Whitepaper

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Fableration

Not For Proft. Open Source.

Blockchain as it was always meant to be.

FABLERATION FOUNDATION

www.fableration.com

Note

In this whitepaper, we use the words 'book', 'story', 'eBook' and 'ePub'. In many cases, we have done so to provide clarity or illustrate a point using language that helps the reader to identify with the problem or solution we are outlining.

The Fableration platform is a home for ePubs. We consider these to be written works of all kinds that have been published digitally by the rights holder and are available for download.

Table of contents

Introduction

The economics of today's publishing market are broken; writers struggle to reach an audience, and publishers are constrained by commercial pressure to play it safe rather than innovate. The net impact is that while it has always been hard to bring a book to market, it is now harder than ever to make a living from doing so.

The entire industry is dominated by outdated systems that concentrate profits at the point of sale. And while these systems have changed dramatically over the last hundred years, rather than taking fundamental leaps forward they have simply covered a broken spine with a glossy jacket. As a result and despite the technology the world has at its fingertips today, creators remain undervalued, underpaid, and under pressure.

At the same time, our minds are being polluted by an algorithmic fog. We consume half-truths and digest carefully crafted narratives designed to influence our thoughts and behaviour. Regardless of what we want, we are fed more of what we already know and like; more of the same. Without so much as a second thought, we consume what others have paid for us to see. And with every passing day, we lose a little more perspective.

All the while, our precious time is being stolen by the magnetic pull of social media. In whatever moments we have to ourselves, we now reach for a device and begin scrolling. Although we believe we make conscious decisions about what we do with our time, we hand much of it over to manipulative algorithms that suck us into a spiral of content that reinforces our likes and beliefs and locks us in an ever-shrinking bubble of isolation. But we only have so much time on this earth. It should be up to us how we spend it.

Fableration is leading a knowledge renaissance. As a not-for-profit foundation, our mission is to build a connected community that democratises storytelling and makes knowledge more accessible to all. Our platform will transform creative works into powerful tools for connection and growth in a mutually beneficial community. It will empower authors and publishers with fair royalties. And it will provide readers with access to affordable, transformative content.

Fableration integrates emerging technology, including the scalable objectivity and independence of Artificial Intelligence, with the human strength of community. It will be both guardian and guide; protecting readers from distorted perspectives and steering them towards more valuable and balanced insights.

At Fableration we aren't simply building a platform and hoping people will come. We are out in the streets, listening to bookstore owners, writers and publishers. Their pain is obvious; bookstores are going backwards, writers struggle for wages, and publishers are under significant pressure.

We believe the combination of Blockchain and AI technology can solve these problems. We feel there is an element of magic in the productivity gains that the ethical use of AI and the tokenomics of cryptography can unlock. Together, they have the power to turn the publishing industry into a thriving knowledge economy.

Simon Harding

CEO, **Fableration**

Brokenomics

Generally speaking, if a business is to make a profit, it must first cover its costs. The world's conglomerates didn't get to where they are today by bringing products to market at a loss. Where they spend millions of dollars researching, developing or manufacturing, these costs are baked into the end price they charge their customers. And in the months and years that follow, as these fixed costs are recouped, the price falls.

But there is one industry where this principle doesn't seem to apply at all. A book takes planning and research to pull off effectively, and most writers self-edit their work multiple times before they are even comfortable enough to show it to someone else. Writers spend months, if not years, crafting their end product and honing their skills. And throughout this time, they earn nothing at all from their manuscript.

To this point, it could be argued that the writer's journey follows a similar path to that of the multinational corporations; without a product in the market, there can be no financial reward for effort. However, from hereon in, their paths take different directions. When a business brings a product to market, the selling price is built around generating a return on this effort. But in the case of a writer, this effort is simply excluded from the pricing model.

In any other industry, it is also common for middlemen to add value to a product as it works its way through the supply chain. This value takes into account the initial cost of production—the supplier isn't expected to make a loss on the goods they produce and, likewise, the middle man also claims a reward. It is accepted that at these early stages of the supply chain, everyone must cover their costs, as failing to do so puts the entire supply chain at risk.

In the fiction market, it is the publishers who add value to an author's work. They bring their knowledge of the market and a suite of professional editors and designers to lift the product to the highest level possible. They also provide the capital injection required to give the book a voice in the market. But in the same way that the author is undervalued, the efforts of publishers are not assigned the value they deserve.

The economics of publishing are upside down. Rather than cost-plus pricing, or value-based pricing, what we see in the publishing industry is something more closely related to target pricing—where a price and a desired profit margin are set, and what's left pays for production. However, it differs in one very significant way. Usually, with target prices, the costs along the supply chain are taken into account. If the costs are too high to achieve the desired price and margin, the project cannot go ahead. In the publishing industry, there's a simple way around this: ignore the costs incurred by a writer and a publisher during the creation of the book.

The impact is felt most deeply by writers. When the time spent writing a book is considered, almost all writers operate at a loss. In a society where the cost of living continues to rise, this is simply unsustainable. And this is why more than half of the full time writers in the US—and no doubt the rest of the world—are unable to earn even the minimum wage.[1]

The publishing industry is built on outdated economic structures that prioritise profits over creativity and sustainability. Writers, the very foundation of the industry, are often the last to be compensated. Publishers fare little better; despite carrying all the financial risks of bringing a book to market, they too remain at the back end of the royalty queue. At the front, stand the faces of the industry; the physical and online retailers. The former deserve their place. They face a constant battle for high-street survival, and this comes at significant cost. Any store—no matter how large—can physically only supply a limited selection of books. Select the wrong ones, and it could spell disaster; get the right selection and create the right environment, and it could position the store right at the heart of the community.

But when it comes to online retailers, the story is different. Their costs are comparatively low, and their claim for reward is disproportionate. What's more, they have driven down the wholesale cost of physical books while continuing to rake in the profits. By the time the hat is passed down the line via the wholesalers and printers, all that remains for the creators is small change.

As with any rule, there are exceptions that prove it. We are all aware of the bestsellers that go on to make significant sums for the writer and publisher. But these are certainly not the norm. More than 90% of traditionally books fail to reach a sustainable audience, and even those that do often leave their creators with little by way of reward.[2]

The Challenge of Discovery

There is a certain joy in coming across something for the first time—a thrill that seems to be in ever-shorter supply in the modern world. Thanks to the proliferation of marketing budgets and algorithms, discovery is no longer accidental; it is deliberate. What we stumble across today is what has been purposely

[1] https://authorsguild.org/news/key-takeaways-from-2023-author-in
[2] https://ideas.bkconnection.com/10-awful-truths-about-publishing

An Author's Perspective

Firstly, as a reader I find the hardest thing is finding books that are a style match for what I want. Tropes, character briefs and plot points sometimes catch my interest, but I don't really care what the book is about most of the time. I gauge my next read by the opening page because I'm looking for something that takes my fancy - maybe slow and placed right in front of us. Every year, 500 million books are published, yet everywhere we go, we see the same few over and over again.

This kind of visibility is not a function of merit, it is driven by advertising spend and platform priorities; the more access a book has to marketing skill, budget and effort, the more chance it has of being seen. In today's world, while a clever author or publisher can game the algorithms, their best features are reserved for those who pay to play. There is nothing accidental about success.

This problem has been exacerbated by the exponential growth in the number of books being published each year. And when a system is under pressure, its deficiencies become more and more obvious. The traditional publishing model appeared to work well for several centuries, until the gates to market were flung wide open by the advent of online retailing and self-publishing. Suddenly, the throughput was significantly greater, and cracks that had existed all along became clear and obvious fissures.

Before the digital age, it made sense that what were, essentially, unique pieces of work were grouped into categories (genres and subgenres). After all, they represent a path to market; a way of predefining a market segment to make it easier to position a new release so it leverages a pre-existing customer base. If someone had read a murder mystery and was hungry for another, then there was a ready-made pool of new novels to choose from. These genres have carried over into serialised fiction and, in some cases, have allowed sites to differentiate from one another. Radish, for example, is known for its romance stories, whereas Royal Road is home to lovers of fantasy and science fiction.

There's no doubt genres are convenient. Each has its own set of conventions, or expectations. Mystery novels tend to have a complex plot, a cast of suspicious characters, and a satisfying resolution. Romance novels typically feature two main characters who fall in love and overcome obstacles to be together. Science fiction novels usually feature futuristic technology and explore social and political issues. These are the 'rules'—the argument is that if a reader buys a title in these genres, they know exactly what they are getting.

It could also be argued that genre prevents readers from being overwhelmed by the sheer volume of books being published each year; genre certainly helps readers to navigate bookstores, where there are relatively few books to choose from. But in the online world, the use of genre is a more difficult position to defend. A simple search of the fantasy genre on a prominent online marketplace brings more than 400 *pages* of search results. This is hardly an example of making books easier to find.

Genres can also be confusing, especially for new readers. This is because genre boundaries are not always clear-cut, and many books fit into multiple genres. The Guardian illustrated this perfectly by trying to clarify whether the 2022 Booker Prize-winning novel—*The Seven Moons of Maali Almeida*, by Shehan Karunatilaka—was a ghost story, a mystery, a thriller, or historical or speculative fiction.[3] Some genre distinctions also seem almost purposely obtuse; how many readers know the difference between romantic fantasy and fantasy romance? What is the difference between dark and epic fantasy? And does anybody really know how to define literary fiction?

From a writer's perspective, genre is both key and cage. On the one hand, it defines the market and lets a skilled writer tell a story that conforms to known demand. But that conformity also constrains a writer's creativity—even a great story's wings need to be clipped in order to squeeze into known parameters—a good editor will tell a writer that they must rewrite their manuscript if it clearly breaches the norms of a particular genre.

But this templated approach to storytelling is not the recipe for creativity.

It is the recipe for *same*.

[3] https://www.theguardian.com/books/2023/nov/27/the-big-idea-should-we-abolish-literary-genres

The Iron Rule of Algocracy

We live in a world dominated by *same*; a world in which the countless algorithms that track our every click are programmed to deliver us more of what we like; more of the *same*. On a daily basis, our world becomes more polarised, to the point where radical, norm defying positions are fast becoming the new mainstream.

Why? Because *same* is the entrance to a rabbit hole; the door to a rabid warren of furious agreement. And the deeper down it we go, the more distorted our perspectives become. Before long, all those in our cohort—all those we interact with online—think, feel and act the *same*.

But at what point did we agree to live zombified lives like this?

At what point did we accept that from hereon in our knowledge diet would consist of misinformation, falsehoods and downright lies—and that we would swallow them and come back greedily for more?

We have but a short period to make our mark on the world. For most of us, our time has already been commandeered by society. We must work so that we can eat. We must study so we can work. The time we ought to have to create our legacy has already been severely reduced. But what little we have left is also being stolen from right under our noses. In whatever moments we have to ourselves, we now reach for a device and begin scrolling. At first, we convinced ourselves we were staying in touch with our friends, but now we are so trapped in the clutches of social media that we don't even realise how much time it is stealing. And instead of training their creative brains, our children spend hours each day watching mindless videos posted by influencers who seek little more than fame and fortune.

We are in a spiral of *same*. Our time has been stolen. Our perspectives have been stolen—whether we admit it or not, we no longer have access to sufficient information from which to form them. If we continue down this *same* path, surrendering what makes us individuals merely to line the pockets of the *same* greedy billionaires, **how long will it be until our humanity deserts us too**?

Manifesto: A Publishing Renaissance

In a world that is suffocated by the relentless churn of mass-market mediocrity, there lives a greedy and tyrannical troll that feeds off the soul of storytelling. It guards the bridge every creative must cross if they are to access the market, and extracts an extortionate toll. Under its ruthless rule, countless stories have been commoditised and buried beneath millions of others—trapped at the mercy of self-serving algorithms that have reduced the crafting of words to little more than a transaction.

It is time to dismantle the bridge.

It is down to us, the storytellers, the dreamers and the builders of worlds to reclaim this crossing and rekindle the magic of storytelling. It is down to us to forge a new path to market that all who have a story to tell can follow, safe in the knowledge that their route to an audience is no longer blocked. It is time for us to remind the world just how much words matter; time to show them the value of our creativity.

The time has come for a return to the fundamental essence of storytelling and knowledge-sharing. It is time to bring the market together and demonstrate that in the world of words, the connection between readers, writers and publishers is the only currency that counts. It is time to break free from the brokenomics of publishing and the manipulation of algorithms, and return to a simpler world—one in which creators share their stories and knowledge with readers directly, without others profiting from their art. It is time for the new ways of finance and economics—tokenomics—to create a fairer way of bringing books to market. It is time to introduce our own system, our own currency of change, to bring back advantage and reclaim words.

It is time to strip back the unnecessary layers of control and interference that have made bringing books to market an unsustainable activity for so many. It is time for a transformation; a cultural shift, an awakening. Time for a new way of thinking that reclaims the best of yesterday and today, and integrates it with the promise of what tomorrow can bring.

Fableration is the new crossing. It is a renaissance, the rebirth of the publishing industry; a platform where every story shared, every connection made, and every voice heard removes another stone from a bridge whose guardian will soon command their last toll.

Solving the market's problems

Looking at the challenges all the players in the industry face, it's easy to understand why there hasn't really been a huge change in the way physical books are brought to market since the development of the printing press. Some might argue that by seizing an enormous market share and giving readers access to an almost infinite number of books, Amazon has remodelled the industry. But has it? Has it really? The roles of all the market players have remained the same as they were in the days before the internet giant began. All that has really changed is the location of the market, the nature of distribution, and the centralisation of profits.

What the market needs urgently is evolution. More precisely, it needs revolution; it needs those who bring words to market to demand better reward for their creativity.

Specifically, the market needs:

1. The creator and anyone who adds additional value to ePubs to be brought closer to the point of sale. The distribution of royalties must be turned on its head so that those who create take the lion's share, and those who merely take profit, take the last. What is needed is a way to increase an author's share of royalties. This may be through the development of alternative business models, through a redefinition of the roles within the industry, or through a not-for-profit platform that keeps the royalties in the hands of those who add value.

2. Digital books need to be treated as different products. eBooks are a simple and cheap way to bring a book to market. They represent an opportunity to cut significant time from a lengthy process. Instead of waiting to release an eBook at the same time as a physical book, an eBook creates an opportunity to bring a book to market in advance of a physical copy and start the process of returning an author's investment much quicker.

   Publishers, with the editors, designers and expertise they bring, add value to the end product. However, the sheer volume of stories from hopeful authors means they have fallen accidentally into the role of gatekeeper—a bottleneck that slows the process of bringing a book to market. By making the selection and production process more efficient, a publisher could bring more quality books to market, faster than ever before. If we can solve this problem, we can fling the gates to market wide open.

3. An adjustment in the perception of value. Good stories don't compete on price, and nor should they. When a new piece of technology is delivered to the market, it is priced to reflect its value. At the point of release, it should be at its highest price as those who want the earliest access to a story should pay more to read it. Over time, as the story contributes to the writer and publisher's sunk costs, the price should go down. The stories that carry the lowest prices should be the ones that have paid back the cost of producing them—including the time the author spent writing them—and more. If books are to retain their value in the market, the commoditisation of stories must end. We need to return to a world where books are bought for the promise of how they might enrich a reader's life, not what they cost. It is imperative that they are priced to represent the knowledge and enjoyment they will bring to the reader.

4. A level playing field. What the market needs is for every good book to stand a chance of being read. For this to happen, we need much purer search results that are not influenced by promotion and simply deliver what a reader is looking for. This new method of discovery needs to go way beyond genre. It should allow readers to search for their next read in whatever way suits them best.

Industry Perspectives

Readers, writers and publishers—while connected by their shared passion for books—have distinct needs from a solution. Fableration addresses them each as follows:

The Publisher

From a publisher's perspective, taking a book to market is a high-risk endeavour. This is because a publisher must invest in polishing a manuscript into its final form as a book, launch a wholesale marketing effort, and invest in a print run. And all this happens without any certainty that the book will succeed in the market. As a direct consequence, for every success there are countless failures, and these eat into the profitability of the business. In other words, the profits from the books that sell in high numbers offset the losses from the rest.

What publishers need is a more cost-effective and lower risk path to market, and a longer lifespan for each book. eBooks should be a ready-made tool to solve this problem, but the way they have been designed and used means they simply replicate the existing challenges faced by physical books.

Fableration's unique AI-led discovery means that good books will find an audience without the need for investment in marketing. And our focus on the digital reading experience will increase the popularity of eBooks and improve their market penetration. The end result will be that publishers can afford to take a chance on a wider range of manuscripts and help uncover emerging talent. Our message to publishers is as follows: Publish smarter. Lose the risk, not the potential. This is everyone's renaissance.

The Reader

Today's algorithms focus on what makes the most money for their corporate owner, not on the quality of the book or what readers would really like to read. These same algorithms confine our thinking and manipulate our ability to form perspectives. They suck us into a maelstrom of doomscrolling that drowns all but the strongest swimmers.

Fableration changes this with a game-changing AI search function and an innovative process to drive organic discovery. Together, they will shine a light on work that would otherwise be condemned to darkness. Why? Because every great read begins with discovery.

Fableration allows readers to cut through the fog and break free from manipulative algorithms and mindless scrolling. It protects their perspectives and allows them to find and consume the knowledge or entertainment they seek, without losing the ease of digital convenience. Fableration gives readers access without overload and allows them to see what they want to see. It is truly a breath of fresh AIr.

Fableration also recognises when readers may have been hitting the socials a bit hard. It offers a friendly suggestion that that they might want to break away from doomscrolling and read a book! They may well want to carry on scrolling - but at least they will have made a conscious decision to do so. And that's important, because it is their time, and they should spend it their way.

The Writer

As the primary motive for publishing books is to earn profit, publishers tend to chase the market. They look for manuscripts that match what they believe is a proven formula or a trending genre, and push them out to an audience. Most writers have at some stage been asked to make changes to their manuscript to reflect someone else's view of the market. At Fableration, we want writers to write the story they want to write, not constrain their creativity. We want to free the world from *same* and give readers more choice and more content.

The odds are stacked against any wannabee author. But Fableration asks why there should we any talk of odds at all. Odds are a symbol of luck or chance. On Fableration, finding an audience is a science not a lottery. We can't force readers to buy books that others haven't enjoyed reading, but we can at least give readers a chance to make up their own minds.

Fableration's renaissance takes us back to the tried and tested human way of sharing knowledge through communities. The platform creates authentic connections between writers and readers, and these are the key to impact, audience and success.

The Web3 Audience

Until now, blockchain has been the domain of FinTech and cryptocurrencies. It has been at the edge of tomorrow, unravelling centuries of centralised banking problems. But blockchain is so much more than banking. It is the tool to take power from the few and return it to the many.

In terms of publishing, blockchain has the ability to bring readers and writers together in a community that works for mutual benefit. As such, Fableration is a not-for-profit platform that reinvests its excess revenue into emerging authors and bringing audiences to new work, rather than syphoning profits away from the industry. And being open source, Fableration brings the opportunity for its own community to move the platform forward and adopt—or not—new features that have been developed by other members of the community. Fableration is blockchain of the people, by the people, for the people.

Fableration brings Web3 energy to an industry that has long been dominated by opaque systems that concentrate profits at the point of sale and leave creators undervalued. With transparency, equity, and community at its core, Fableration empowers writers, fosters discovery, and ensures value flows more fairly to those who create.

How this can be delivered

To date, technological change in the industry has been iterative, rather than innovative. And it is this predictable and incremental change that has prevented the industry from breaking free of the mould that has shaped it over the last few centuries. If we're serious about a renaissance, we need more than a shinier same; we need something new. For this, we must turn to technology.

Two recent but well-established technologies hold the key to the future of publishing. The first is blockchain technology. It works on the principle of decentralisation; moving control from the few to the many and delivering a fairer and more equitable platform on which to trade. It's already being used to make banking more efficient and cheaper, and it's being touted as the technology that will ultimately save the US from its debt crisis. In terms of publishing, blockchain can bring the producers of value and their customers together. It can execute an immediate and completely trustworthy transaction between the two, and then distribute the royalties to the right place *immediately*. What's more, an effective tokenomics model can create a platform that delivers mutual benefit to all members of the community.

A blockchain platform could largely solve the problems of piracy in the industry by issuing a non-fungible token to every story. This would also mean that a reader physically owned any eBook they bought, which is not strictly the case in the current market.

Blockchain platforms are also largely not-for-profit. And that's huge news for the publishing industry. Once extreme profits are removed from the equation, there will be an awful lot more money to share around.

By bringing a blockchain platform to the publishing industry, we can:

- Increase the royalties going to those who add value to a story.
- Bring the writer and reader together in a trusted and transparent relationship.
- Distribute royalties through user-defined smart contracts, immediately.
- Reward everyone for their actions.

The second technology is Artificial Intelligence. AI has the power to change the publishing world forever. Right now, the fear is that it will replace the very writers on whom the industry relies. But that can only happen if we allow it to. Instead of fearing AI, we need to embrace its strengths and enable it to transform the industry.

What AI can deliver to the platform is its sheer capacity for work. It has the 'man'power to free publishers from their role as gatekeeper and open the market to any manuscript that meets a quality threshold. It can also control and adjust the prices of books based on predetermined criteria.

In addition, AI has the ability to change the way readers find books in the marketplace. Rather than relying on promotional levers, AI can learn to bring readers the books they want. This has massive potential in giving every story a fair chance of being read.

By using artificial intelligence, we can:

- Take over the role of gatekeeper by assessing the quality of a piece of work objectively.
- Price books to respond to demand while retaining the creators' value.
- Create fair a fair way to discover books in the marketplace.

Unique Selling Points

- **Community:** Fableration brings readers, writers and publishers together in a mutually beneficial community.

- **Fair royalties:** Thanks to smart contracts and Fableration's status as a not-for-profit organisation, it delivers fair royalties to authors and publishers.

- **Access and discovery:** Fableration enables discovery and provides readers with access to affordable, transformative content.

- **Objective quality assessment**: Fableration's scalable AI and its objective quality standard opens the gates to market for well-written manuscripts.

- **Protection:** Fableration is both guardian and guide. It protects readers from distorted perspectives and steers them towards more valuable and balanced insights.

- **A reward mechanism:** Writers and readers can earn and spend tokens within Fableration's self-sustaining and creative knowledge economy.

- **Governance and voice:** Fableration employs a decentralised governance model, where community members vote on key platform decisions. The platform remains in the control of its users.

- **The Fableration equinomy:** This is the antidote to Brokenomics, designed to reward creators fairly, maintain the value of knowledge, and sustain a healthy, thriving publishing ecosystem where everyone benefits. In the next section, we'll explain this further.

Fableration's Equinomy

At Fableration, our mission is to build a connected community that democratises storytelling and makes knowledge more accessible to all. The tool to make this happen is the Fableration equinomy. A writer can take their chances by pricing a book in the traditional way—they can even seek pre-funding for a story should they wish to. But if they really want a book to move through the market, the best way is through our equinomy.

This innovative model balances scarcity and popularity to ensure a book retains value once it enters the marketplace. It is the secret to enabling authors to earn a fair reward for their work, while ensuring that the most popular books are available and accessible to the widest possible audience.

In short, a book is brought to market at its highest price and relies on early fans to buy the book and help spread the word. But it would be unreasonable to expect these early adopters to just buy the book at its highest price, hence the equinomy incentivises their choice, by:

1. Ensuring they are not left out of pocket when the price of the book falls. On Fableration, books are not treated as commodities; they have longer-term value. As the price falls, all who have paid above the current market value receive a refund of the difference. Nobody pays more than the current market value.
2. Allowing early adopters to earn platform rewards by helping the books move through the market. In other words, if a reader likes a book and tells their friends about it, they are rewarded.

The end result is that writers and publishers are rewarded for the time and effort they spent creating the story and have a structured path to finding an audience.

Example:

Author Sue estimates that it cost her $10,000 to write her book. She opts to follow the Fableration process and brings her book to market at $50.

In order to break even, she must sell n *books. After that, she continues to earn revenue from her books as the price falls.*

*Reader Pete is one of the first buyers. He purchases the book at $50, likes it and recommends it to his friends. By the time Sue breaks even, the book is selling for $*y*. Pete receives a refund of 50-*y*. He also receives platform rewards for helping the book move through the market.*

The Fableration Advantage

Thanks to blockchain technology, when an author uploads a book to Fableration, they are also able to leverage staking systems. It means they no longer have to bring their book to market alone; they have partners to help them. These partners (investors in our IEO) give authors an immediate reward for their effort in writing the book, while also sharing in an economic model that offers them a yield, which grows as the book moves through the market. The rewards from this model accumulate to allow for more staking to happen in a virtuous non-convergent algorithm of abundance we call the Fableration advantage. This model is the beating heart of our ecosystem and a way to compound the abundance and advantage to the point where everyone wins. In this economic model, there is no buyer and seller, only staker, reader, writer and rewards.

Given this advantage is measurable, this is a demonstrable positive social impact and a perfect use case for #blockchAINforgood.

For example Alice writes her book, and Bob decides to allocate his tokens to her book after she reveals her cost price via the Fableration Equinomy. When the book goes up for sale, the price includes a return for both Bob and Alice.

Ted, a reader on the platform decides he also wants to support Alice. He buys a first edition that carries an NFT. Bob is paid back from this purchase and also receives a reward for 'staking' Alice. As the book sells more and more copies Alice receives a higher and higher percentage of the revenue and Ted and Bob receive rewards as do the 3,4,5,6,7,8 … to infinity, readers.

How Fableration works

A writer uploads their story to the Fableration platform in three simple steps. Uploading is free, unless they wish to upload anonymously, in which case they are charged a small fee. Once they submit, PhiBee—Fableration's ethical AI—checks whether a manuscript meets a quality threshold (if it doesn't, it's still accepted—see later).

During the process, it scans the manuscript and the synopsis and assigns 'tags' to help differentiate the manuscript from every other book. Once their book is live, a writer can see exactly how it is performing in the marketplace, including reader demographics and if there are any particular parts that cause readers to stop reading. When a reader purchases a book, they pay a small platform fee (5%) and the remaining 95% goes to the writer (or publisher) and rewards pool, immediately.

A reader engages with PhiBee in natural language and tells it what they are looking for. PhiBee returns the 12 best-matching search results. These are straight matches—there is no promotion or any algorithm to game.

The reader reads the blurb for the books and if they want to read on, they can read the first 5000 words (of a novel, less for other formats) for free. At that point, if they wish to read on, they pay the current market price for the book—in tokens: the native token of the Fableration ecosystem is WCW (Words Create Worlds)—safe in the knowledge that they will never overpay for the book.

The reading experience itself is second to none—these will not be eBooks, they will be engaging and interactive digital books. If the reader likes the book, it is in their interest to share it with their friends—not only because they want to tell the world about a great read, but also because they earn platform rewards from doing so.

A publisher is vetted before signing up to Fableration. Once they are approved, they can upload their books in bulk to the platform. During the upload process, they dictate the way royalties are to be distributed, and these contracts execute automatically whenever a book is sold.

How Fableration Generates Revenue

This is an economic model with PEOPLE at its heart. On Fableration, it is not the sale that makes the difference, it is the rewards.

Broadly speaking Fableration employs a 'blitzscale' economic engine model, a variation of the Scaling up Model by Verne Harnish, adapted slightly by Cloudtech Group, who have incubated Fableration.

We have derived an economic engine for the business that allows for revenue velocity based on the number of ePub file transactions rather than traditional book sales. This, combined with the staking yields, allows for the platform to theoretically accumulate a revenue velocity derived from the virtuous cycle of the Fableration advantage.

Cloudtech Group, has developed a proprietary #blockchAINforgood methodology to scale Web3 initiatives with real social impact. Participating in the public sale not only supports Fableration—it also qualifies participants for future airdrop rewards across the wider ecosystem Cloudtech is building.

While being a not-for-profit foundation is not essential to future applications of this model, the fact that Fableration holds this status is a big part of creating a credible way to use these new financial rails for advantage, without them being replicated by large corporations.

The Tokenomics of Fableration:

FAB Token

Fableration aims to revolutionise the way content is created, shared, and consumed in the digital space. By leveraging blockchain technology and decentralisation, Fableration provides creators with greater control over their work while offering readers an engaging and rewarding experience.

Right at the heart of Fableration's ecosystem sits an innovative tokenomics model. It is designed to incentivise users and creators alike, while ensuring the long-term sustainability of the platform. By introducing governance and utility tokens, Fableration empowers its community to participate in key decisions and enhancements to the platform's functionality, as well as allowing users to purchase products, engage in transactions, and stake tokens for rewards.

This document outlines the key elements of Fableration's tokenomics, including the allocation of tokens, release schedules, and mechanisms that drive the growth of the platform. It also explores how the token model supports the broader vision of decentralised content creation, while fostering a vibrant and engaged community.

The Purpose of the FAB Token

The FAB token is designed to serve as the cornerstone of the Fableration ecosystem, offering multiple key functions that enhance both the creator and user experience. Its utility is deeply integrated into the platform, supporting governance, transaction mechanisms, and incentivisation models. The FAB token serves several crucial purposes:

1. Platform Utility and Governance

- **Access to Related Products**: FAB tokens act as the primary currency for purchasing products and services within the Fableration ecosystem, ensuring a seamless interaction for both creators and users.
- **Propose and Vote**: As part of the governance model, holders of FAB tokens have the ability to propose and vote on significant changes to the platform, such as updates, new features, and operational decisions. This ensures that the platform will remain decentralised and community driven.

2. Incentivisation and Rewards

- **Staking Rewards**: FAB tokens offer users the opportunity to stake their tokens and earn rewards, which incentivises their participation in the platform's ecosystem. These staking rewards provide holders with an opportunity to earn additional tokens based on their stake and commitment.
- **Utility of the Platform in Practice**: FAB is used to access premium features, buy and sell products, and reward active participation within the platform, making it an essential tool for daily interaction and engagement.

3. Community and Ecosystem Growth

- **Community Engagement**: The FAB token fosters a strong, active community by rewarding participants for their contributions and engagement. Through community-driven activities, such as content creation and voting, FAB helps grow and maintain a vibrant ecosystem.

- **Charity**: A portion of FAB tokens is allocated to support charitable causes. This is a demonstration of the platform's commitment to giving back to the community and contributing to positive social impact.
- **Ecosystem Project Growth**: FAB tokens are also used to fund and support the development of new projects within the Fableration ecosystem, driving innovation and ensuring the long-term sustainability of the platform.

4. Liquidity and Market

- **Liquidity and Trading**: These tokens are intended to provide market liquidity. Decisions on when to use them will be taken by the Fableration team, based on the circumstances in play.

Fableration

Supply and Distribution of FAB Tokens

Overview

Platform Incentives	4 billion tokens (40%) will fund platform engagement incentives.
Private Sale	2 billion tokens (20%) will be offered for private sale. These tokens are sold at a discounted price to early investors to fund the initial stages of the platform's development and growth.
Team	1.5 billion tokens (15%) will be reserved for the core team, its advisors and contributors. These tokens are subject to a lock-up period and vesting schedule to ensure long-term commitment to the project's success.
Org. Development	1 billion tokens (10%) will be used to fund operations, marketing, platform enhancements and tech development.
Staking Rewards	1 billion tokens (10%) will be reserved to reward users who participate in staking, which encourages long-term token holding and active engagement with the platform.
Liquidity	300 million tokens (3%) will be allocated to provide liquidity for trading on exchanges. The liquidity pool address will be publicly disclosed, and additional liquidity will be added if necessary, based on market demand.
Public Sale	200 million tokens (2%) will be made available to the public through an initial offering, which will help to increase exposure and accessibility to a wide user base.

Release Schedule

To ensure that the Fableration ecosystem remains stable and sustainable while aligning with the interests of investors, contributors, and the community, all tokens allocated in a number of categories will be subject to a structured release schedule. The percentages of tokens that will be released is based on the total token supply.

The release schedule is designed to ensure that the distribution of tokens is gradual, creating long-term incentives and ensuring fairness to all stakeholders. The schedule for each category is as follows:

Private Sale	20%	2 billion	❒ These tokens are subject to a 6-month lock up, after which they vest daily on a pro-rate basis over a 4-year period.
Public Sale	2%	200 million	❒ 100% unlocked at token trading
Team	15%	1.5 billion	❒ These tokens are subject to a 6-month lock up, after which they vest daily on a pro-rate basis over a 4-year period.
Liquidity	3%	300 million	❒ Used to provide trading liquidity
Org. Development	10%	1 billion	❒ 10% (100 Million) is unlocked at token trading ❒ The remainder are vested monthly over a 9-month period, at the rate of 100 Million per month.
Platform Incentives	40%	4 billion	❒ These tokens will be released into the Community Rewards Pool through daily linear vesting over a 5-year period. The allocation and utilisiation of the Community Rewards Pool will be determined by DAO governance through voting in the future.
Staking Rewards	10%	1 billion	❒ Released as rewards for staking ❒ Tokens are locked up until the staking function is incorporated in the platform.

In terms of overall token supply, consideration has been given to burning. The agreed approach is to leave any burning decisions to the DAO.

Risks and Disclaimers

The Fableration ecosystem is still in its development phase and, as with any early-stage project, there are inherent risks that participants should be aware of. These risks mainly relate to market volatility, technological challenges, and platform security.

The value of FAB tokens may fluctuate due to market conditions, and there is no guarantee of stability. Participants should be aware that the value of the tokens may be influenced by market sentiment, liquidity, or external factors affecting the cryptocurrency market. The platform and its underlying technology are still evolving, meaning there could be bugs, vulnerabilities, or security issues that may affect the functionality of the platform, resulting in potential losses for token holders.

Regulatory uncertainty is another factor to consider. As the legal landscape surrounding blockchain and cryptocurrencies continues to evolve, changes in regulations may affect the ability to trade or use FAB tokens, or even influence the operations of Fableration itself.

Additionally, participants should be aware of the risks related to staking. Tokens that are staked for rewards are subject to lock-up periods, and participants may not be able to access their staked tokens at will. There is also no guarantee of returns from staking, and rewards may fluctuate based on platform conditions.

This document is for informational purposes only and should not be construed as investment advice. By participating in Fableration, you acknowledge these risks and agree to engage with the platform at your own discretion.

System Architecture

Build a platform that solves the problems of the current market and lay out a future vision of how knowledge will be shared across the world. That was the brief.

The system needed to bring together blockchain and AI technology in a way that would be comfortable and familiar, yet groundbreaking for those whose only experience was of Web2 technology. At a basic level, we wanted to achieve a fair and transparent marketplace that allowed readers, writers and publishers to transact with each other without the involvement of any middle men. But we also wanted to go beyond that and breathe new life into eBooks and ePublications. Since their inception, more than a decade ago, eBooks have not managed to achieve a market penetration much beyond a third, and yet we felt the technology existed to transform the reading experience. Our plan was to reinvent the eBook and make the format so desirable that everyone would want to use it.

What we built

The Fableration platform supports an author-centric, reader first vision. It enables an economic model that delivers fair compensation and sustainable growth. By integrating secure authentication, seamless trade mechanisms, intelligent AI agents, and robust monitoring, we are able to create a comprehensive ecosystem for content evaluation, knowledge storage and discovery, the exchange of value, and the development of community.

To deliver this, we are using storage and indexing infrastructure, plus a world-leading content evaluation LLM to enable scalable data handling, advanced AI functionality and accessibility from anywhere across the globe.

The Platform

This brings readers and writers together under a single framework and provides a one-stop standard channel for B2B publishing partners. In this system, the emphasis is on the equitable distribution of value and a streamlined user experience. In seconds, it is able to create a variety of choices for content creators to bring their work to market—something that would usually take weeks, if not longer, for them to learn, implement and adapt.

For writers, the system provides diverse tools and functionalities to help them publish and sell their work, as well as manage their royalties. For readers, the platform lowers costs and optimises the reading experience. It delivers personalised recommendations and safe content. The goal for all users is to deliver an accessible and engaging, high-quality reading service.

At the core lies a balanced economic framework that aligns the interests of authors, readers, and other stakeholders. This model provides several go-to-market strategies and market predictions based on available data to guarantee fair rewards for creators while keeping content affordable for readers.

Authentication

Trust sits at the core of this system. The authentication system leverages cryptographic verification and role-based identities to ensure trusted and secure transactions take place across the platform and in all interactions.

Trade

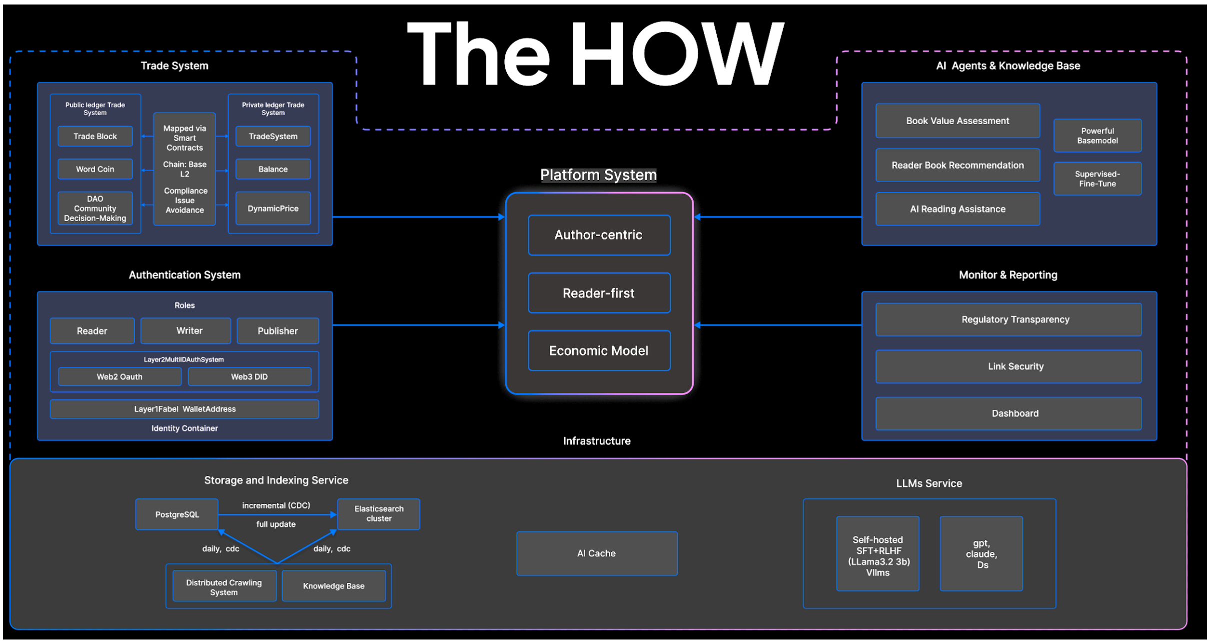
This system brings together the best of Web2 and the best of Web3. It manages the transactions, memberships and crowdfunding aspects of the platform while delivering transparency through an open ledger and dynamic user engagement.

AI Agents and Knowledge Base

This system employs an agentic workflow that keeps the cost of the platform low by using Artificial Intelligence to conduct repetitive and boring tasks. This system houses the AI-driven search and discover engine, and does so using a combination of big-data analysis, reading assistance and semantic insights. Together, they optimise the value of content and enrich every user interaction.

Monitoring and Reporting

This delivers continuous oversight of the platform's integrity and security, as well as security logging, privacy protection and regulatory compliance.



Project Roadmap & Future Developments

Each stage of Fableration's journey brings new functionality, more community involvement, and deeper decentralisation.

2024: Foundations

- Research, planning, and initial ecosystem design
- Core team formation and partner engagement
- First global short story competition launched

H1 2025: Beta Build and Early Community
- Launch of Fableration Beta (open community access)
- Second global short story competition launched
- Governance model and WCW token structure defined

H2 2025: Token Activation and Public Growth
- Whitepaper released
- Full staking, discovery, and royalty functions activated
- Pre-Sale
- Public Sale
- Listing

H1 2026
- MVP Release
- Product Phase 2

H2 2026

- Product Phase 3.

Team and Partners

On its journey, Fableration has benefited from the support and advice of a large number of individuals and organisations, including academics, writers and their support organisations, readers and reader-groups, publishers and the Web3 community. We thank all who have been involved for the role they have played.

Our team

Simon Harding

CEO

Simon has worked as a professional writer for almost a decade. Before that, he spent more than 20 years in senior leadership positions in a number of NASDAQ, FTSE and ASX-listed companies, across a variety of industries. He has published two novels and understands that for any author, finishing a story is merely the beginning of the work, rather than the end. He holds an Masters' in Business Administration (Latrobe).

Lisa Wade

Chief Community Officer

Lisa Wade is the 2024 Australian Fintech Female of the Year. With a three-decade career in global finance, she has consistently been at the forefront of innovation and impact. As a pioneering force in both traditional banking and digital assets, she has transformed complex financial concepts into tangible market solutions, bridging the gap between legacy systems and the future of finance.

At National Australia Bank (NAB), Lisa led cutting-edge blockchain initiatives that blended traditional finance with emerging technologies. As CEO of DigitalX Limited, she led a blockchain-powered financial firm at the forefront of Web3.0. Her efforts led to the successful listing of the first physical BTC ETF on the ASX.

Lisa's influence extends beyond finance, serving as an Earth Hour ambassador and a Climate Reality Leader under Al Gore's initiative, reinforcing her commitment to global environmental leadership. A dedicated yoga teacher and practitioner of Buddhist principles, she believes in the power of meditation and mindfulness to drive clarity, resilience, and ethical decision-making. These are the values that shape her holistic approach to leadership.

KeepSimple.ai

An Australian AI company founded by former experts from Temu, Accenture and Tencent, specialising in vertical AI systems that address complex requirements around CAPEX and OPEX.

Gary Budden

Head of Industry Engagement

Gary is the co-founder of Influx Press, an award-winning independent publisher in the UK. Gary is also a writer and editor. He is the author of the books *Hollow Shores*, *Judderman* (as D.A. Northwood), *London Incognita* and *The White Heron Beneath the Reactor* and *These Towers Will One Day Slip Into the Sea* with artist Maxim Griffin.

Arian Sohi

Head of Design

With over 12 years of experience in UX/UI design, animation, and brand storytelling, our Head of Design brings a rare combination of artistic flair and user-focused thinking. He has built a reputation for transforming ambitious, abstract ideas into seamless, intuitive experiences that resonate on a human level. His work is characterised by emotional clarity, narrative depth, and bold simplicity—inviting users not just to interact with a product, but to feel part of the story it tells. Bridging the worlds of technology and creativity, he ensures that every design choice serves both function and feeling.

Our Advisors

Professor Samantha Rayner

Samantha is Professor of Publishing and Book Cultures, and Vice Dean Wellbeing at the Arts and Humanities Faculty, University College London. She teaches and writes on publishing and book related topics, with special interests in bookshops and booksellers, publishing archives and publishing paratexts, editors and editing, bibliotherapy, and academic publishing. She has also taught extensively on English Literature courses and has specialisms in Medieval and Arthurian texts.

Samantha enjoys collaborative and interdisciplinary project work, including knowledge transfer activities. She is co-Director of the Bookselling Research Network and co-Director of the Bloomsbury Chapter, a collaborative teaching and research initiative with the Institute of English Studies. She is also a Chair of the Penguin Books Researcher Network and a Research Fellow at the Institute of English Studies, as well as the General Editor for a series of publishing mini-monographs with Cambridge University Press.

Dr Miriam Johnson

Miriam's professional career includes work as a second-hand bookseller, founder of The Istanbul Review, and in working with Scottish PEN and Scottish Book Trust, as well as developing an immersive literature project in Edinburgh in conjunction with The Bridge Awards and Edinburgh UNESCO City of Literature (echoesofthecity.com). Her academic research blurs the lines between creative writing and publishing in digitally social settings. In her PhD at Brookes and in subsequent publications, she has written about the place where social media and the publishing industry come together. Including how these new outlets give rise to new types of authors, the role of community, and the issues of gender and power that hover just under the surface in both the traditional publishing industry and within the communities in digital settings. Her current research interests extend the role of the author by looking at performance of authorship in cross-platform digital spaces.

Dr Liz Monument

Liz has a PhD in creative writing. She is a professional editor and writing coach, and has published two novels of her own. She works as a freelance with national and international clients, including HarperCollins and Jericho Writers, as well as working hand-in-hand with selected literary agencies to accelerate the submission process for writers of talent. Liz is one of Fabel's community contributors. Her role is to help develop the AI quality control process that will run over author submissions, and guide Fabel's leaders through the publishing market.

Josephine Monger

Jo is a specialist in customer centricity, strategy development and assisting executive teams to better understand and enhance the customer experience within the organisation. Jo has held a number of executive and leadership roles in prominent Australian businesses and brings over 20 years of commercial experience. Her role is to guide the development of Fabel's strategy and ensure the platform delivers the best possible customer experience.

Fableration

Our Partners

We could not have achieved what we have without our partners.

Appendix 1: Market Analysis

Fiction books

1. *Amazon*

A global conglomerate with net sales revenue of more than $500 billion in 2022.[4] It is more than just an online marketplace, it is a multinational technology company that relies on e-commerce, cloud computing, digital streaming and artificial intelligence.[5] Book sales account for less than 10 percent of the company's revenue.[6] Amazon holds almost 80 per cent of the US book, music and video market, and works hard to maintain its dominance—some of its deals have drawn criticism for being exclusive and effectively locking authors into its channel.[7]

Amazon made it easy for new authors to self-publish books. The company introduced the concept of print on demand, and Kindle Direct Publishing (formerly Createspace) has given authors greater access to the market than ever before by removing the up-front cost of publishing.[8] This has significantly increased the number of books in circulation, and one of the new challenges the industry is facing is that print-on-demand books never go out of print.[9] This means that with every book published, the competition for existing books increases.

The challenge for authors lies in reaching a market on Amazon. Competition for readers is enormous and only certified purchasers of a book are able to leave a review. In other words, it can be a vicious circle: reviews increase the chance of a book being purchased, but can only be left after the book is purchased. Amazon can't really be described as a site with writers or readers in mind. It's a marketplace; readers and writers are simply buyers and sellers. And Amazon is the middleman, counting its profit.

2. Kindle

Amazon produced the first *Kindle* Device in 2007. Since then, eBooks have gone on to claim almost a third of the global market for books.[10] In July 2014, the company introduced Kindle Unlimited,[11] a monthly subscription service that allows readers to select from more than 4 million digital books, audiobooks, comics and magazines.[12] This service currently costs US$11.99 per month. Books do not have to be read from a Kindle device, they can be read on any smartphone or tablet via the Kindle Unlimited app. According to reports, there are more than 150 million subscribers to the service. Users can only borrow up to 10 titles at a time.[13]

The challenge for authors is that a condition of being published through the KDP Select program (which leads to books being listed in Kindle Unlimited) is that their content must be exclusive to the Kindle Unlimited platform for as long as it is listed.[14] For authors, this is the biggest drawback of the service. Royalties are also relatively low; a fully read book usually earns the author around $1.25 to $1.50, depending on its length.[15]

3. Barnes and Noble

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[4] https://www.statista.com/statistics/266282/annual-net-revenue-of-amazoncom/
[5] https://www.investing.com/academy/statistics/amazon-facts/
[6] https://www.techtarget.com/searchaws/feature/Amazons-impact-on-publishing-transforms-the-book-industry
[7] https://www.insiderintelligence.com/content/amazon-holds-books-music-video-market-online
[8] https://www.techtarget.com/searchaws/feature/Amazons-impact-on-publishing-transforms-the-book-industry
[9] https://www.techtarget.com/searchaws/feature/Amazons-impact-on-publishing-transforms-the-book-industry
[10] https://www.pewresearch.org/short-reads/2022/01/06/three-in-ten-americans-now-read-e-books/ft_2022-01-06_bookreaders_01/
[11] https://www.thebookseller.com/news/amazon-launches-kindle-unlimited-us
[12] https://www.aboutamazon.com/news/devices/what-is-kindle-unlimited
[13] https://www.techradar.com/reviews/kobo-plus
[14] https://kdp.amazon.com/en_US/help/topic/GD9PMU58BV24QFZ7
[15] https://publishdrive.com/kindle-unlimited-kdp-select-vs-going-wide-which-is-better-for-self-published-authors.html

Barnes & Noble (B&N) is the world's largest retail bookseller. It operates approximately 600 stores across the US, as well as one of the world's premier e-commerce sites (bn.com).[16] It does not have a retail presence in other countries, but its online store does ship internationally to many—not all—countries.[17]

The company sells over 190 million physical books per year.[18] It also operates its own ereader, the Nook, and purchased books are uploaded to a library that is held in the cloud. It is unclear whether there is currently a subscription product.

4. Kobo

Kobo is owned by Japanese conglomerate Rakuten. Kobo describes itself as 'Your favourite local bookshop, perfected." If a reader is using a combination of devices to read a story, Kobo will keep their place so that the transition is smooth.[19]

The platform offers a monthly subscription of US$7.99 (AU$13.99) per month to choose from over 1.3 million titles, or the option to pay for books individually. But this doesn't include many new releases by mainstream authors. Ken Follett's *The Armour of the Light*, for example, costs AU$17.99 to purchase. Under that subscription, there are no limits on what customers can borrow from the entire 'library'. Unfortunately, this is where the service falls down a little. Even though readers pay to use the platform, they don't actually 'own' the books. Once a user cancels their subscription, any titles that have been downloaded are lost.[20]

5. Apple

Apple Books began as iBooks at the same time that the iPad was released in 2010.[21] Apple Books is an all-purpose reader. It describes itself as a place to 'read, listen and discover.' It offers a polished and elegant interface, is easy to navigate, supports PDF and other document types and has a simple buying process.[22] However, the platform only works on iOS devices, is not compatible with the Kindle format and is only available on backlit devices.[23]

In the Apple Books Store, books are recommended based on what readers have read in the past. Readers can sample a book, read its reviews, or make a purchase.[24] Apple Books does not offer a monthly subscription, it is about buying books individually. It has some useful functions, like adding books to a to-read list, so a reader can go back and purchase them later. It also allows readers to sample books before purchasing. When reading books, the reader can change the font size and the background colour. Another interesting feature on Apple Books is the ability to customise the book library. Unfortunately, Apple seems to have deprioritised iBooks and it lacks many of the titles found on other devices.

On Apple Books, there is an option to send books and audio books as gifts to friends and family. The platform has also introduced some aspects of gamification—allowing readers to set themselves reading challenges, for example.

To publish a book, all an author needs to do is have an Apple account and submit a word document through a few simple steps.[25] Once uploaded, writers can access tools to help them promote their work (and also turn it into an audiobook) and receive 70 per cent royalties.

[16] https://www.barnesandnobleinc.com/about-bn/
[17] https://help.barnesandnoble.com/hc/en-us/articles/5336742389019-Barnes-Noble-Retail-Stores-Outside-of-the-U-S-
[18] https://www.barnesandnobleinc.com/about-bn/quick-facts/
[19] https://www.techradar.com/reviews/kobo-plus
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[24] https://www.lifewire.com/apple-ibooks-app-review-2000079
[25] https://selfpublishing.com/apple-books-review/

Serialised fiction sites

6. Wattpad

Wattpad describes itself as the world's most-loved social storytelling platform, where new voices write and share, and readers connect with the serialised stories they love. Wattpad is the market leader for serial fiction and claims it has more than 90 million readers who spend over 26 billion minutes a month reading original stories. It is also a home to fan fiction. The platform started in 2006 using public domain books. In 2011, the platform had 1 million users. In 2014, the company raised $17.3 million in B funding. In 2017, the company launched brand partnerships, Wattpad WEBTOON studios and the Wattpad Stars program. In 2019, the company introduced paid stories (now known as Wattpad Originals). Wattpad has a variety of features to categorise their stories and different types of content, which can help users avoid inappropriate content or find the exact kind of topic they want to read and write in. These include tagging content, rating stories, story notifications and paid stories. Wattpad also allows fan fiction to be published and read, but it does not have a model to monetise it.

What Wattpad has achieved is impressive. It has given everybody the power to write stories and has brought readers and writers together. But it's not a symbiotic relationship. Authors on Wattpad earn very little, if anything at all. Those who are accepted into the stars program are able to earn money, but this is merely hundreds of writers from the millions. It could be argued that making it onto the program is like trying to find representation from an agent in the traditional publishing market. While some content can be read for free on Wattpad, other content sits behind a paywall. Chapters can be purchased with coins (the amount depends on the wordcount) or as part of a Premium+ subscription which costs US$7.49 per month. After a certain period, paid content becomes free.

In 2021, Wattpad was bought by Naver, a South Korean global ICT company, for $754 million.

7. Radish

Radish is a serialised fiction app with more than 10,000 stories and 2,000 authors. It likes to think of itself as the Netflix of books. In the eight years since it was founded, more than 500 million episodes have been read.[26] The site claims that some writers are making over $1000 in monthly revenue and top writers are earning nearly $40,000 per quarter.[27]

Reader feedback on the site is mixed, with some saying much of the content is unedited and it can be extraordinarily expensive to read a serial with lots of chapters.[28] For example, if an author lists their story under the premium model, the price to unlock an episode is 3 coins, which would mean a 100 chapter serial would cost 300 coins—around $45—to read. Conversely, one author worked out that in order to achieve a handful of paid sales, he needed to give away 223 copies of his book for free.[29] Under the freemium model, users can read older stories for free, but the final five chapters will always cost 3 coins each.[30]

Radish raised $63.2M in VC in 2020. In May 2021, it was bought for $440 Million by Kakao Entertainment, a Korean conglomerate.

8. Royal Road

Royal Road (RR) is a serialised fiction site that specialises in fantasy and sci-fi (rather than romance). Most titles on this site appear to be free, but there is also a paid option ($2.99/month) for readers to be able to use the site free of advertising.[31] Writers also have a premium option available to them ($4.99) which gives them everything a reader has access to,

[26] https://radishfiction.com/about/
[27] https://radishfiction.com/about/
[28] https://justuseapp.com/en/app/1076491465/radish-fiction/reviews
[29] https://www.hiddengemsbooks.com/radish-experiment-part-1/
[30] https://www.hiddengemsbooks.com/radish-experiment-part-1/
[31] https://selfpublishing.com/royal-road-review/

plus detailed analytics and some tools to help with writing.[32] The site is apparently well-known for its critical user base.[33] There is a dearth of statistics on the number of users of the site and the potential for authors to earn money.

9. Kindle Vella

Kindle Vella is a recent addition to the Amazon portfolio as a competitor to Wattpad and Radish. It was released (in the US only at this point) in April 2021. It is a story subscription service that allows readers to read serial fiction. Readers pay for books using tokens, which they purchase in specific volumes. For example, $14.99 buys around 1700 tokens (though this is not fixed) which gives access to approximately 170,000 words.[34]

Authors receive 50 per cent of the money Kindle Vella readers spend on tokens.[35] A story that has previously been published cannot be published on Vella, but after it has been released on Vella it can then be republished somewhere else later on.[36]

On February 26, 2025, Kindle Vella ceased operation as the service failed to catch on.[37]

Fan Fiction Sites

10. Archive of our own

AO3 (Archive of our own) is a free, non-commercial archive built by and for fans. Its servers are owned by its parent nonprofit, the Organization for Transformative Works, which works to protect fan rights and preserve fan works. The platform welcomes all kinds of fan works, including fanfiction, fanart, fanvids, and podfic from any fandom.

With an account, users can post fan works, use bookmarks to keep track of works they enjoyed, receive subscription emails when their favourite creators or works update, customise the way the site looks, and more.

The site holds just over 11 million works and has around 6 million users who access fan fiction for free. The archive was built and designed entirely by volunteers.

11. FanFiction.net

FanFiction.net was launched in 1998 by Xing Li, and is rumoured to have 12 million registered users. The site can be navigated through folders of stories, or through a dated-looking yet effective search function. There are literally millions of stories across a range of categories and all are free—the site cannot charge for fan fiction as it would be a breach of copyright law. Instead, there are paid advertisements throughout the site. The age limit to register on the site is 13.

Blockchain publishers

According to Publishers Weekly, there are around 30 companies who are publishing on the blockchain. The problem is that they are all focused foremost on technology and rarely have a huge range. They also simply convert Amazon's business model to blockchain; by taking the existing genre model and replicating it on blockchain, they offer nothing revolutionary.

Virtually all are using the blockchain to sell limited edition books. Some have created second-hand markets for these books. Platforms like ReadFi are using gamification in the Metaverse to financially reward people for reading. Only one platform, (Publish0X) rewards readers for recommending a piece of writing to others, but they are more like an online news and blog service.

[32] https://selfpublishing.com/royal-road-review/
[33] https://toughnickel.com/self-employment/4-Best-Platforms-for-Fiction-Writers-to-Start-a-Fan-Base
[34] https://www.techradar.com/news/amazon-kindle-vella
[35] https://prowritingaid.com/kindle-vella
[36] https://prowritingaid.com/kindle-vella
[37] https://kdp.amazon.com/en_US/help/topic/GUJHP3574Z3DLPZD

12. Book.io

Book.io works on the premise that the reader can sell second-hand books on an open marketplace. Effectively, a reader's library has a value. The platform offers the option to purchase special editions and establish book clubs. The platform has gamified reading so readers can earn discounts on their next book purchase. Every time a book is resold, the author gets a royalty.

Authors can communicate with readers through social book clubs with verified book holders. As readers consume books, they 'mine' for $BOOK tokens. Soon, the platform will launch a Read to Earn model that it has trademarked. Every 4 hours, tokens are allotted to readers compared to how they read. These tokens can then be used to purchase books and unlock new features. It has investment from BDMI and also Ingram, a book distributor. It has a print-on-demand digital feature called print to mint. AI-generated book covers are a key point of differentiation.

13. Mirror.xyz

Mirror.xyz is a Web3-based publishing platform that allows content creators to permanently store their works on the Arweave blockchain. Mirror offers users a straightforward interface, allowing them to effortlessly save content on-chain without delving deep into the technical intricacies. By minting content as NFTs, Mirror provides creators an opportunity for tokenisation and trading.

Mirror's user experience is akin to centralised writing platforms like Medium but offers the added advantage of on-chain storage. Mirror enables users to permanently store their article content on Arweave. Every time a user hits the publish or save button, Mirror automatically initiates a transaction, re-saving the entire text on-chain. Mirror currently lacks a frontend that aggregates content, which makes it challenging for users to discover and access quality content on the platform.

For large multimedia files (like images and videos), Mirror still employs a centralised storage method which aims to ensure that content doesn't disappear due to the failure of centralised storage nodes. Mirror's storage mechanism still relies on some centralised hosting mechanisms, and the platform has certain limitations on the total word count of articles. In addition, the cost of minting NFTs on the Ethereum mainnet might be prohibitive, potentially limiting its widespread adoption.

The platform employs Arweave as its medium for permanent storage, ensuring content longevity. It allows content creators to mint their works as NFTs and transact on the Ethereum mainnet. Mirror currently covers the costs for users to store on Arweave. For instance, a transaction cost of 0.00004203AR, occupying 1.07K of on-chain storage space. If one AR is valued at $50, this transaction's subsidy cost by Mirror to the user is approximately $0.002.

In summary, Mirror offers content creators in the Web3 era a unique platform, combining permanent storage and NFT tokenisation functionalities. While it boasts evident strengths, it also presents certain limitations and challenges that require further iteration and optimisation. The platform was recently taken over by Paragraph.xyz, which can be viewed as a Web 3.0 competitor to Substack.

Reader Sites

14. Goodreads

Although *Goodreads* has been fully owned by Amazon since 2013, it is not a direct competitor of ours. The site has 125 million members who engage online about books. Readers can see what others are reading, establish to-read lists and leave reviews on books they have read. These reviews are read and commented on by other users, but do not make their way through to retail sites. Perhaps that's because books can't actually be purchased on Goodreads. If a user does want to buy one, they link out to Amazon, Kindle Unlimited and other online sellers, depending on availability. Despite the huge audience, there is evidence that readers are becoming disenchanted with the site due to its ownership by Amazon and the lack of improvements over the last decade.[38]

15. The Storygraph

The Storygraph markets itself as a fully featured Amazon-free alternative to Goodreads. It wants to deliver a site that is free of advertising and allows readers to discover the right books. It has developed an interesting way of categorising books—readers can develop their own tags and also search by mood. Readers seem to liken it to the original purpose of Goodreads, which was to widen people's reading pool and help them discover new books and authors. After Goodreads was sold, the advertising that was introduced went against the grain—it promoted the books with the biggest budget.

The site also allows readers to buy books. It has an affiliation with Bookshop US, Bookshop UK and Blackwells, and earns a commission on each sale. In an attempt to monetise, the platform has released a Storygraph Plus monthly subscription, at a cost of GBP4.99, which offers, among other things, some enhanced recommendation options.

Audiobooks

There are no plans for Fableration to enter the highly competitive audiobook market in the short term. The global market is expected to be worth around $30 billion by 2030 and fiction accounts for two-thirds of the revenue share.[39] The key players in the market include Audible (Amazon), Apple, Google and Scribd. Users of *Apple Books* can use the platform to purchase audiobooks and listen on iOS devices. The app is free to use, and books are paid for individually. Similarly, *Google* offers audiobooks through its Play store.

16. Audible

Audible considers itself to be the leading producer and provider of storytelling. It was purchased by Amazon in 2008, for $300 million.[40] The platform has 27.3 million listeners and has a 63.4 per cent share of the US market.[41] Users buy credits from the platform to listen to books. There is a free-trial period, and then the basic subscription costs US$7.95 (A$16.45), which is effectively to listen to one audiobook. There is also an option to purchase two per month, and an annual plan.

17. Scribd

For a fee of $11.99, a subscription to *Scribd* offers virtually unlimited access to audiobooks, eBooks magazines, comics and sheet music. The site has more than 1 million subscribers in over 100 countries. It offers a 30-day trial period for new customers.

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[38] https://www.theguardian.com/books/booksblog/2021/may/13/why-i-am-deleting-goodreads-and-maybe-you-should-too

[39] https://www.businesswire.com/news/home/20230804375305/en/Global-Audiobooks-Market-Trends-Analysis-Report-2023-A-35-Billion-Industry-by-2030---Market-Surged-During-Pandemic-Offering-Easy-Access-and-Convenience---ResearchAndMarkets.com#:~:text=The%20global%20audiobooks%20market%20size,of%20audiobook%20subscription%20start%2Dups.

[40] https://www.cnet.com/culture/amazon-acquires-audible-for-300-million/

[41] https://ereader.blog/audible-users/

Appendix 2: Calculating the Fableration Point

At Fableration, we believe that popularity and quality shouldn't be mutually exclusive. The "Fableration Point" is our model for making high-quality ePublications (ePubs) more accessible over time—while still rewarding the creators and early supporters who made them possible.

Here's how it works:

- When an ePub launches, it starts at a premium price—for example, $50.
- As more readers purchase the book and it gains traction, the price drops—say, to $40.
- Readers who bought early receive a cashback reward (e.g. $10), recognising their role in helping the book succeed.

This approach flips the script on traditional pricing. Instead of punishing early buyers, we thank them. Instead of locking great content behind static price points, we let success lower the cost—just like classic works of science, literature, and philosophy that became virtually free over time.

Advanced coordination, blockchain tracking, and smart contracts make this possible; they automate the rewards and ensure fairness. Put together, they create a system where readers benefit from discovery, creators build lasting legacies, and popularity amplifies impact without sacrificing value.

What follows is a detailed explanation of how Fableration works.

Unit Price

In this model, we design a stepwise unit price function for e-publications (epubs). The core idea is to gradually decrease the unit price as sales volume increases while ensuring that the integral of the price function diverges (i.e., the total revenue is unbounded). The original continuous unit price function is given by

$$f(x) = \min\!\Bigl(p,\; \frac{n}{(1 + x)^k}\Bigr),$$

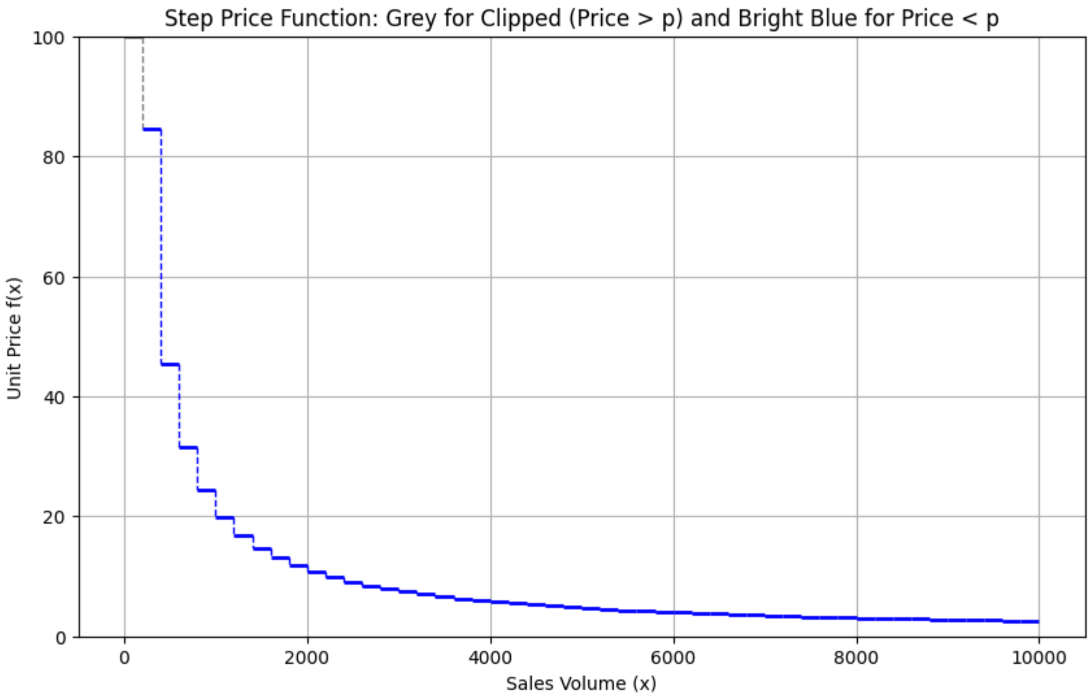
where:

- n represents the total cost of producing or publishing the epub,
- k controls the rate at which the unit price decreases,
- p is the upper limit on the unit price.

To make the pricing strategy more intuitive, the continuous function is converted into a stepwise piecewise function. In this scenario, the sales volume x is divided into fixed intervals (for example, each interval has a length of $\Delta = 200$), and the unit price remains constant within each interval. That is, when x falls within the interval $[(m + 1)\Delta)$, the unit price is defined as

$$f(x) = \min\!\Bigl(p,\; \frac{n}{(1 + m\Delta)^k}\Bigr).$$

For visual representation, the model uses blue lines to plot the portions where the theoretical unit price is below the cap p, while grey lines are used to indicate the regions where the price is clipped by the cap. In this explanation, we use the parameters n=10000, k=0.9, p=100, and $\Delta = 200$ to illustrate the construction and visualization of this stepwise pricing model.



Total Sales Revenue

The total sales revenue, S(T), is calculated by integrating the stepwise unit price function over the sales volume from 1 to T. In this model, the unit price is given by

$f(x)$ = \min\!\Bigl(p,\; \frac{n}{(1 + m\Delta)^k}\Bigr) ,

where $m = \lfloor x/\Delta \rfloor$and the price remains constant over each interval $[(m + 1)\Delta)$.

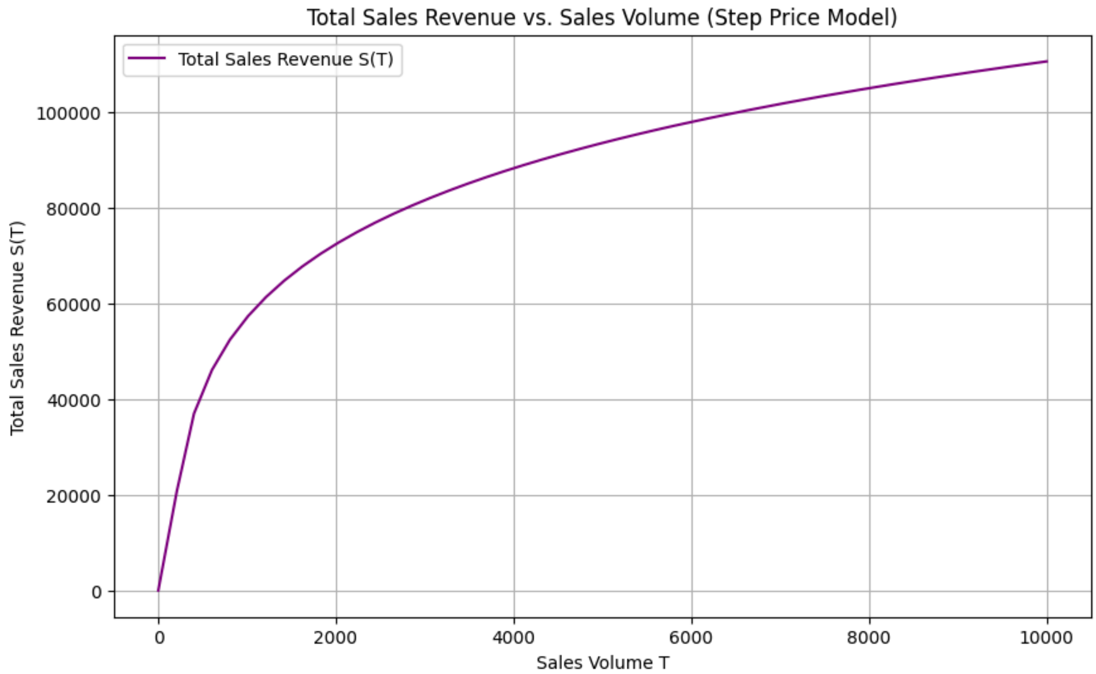
To compute S(T), the integration is performed in a piecewise manner:

For the first interval [1, \Delta), the revenue is computed as the unit price (which is constant in this interval) multiplied by the length of the interval, adjusted to start at x=1.

For complete intervals where the entire range $[(m + 1)\Delta)$ is contained within [1, T], the revenue is the product of the constant unit price in that interval and the interval length Δ.

For the final partial interval (if T is not an exact multiple of Δ), the revenue is the unit price for that interval multiplied by the fraction of the interval that is covered.

By summing the contributions from all these intervals, we obtain the total sales revenue S(T) as a function of the total sales volume T. This approach effectively accounts for the stepwise pricing mechanism, where the unit price may be clipped at an upper limit p and decreases in steps as sales increase.



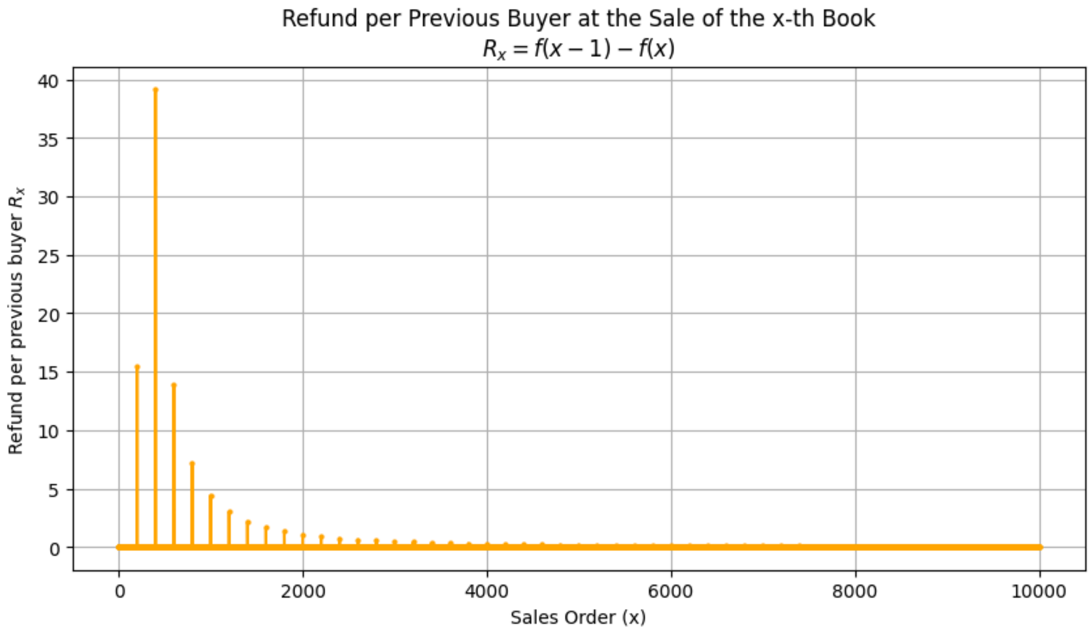
Reader Refund Formula

The refund mechanism is designed to equalize the net cost among all buyers as each new epub is sold. Here is how it works:

Objective: The aim is to ensure that after each sale, every previous buyer's net cost (i.e., the price they paid minus any refunds received) is adjusted to match the current selling price.

Mechanism: When the x-th unit is sold, the new buyer pays the current price $f(x)$. At that moment, every previous buyer, who initially paid a higher price $f(x - 1)$ (if the sale crosses a pricing step), is refunded the difference:

$$R_x = f(x - 1) - f(x)$$

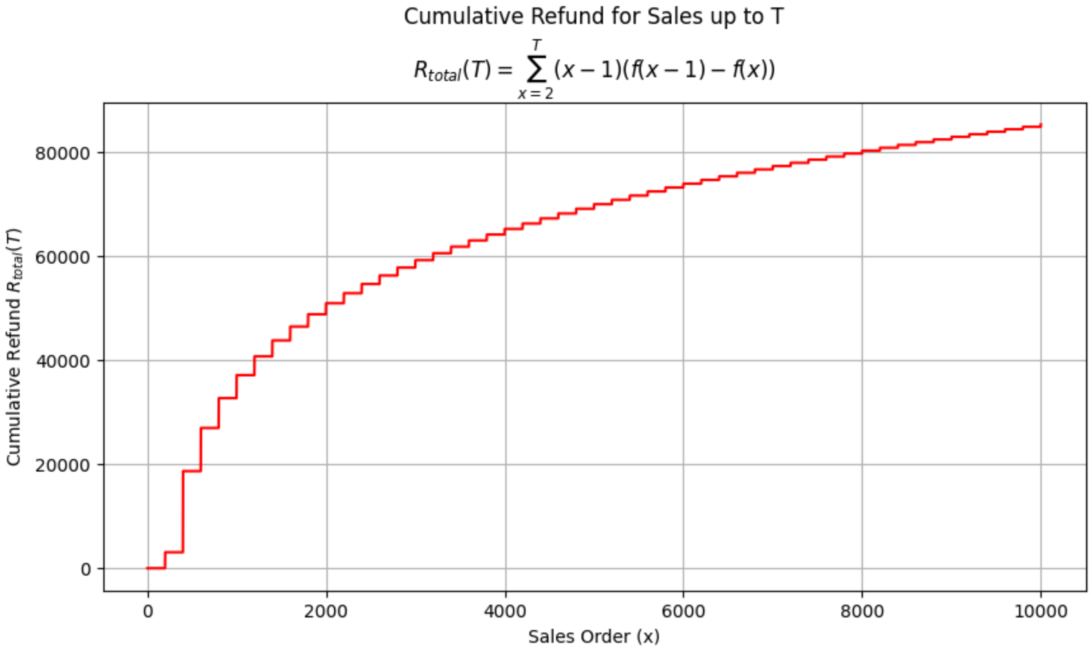


This refund reduces their effective cost to the new, lower price f(x).

Piecewise Nature of the Price Function: Since the epub price is defined in a stepwise manner, within the same pricing interval (or step) the price remains constant, leading to R_x = 0 when x-1 and x are in the same interval. Refunds only occur when the sale transitions from one pricing step to the next (i.e., when the price drops).

Cumulative Refunds: Over the course of selling from the 1st to the T-th unit, the total refund amount provided is the sum of the refunds at each sale:

$$R_{\text{total}}(T) = \sum_{x=2}^{T} (x-1)\,\bigl[f(x-1) - f(x)\bigr]$$



This ensures that the net cost borne by all previous buyers is consistently aligned with the most recent selling price.

This refund formula is integral to the pricing strategy, as it ensures fairness among readers by equalizing their net cost regardless of when they purchased the epub.

Total Revenue

In this model the writer's total revenue is defined as the cumulative sales revenue minus the refund liabilities that are pre-reserved to be paid at upcoming price step transitions. The key idea is that instead of deducting the entire refund when a step transition occurs (which would cause sudden drops in the revenue curve), the refund liability is "reserved" gradually over the sales within each pricing interval. In other words, for each sale x the displayed (or net) revenue is given by

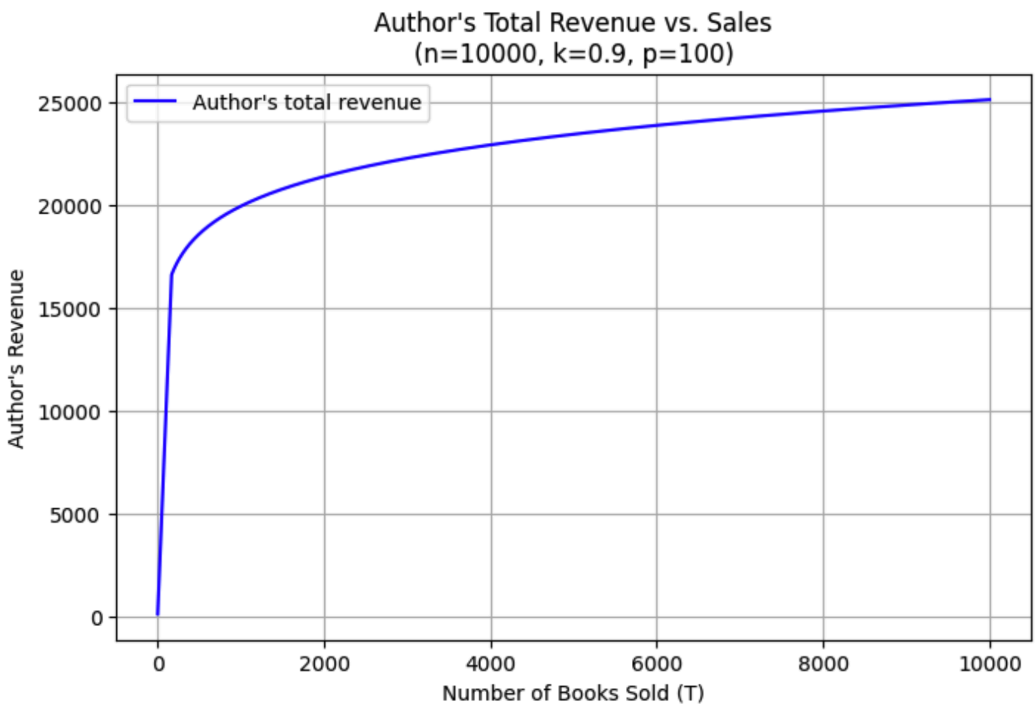
$$\Pi(x) = \sum_{i=1}^{x} f(i) - \sum_{j=1}^{m} R_j - \left(\frac{x-m\Delta}{\Delta}\right) R_{m+1},$$

where:

- $\sum_{i=1}^{x} f(i)$ is the cumulative sales revenue up to sale x.
- $m = \lfloor x/\Delta \rfloor$ is the number of fully completed pricing intervals.
- R_j is the refund liability at the j-th price transition, calculated as

R_j = \bigl(j\Delta − 1\bigr)\Bigl[f(j\Delta − 1) − f(j\Delta)\Bigr] .

- The fraction $\frac{x-m\Delta}{\Delta}$ represents the proportion of the current interval that has passed, and R_{m+1} is the refund liability for the upcoming transition.



This approach "pre-reserves" the refunds gradually, so that the displayed writer's revenue curve does not drop abruptly at the moment of a price step transition.

Break-Even Point

The break-even point is defined as the sales volume T_{BE} at which the writer's net revenue exactly covers the total cost n. We define a target function

$$F(T) = \Pi(T) - n,$$

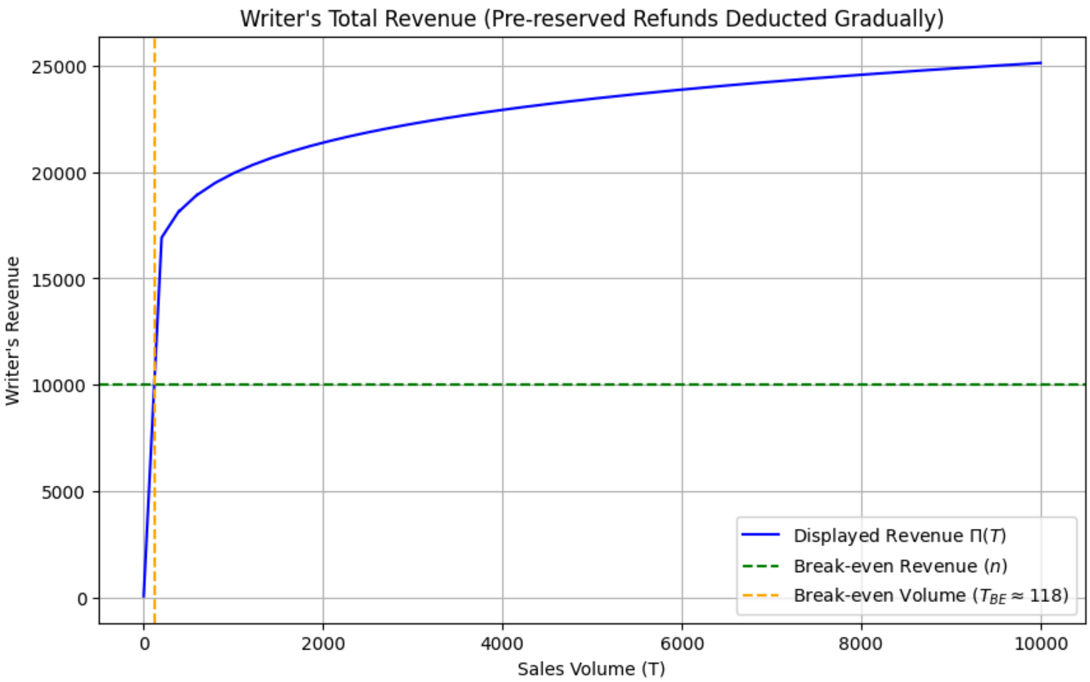
where $\Pi(T)$ is the writer's total (displayed) revenue computed as described above. The break-even point is reached when $F(T) = 0$.

In practice, the code scans the revenue curve and finds the first sales volume T where the net revenue $\Pi(T)$becomes greater than or equal to n. To achieve a more accurate estimate, linear interpolation is applied between the last point below break-even and the first point at or above break-even.

On the plot, the break-even point is visually highlighted by:

- A horizontal dashed line at $y = n$ (representing the total cost).
- A vertical dashed line at T_{BE}(indicating the sales volume where the writer's net revenue meets the total cost).

This design ensures that the writer's revenue curve is smooth and non-decreasing (because refund liabilities are deducted gradually) and the break-even point is clearly marked.



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