

LATEST NON-FUNGIBLE TOKENS(NFTS) TRENDS IN JAPAN -September 2021

The non-fungible tokens (NFTs) trading market has expanded rapidly this year. NFTs are digital certificates that used to certify ownership to an asset, and allow it to be transferred or sold. These certificates are protected by blockchain technology, similar to the technology that supports Bitcoin and other crypto assets.

NFTs can be bound to some commodities in the real world due to their non-fungible and inseparable characteristics. In other words, it is actually a digital asset. This asset can be game props, digital artwork, tickets, etc.

Major actions related to the Financial Services Agency in "Growth Strategy (2021)" (Cabinet Secretariat on June 18, 2021)

- Utilization of new digital technologies such as blockchain
Establishing and maintaining a business environment for non-fungible tokens (NFTs) and security tokens
- Chapter 2 "Concentration on Digitalization, which will be the Driving Force for New Growth Investment / Implementation and its Environment Improvement"

Japan Cryptoasset Business Association Announced Guidelines for NFT Related Business

Japan Cryptoasset Business Association (Hereinafter referred to as JCBA) published a guideline to encourage member companies to enter businesses related to non-fungible tokens (NFT). It aims to serve a secure environment for users by proper and smooth operation of NFT-related services by member companies. It also helps to develop a sound market and expand a wider range of product and service options.

Moreover, since the NFT is expected to spread to various fields regardless of industries in the future, JCBA will continue to actively engage in cross-frontier discussions with related organizations and government agencies. In addition to sharing awareness and deepening understanding of NFTs, JBCA plans to review the guideline as needed in response to changes in the industry and market.

Major Contents of Guidelines

- NFT use cases such as blockchain games
- Legal attributes of NFT
- Gambling
- Act against Unjustifiable Premiums and Misleading Representations
- Anonymity and privacy
- Security
- User protection
- Handling of new NFT

Gaudiy conducted a demonstration experiment to resell NFT-converted e-books

Gaudiy is a company develops platforms based on blockchain. It conducted a demonstration experiment to resell old books in the form of NFT-converted e-books in the summer of 2021.

In addition, since COMICSMART, which is famous for the comics app "GANMA!", participated in this plan as a partner company, further expansion of NFT comics market can be expected.

This approach aims not only to increase sales of e-books, but also to increase revenues for publishers and authors in secondary distribution, and it is expected to build a new profit scheme that has never existed before. More than that, it is possible to expand the purchasing base and increase the number of inflows to book stores.

NFT art work of VR artist Aimi Sekiguchi was bid at about 13 million yen

In April, VR artist Aimi Sekiguchi belonging to Creek and River Co., Ltd. , exhibited NFT art work to the auction service OpenSea. The art work was sold on the first day for about 13 million yen (69.697ETH).

Aimi Sekiguchi will continue actively involved in the production of VR art, including also NFT art in the future.

Yusaku Maezawa invests 480 million yen in NFT specialized blockchain development company

HashPort has been working on the NFT area since 2019. HashPort has been developing the NFT specialized blockchain "Palette" since 2020, and have been operating the test net since March 2021.

Yusaku Maezawa, the former president of ZOZO Inc., announced on August 3 that he has invested 480 million yen to HashPort, which handles the blockchain "palette" specializing in NFT. Mr. Maezawa and Hashport are planning to provide new services utilizing blockchain in the future.

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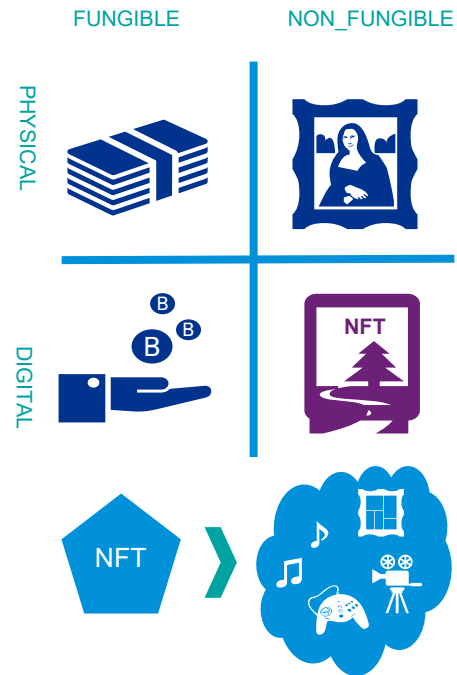
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The heavy metal band LOUDNESS sold new song at NFT

The heavy metal band "LOUDNESS" led by the world's most famous Japanese guitarist Akira Takasaki sold a new song on NFT.

NFT song was on sale from August 10th at the NFT marketplace "The NFT Record", which specializes in music. NFT selling that preceded the usual music sales is first time in Japan.

Japan's first physical NFT art exhibition held at Ultra Super New Gallery in Harajuku

The first physical NFT art exhibition in Japan called "CryptOKYO" was held at the Ultra Super New Gallery in Harajuku this year. The exhibited works are curated in collaboration with experts from NFT's major marketplace Blockchain Art Exchange and NFT's membership site GrowYourBase. The session was from June 26th to July 11th and from July 17th to 22nd.

This exhibition introduced the history of NFT, which started with GIF and reached 3D and concept style through trash art and vaporwave.

LOUDNESS is a registered trademark of Katana Music Co.

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