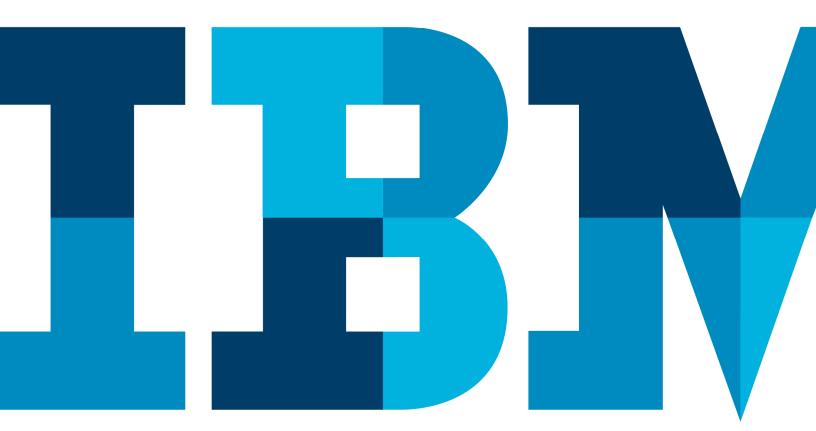
IBM Blockchain Proof of Technology Blockchain Explained

Lab One - Exercises





Contents

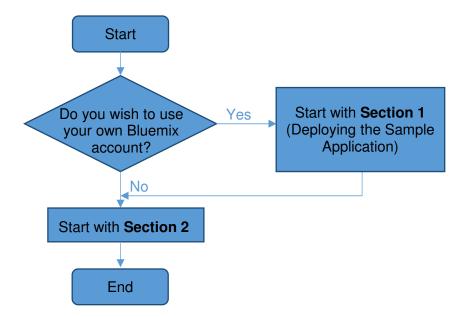
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Overview Introduction to the Lab

The aim of this lab is to introduce you to the concepts of a blockchain by showing you how a blockchain could be used to transfer assets between participants in a business network. We will use Car Leasing as the scenario for the demo.

The lab runs inside the IBM Bluemix environment, however for this lab we will ignore Bluemix and focus on the car leasing demo itself. There is a follow-on lab that will properly introduces you to the Bluemix environment, and allows you to create and monitor the blockchain service and application.

Usually, the car leasing demo will have been set up for you prior to starting this lab and you can simply log on to the demo web page without having to log into Bluemix. If you wish to use your own Bluemix account (or if you are an IBMer), then you first need to deploy the Car Leasing demo into your account; details of how to do this are listed in Section 1. If you are using the application that has been already set up for you, just start with Section 2.



Section 1. Deploying The Sample Application

In this section we will log onto Bluemix and instantiate the Car Leasing Demo application.



You only need to complete this section if:

- (a) You wish to sign up for Bluemix, OR
- (b) You wish to use your existing Bluemix account, OR
- (c) You are an IBMer.

1.1. Deploying the Sample Application

__1. Open a web browser and go to www.bluemix.net.

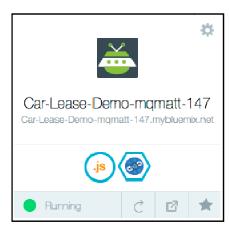


It is recommended to use Firefox or Chrome.

Problems can generally be resolved by clearing the browser's cache and cookies, or running the browser in private mode.

2.	Click 'Sign Up' or 'Log In' to create a new Bluemix account or log into your existing account.
3.	Once you have successfully signed up and logged into Bluemix, select CATALOG from the top bar.
4.	Scroll down to the Network section and click Blockchain .
5.	Review the service description and information about the service.
6.	Click VIEW DOCS and learn about the process of creating a blockchain environment.
7.	Click 'Sample Apps and Tutorials' on the left of the page to view the available apps.

__8. Click to view any created services. If running this lab as part of the Proof-of-Technology workshop you should see the following services already created for the car leasing application (and associated blockchain service):





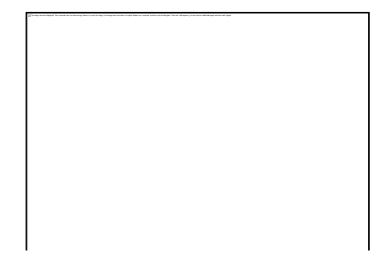


If these services exist then go to step 11!

__9. Click Deploy to Bluemix against the Car Lease demo. Log in to Bluemix again if necessary.

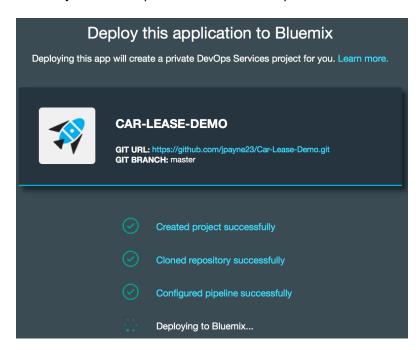


The first time a bluemix ID creates a sample, a new DevOps alias is required. **Pick a unique ID** and click acceptance of the terms and then click create. For Proof-of-Technology workshops, use the first part of the email address, for example ibmpot000101 (without the '+' character). Then click continue on the following page.



__10. Leave the App Name, Region, Organization and Space default and click first need to wait a few seconds for the default field values to be populated.)

Clicking Deploy will cause the car leasing demo to be deployed into your Bluemix environment, and may take a couple of minutes to complete.



Once you see the 'Success!' message click to see the new car leasing application (and associated blockchain service) you created.

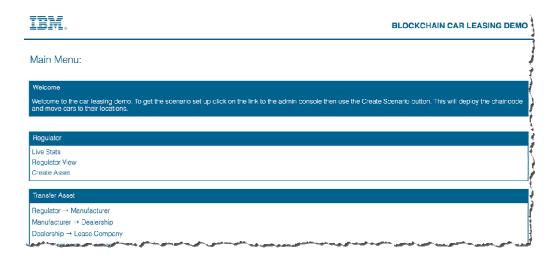
__11. Click the application's icon in the dashboard (your icon may vary!)



This will show you information about the application, including the memory that it is consuming and activity log.

1.2. Starting the Sample Application

__1. Click the 'Routes' URL (something like to run the scenario.





If running this lab as part of the Proof-of-Technology workshop, and the sample has already been created, you should now move to section 2.

__2. Click 'Admin Console' and then 'Create Simple Scenario' to load the initial set of assets into the blockchain. This will take several minutes to complete.



__3. The scenario setup is complete when 'Demo setup' is displayed.





If an error occurs during creating the scenario, go to Appendix A for instructions on how to delete the service.

Section 2. Asset Transfer and Disposal Scenarios

In the following sections you will discover how blockchain technology can be used to track ownership of an asset across multiple parties. The scenario describes how blockchain technology could be used to model the lifecycle of vehicle ownership and control between the following participants:

- 1) Manufacturer to Dealership
- 2) Dealership to Leasing Company
- 3) Leasing Company to Leasee
- 4) Leasing Company to Scrap Merchant

The Scrap Merchant's role in this scenario will also demonstrate how asset disposal can be represented using blockchain technology.

In this business scenario each participant has entered into a business agreement with each other and all parties are known and trusted by each other. The above process of transferring vehicles has been negotiated and agreed with all participants. As a result the order in which the above processes take place is strictly defined within the demo showing that for example a Manufacturer cannot transfer directly to a Leasee by missing out the dealership and Leasing company transfers.

This demo has been simplified so that by default each role (EG "Manufacturer") will only show one participant (e.g. "Alfa Romeo") in the transfer assets page.

2.1. Starting the Asset Transfer Demo

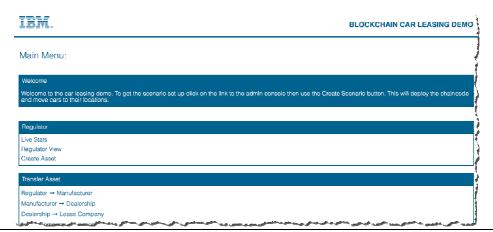
__1. Bring up a web browser and go to the URL that your instructor has provided. (If you completed Section 1, just use the URL of the application that you already created.)



It is recommended to use Firefox or Chrome.

Some people have previously reported problems working with Bluemix in Internet Explorer and Safari.

You should be able to see the home page of the Car Leasing Demo.



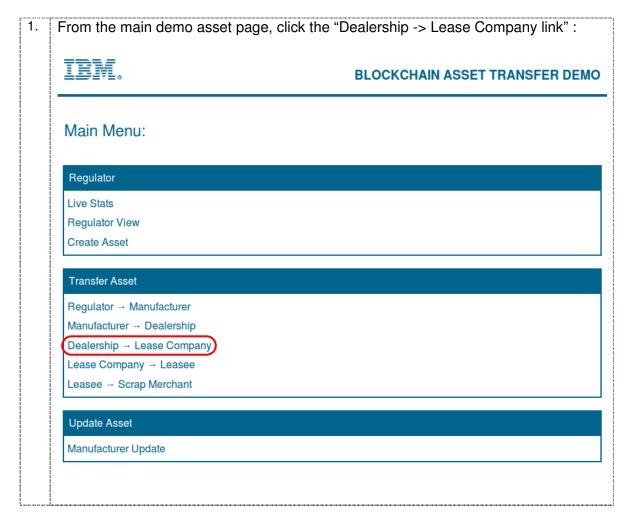
2.2. Scenario: Transfer: Manufacturer to Dealership

In the following section you will transfer the ownership of a vehicle from a Manufacturer to a Dealership (known as "Beechvale Group") using the blockchain.

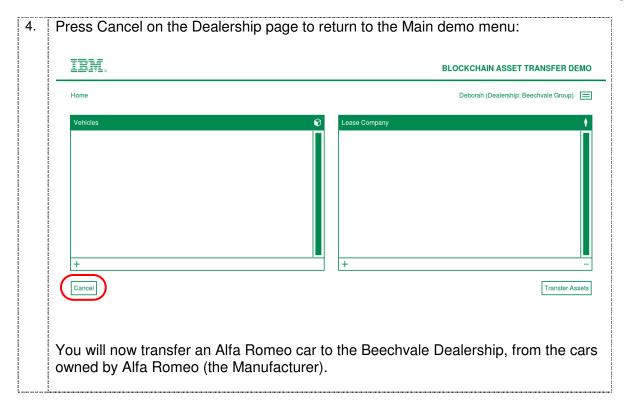
Before transferring the vehicle to the dealership you will verify which assets the target Dealership currently owns.

2.2.1. Verify the target Dealership Assets

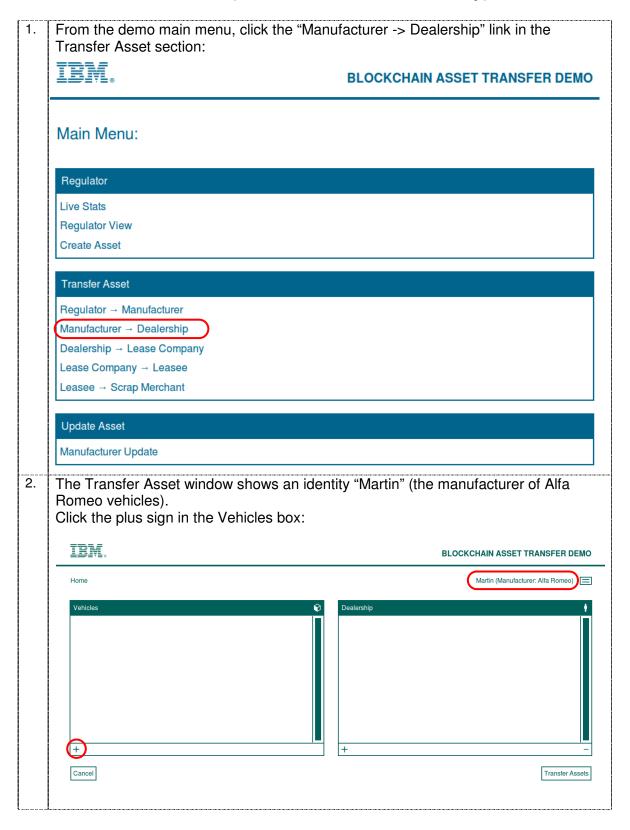
In this section you will act as a Dealership and verify which assets the Beechvale Dealership owns and is permitted to transfer.

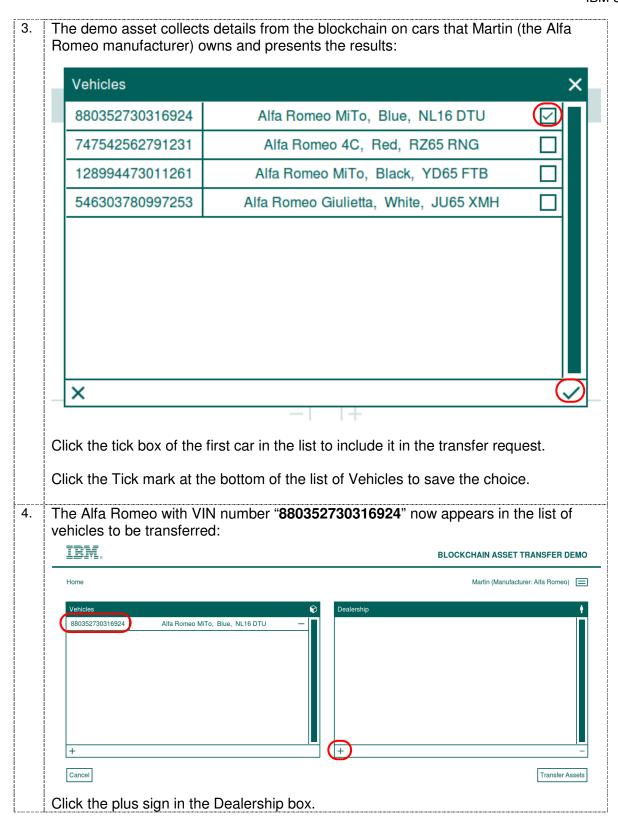


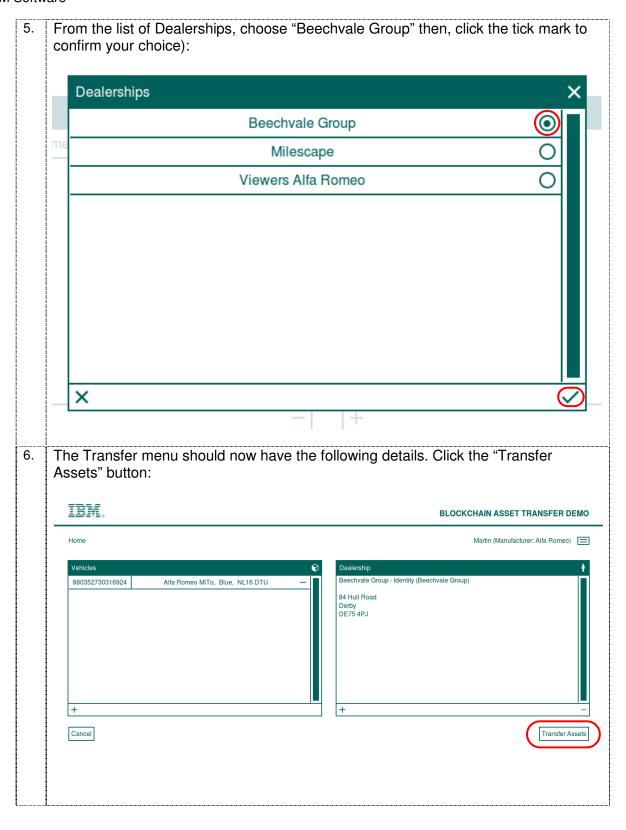
In the Dealership Transfer window, click the plus sign in the "Vehicles" window to verify which vehicles are owned by the Dealership known as "Beechvale Group" according to the blockchain. The demo asset interrogates the blockchain to identify all vehicles owned by the Dealership and will present a window with the results (note the dealership user "Deborah" will only see vehicles owned by the dealership). IBM. **BLOCKCHAIN ASSET TRANSFER DEMO** Home Deborah (Dealership: Beechvale Group) Transfer Assets Cancel In the results window, verify the number of cars and their make. Note the number in the first column of this table is used to model the Vehicle Identification Number (or VIN). Vehicles 549523556856725 Jaguar F-Type, Red, HE16 WDZ 523447019546831 Land Rover Defender, Silver, EY16 FRV Toyota Celica, Silver, DG16 FVG 948881310167423 × According to the blockchain, the Beechvale dealership owns 3 cars (none of which are Alfa Romeo's). Click the cross to dismiss the window.



2.2.2. Transfer the asset (from Manufacturer to Dealership)

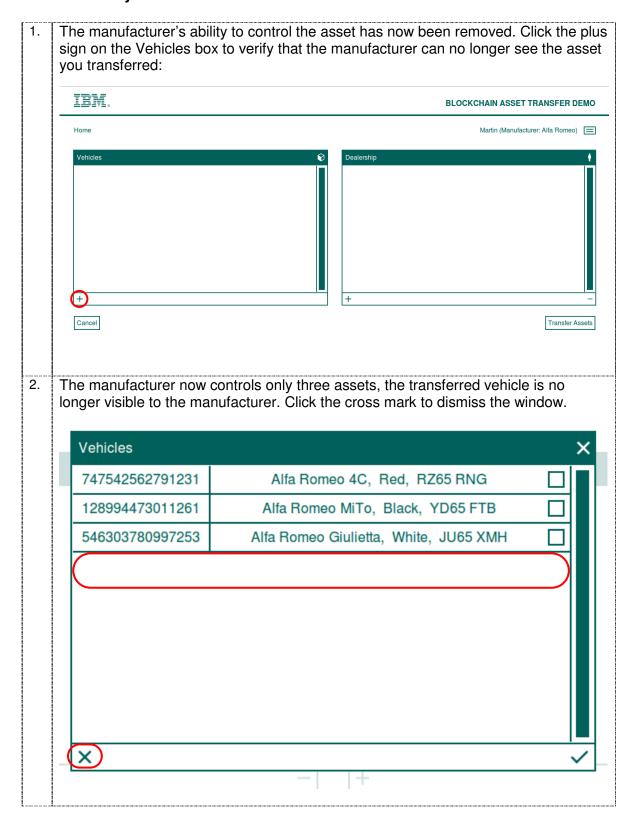




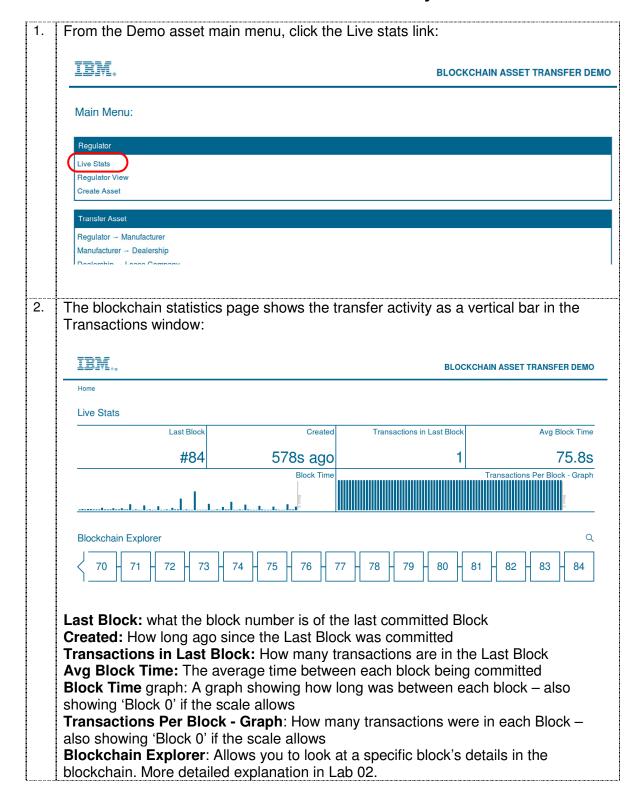


The Demo asset, highlights what it is doing with the blockchain in the status window: Asset 1 Formatting request ✓ Updating owner value ✓ Achieving Consensus ✓ Owner updated ✓ The demo asset updates the Owner of the contract based on the Dealership specified in the transfer request. The Demo asset then waits for the open source blockchain technology to declare "consensus" shown by the stage "Achieving Consensus". Once consensus is achieved the transfer request is "committed" to the blockchain. We then confirm the information update has been succesful, as shown by the confirmation "Owner Updated". Click OK to acknowledge the transfer status messages. 8. 9. Click the tick mark to acknowledge the Transaction Complete message: **Transaction Complete** Transaction committed to the blockchain. Manufacturer: Alfa Romeo Dealership: Beechvale Group (Account Beechvale Group) Vehicles: 1

2.2.3. Verify Manufacturer has no control over Transferred Asset



2.3. Scenario: View the blockchain Activity

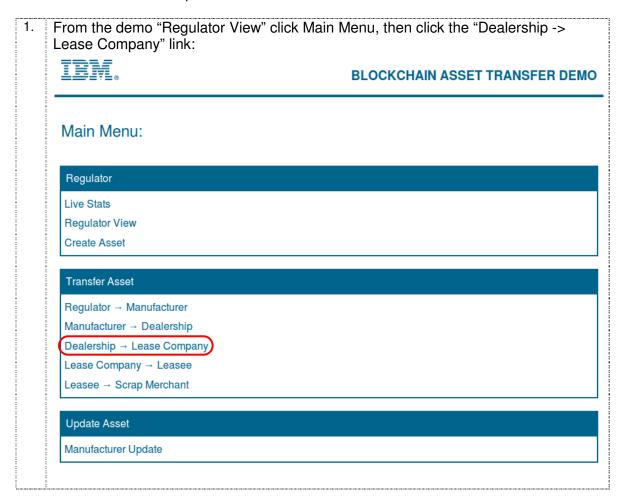


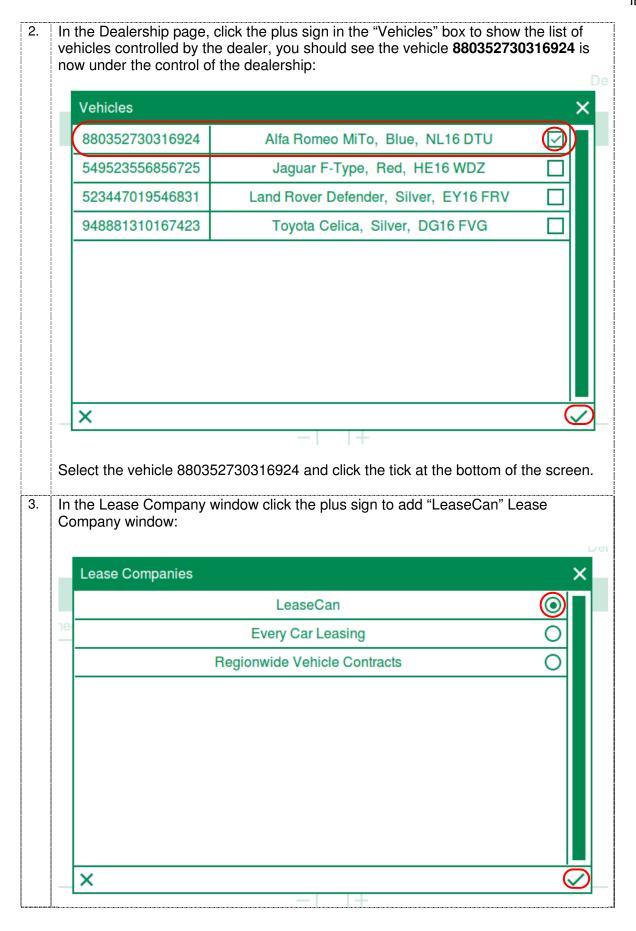
2.4. Scenario: Transfer: Dealership to Leasing Company

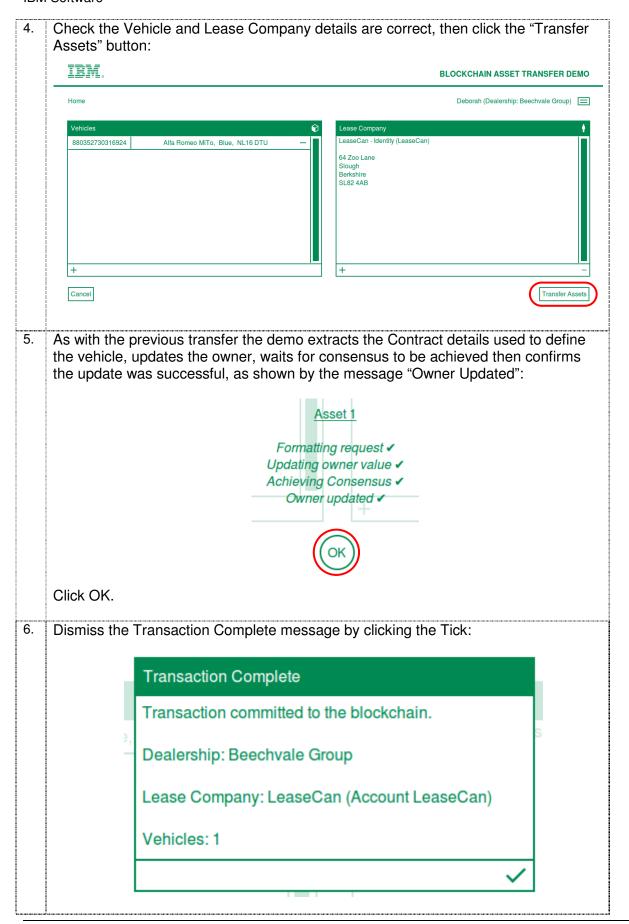
In this section you will act as "the Dealer". First you will verify that the asset you transferred earlier is now available to you to transfer, you will then transfer the asset to the Leasing Company.

2.4.1. Verify the Dealership can now control the Asset

In the previous section you transferred the ownership of the vehicle **880352730316924** from the Alfa Romeo manufacturer to the dealership "Beechvale Group". The vehicle will now appear in the list of vehicles Beechvale Group are able to control.







7. Click the plus sign in the "Vehicles" box to verify that the asset is no longer available to the Beechvale Group Dealer. You now will see only three vehicles. The vehicle you just transferred to the Lease Company should not appear:

Vehicles

549523556856725

Jaguar F-Type, Red, HE16 WDZ

523447019546831

Land Rover Defender, Silver, EY16 FRV

948881310167423

Toyota Celica, Silver, DG16 FVG

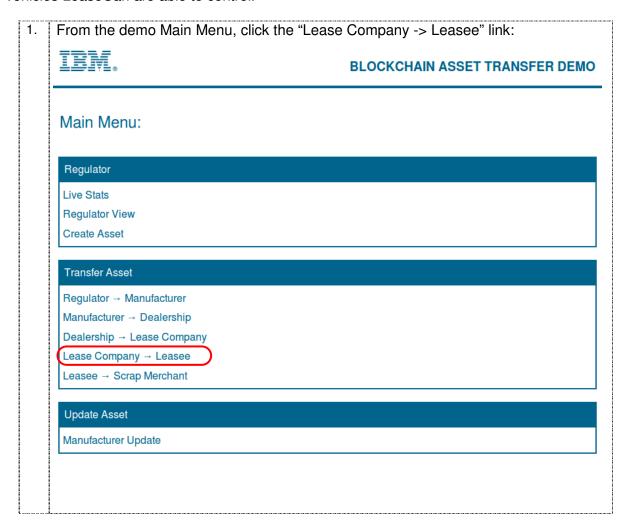
8. Close this window and "Cancel" out of the Dealership's Transfer Assets page.

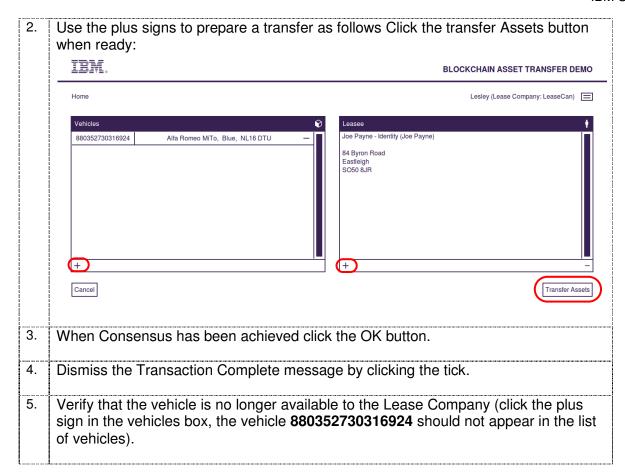
2.5. Scenario: Transfer: Lease Company to Leasee

In this section you will act as the Lease Company. First you will verify that the asset you transferred earlier is now available to you acting as the Lease Company to transfer, you will then transfer the asset to a Leasee.

2.5.1. Verify the Lease Company can now control the Asset

In the previous section you transferred the ownership of the vehicle **880352730316924** from the dealership "Beechvale Group" to the Lease Company "Leasecan". The vehicle will now appear in the list of vehicles LeaseCan are able to control.





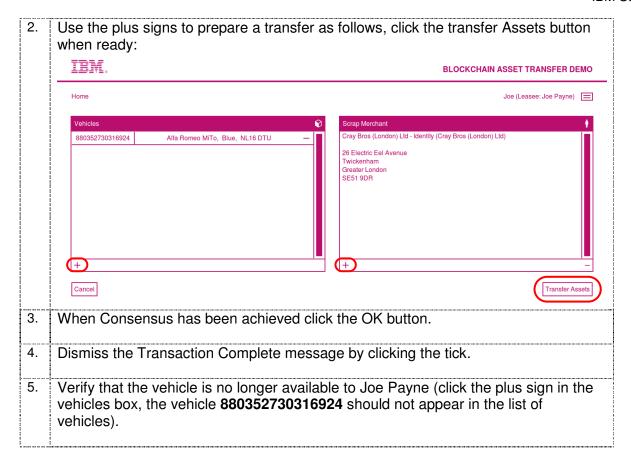
2.6. Scenario: Transfer: Leasee to Scrap Merchant

In this section you will act as the Leasee (individual). First you will verify that the asset you transferred earlier is now available to you acting as the Leasee to transfer, you will then transfer the asset to a Scrap Merchant.

2.6.1. Verify the Leasee can now control the Asset

In the previous section you transferred the ownership of the vehicle **880352730316924** from the Lease Company "LeaseCan" to the individual "Joe Payne". The vehicle will now appear in the list of vehicles Joe is able to control.



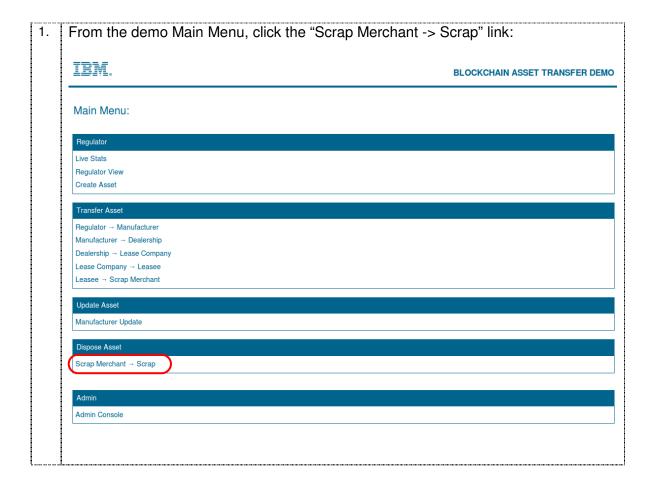


2.7. Scenario: Scrap Merchant - Asset disposal

In this section you will act as the Scrap Merchant (individual) and dispose of the asset. First you will verify that the asset you transferred earlier is now available to you acting as the Scrap Merchant, you will then dispose of the asset.

2.7.1. Verify the Scrap Merchant can control the Asset

In the previous section you transferred the ownership of the vehicle **8803527303169234** from "Joe Payne" to the Scrap Merchant. The vehicle will now appear in the list of vehicles that the Scrap Merchant is able to control.

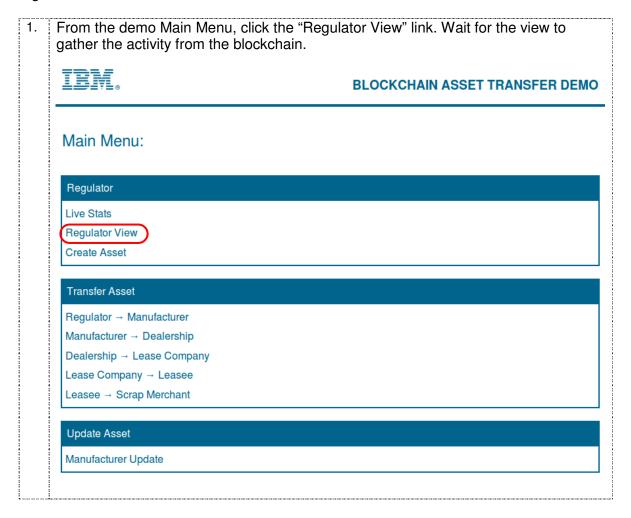


of vehicles).

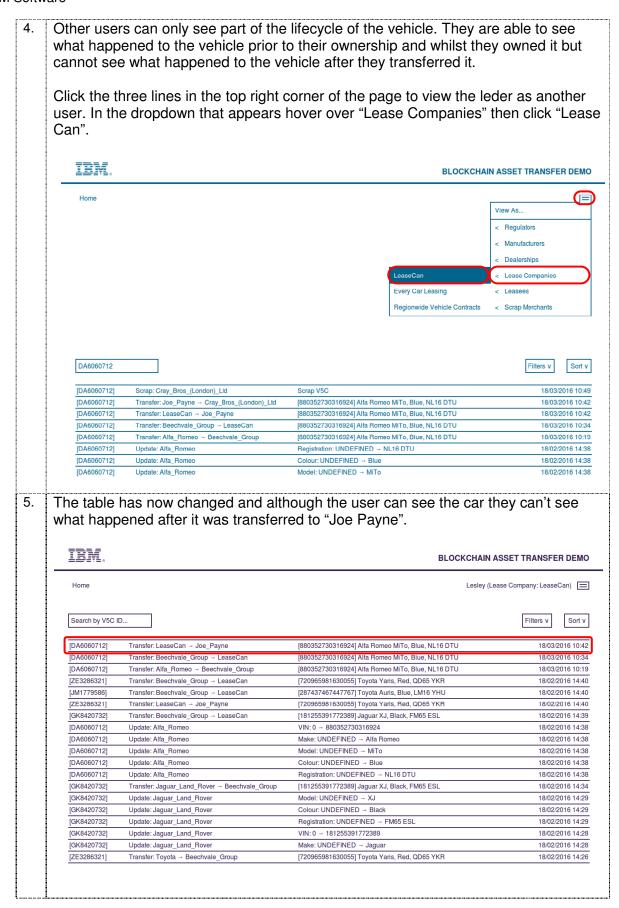
2.8. Scenario: Verify Transaction activity using the Regulator view

In this section you will act as the Regulator and view the Asset Transfer and disposal activity you have performed above.

The regulator view has unrestricted access to all activities on the blockchain.



When the list of transactions are shown on the screen, you will see the activity in chronological order (with the most recent activity at the top of the list of transactions): IBM. **BLOCKCHAIN ASSET TRANSFER DEMO** Ronald (Regulator: DVLA) Search by V5C ID.. Filters v Sort v [DA6060712] Scrap: Cray Bros (London) Ltd Scrap V5C 18/03/2016 10:49 IDA60607121 $Transfer: Joe_Payne \ \rightarrow \ Cray_Bros_(London)_Ltd$ [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:42 Transfer: LeaseCan → Joe_Payne [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:42 [DA6060712] [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:34 Transfer: Beechvale Group → LeaseCan IDA60607121 Transfer: Alfa Romeo → Beechvale Group [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:19 Transfer: Joe_Payne -- Cray_Bros_(London)_Ltd [720965981630055] Toyota Yaris, Red, QD65 YKR [720965981630055] Toyota Yaris, Red, QD65 YKR [ZE3286321] 18/02/2016 14:40 Transfer: LeaseCan → Joe Payne [JM1779586] $Transfer: Beechvale_Group \rightarrow LeaseCan$ [287437467447767] Toyota Auris, Blue, LM16 YHU 18/02/2016 14:40 [720965981630055] Toyota Yaris, Red, QD65 YKR Transfer: Beechvale_Group → LeaseCan [181255391772389] Jaguar XJ, Black, FM65 ESL 18/02/2016 14:39 Transfer: Beechvale Group → LeaseCan [DA6060712] Update: Alfa_Romeo Registration: UNDEFINED → NL16 DTU 18/02/2016 14:38 Colour: UNDEFINED → Blue 18/02/2016 14:38 [DA6060712] Update: Alfa_Romeo Model: UNDEFINED → MiTo 18/02/2016 14:38 [DA6060712] Update: Alfa Romeo Make: UNDEFINED → Alfa Romeo 18/02/2016 14:38 VIN: 0 → 880352730316924 Update: Alfa_Romeo Registration: UNDEFINED → RZ65 RNG 18/02/2016 14:38 [GW8812104] [GW8812104] Update: Alfa Romeo Colour: UNDEFINED → Red 18/02/2016 14:38 [GW8812104] Model: UNDEFINED → 4C 18/02/2016 14:38 Note the regulator can see <all> blockchain transactions. The whole history of the vehicle can be seen in this view, this can be seen by the same vehicle being created By Alfa Romeo before. Copy The V5C ID **DA6060712** and use the search feature to show only the history of the one vehicle: IBM. **BLOCKCHAIN ASSET TRANSFER DEMO** Ronald (Regulator: DVLA) DA6060712 Sort v [DA6060712] Scrap: Cray_Bros_(London)_Ltd Scrap V5C 18/03/2016 10:49 [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU Transfer: Joe_Payne → Cray_Bros_(London)_Ltd 18/03/2016 10:42 IDA60607121 [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:42 Transfer: LeaseCan → Joe Payne [DA6060712] $Transfer: Beechvale_Group \rightarrow LeaseCan$ [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:34 [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU Transfer: Alfa Romeo → Beechvale Group 18/03/2016 10:19 [DA6060712] Update: Alfa_Romeo Registration: UNDEFINED → NL16 DTU 18/02/2016 14:38 [DA6060712] Update: Alfa Romeo Colour: UNDEFINED → Blue 18/02/2016 14:38 Update: Alfa Romeo Model: UNDEFINED → MiTo 18/02/2016 14:38 [DA6060712] Update: Alfa_Romeo Make: UNDEFINED → Alfa Romeo 18/02/2016 14:38 VIN: 0 → 880352730316924 18/02/2016 14:38 [DA6060712] Update: Alfa Romeo Transfer: DVLA → Alfa_Romeo [DA6060712] Vehicle Template 18/02/2016 14:22 [DA6060712] Create: DVLA Create V5C 18/02/2016 14:21

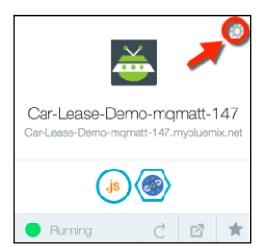


Copy The V5C ID DA6060712 and use the search feature to show only the history of the one vehicle: IBM. **BLOCKCHAIN ASSET TRANSFER DEMO** Home Lesley (Lease Company: LeaseCan) DA6060712 Filters v Sort v [DA6060712] [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:42 $Transfer: LeaseCan \ \rightarrow \ Joe_Payne$ [DA6060712] $Transfer: Beechvale_Group \rightarrow LeaseCan$ [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:34 [DA6060712] Transfer: Alfa_Romeo → Beechvale_Group [880352730316924] Alfa Romeo MiTo, Blue, NL16 DTU 18/03/2016 10:19 [DA6060712] VIN: 0 → 880352730316924 18/02/2016 14:38 Update: Alfa Romeo Make: UNDEFINED → Alfa Romeo [DA6060712] Update: Alfa_Romeo 18/02/2016 14:38 [DA6060712] Update: Alfa_Romeo Model: UNDEFINED → MiTo 18/02/2016 14:38 Colour: UNDEFINED → Blue 18/02/2016 14:38 [DA6060712] Update: Alfa Romeo Registration: UNDEFINED → NL16 DTU [DA6060712] Update: Alfa_Romeo 18/02/2016 14:38 Transfer: DVLA → Alfa_Romeo [DA6060712] Vehicle Template 18/02/2016 14:22 [DA6060712] Create: DVLA Create V5C 18/02/2016 14:21 As you can see the user can see the entrire lifecycle of the car from before they owned it up until they transferred it.

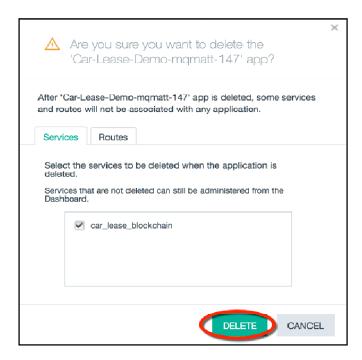
Appendix A. Removing the sample application

This appendix shows how to stop and remove the blockchain service you created.

- __1. Return to the Bluemix Dashboard by clicking DASHBOARD
- __2. Click the Settings icon in the car lease demo application.



- __3. Select 'Delete App' from the menu.
- __4. Ensure that the 'car_lease_blockchain' service is also selected for deletion and click 'Delete'.



__5. Wait for the items to be stopped and deleted. Once this is done, both the application and the associated service will no longer be visible in the Bluemix dashboard.

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