



Ceud Mìle Fàilte, Blockchain Revolution!

In an increasingly security conscious world, the potential for tamper-proof records makes Blockchain the single most important invention since the beginning of the internet. Blockchain, still in its infancy, presents huge opportunity for the informed. Scotland with its strong financial and academic culture, coupled with plentiful technology hubs, is ideally positioned to benefit from the potential offered by Blockchain.



What is Blockchain technology?

Simply put, Blockchain securely records and distributes information. A record (the block) is created at a single computer and distributed through a cluster of computers (the chain). The block has a unique ID (called a hash), and each new action or transaction involving that record leads to a new block in the chain. Ultimately, Blockchain stores the fully traceable transaction history for that record. It is not possible to tamper with the information in each block without also changing the originating information in all preceding blocks and across the chain – this makes it incredibly difficult to falsify records in Blockchain. Blockchain is seen as revolutionary due to this digital ‘trust’ embedded in its code. Depending on the technology, the chain can be built so that records are either publicly accessible or privately held and this makes the use of Blockchain extremely versatile for business and public services alike.



What can Blockchain be used for?

The fundamental aim of Blockchain is to create a secure record for fast distribution. This security and efficiency make Blockchain solutions attractive across many sectors and industries.

Although Blockchain is best known for digital currency trading (including, for example, ScotsCoin and Bitcoin), Blockchain actually presents significant further opportunity for the financial sector offering everything from the ability for financial institutions to share KYC/AML records all the way to speedy transaction settlement without using a third party clearing house. With its rich financial history and strong fintech presence, Scotland is perfectly pitched to develop fintech solutions using Blockchain technology.

However, the opportunities for Blockchain extend far beyond the world of finance. Blockchain has proven worth in supply chain auditing (e.g. verifying claims as to origin), facilitating direct-purchases (e.g. tickets, articles, books, music etc.) and in maintaining both private (e.g. health) and public (e.g. land registry) records. There are also many calls for greater security in elections and other polling processes using Blockchain technology. Blockchain can also be used alongside Smart Contracts to drive result focussed transactions (e.g. a system may be built to deliver payments once a set of conditions, coded into a Smart Contract, are met).

The Blockchain revolution is a growing one. While many Blockchain solutions are currently available, the technology is in its infancy and continues to be explored by developers and businesses alike. Undoubtedly as time goes on and our understanding and experience grows, Blockchain will evolve and grow and continue to offer ever-increasing opportunities.



Blockchain Opportunities in Scotland

Many Scottish SMEs are already availing of the opportunities presented by Blockchain, and have achieved great accolade in doing so. Blockchain projects include Scotland's very own digital currency ScotCoin, based in Glasgow. Edinburgh based Wallet.Services has developed an award winning data-sharing platform using Blockchain and various related solutions, including a rental market database. Spiritus Partners is regarded as a leading provider of life sciences solutions and has developed Blockchain for critical asset management. Citizen Ticket has pioneered BitTicket, providing for Blockchain ticketing solutions. Finally, Aberdeen based Kippitech is focusing on a supply chain management tool for food, energy and transport sectors.

The Scottish public sector is also exploring opportunities presented by Blockchain technology. The Scottish Government committed in its 2018 Digital Strategy to investigating opportunities presented Blockchain to make public services safer. It has also appointed Wallet.Services to work with it on its Blockchain strategy. Any such strategy ultimately adopted by the Scottish Government is expected to present further Blockchain opportunities for Scotland's technology companies.

Scotland has a vibrant and experienced innovation community that is driving forward the global Blockchain experience. As it continues to do this, Scottish innovators should be well-pitched to channel the benefits offered by the not-yet-fully-realised opportunities that Blockchain can present.

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