhance cross-border competition** between financial centres
- **expand labour pool**: deliver surplus labour in the Third World to satisfy a shortage of labour in the First World

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Equity Market 3.0 - Benefits to companies, advisers, investors and countries

Companies
- better advisers: find advisers with the qualifications, experience and speciality you need
- faster connections: connect in an afternoon with search, rather than develop relationships over decades
- a "White label" web site to distribute 20+ types of content
- an alternative way to find capital
- an alternative way to find people for projects and employment
- source from a global market - better talent, more choice, lower cost
- qualify earlier: minimise time spent learning about whether advisers and investors match your business requirements.
- on demand: use virtual services as required

Advisers
- a new way to work: online and international
- an alternative way to find investors and arrange private investment
- collaborate on international projects in virtual teams
- you could manage your client's content and earn additional revenue
- demonstrate your talent and skills by publishing

Investors
- international diversification: pursue international investments
- remote services: find virtual advisers to support your investment process with the qualifications, experience and specialty you need
- optimised incorporation jurisdiction: incorporate in a country optimised for your business
- an alternative way to find and invest capital
- source from a global market - better talent, more choice, lower cost
- qualify earlier: minimise time spent searching
- on demand: use virtual services as and when required
Stock exchange 3.0 – an Equity Market 3.0 strategy is better, cheaper and faster than industry consolidation … and a return to “Exchange Alley”

Past – Stock exchanges born in coffee houses

- “The term "bourse," which has become synonymous with "stock market," arose in Bruges, either from a sign outside a trading center showing one or a few purses (bursa is Latin for bag) or because merchants gathered at the house of a man named Van der Burse; nobody's quite sure.” Wikipedia
- “London's first stockbrokers, however, were barred from the old commercial center known as the Royal Exchange, reportedly because of their rude manners. Instead, the new trade was conducted from coffee houses along Exchange Alley. By 1698, a broker named John Castaing, operating out of Jonathan's Coffee House, was posting regular lists of stock and commodity prices. Those lists mark the beginning of the London Stock Exchange.” Wikipedia

Present – accelerating mergers amongst stock exchanges

The reasons driving the accelerating wave of mergers between stock exchanges are:

- a merger creates the scale to sustain large technology expenses and the need to provide product and service diversification
- a merger creates a larger player of more regional relevance
- a merger expand the footprint globally and helps retain key staff
- a merger expand the range of products and services that could be offered to [local] investors
- a merger increase the visibility within the global investment community of [local] companies and give them deeper capital from a deeper pool of liquidity
- a merger creates a broad international palette of products and services is needed to remain competitive against international competitors such as Chi-X Global

Future – virtual “Exchange alley” coffee houses

- Equity Market 3.0 delivers all the benefits of mergers using a Web 3.0 network
- Stock Exchanges are the best positioned to implement Equity Market 3.0.
- Equity Market 3.0 requires the stock exchange to deepen its service offering to lower tiers, expand beyond prices to collaboration and integrate with other groups and countries.
- In essence, Stock Exchange 3.0 is the virtual "Exchange Alley" coffee houses in which companies, advisers and investors originally met hundreds of years ago. The market is larger and their are more participants, but the fundamental principles of direct interaction between companies, advisers and investors remain the same.
- Equity Market 3.0 facilitates this interaction in a Web 3.0 network using an open source content management system to tag and link the companies, advisers and investors within the Equity Market to facilitate information distribution, collaboration and workflow to deliver quality community outcomes.
- It also adds new revenue streams from the collaborative services provided by Equity Market 3.0 including membership or subscription fees, fees to publish content to a specific date and, maybe, transaction fees.

¹ In retrospect – the ASX / SGX merger, By David Gonski (ASX Chairman) 2011 Annual Stockbrokers Conference
Web 1.0 stage of internet evolution: matching, learning and consuming content one individual at a time ... very inefficient!

MATCHING: Matching content by knowing and meeting people consumes time

LEARNING: Each individual learns about content and determine links

CONSUMPTION: Each consumer reviews a limited number of summaries before making a decision

Does this interest you? No!

Individual summarises content or assembles product for other individuals

There must be a better way ....
Evolution: Web 1.0 (distribution), Web 2.0 (participation), Web 3.0 (collaboration) and Web 4.0 (integration)

- Online networks facilitate distribution (Web 1.0), participation (Web 2.0), collaboration (Web 3.0) and integration (Web 4.0).
- People think Web 2.0 ... industry are Web 1.0 ... people will leave industry and participate directly in Web 3.0 networks
- Web 3.0: individuals contribute directly to online industry and political networks, rather than opaque channels allowing a change in work/life patterns
- Web 4.0 achieves a critical mass of participation in online networks that deliver global transparency, governance, distribution, participation, collaboration in key community endeavours.
- Web 4.0 delivers community sovereignty to channels and information.
Convergence and competition for Industry 3.0!
Industry 1.0 expands into adjacent industries with social network strategy and social networks move into industry in pursuit of higher ARPU

**Stock Exchange**
(two types of content - prices and announcements)
- Expansion into adjacent market
- Subscription revenue

**Content Management**
(20+ types of content for community of common interest)
- Expansion into adjacent market
- From profiles to broad industry content

**Online social networks**
(Profiles)
What are the key elements of a Web 3.0 online network?

Community of common interest
- Common interest (industry, political)
- Focus collective knowledge and effort
- Individual contribution toward objectives through content

Individual branding
- Community ratings of individuals become more important than company branding

Memorable domain names
- Singular two word generic names
- Represent market participants or functions
- Memorable URL’s for profiles
- Email addresses for members

User created content
- Profiles of market participants
- Content (classifieds and news) encompasses all information in target market
- Individual contribution toward objectives
- Self-published content

Distributed, borderless management
- Quality managed by community and supervised by network owners/sponsors
- Network management, development and support is distributed across borders coordinated by groupware technology

Attractive target market
- Opaque channels and cottage industries
- Web 1.0 only
- Premium pricing
- Valuable information – members willing to pay to view or distribute

Member subscriptions
- Valuable information – members willing to pay to view or distribute
- ARPU $1,000+
- Transaction fees on value created

Scalable open source web applications
- Scalable
- Open source for innovation and maintenance of basic functionality
- Modified for target market

Collectively self-publish, match, learn, consume, collaborate, distribute information and execute in the target market

On demand “Cloud” web hosting
- Amazon Web Services provides cheap, scalable web hosting that automatically scales depending on user demand

MarcusCake.com
Web 3.0 "Central Brain" for financial markets and economic development

CC BY NC SA
The integration of four Web 3.0 network purposes delivers exponential productivity

**Information (distribution)**
- Web 1.0 web sites distribute information from publisher to consumer

**Collaboration (applications)**
- Personal applications allow the individual to live, work and play online
- Enterprise applications put businesses online
- If people and businesses are online, then dynamic new ways of working are possible
- Prototype provides additional information, specific examples and potential business model

**Content (management)**
- Semantic profiles using hundreds of tags
- Peer to peer content views – see what any particular item of content is linked to
- Focussed on defined communities of common interest
- “White label” web site for each community participant showing links to all other community content (see screenshots)
- Anyone can publish and invite links, but links must be accepted before forming part of a profile
- Prototype provides additional information, specific examples and potential business model

**Communication (devices)**
- Devices provide voice and data exchange between two points
- Devices also integrate with Alerts based on new content meeting tag criteria
- Prototype provides additional information, specific examples and potential business model

Information relevant to the community delivered in real time ... as specified by a user in their watchlist or user account

Web 1.0 distribution models upgraded with hundreds of tags and interaction

Individuals can collaborate via devices – record transactions, approvals, review

Alerts of new content: new jobs, new projects, new articles, new videos

Link requests: addition to health record

Action new content: apply to work on projects, approve links
A Web 3.0 Online network performs four basic functions –

- information distribution
- communication devices
- content management, and
- collaboration applications (personal and enterprise).

Each of the four elements integrates with the other. Communication devices integrates applications and content. ie; a mobile phone is integrated into the enterprise applications. Alerts notify user of new content with certain tags.

Equity Market 3.0 could be part of a National Application Network. The screenshot from the NAN describes this in greater detail.
The NAN moves beyond content management to providing applications. The NAN provides single sign on for each citizen into a library of applications for its citizens.

This includes:
- Accounting systems
- ERP (to manage a business)
- Customer Relationship Mgmt
- Human Resource Management
- and others deemed critical to running social, industrial and political endeavours

Free Software is ideal because:
- designed for the web
- can be unconditionally shared
- can be easily integrated into the NAN with a single login.
National Application Network delivers exponential personal, enterprise and national productivity

It is applications that drive national productivity, not bandwidth. The apps contributing the greatest productivity use the lowest bandwidth.

The NAN integrates the following four purposes to deliver exponential productivity:

- information distribution
- communication via devices and internet
- content management for multiple communities of common interest (social, industry and political structures)
- collaboration applications
  - personal
  - enterprise

Content functions includes: Equity Market 3.0, Health Industry 3.0, Democracy 3.0 and others.

The integration of NAN 3.0 into a global network creates NAN 4.0, or a Global Application Network (GAN).
First world labour shortage of 33m people could be supplied by the third world by integrating "content" and "apps" in a National Application Network

The integration of four purposes provides the opportunities that drive productivity.

80% of enterprises can use the standard NAN enterprise software ... with community benefits from integration!

One example - Add new people to your business in an hour!
If you need some extra people to run your business, search for them (ie; NSW payroll executive), read their profile, see their availability, check community feedback/ratings, call them on Skype and then provision them on your Enterprise software ... in an hour!

There is a significant shortage of skilled labour in the first world (33m people) ... this approach could tap the labour pool in the third world

Content + Apps = Productivity
Web 3.0 “Community execution” is more efficient than Web 1.0 “Opaque channels”
The next evolutionary stage of the internet will apply disruptive technology and create new structures

- **Web 1.0 structures created out of necessity**
  Government needed to convey ownership of community knowledge to private enterprise with a system of intellectual property to encourage investment in innovation and the creation of information distribution channels.

- **Financial markets**
  Investment banking and equity markets are essentially a cottage industry with asymmetric information flows between potential customers, customers, advisors, brokers and sources of capital. As such they are highly ineffective and deliver bottle-neck returns to some brokers and investment bankers.

- **Small and medium-sized companies**
  find it very difficult to access correct skills and capital, while the full universe of experts and potential investors is not fully utilized.

- **Professionals and workers**
  The knowledge and wisdom of each person is a result of their education, experiences and reading from the community. Individual knowledge and wisdom is shared through proprietary channels developed over the last hundred years.

- **Relationships not content are central**
  Market participants build relationships over decades, retain their knowledge and deal with people that they can meet for coffee within an hour of where they live. The number of opportunities for review is limited.

- **Web 3.0: Community execution**

  **Economic development**
  The internet provides free point to point information distribution. “Open source” software communities demonstrate innovation is not dependent on a profit motive.

  Proprietary channels are no longer necessary to encourage innovation or distribution channels. Web 3.0 provides a more efficient way for people to distribute information and facilitate collaboration to conduct business and community in virtual clouds.

  **Financial markets**
  Online industry networks allow market participants to see straight through a market and collectively to see straight through a market and collectively self-publish, match, learn, validate and consume financial market content in hours (not months).

  **Professionals work through online networks**
  Individuals manufacture content. The internet provides them with a point to point distribution channel. Individuals do not need to join an organisation to get distribution – they will distribute information using online networks.

  **Content not relationships are central**
  The consumers of information will review many opportunities using tag based search and choose to execute those based on merit.
• Equity Market 3.0:
• functionality and screenshots
Equity Market 3.0 is available in a 5 day Lightning Strike!

- The web application is operational
- enable companies, advisers and investors to do what they do everyday in an open, transparent internet platform
- Easy to setup, modify and maintain
- Global scalability
  - Operates on Amazon “cloud”
  - Unlimited storage and processing power
- 20+ types of content
  - Profiles, Classifieds, News
  - Tag-based (or semantic) search
  - Self-publish
- Multiple revenue sources
  - Differential pricing dependent on content and country
  - pay to publish each item of content til expiry date
- Custom URL's & email addresses for members using the “EquityMarket” domain name in 20+ countries
- The 5 Day "Lightning Strike" (Workshop) delivers to a partner an Amazon server image with a working Web 3.0 network that can be customised and launched in 30 to 90 days. Please see screenshots for an example of outcomes.
Memorable domain names in 20+ countries are available

- Memorable “EquityMarket” domain name is available in 20+ countries
- The details of the domain name portfolio will be progressively released by:
  - publication at www.marcuscake.com/countries to registered members
  - publication of "Open letters" to potential partners with a specific interest in applying Equity Market 3.0 in the country represented by the domain name
  - please subscribe to MarcusCake.com RSS feed and Twitter
  - please subscribe to Google calendar feeds for events (including domain names)
- The next version of this presentation will contain a detailed overview of domain names
Virtual financial market
beyond collaboration and distribution – the system could expand to incorporate other asset classes
Adviser search - comprehensive tags delivers specific results

Tag based search from comprehensive tags library

Tags within results provide a quick intro to the adviser
Each member pays to publish content until an expiry date

<table>
<thead>
<tr>
<th>Title (type)</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equitymarket.net commences operations (Announcement)</td>
<td>June 30th, 2009 05:59:00 PM</td>
</tr>
<tr>
<td>Taiwan (Country)</td>
<td>December 31st, 1969 07:00:00 PM</td>
</tr>
<tr>
<td>Sweden (Country)</td>
<td>December 31st, 1969 07:00:00 PM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Adviser)</td>
<td>December 19th, 2009 12:22:00 AM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Adviser)</td>
<td>June 30th, 2009 12:52:00 AM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Adviser)</td>
<td>December 31st, 1969 07:00:00 PM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Company)</td>
<td>June 30th, 2009 05:59:00 PM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Investor)</td>
<td>June 30th, 2009 05:59:00 PM</td>
</tr>
<tr>
<td>Equitymarket.net commences operations (Company)</td>
<td>June 30th, 2009 05:59:00 PM</td>
</tr>
</tbody>
</table>

Displaying results 1 to 10 out of 49
Members can watch content or be notified of new opportunities based on their nominated search tags

You could be notified of new content based on specified tags on your smart phone eg; new "projects" or "employment" posted by companies or in a specific sector, new "technology" "research"

<table>
<thead>
<tr>
<th>Content type</th>
<th>Title</th>
<th>RSS feed below</th>
<th>Email newsletter delivery times</th>
<th>Remove from watchlist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Equity Market Limited</td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Investor</td>
<td>Online network</td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Adviser</td>
<td></td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Adviser</td>
<td></td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Article</td>
<td>Dubai can build unprecedented infrastructure, but will they come?</td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Article</td>
<td>The Isle of Man as a home for ebusiness</td>
<td><img src="rss" alt="RSS" /></td>
<td>M: T: W: Th: F: Sat: Sun: Changed</td>
<td>remove</td>
</tr>
<tr>
<td>Company</td>
<td></td>
<td><img src="rss" alt="RSS" /></td>
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<td>remove</td>
</tr>
</tbody>
</table>

Your personal RSS feed
Note: Your personal RSS feed aggregates all feeds in your watchlist.
Custom URL and email forwarding management
Each profile can setup a custom URL and email address multiple domain names

Memorable domain names

Email forwarding
Members can be given their name@corporateadviser.[country] email addresses which forwards to their nominated email address

www address for profiles
A memorable www address like techcompany.equitymarket.[country] could forward to the company's specific profile

In P2P networks in Web 3.0, individual branding from generic domain names may be memorable and supersede Web 1.0 individual branding provided by institutions
The Equity Market 3.0 network provides content management for the equity market.

To create another type of Web 3.0 network for any other social, industrial or political endeavour, you just rename/add the participants and the content.

Other fields of endeavour
- Education 3.0
- Resources 3.0
- Food 3.0
- Energy 3.0
- Oil 3.0
- Democracy 3.0

Some global issues are outcomes of other networks. For example, Global Peace 4.0 may be an outcome of UNITED 3.0, Democracy 3.0, Education 3.0 and Equity Market 3.0.

The hard part is consumer adoption which can be overcome with the inspiration from a few of the world's greatest entrepreneurs and philanthropists.
What next?

Participate

- Register as a "Member" to access restricted content
- Subscribe to the RSS feed at MarcusCake.com
- Subscribe to Marcus's Twitter account
- Subscribe to "events" via Google Calendar feeds
- Join the LinkedIn Groups
- Review Picasa photos and screenshots
- Make contact with Marcus Cake by sending him an Invitation to Connect on LinkedIn
- Participate in the MarcusCake.com Forums
- Embed our presentations in your web site

Distribute

- Embed the Slideshare presentations
- Help me connect with people that can help or want a Web 3.0 turnkey network
- Read my "Open letters" and help me connect with the addressee

Collaborate

- Assemble the pieces to create a Web 3.0 network
- Collaborate on the presentations
- Potential partners can contact Marcus on Skype or via LinkedIn
Marcus Cake – Web 3.0 evangelist and corporate adviser

- Marcus Cake is principal of Marcuscake.com and has 15 years experience as a venture capitalist, technology investment banker (mergers and acquisitions) and as a software entrepreneur. He has seven years of tertiary education.
- Marcus is passionate about applying social networking and open source principles to financial markets and economic development.
- Marcus holds a Bachelor of Economics and a Master of Business Administration from the University of Western Australia. He also studied a Bachelor of Laws degree (partially complete) and acquired specialist knowledge in international tax, advanced corporate law and mining and energy law.
- He also holds a Postgraduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (now FINSIA). From 1999-2001, he was a marker of student assignments and exams for the Securities Institute of Australia in the Postgraduate Diploma unit in mergers and acquisitions.
- Additional information is available from www.marcuscake.com/about
Our “Web 3.0 online network” services

1. Review strategy
   - Review of existing product mix
   - Potential application of Web 3.0 to industry
   - Determine requirements
   - Structure of content within community
   - Complementary communication
   - What is the structure of the online network
   - What is the cost and return on investment

2. Build “Turnkey” online network
   - We will create the Web 3.0 prototype
   - Modify the web application to requirements
   - Operational on Amazon cloud
   - Leverage collective innovation of open source
   - Elastic web hosting that increases with demand
   - Rapid development

3. 5 Day "Lightning Strike" Workshop
   - Delivery of a Template Web 3.0 network
   - Customise for your own strategy
   - Launch in 30-90 days
   - available to assist further (if required)

4. Search for partners
   - What are the partnering options?
   - Who may be strategic or financial investors
   - How can traffic and the user base be increased
   - What are the complementary elements of the Web 3.0 network?
Acknowledgements

• **About the Author**
  http://www.marcuscake.com/about
  Marcus Cake is principal of Marcuscake.com and has 15 years experience as a venture capitalist, technology investment banker (mergers and acquisitions) and as a software entrepreneur.
  He has seven years of tertiary education.

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EQUITY MARKET 4.0:
WEB 3.0 NETWORKS CAN FOCUS THE WISDOM AND EFFORT OF CROWDS TO ACHIEVE A DEEP, FEATURED AND GLOBAL CAPITAL MARKET

Large companies (Blue chips)
SME's (Green chips)
Ventures
Early stage innovation
Developing countries
Specialist financial centres
Major financial markets
Top 5 Financial Markets
Prices
Content management
Collaboration
Workflow

DELLEPPING
EXPANDING
INTEGRATING

An Economic Development 4.0 network

Delivered in 5 days! Available in 90! Transformation in 365!