Bloom

Decentralized credit ecosystem

MESSARI

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Bloom is a decentralized end-to-end protocol for identity attestation, risk assessment and credit scoring.

The project plans to allow both traditional and digital currency lenders to serve people who currently cannot obtain a bank account or credit score. It consists of an identity system, a system for reporting current and historical debt obligations, and a credit scoring system. The network will use the Bloom token (BLT) for payments on the network and governance.

Project Overview

Name	Bloom Protocol
Issuer	Bloom
Category	Utility Token
Sector	Credit
Sale Start	12/27/2017
Sale End	01/04/2017

Token Overview

Name	Bloom
Symbol	BLT
Type	ERC20
Initial Distribution	75,000,000
Current Supply	75,000,000
Max Supply	150,000,000
Emission Type	Fixed

Resource Links

- Website
- Twitter
- GitHub
- Telegram
- Medium
- Whitepaper

Project Background

Bloom is attempting to build a decentralized credit system called the Bloom protocol. The team plans to create an entire credit system including identity, credit scores, and credit cards for unbanked individuals and regions that lack robust credit infrastructure.

The platform is designed for any lender, whether it be digital assets or fiat currencies, to evaluate the creditworthiness of borrowers without traditional credit scores. Bloom is creating own credit score for the platform called a Bloom score.

Bloom plans to incorporate an identity attestation system where the participants of the network manage identity creation. A user's identity can be verified by existing providers, like a credit bureau or identity service, or by peers, such as friends or family. Bloom token holders will be able to invite new users to the platform and vouch for their identity or character by "staking" their reputation. If a user vouches for someone that ultimately defaults on a debt that user will see their Bloom score decline. Likewise if users stake individuals that pay back debts on time they will see an increase in their score. In addition the platform will provide a credit registry to track repayment of debts and a credit scoring system.

Technology

Bloom is being built on the Ethereum blockchain and IPFS. The goal is to create a decentralized protocol for credit tracking and scoring allowing credit scorers, lenders, and borrowers to get a comprehensive view of consumers' creditworthiness. There are three core technologies that will power the Bloom protocol; BloomID, BloomIQ, and BloomScore.

BloomID is an identity management system for the Bloom protocol, providing a unique ID not tied to existing identifiers like social security numbers. In order to verify new users the platform will rely on existing outside identity providers to attest to a users identity. These providers will be required to go through an application process, and once approved can verify identities, through name, date of birth, and address, in return for Bloom tokens. Verified users will then be able to build up a reusable identity by referencing previously validated identities in their credit applications, referring to the users' public key.

Individual users will also be able to verify details of users, such as the birth date of a friend, by staking a small amount of tokens. After a year passes these tokens will be returned to the verifying individual. Bloom plans to use this as a method to prevent fraudulent actors from spamming the network with fake users and having those users verify the identity of other fraudulent users.

BloomIQ is a system for reporting and tracking current and historical debt obligations for a specific BloomID. It is designed to take external sources of information such as traditional credit scores and augment them with blockchain based information from Bloom's partners and Bloom's credit card, BloomCard. Unlike traditional credit scoring systems his information will be provided to the lender upon a user application, but unless the user has already had a loan with this institution they will not provide specific details on loan balances, payment amounts, and other specific credit data. Loan providers may, however, request more information through a risk assessment provider who will then be responsible for gathering more information, performing attestation, and then staking collateral to this loan to ensure accuracy.

BloomScore is a comprehensive credit score based on all data available for a specific BloomID analyzed using multiple scoring phases. The initial score will be in a range of 0 – 100, with each phase responsible for a portion of the score. Phase one will be for new users who have not participated long in the network, and will be scored 0 – 20 based on how many stakes they have established. These stakes are the identity attestations as mentioned in BloomID. Once as user has added eight or more stakes they will achieve a score of 20. Scoring phase two will be an aggregate of the BloomScores of the participants that the user has staked, with a range of 0 – 30. If the user has only staked other users with high BloomScores, they will achieve a score of 30 in this phase and reach the total score of 50. Finally in phase three, the users' individual credit history will be assessed. This will include such information as longest repayment history, average payment total per month, number of past loans, and total amount paid across all reported information. This phase will be responsible for the back half of the 100 points, allowing users to reach the final maximum score of 100.

The platform uses the Bloom Token (BLT), which serves a number of roles. As the network currency, identity attesters and risk assessors will set their prices and receive payment for their services in BLT. It will furthermore serve as a proposal mechanism for making changes to the BloomScore phases and algorithms. Additionally, it will be used as a way of accrediting attesters, with organizations looking to be included paying BLT and attesters voting on the organization's inclusion receiving it. Lastly, in the early phase of the project, an invitation system for new users will be in place which will require to stake BLT as collateral to avoid the mass-scale set-up of malicious accounts.

The Bloom team has also launched its own blockchain credit card, BloomCard, built on the Bloom protocol. It's an Ethereum-based credit card that allows any user to get credit regardless of their access to a bank account or historical credit profile. This card is also key in bootstrapping their BloomIQ product. By gathering credit data from the users of this card, Bloom will have a fundamental base of credit history to gauge creditworthiness among the BloomIDs. It is not the intention for Bloom to become a large-scale credit provider and the card is more intended as an example for other lenders.

Distribution

Bloom completed a token sale between Dec. 2017 and Jan. 2018. The project raised $40 million, coming in short of the $50 million hard cap. A total of 150 million BLT exist with 50% of supply distributed to token sale participants (75 million BLT). The project retained 40% of supply (60 million BLT) for future expenditures. The remaining 10% (15 million BLT) was allocated to the community including key advisors, lenders, partners building on Bloom, bounties, and community incentives.

Team

Jesse Leimgruber
Co-founder

- Previously ounded NeoReach and Rank Executives
- Computer Science graduate at Stanford, Thiel Fellow and graduate of Founder.org

Ryan Faber
Co-founder

- Founder of growth accelerator Flatiron Collective, and blockchain firm Protocol X

Alain Meier
Co-founder

- Co-founder of identity management system Cognito
- ○ Computer Science graduate at Stanford and research scientist at Stanford Bitcoin Group

John Backus
Co-founder

- Co-Founder of Cognito

Advisors

Meg Nakamura
Co-founder and CEO of Shift Payments

David Raphael
CEO of Infinity Media Corporation

Devon Zuegel
Freelance software engineer and writer at Affirm Inc.

Luis Cuende
Project lead and co-founder of Aragon

Joey Krug
Co-Founder of Augur and Co-CIO at Pantera Capital

Additional Resources

- Bloom Token Sale Announcement
- Introduction to the Bloom Protocol
- Bloom Partnership Round Up
- Introducing Bloom: The Future of Credit
- Bloom Community Alliance Program