## BLOCKCHAIN ADOPTION IS CROSS-INDUSTRY

Based on McKinsey & Company analysis of revenue potential, cost savings potential, capital required, and social impact – Agriculture, Financial Services, Healthcare, Property, and Public Sector could be the primary hot spots.[4]

McKinsey clients have revealed that the most popular use cases are those related to Supply Chain, Internet of Things, Digital Identity, Digital Records (think health records), Digital currency, and Payments.

Blockchain Adoption Is Cross-Industry
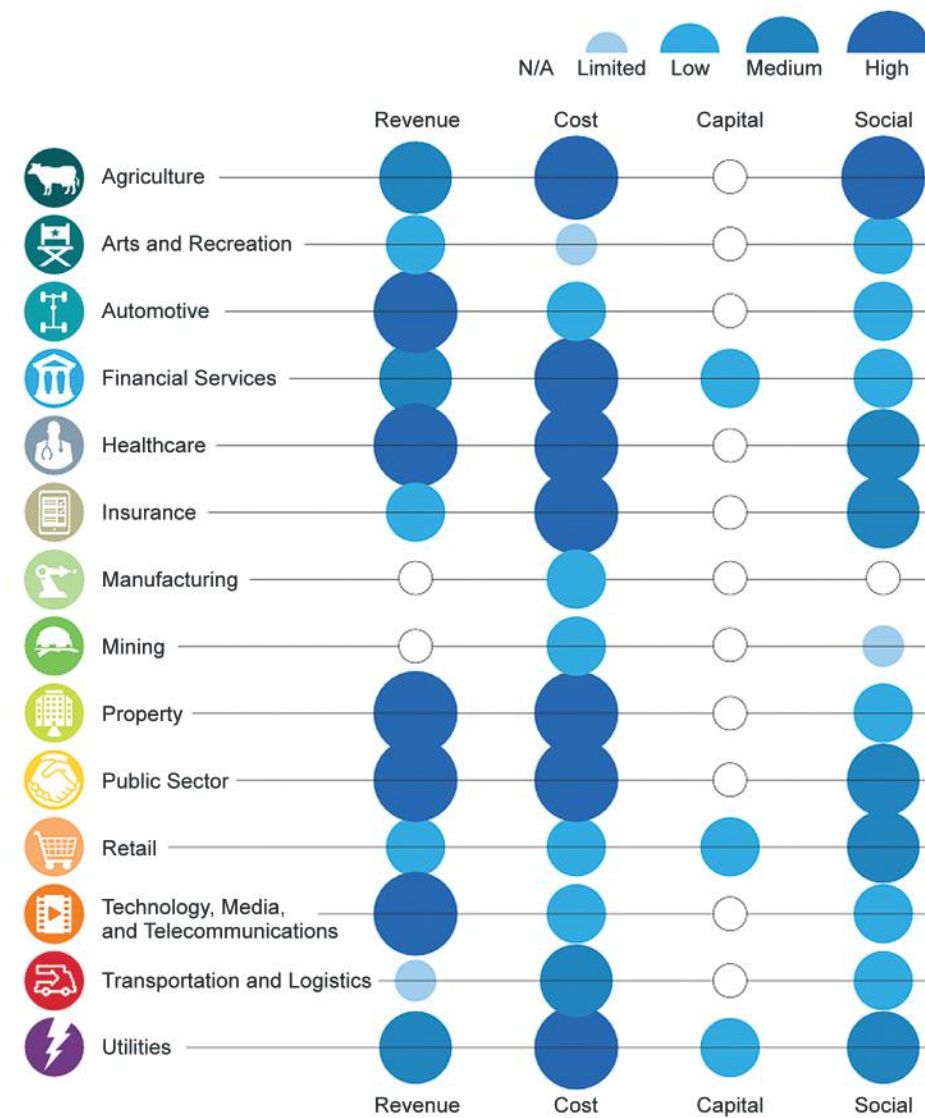
McKinsey&Company

[4] Blockchain beyond the hype: What is the strategic business value?", McKinsey & Company, June 2018

SITA LABS - ATLANTA

Sherry Stein
Senior Manager of Projects & Innovation, SITA Lab

SITA has been an active participant and advocate of blockchain research for more than three years. SITA's focus is NOT on "how to develop on blockchain" or debating the pros & cons of consensus models and technical platforms; the technology continues to evolve too rapidly for that to add meaningful value. Instead, SITA focuses its research on understanding and sharing its knowledge on how blockchain has become important and how it impacts existing business models and processes.

In June 2018, SITA announced the **Aviation Blockchain Sandbox**, a platform to provide a means for supporting continued industry research and community collaboration on the use cases for blockchain technology. The objective of the Aviation Blockchain Sandbox project is to foster collective learning and research; to build collaboration across the industry; and to investigate use cases where blockchain makes sense. The first phase is now in progress with the onboarding of more than forty enterprise customers that have signed up to participate in collaborative research by integrating their data into the SITA Flight Chain project. This phase will focus on helping participants learn about the technology's usage and business process implications, developing governance models, and understanding the role of smart contracts. Future phases will include helping customers write and deploy new chaincode & smart contracts, either independently or with the support of SITA Lab; as well as establishing peer-to-peer communications where customers or suppliers have their own infrastructure, allowing us to begin to assess interoperability across platforms.

SITA Lab also continues its evaluation of blockchain in the identity ecosystem. In 2016, SITA developed a solution for Travel Identity of the Future a digital identity credential for "single-token travel"; built in collaboration with Silicon Valley startup ShoCard. In August 2018, SITA announced that it has joined the **Sovrin Foundation** as a **Sovrin Founding Steward** to help support the development of an identity ecosystem: an independent network for decentralized identity management and self-sovereign identity, to give travelers or identity holders control of their data, without requiring management by a central authority. The vision for this solution is to provide an ability for enabling privacy by design, supporting GDPR requirements, and helping to reduce the risks and liabilities of fraud and identity theft. This foundation is heavily supported by contributors such as IBM, Evernym, Hyperledger Foundation, Microsoft, Cisco, as well as legal, financial, university, and technology providers from a number of business sectors.

TECHNOLOGY ASSOCIATION OF GEORGIA BLOCKCHAIN WORKING GROUP

The Technology Association of Georgia established a blockchain working group in October 2018. Stephen Pair, CEO of BitPay is the chair and will lead the group towards its vision of positioning Georgia as a leading global hub for blockchain technology based businesses. The team aims to unite the Georgia blockchain ecosystem participants, promote blockchain related endeavors, create public policy positions, and collaborate with educational efforts.

Stephen Pair
Co-Founder and CEO of BitPay and chair of the TAG Blockchain Working Group

2019
BLOCKCHAIN ECOSYSTEM FLASH REPORT

State of blockchain ecosystem in Georgia

TAG
Technology Association of Georgia

Georgia Tech | **Scheller College of Business**

BLOCKCHAIN IN GEORGIA

The emerging technology known as blockchain has inspired a remarkable ecosystem of new companies creating innovative business models that leverage the capability. Several large corporate entities that call Georgia home are taking advantage of this ecosystem and experimenting with blockchain technology as well.

Tommy Marshall
TAG Blockchain Working Group

Nishant Dass
Associate Professor of Finance, Scheller College of Business and Founder of The Blockchain Roundtable

MOMENTUM IS BUILDING FOR BLOCKCHAIN TECHNOLOGY

A decade has passed since blockchain technology entered the universe as the supportive capability for a new transfer of value called Bitcoin. A company called Ripple was one of the first to harness blockchain technology also known as distributed ledger technology (or "DLT"), in 2012. Their solution allowed individuals to securely transmit funds cross-border for fractions of the cost charged by traditional methods supported by SWIFT. All types of financial institutions took note and began to experiment with the technology in areas beyond payments such as trade settlement, identity management, and syndicated lending.

Additional protocols emerged such as Ethereum, Hyperledger, R3-Corda, and many others. Additional industries began to also take notice and begin experimentation.

As we enter 2019, most business strategists agree that blockchain is moving from an education phase into practical and widespread business application phase. In a 2018 Deloitte survey of 1,000 blockchain savvy execs the consensus of respondents was that blockchain is closer to breakout although still not quite ready for primetime.[1]

McKinsey & Company's advice is to focus on the use cases. Their industry-by-industry analysis reveals 90 discrete use cases of varying maturity across major industries. The near-term momentum will be on those use cases that help the user to realize cost savings. McKinsey goes on to forecast that blockchain is still 3-5 years from 'feasibility at scale' due to the need to resolve 'coopetition paradox' to establish common standards.[2]

Accenture's 2018 Tech Vision is informed through conversations with many of the largest companies on the planet. 60% of the executives Accenture surveyed stated that blockchain and smart contracts will be critical to their organizations over the next three years.[3]

VENTURE FUNDING IN BLOCKCHAIN TECH CONTINUES

Despite a sell-off in the cryptocurrency markets during 2018 the smart money early stage investors continued to bet on the distributed ledger technology. Venture funding is on pace to approach $1 Billion in 2018 not including Initial Coin Offering (ICO) based funding. Digital Currency Group (DCG) remains one of the largest investors in the world. This fund is run by Barry Silbert, who graduated from our own Emory University in 1998.

This investment is chasing the projected revenue of $2.3 Billion that blockchain technology will create by 2021, according to Statista projections.

[1] Deloitte 2018 Blockchain Survey - https://www2.deloitte.com/us/en/pages/consulting/articles/innovation-blockchain-survey.html
[2] Blockchain beyond the hype: What is the strategic business value?", McKinsey & Company, June 2018 - https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/blockchain-beyond-the-hype-what-is-the-strategic-business-value
[3] Accenture 2018 Tech Vision

OVER 20 BLOCKCHAIN COMPANIES ARE BASED IN GEORGIA

TAG and Georgia Tech have discovered over twenty blockchain based companies in Georgia. The value propositions that they have brought to market align with the findings from the McKinsey study and align to those industries that thrive in our state.

Bakkt
- Founded – August 2018
- Funding – $182 million in 2018
- Supported by the Intercontinental Exchange market infrastructure and tech – to ease access, trade, and use of digital assets
- Kelly Loeffler, CEO

bitpay
- Founded 2011
- $73MM in funding
- Payment processor of cryptocurrency
- Stephen Pair, CEO

VERADY
- Founded 2016
- $1MM in funding
- Provides digital asset audit capability – Veranet
- Kell Canty, CEO

STORJ
- Founded 2015
- $30MM ICO
- Distributed cloud storage
- Provider using excess Capacity of users' hard drives
- Ben Golub, CEO

patientory
- Founded 2015
- $7MM in funding
- Health management software
- Provides users access to their own health data
- Chrissa McFarlane, CEO

Yellow Card
- Founded – 2016
- Funding – unknown
- Allow unbanked in Africa and Middle East access to digital currency
- Chris Maurice, CEO

HSBlox
- Founded – 2017
- Funding – founders
- Provides solutions to healthcare industry using blockchain and artificial intelligence
- Rahul Sharma, Davidi Gilo

INTUIT FACTORY
- Blockchain business consulting and education
- Roop Singh, Founder

carmony
- Carmony.io
- Automotive remarketing built on distributed ledger
- Beta launch 2018
- Aaron Wucher, Founder

BitMinutes
- Founded 2017
- Funding – $5M Token Offering
- Banking the un-banked with Free global money transfer and Guaranteed loans backed by prepaid minutes
- Tom Meredith, CEO

SupPorter
Blockchain Fundraising Solutions
- Founded 2017
- Funding unknown
- Raise money for nonprofits using blockchain tech
- Inman Porter, CEO

HAYVER
- Founded 2017
- Funding unknown
- Peer-to-peer monitoring apps and crypto-rewards to support recovery from addiction
- Barry Hayut, CEO

Gramarye Media
- Founded 2017
- Funding unknown
- First major studio funded by a security token offering
- John Adcox, CEO

Kava
- Kava World – virtual world platform company that has Kava Coin digital currency to support loyalty management
- Chris Klaus, CEO

TERNIO
- Lexicon's proprietary distributed ledger platform
- Platform's initial focus on programmatic advertising
- Aims to raise $10MM Series A round in near future
- Daniel Gouldman, CEO

mimir
- Founded 2017?
- Funding unknown
- Professional services focused on consulting and outreach
- Nick Fierro, CEO

TrustLogics
- Founded 2017
- Funding unknown
- Job seekers, recruiters, businesses share verified info securely
- Srinivas D., CEO

42
- U42 ICO for You42 complete in September 2018 - $21MM in tokens
- Blockchain based social entertainment platform
- Chris Moreau, CEO

INXEPTION
- San Francisco based startup with ATL presence
- UPS made equity investment in Jan 2019
- ATL Exec, J David Judd

CITIZENS RESERVE
- Founded – 2016
- Funding – private
- Provides solutions for supply chains through its SUKU Ecosystem.
- Eric Piscini, CEO

LARGE CORPORATIONS BASED IN GEORGIA THAT ARE EXPERIMENTING WITH BLOCKCHAIN

UPS
State Farm
Coca-Cola
Mercedes-Benz
Porsche
ICE
COX Enterprises
Chick-fil-A
EMERSON
Honeywell
DOVER

STORJ

Philip Hutchins, CTO, Storj

Storj Labs provides decentralized cloud storage that is private by design and secure by default. The company was founded in Atlanta in 2014, is currently based out of the Atlanta Tech Village and has found Atlanta to be a great city to start and grow a business in the emerging decentralized applications industry.

Everything stored on the Storj network is client-side encrypted, so it can only be accessed by the data owner. The company supports developers with tools that make it easy to integrate their applications with the most reliable, secure, private, and efficient decentralized cloud storage platform. The V3 Storj network is the next evolution of cloud storage and will be a key influencer and innovation driver in the developing web 3.0 era.

"The previous iteration of the Storj network grew to become the largest decentralized cloud storage network in the world, that we know of, storing more than 100 PB of data across more than 200 countries and territories. Our goal for the V3 network is to create a platform that is as easy to integrate into applications as any traditional, centralized cloud storage platform, all while using the inherent benefits of decentralization to deliver better security and reliability." - Philip Hutchins