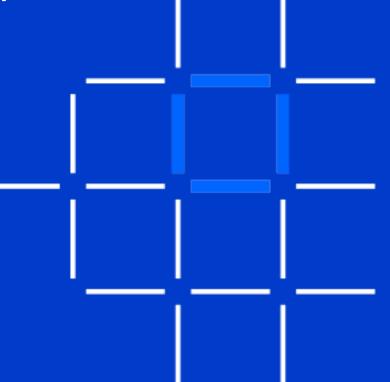
Create and Deploy a Blockchain App with the IBM Blockchain Platform - Demo

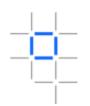
Lennart Frantzell, IBM Developer Advocate, San Francisco alf @us.ibm.com

ibm.biz/lacollision

V1 28 April 2018

IBM **Blockchain**





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Blockchain Collision Intro.pdf Blockchain Car Auction.pdf

Survey: ibm.biz/bcfeedback







Hyperledger Fabric is an **open source blockchain framework** hosted by The Linux Foundation.

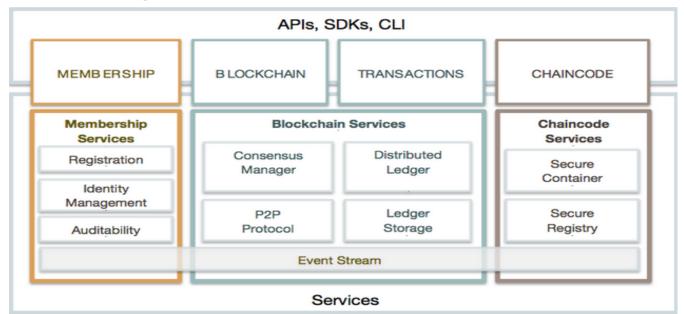
https://www.hyperledger.org/projects/fabric

https://github.com/hyperledger/fabric

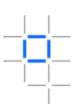
https://hyperledger-fabric.readthedocs.io/en/release-1.1/

IBM.

Hyperledger Fabric overview

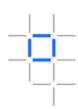


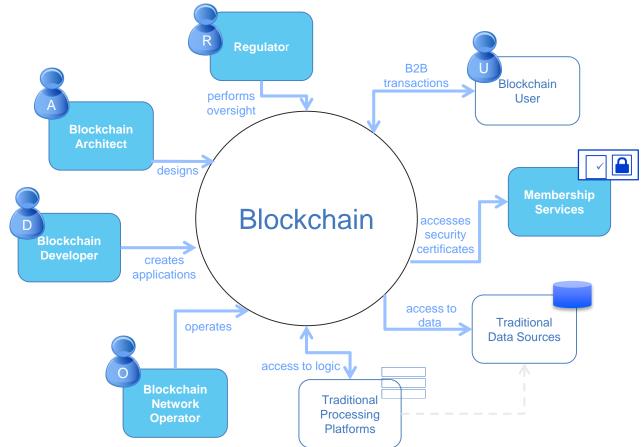
- Hyperledger Fabric allows components, such as consensus and membership services, to be plug-and-play.
- Hyperledger Fabric leverages container technology (Docker) to host smart contracts called "chaincode" that comprise the application logic of the system.
- Chaincode is like Stored Procedures in the traditional database world



Actors in a Blockchain solution

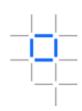
IBM Blockchain

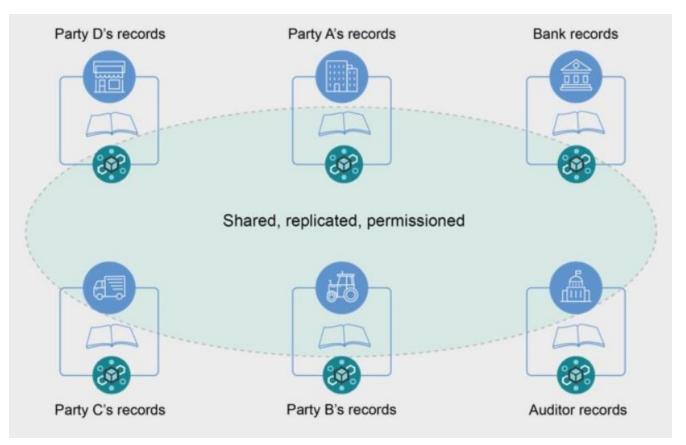




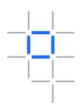


The shared Ledger





A Blockchain is:



- A decentralized virtual ledger for recording transactions without central authority through a distributed cryptographic protocol.
- It is made up of three technologies
 - cryptographic algorithms,
 - a distributed protocol, (gRPC)
 - and replicated data which combined provide a trustworthy service to a group of nodes that do not fully trust each other.
- Source: https://www.zurich.ibm.com/dccl/papers/cachin_dccl.pdf

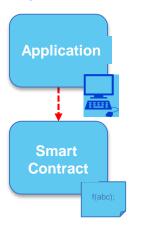
Chaincode

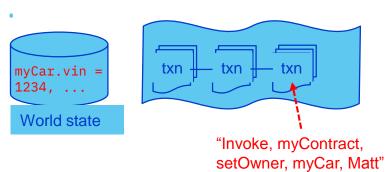
- Chaincode is a piece of code that is deployed into a network of Hyperledger fabric peer nodes that enables interaction with that network's shared ledger.
- Chaincode is a program, written in Go, node.js, and eventually in other programming languages such as Java, that implements a prescribed interface.
- A chaincode typically handles business logic agreed to by members of the network, so it may be considered as a "smart contract".

http://hyperledger-fabric.readthedocs.io/en/release-1.1/chaincode.html

Working with the ledger example: a change of ownership transaction







Transaction input - sent from application

Smart contract implementation

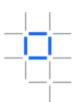
```
setOwner(Car, newOwner) {
   set Car.owner = newOwner
}
```

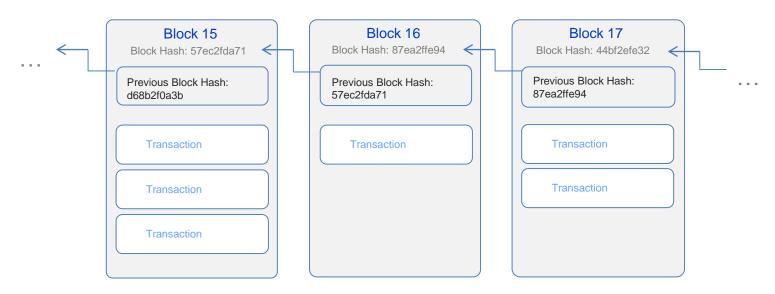
World state: new contents

```
myCar.vin = 1234
myCar.owner = Matt
myCar.make = Audi
...
```



Block detail (simplified)

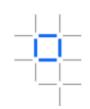


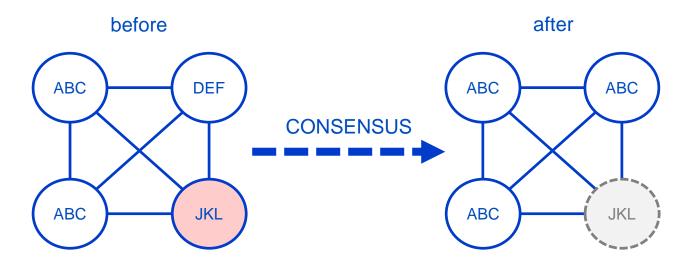


- A blockchain is made up of a series of blocks with new blocks always added to the end
- Each block contains zero or more transactions and some additional metadata
- Blocks achieve immutability by including the result of a hash function of the previous block
- The first block is known as the "genesis" block



Consensus: The process of maintaining a consistent ledger



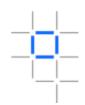


Keep all peers up-to-date Fix any peers in error Ignoring all malicious nodes



IBM **Blockchain**

Consensus algorithms have different strengths and weaknesses





Solo / No-ops Validators apply received transactions without consensus

PROs: Very quick; suited to development

CONS: No consensus; can lead to divergent chains

Example usage: Hyperledger Fabric V1



Practical Byzantine Fault Tolerance implementations

PROs: Reasonably efficient and tolerant against malicious peers

CONS: Validators are known and totally connected

Example usage: Hyperledger Fabric V0.6



Ordering service distributes blocks to peers

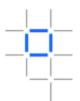
PROs: Efficient and fault tolerant

CONS: Does not guard against malicious activity

Example usage: Hyperledger Fabric V1



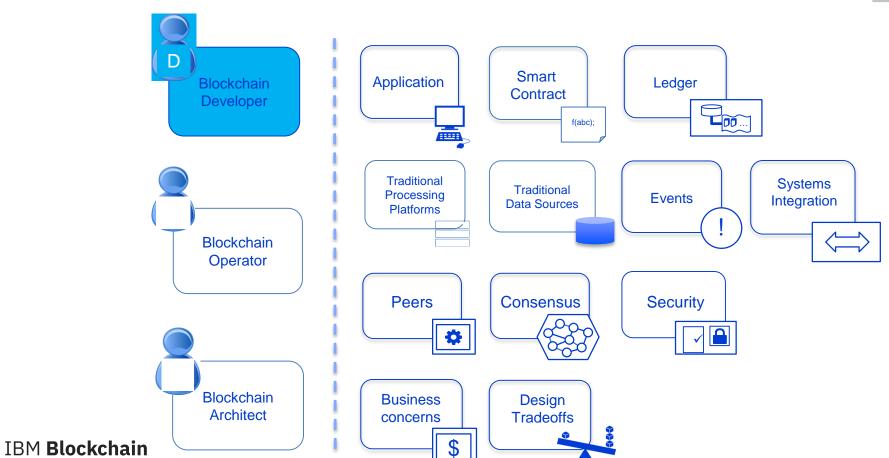
Security: Encryption and Signing



- Cryptography basics
 - Every member of the network has (at least) one public key and one private key
 - Assume that every member of the network knows all public keys and only their own private keys
 - Encryption is the process applying a transformation function to data such that it can only be decrypted by the other key in the public/private key pair
 - Users can sign data with a private key; others can verify that it was signed by that user
- For example
 - Alice can sign a transaction with her private key such that anyone can verify it came from her
 - Anyone can encrypt a transaction with Bob's public key; only Bob's private key can decrypt it
- In private, permissioned blockchains
 - Transactions and smart contracts can be signed to verify where they originated
 - Transactions and their payloads can be encrypted such that only authorized participants can decrypt

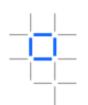


Summary of Key Concepts









https://www.hyperledger.org/projects/composer

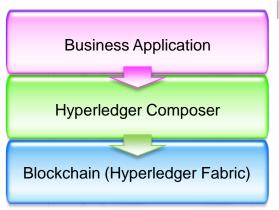


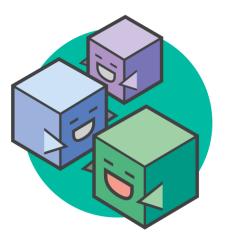
Hyperledger Composer: Accelerating time to value



https://hyperledger.github.io/composer/

- A suite of high level application abstractions for business networks
- Emphasis on business-centric vocabulary for quick solution creation
- Reduce risk, and increase understanding and flexibility

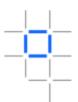




- Features
 - Model your business networks, test and expose via APIs
 - Applications invoke APIs transactions to interact with business network
 - Integrate existing systems of record using loopback/REST
- Fully open and part of Linux Foundation Hyperledger
- Try it in your web browser now: http://composer-playground.mybluemix.net/



Benefits of Hyperledger Composer











Increases understanding

Bridges simply from business concepts to blockchain

Saves time

Develop blockchain applications more quickly and cheaply

Reduces risk

Well tested, efficient design conforms to best practice

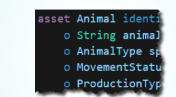
Increases flexibility

Higher level abstraction makes it easier to iterate



Extensive, Familiar, Open Development Toolset





Data modelling



JavaScript business logic



composer-client composer-admin



Client libraries



Editor support



CLI utilities



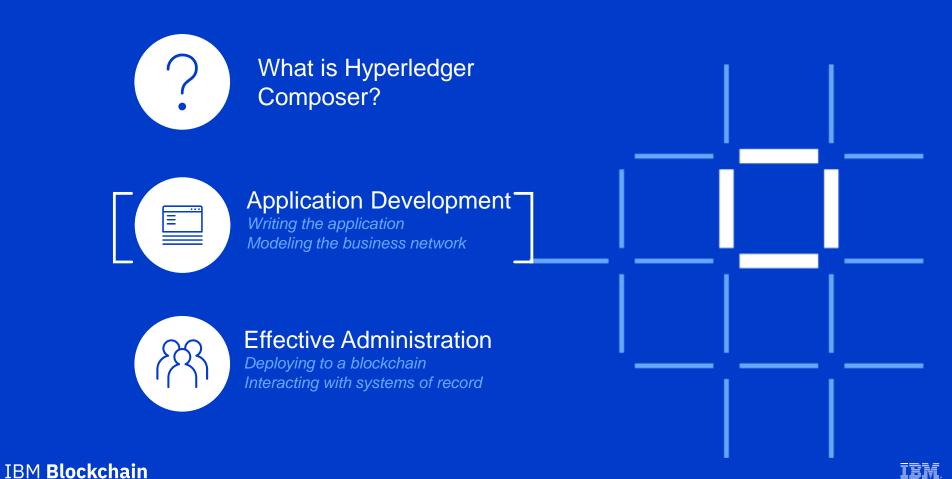
Code generation





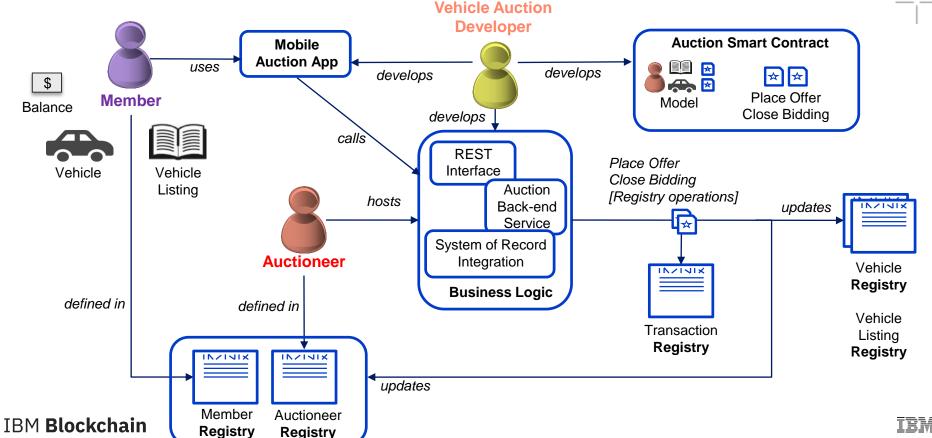
Existing systems and data

IBM Blockchain

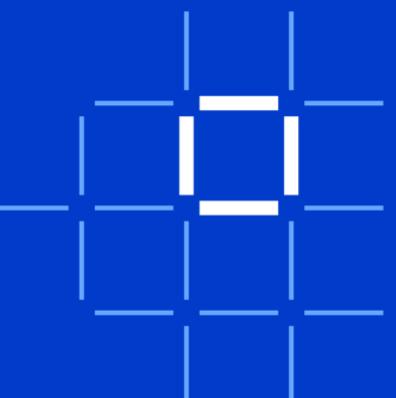


Key Concepts for a Vehicle Auction Developer

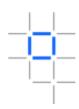








IBM Blockchain Starter Plan Beta

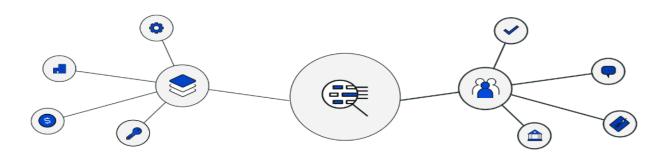


Blockchain /



Location: US South Org: Developer Advocacy Space: dev

Welcome back, alf



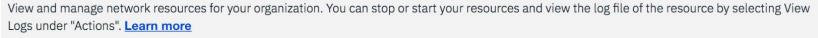
Use the Network Monitor to view and add network nodes, create channels, install chaincode applications, and test confidential transactions.

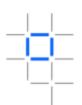




Overview

Overview





↑ Connection Profile

TYPE	NAME	STATUS	1
Orderer	orderer	Running	
CA	org1-ca	Running	
Peer	org1-peer1	Running	



Members

View and manage the members (organizations) of the network on the Members tab. You can invite other organizations to the network or add more organizations in addition to the two organizations that you own by default. You can also view and manage admin certificates that are associated to your organizations on the Certificates tab. Learn more

Members

Certificates



MEMBERS (2/16)	MSP ID	REQUESTER	STATUS	ACTION
Company A alf@us.ibm.com	org1		Joined	\otimes
Company B alf@us.ibm.com	org2		Joined	8

Channels

You must have a channel to propose a transaction. If you're not a member of any channels, you can create one by clicking "Request Channel". Learn more



^{*} Channels created with the SDK cannot be edited here (yet)

APIs

Interact with the network by using APIs in the Swagger UI. You can also use the network credentials and integrate the APIs to your own application. **Learn more**



API reference list

Use the Swagger UI to try out the available catalog of REST APIs against the network.

Swagger UI



Network credentials

Use these network credentials to access the resource endpoints that your application needs to. Use "key" as your "Username" and "secret" as your "Password" when you authorize your APIs in the Swagger UI.

```
"url": "https://ibmblockchain-starter.ng.bluemix.net",
   "network_id": "nabbe2cb650394e3794e233bd1b5153c3",
   "key": "org1",
   "secret":
}
```

Show secret

Notifications



Notifications

You get a notification whenever a creation or update request for a channel that you are included is submitted. Review, vote, and subrechannel requests with the buttons under "ACTION". Learn more

channel requests with the buttons under "ACTION". <u>Learn more</u>						
All (2)	Pending (1)	Completed (1)				
O _{search}	n notifications					
NA NA	ME ₹		DATI	E UPDATED ▼		MY STATUS ₹
	annel Request in "bostonchannel"		-	Company A pril, 2018 - 11:44:36 AM		Vote Accepted
	annel Request		-	Company A pril. 2018 - 10:39:28 AM		Vote Accepted

IBM **Blockchain**

Write code

You can develop your blockchain use case with IBM Blockchain Platform development environment, and then deploy the use case back to this network. Learn more.



Develop code

The IBM Blockchain Platform provides a free development environment based on industry standard tools and technologies (Hyperledger Composer, Javascript, Docker, Yeoman, and more) that you can use to model and code a ready-to-deploy use case.

You can trial this environment online or install it on your local machine. Learn more and download the tools at our website.



Deploy code

After you create your blockchain use case, you can deploy it to this network in the cloud platform following the Deployment Guide.

Deployment guide

Visit website

Install code

Chaincode must be installed on a peer. Select a peer and then install a chaincode on it. After you install the chaincode, you can request to instantiate it on a channel by clicking the Instantiate button under "Actions" for that chaincode. Clicking elsewhere on the chaincode will show you what channels the chaincode is instantiated on. Learn more. Do you already have a .bna file to deploy? See our deployment guide.

Choose peer	•	⊥ Install Chaincode
CODE ID	VERSION	ACTIONS

CODE ID	VERSION	ACTIONS
marbles_sample	3a30a0df1829	0 0 0

IBM Blockchain

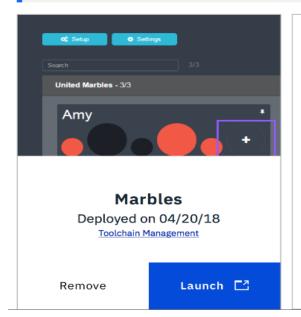
Try samples

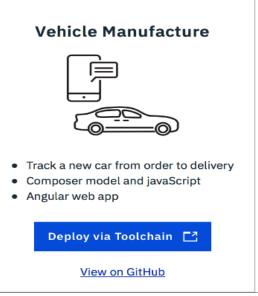
Sample applications provide you a better understanding of blockchain networks. You can also develop your own apps by installing our developer tools. This sample deployment approach leverages IBM Cloud Toolchains and helps to deploy sample applications, including chaincode, front-end apps, and a dev-ops pipeline in a single step. **Learn more**

Cloud Toolchain. Each sample deployment comes with source control, deployment pipeline, and the "chaincode" running on your blockchain network.

After you deploy the sample, any changes you push to the source control are automatically deployed to your Blockchain Platform service via the deployment pipeline.







Build Proposal

Endorsement

Ordering

Validate & Commit









The invocation needs to be signed and packaged as a proposal. This is done here, in the Marbles application.

Next, we send the transaction proposal to our peer for endorsement. The peer will simulate the transaction, verify the proposal, and then sign the proposal. It is then sent back to Marbles.

Then Marbles will send our endorsed proposal to the orderer. The orderer will sequence transactions from throughout the network including ours.

The block containing our transaction is sent from the orderer to our peer. Finally it is validated by the peer and then committed to the peer's ledger.

Invoke Complete

Support

Get help with your blockchain network. Learn more



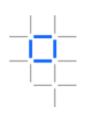
Support

Release Notes

- > GETTING STARTED
- > COMMUNITY HELP
- > SUPPORT TICKET
- > BLOCKCHAIN SAMPLE APPLICATIONS
- > HYPERLEDGER FABRIC
- > HYPERLEDGER COMPOSER



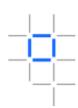
Where do we go from here?



ibm.biz/lacollision

ibm.biz/bcfeedback



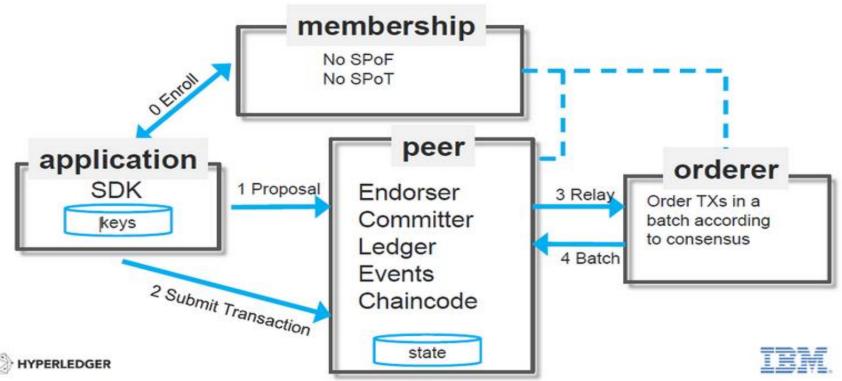


Appendix



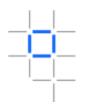
Fabric v1.0 Architecture







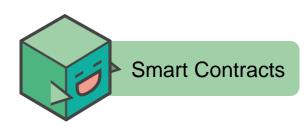
A Blockchain is:

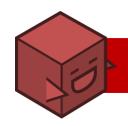


- A distributed ledger is a type of database that is shared, replicated, and synchronized among the members of a network.
- The distributed ledger records the transactions, such as the exchange of assets or data, among the participants in the network.
- Participants in the network govern and agree by consensus on the updates to the records in the ledger.
- No central, third-party mediator, such as a financial institution or clearinghouse, is involved.
- Every record in the distributed ledger has a timestamp and unique cryptographic signature, thus making the ledger an auditable history of all transactions in the network.

The Business Service Provider develops three components







Business Logic



Presentation Logic

- Implements the logic deployed to the blockchain
 - Models describe assets, participants & transactions
 - Transaction processors provide the JavaScript implementation of transactions
 - ACLs define privacy rules
 - May also define events and registry queries

- Services that interact with the registries
 - Create, delete, update, query and invoke smart contracts
 - Implemented inside business applications, integration logic and REST services
- Hosted by the Business Application Consumer

- Provides the front-end for the end-user
 - May be several of these applications
- Interacts with business logic via standard interfaces (e.g. REST)
- Composer can generate the REST interface from model and a sample application



Assets, Participants and Transactions





```
asset Vehicle identified by vin {
  o String vin
  --> Member owner
}
asset VehicleListing identified by listingId {
  o String listingId
  o Double reservePrice
  o String description
  o ListingState state
  o Offer[] offers optional
  --> Vehicle vehicle
}
```





```
abstract participant User identified by email {
  o String email
  o String firstName
  o String lastName
}

participant Member extends User {
  o Double balance
}

participant Auctioneer extends User {
}
```



```
transaction Offer {
    o Double bidPrice
    --> VehicleListing listing
    --> Member member
}
transaction CloseBidding {
    --> VehicleListing listing
}
```

Transaction Processors

```
**
* Close the bidding for a vehicle listing and choose the
* highest bid that is
* @param {org.acme.ve
* @transaction
*/
function closeBidding(
   var listing = clos
   if. (listing.state)

* Close the bidding for a vehicle listing and choose the
//**

* Make an Offer for a VehicleListing
* @param {org.acme.vehicle.auction.Offer} offer - the offer
* @transaction
*/
function makeOffer(offer) {
   var listing = offer.listing;
   if (listing.state !== 'FOR_SALE') {
```

Access Control

```
rule EverybodyCanReadEverything {
   description: "Allow all participants read access to all resources"
   participant: "org.acme.sample.SampleParticipant"
   operation: READ
   resource: "org.acme.sample.*"
   action: ALLOW
}
```

```
rule OwnerHasFullAccessToTheirAssets {
   description: "Allow all participants full access to their assets"
   participant(p): "org.acme.sample.SampleParticipant"
   operation: ALL
   resource(r): "org.acme.sample.SampleAsset"
   condition: (r.owner.getIdentifier() === p.getIdentifier())
   action: ALLOW
}
```

```
rule SystemACL {
  description: "System ACL to permit all access"
  participant: "org.hyperledger.composer.system.Participant"
  operation: ALL
  resource: "org.hyperledger.composer.system.**"
  action: ALLOW
}
```

- It is possible to restrict which resources can be read and modified by which participants
 - Rules are defined in an .acl file and deployed with the rest of the model
 - Transaction processors can also look up the current user and implement rules programmatically
- ACL rules can be simple (e.g. everybody can read all resources) or more complex (e.g. only the owner of an asset can do everything to it)
- Application supplies credentials (userid/secret) of the participant when connecting to the Fabric network
 - This also applies to Playground!
 - Remember to grant System ACL all access if necessary



Events and Queries

- Events allow applications to take action when a transaction occurs
 - Events are defined in models
 - Events are **emitted** by transaction processor scripts
 - Events are caught by business applications
- Caught events include transaction ID and other relevant information
- // Emit an event for the modified asset.
 var event = getFactory().newEvent('org.acme.sample', 'SampleEvent');
 event.asset = tx.asset;
 event.oldValue = oldValue;
 event.newValue = tx.newValue;
 emit(event);

 businessNetworkConnection.on('SampleEvent', (event) => {

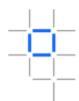
console.log(event);

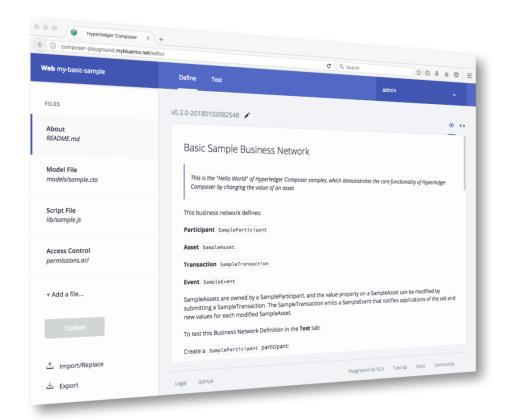
vent SampleEvent {
 --> SampleAsset asset
 o String oldValue
 o String newValue

- Queries allow applications to perform complex registry searches
 - They can be statically defined in a separate .qry file or generated dynamically by the application
 - They are invoked in the application using buildQuery() or query()
 - Queries require the blockchain to be backed by CouchDB

return query('selectCommoditiesWithHighQuantity', {})

Smart Contract Development: Composer Playground





- Web tool for defining and testing Hyperledger Composer models and scripts
- Designed for the application developer
 - Define assets, participants and transactions
 - Implement transaction processor scripts
 - Test by populating registries and invoking transactions
- Deploy to instances of Hyperledger Fabric V1, or simulate completely within browser
- Install on your machine or run online at http://composer-playground.mybluemix.net





General purpose development: Visual Studio Code

- Composer extension available for this popular tool
- Features to aid rapid Composer development
 - Edit all Composer file types with full syntax highlighting
 - Validation support for models, queries and ACLs
 - Inline error reporting
 - Snippets (press Ctrl+Space for code suggestions)
 - Generate UML diagrams from models
- Install directly from Code Marketplace

```
Hyperledger Composer 0.16.2 ♀16K ★5
Hyperledger Composer syntax highlighting, aut...
Hyperledger Composer VS Code Plugin
```

```
[Composer] IllegalModelException: Could not find super type Pearson
participant PrivateOwner identified by email extends Pearson {
    o String email
}

Business Network

Forg. String Label Country Country
```

namespace org.acme.vehicle.lifecycle

participant PrivateOwner identified by email extends Person

import composer.business.Business

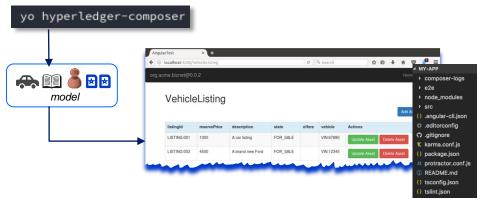
import composer.base.Person

o String email

Creating the Business and End-User Applications



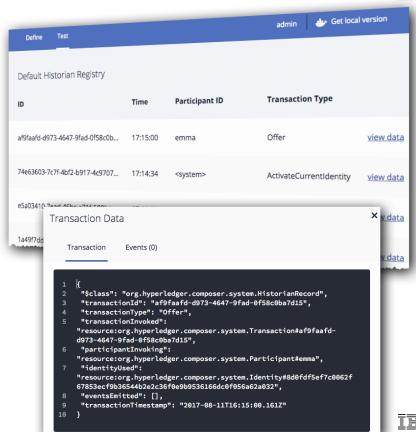
- JavaScript business applications require() the NPM "composer-client" module
 - This provides the API to access assets, participants and transactions
 - RESTful API (via Loopback) can also be generated... see later
- Command-line tool available to generate end-user command-line or Angular2 applications from model
 - Also helps with the generation of unit tests to help ensure quality code

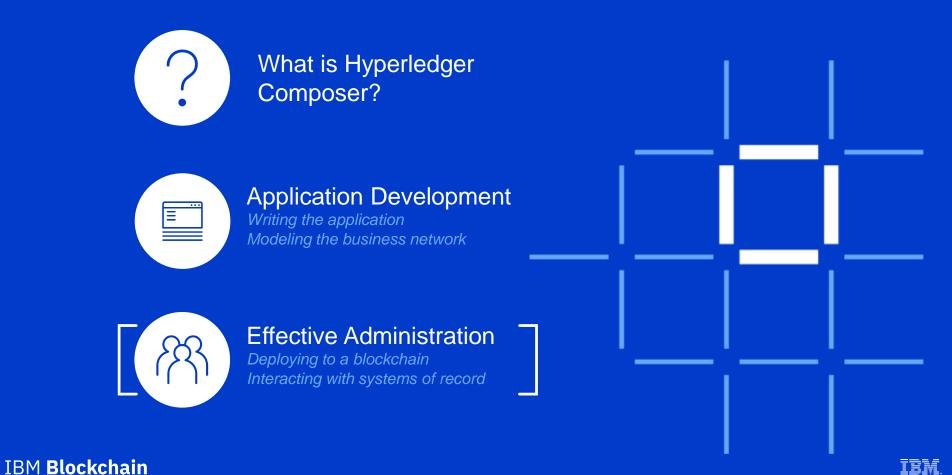




Debugging

- Playground Historian allows you to view all transactions
 - See what occurred and when
- Diagnostics framework allows for application level trace
 - Uses the Winston Node.js logging framework
 - Application logging using DEBUG env var
 - Composer Logs sent to stdout and ./logs/trace_processid>.trc
- Fabric chaincode tracing also possible (see later)
- More information online:
 https://hyperledger.github.io/composer/problems/diagnostics.html





Connection Profiles to Hyperledger Fabric

"ca": { "url": "http://localhost:7054",

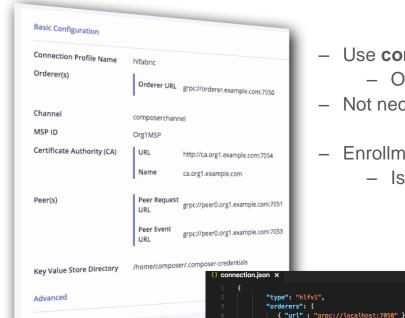
"peers": [

"name": "ca.org1.example.com"

"keyValStore": "\${HOME}/.composer-credentials

"requestURL": "grpc://localhost:7051'
"eventURL": "grpc://localhost:7053"





- Use connection profiles to describe Fabric connection parameters
 - One connection profile required per channel
- Not necessary for web-based simulation
- Enrollment in Hyperledger Fabric network required (see later)
 - Issue Fabric identity from Composer participants

- Connection profiles currently used by Composer only
 - Plans to implement common connection profiles that can be used by both Fabric and Composer

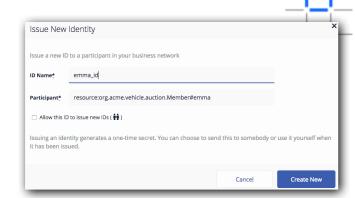
IBM Blockchain

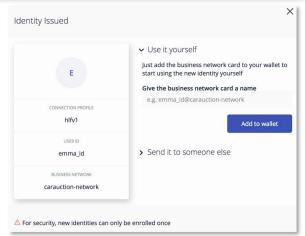
Use this profile



Participant Identity

- The Network Service Consumer issues network participants with an identity in order to connect to Hyperledger Fabric
 - Issued as a Hyperledger Fabric userid/secret
 - Automatically swapped for a certificate on first use
 - Packaged in a Business Network Card and supplied when the client application connects
- Composer Participant to Fabric Identity mapping is stored on the blockchain in an *identity registry*
- Usually, only Business Service Consumers have a Fabric identity
 - End-users log in to the business application using a separately managed identity; blockchain transactions invoked by proxy
- Manage identity from Playground, Javascript, REST or command line
 - For example: Test connection, issue identity, bind an identity to a participant, revoke an identity, list identities

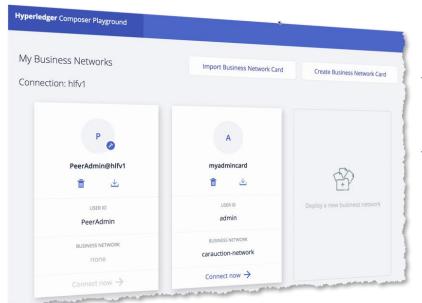


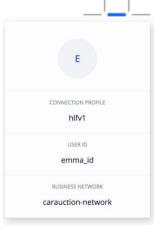




Business Network Cards

- Business Network Cards are a convenient packaging of identity and connection profile
 - Contains everything you need to connect to blockchain business network
 - Each card refers to a single participant and single business network
 - Analogous to an ATM card





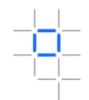
- Manage cards from both Playground and command-line
 - Create, delete, export, import, list
 - Create requires userid/secret or certificate/private key
- Use cards to connect to Fabric from Playground, command-line or from within your application

```
composer network deploy -a my.bna -c my.card

// Connect and log in to HLF
var businessNetwork = new BusinessNetworkConnection();
return businessNetwork.connect('cardName')
.then(function(businessNetworkDefinition){
    // Connected
});
```

Systems of Record Integration

- Domain specific APIs very attractive to mobile and web developers. Resources and operations are businessmeaningful
- Composer exploits Loopback framework to create REST APIs: https://loopback.io/
- Extensive test facilities for REST methods using loopback
- Secured using JS Passport, giving >400 options for authentication
- Composer provides back-end integration with any loopback compatible product
 - e.g. IBM Integration Bus, API Connect, StrongLoop
 - Outbound and Inbound (where supported by middleware)



angular-app

```
Auctioneer: A participant named Auctioneer
                                                                                      Show/Hide List Operations
CloseBidding: A transaction named CloseBidding
                                                                                               List Operations
Member: A participant named Member
                                                                                      Show/Hide List Operations
Offer: A transaction named Offer
                                                                                      Show/Hide List Operations
Vehicle: An asset named Vehicle
                                                                                      Show/Hide List Operations
        /Vehicle
                                                                         Find all instances of the model matched by filter fro
        /Vehicle
                                                                        Create a new instance of the model and persist it in
        /Vehicle/{id}
                                                                                      Find a model instance by {{id}} fro
```

```
Request URL

http://0.0.0.0:3000/api/Vehicle

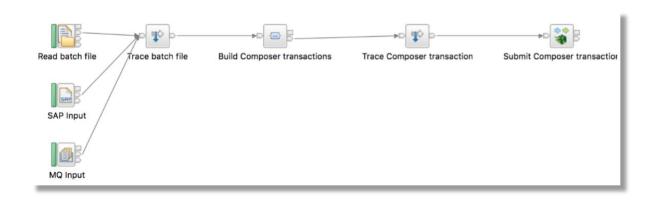
Response Body

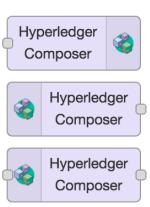
[
{
    "$class": "org.acme.vehicle.auction.Vehicle",
    "vin": "VEH:1234",
    "owner": "odowda@uk.ibm.com"
}
]
```



Exploiting Loopback: Examples







IBM Integration Bus

- IIB V10 contains Loopback connector
- Example above takes input from file, SAP or MQ
- Data mapping from CSV, BAPI/IDOC or binary form to JSON model definition

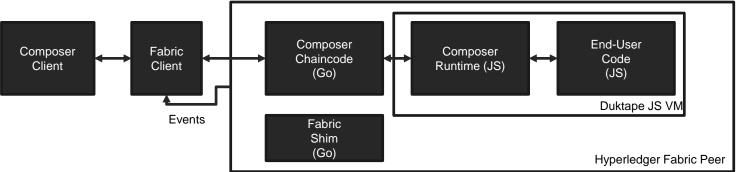
Node.RED

- Pre-built nodes available for Composer
- Connect to hardware devices, APIs and online services
- Install direct from Node.RED UI
 - Manage Palette -> Install -> node-red-contrib-composer



How Composer Maps to Fabric Chaincode





- Each Business Network is deployed to its own chaincode container
 - Container contains a static piece of Go chaincode that starts a Javascript virtual machine running transaction processors
- Browse these containers to view diagnostic information (docker logs)
- Embedded chaincode is not a Composer external interface

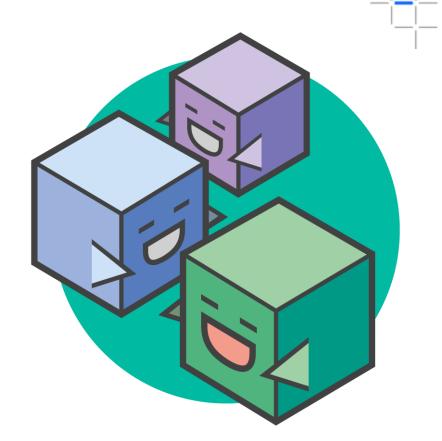


Get started with Hyperledger Composer

- Define, Test and Deploy Business Networks
- Create domain APIs and sample applications
- Integrate existing systems and data

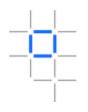
https://hyperledger.github.io/composer/

http://composer-playground.mybluemix.net/



https://hyperledger.github.io/composer/latest/tutorials/playground-tutorial

Welcome to Hyperledger Composer Playground!





In this web sandbox, you can deploy, edit and test business network definitions. Have a play and learn what Hyperledger Composer Playground is all about.

Let's Blockchain!

? Not sure where to start? View our Playground tutorial.



Hyperledger Composer Playground

My Business Networks

Connection: Web Browser



Hello, Composer!

Get started with the basicsample-network, or view our <u>Playground tutorial</u>

BUSINESS NETWORK

basic-sample-network

Get Started →



Deploy a new business network



Choose a Business Network Definition to start with:

Choose a sample to play with, start a new project, or import your previous work

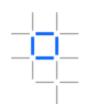




network



Drop here to upload or <u>browse</u>



Samples on npm



animaltrackingnetwork



bond-network



carauctionnetwork



digitalpropertynetwork



marbles-network



perishablenetwork



pii-network



trade-network



vehicle-lifecyclenetwork



vehiclemanufacturenetwork







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