
GET SERIOUS ABOUT THIS BLOCKCHAIN THING

Having noted that most bankers are now saying *bitcoin bad, blockchain good*, here's a nice set of quotes I've been gathering of what banks are actually saying:

- “At its core, Bitcoin is a decentralized protocol that enables exchange of value among parties around the world, giving it the potential to alter the financial services landscape,” Jay Reinemann, **BBVA** Ventures executive director;
- The Bitcoin blockchain “is an opportunity for Wall Street to streamline some operations that are pretty antiquated”, Duncan Niederauer, former CEO of **NYSE Euronext**
- “Money at its core is simply a ledger for keeping track of debts and Bitcoin is truly the best iteration of a universal ledger we’ve ever seen.” John Reed, former Chairman and CEO of **Citibank**
- “Blockchain is a really disruptive development and banks have a lot of fear concerning this technology because, in the pure theory of blockchain, a lot of processes within a traditional bank would be obsolete”, Thomas F Dapp, Research Analyst, **Deutsche Bank**
- “Blockchain technology will not only change the way we do payments but it will change the whole trading and settlement topic”, Oliver Bussmann, CIO, **UBS**
- “Blockchain technology continues to redefine not only how the exchange sector operates, but the global financial economy as a whole,” Bob Greifeld, CEO, **Nasdaq**
- “In time, distributed ledgers will support *smart contracts* – computer protocols that verify or enforce contracts. This will lead to a wide variety of potential uses in securities, syndicated lending, trade finance, swaps, derivatives or wherever counterparty risk arises.” **Santander** Innoventures

Then *Let's Talk Payments* published an excellent list of what banks are doing on the blockchain. I've combined their list with mine and you can see that 2015 is the year of the blockchain:

Fidor Bank was the first bank to experiment with virtual currencies and the blockchain. They partnered with Kraken (in October 2013) to create a digital currency exchange in Europe, working with bitcoin Deutschland GmbH in Germany. This was followed by a partnership with Ripple Labs to use its payment

protocol to provide customers money transfer services in multiple currencies at a lower cost (May 2014). In February 2015, they partnered with bitcoin.de, a P2P bitcoin trading platform.

LHV Bank are working on a new project with blockchain technology (June 2014) and developed Cuber Wallet, an app based on “Colored Coins” blockchain technology (June 2015). They also partnered with Coinbase (September 2014) and CoinFloor (July 2015).

CBW Bank and **Cross River Bank** announced partnerships with Ripple Labs to work on building a risk management system, and to provide low-cost cross-border payments transaction (September 2014).

USAA, Nasdaq, BBVA invest in Coinbase, January 2015

Goldman Sachs participated as a lead investor in \$50 million funding for Bitcoin startup Circle Internet Financial Ltd. (April 2015).

UBS creates a research lab in London focused on blockchain (April 2015).

BNY Mellon have created their own currency called “BK Coins” as a corporate recognition program which can be redeemed for gifts and other rewards (April 2015).

DBS Bank run a blockchain hackathon in Singapore in May 2015 in partnership with StartupBootcamp FinTech and CoinRepublic.

Nasdaq launches an enterprise-wide blockchain technology initiative, May 2015

CBA partner with Ripple Labs to implement blockchain ledger system for payment settlements between its subsidiaries (May 2015).

ANZ Bank partnered with Ripple to explore potential use cases of blockchain (June 2015).

Westpac partner with Ripple and are testing a proof of concept with its staff for making low-value cross-border payments (June 2015).

Barclays Bank announce that they are working with a range of start-up companies, including Safello, to explore how blockchain technologies could be harnessed in the financial services sector (June 2015).

Santander announces 20-25 use cases that would save £12 billion (\$19 billion) in bank infrastructure costs by switching to the blockchain (June 2015).

BNP Paribas are experimenting at making transactions faster by using blockchain (July 2015).

Societe Generale are running a training program to give employees bitcoin, blockchain and cryptocurrency expertise (July 2015).

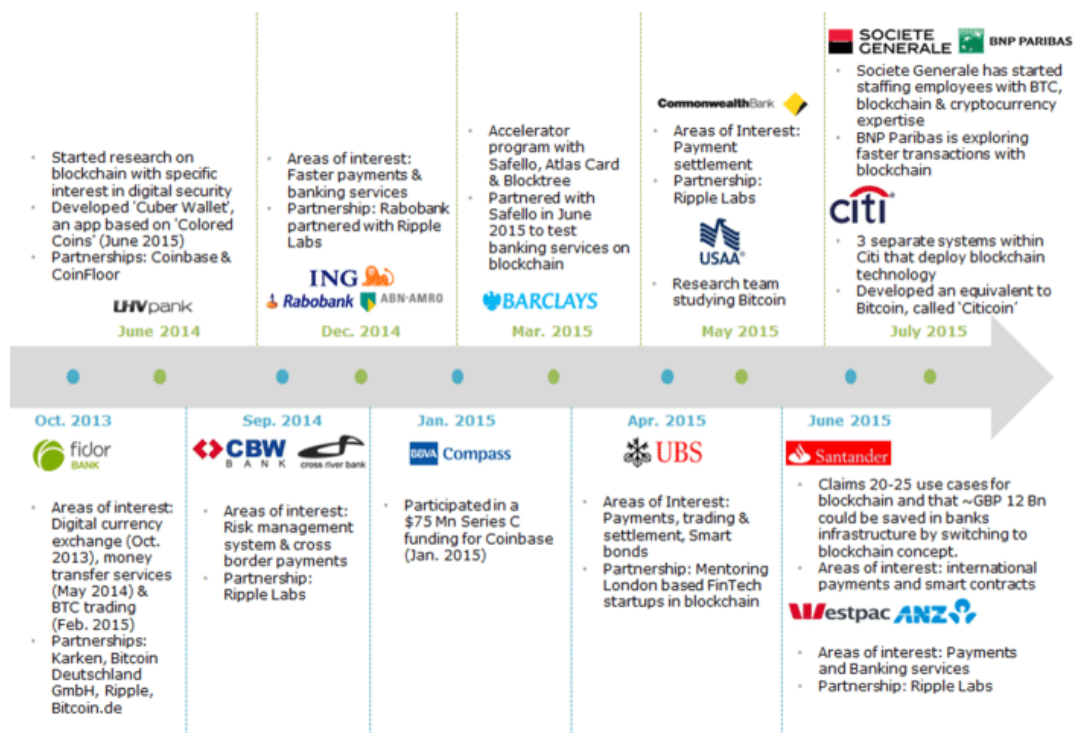
Citibank have set up three separate systems within Citi that deploy blockchain-based distributed technologies. They developed an equivalent to bitcoin called "Citicoín" which is being used internally to understand the digital currency trading system better (July 2015).

Deutsche Bank release a white paper stating that "it is entirely conceivable that banks could, for instance, set up a new digital booking and clearing system amongst themselves enabling them to offer client transactions featuring the benefits of the blockchain, such as speed, efficiency, internationality and cost savings." (July 2015).

The Bank of England announces that central banks are looking at ways to implement "hybrid systems" involving distributed ledger technology of the type currently used to record bitcoin transactions, July 2015 .

US Ripple users are now able to make deposits to their Ripple accounts from banks **Wells Fargo, Bank of America, Capital One, Capital One 360, USAA, TD Bank, US Bank, PNC or Chase** from August 2015.

Here's a timeline of these announcements:



I could keep the list going but the bottom line is that you need to take the blockchain seriously now.

