

THE 21ST CENTURY CORPORATION BLOCKCHAIN

Visa's Blockchain Bet Opens Up to Developers

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Adam Ludwin, co-founder and CEO of Chain.

Michael Nagle—Bloomberg via Getty Images

Anyone can now build on top of Chain's network.

Banks and financial firms have been tinkering for the past few years with the code that powers cryptocurrencies such as Bitcoin, with the intention of potentially overhauling their moldering infrastructure. Now they're preparing to release their code into the wild.

Chain, a two-year-old startup based in San Francisco, has decided to make its platform available to the public. The company is releasing an open source version of its Chain Core software to developers, any of who as of Monday can find the source code for its proprietary blockchain, or distributed ledger, on its webpage on Github, a code-sharing website.

By releasing the recipe for its technology, Chain is enabling anyone to contribute tweaks, applications, and bespoke networks on top of the software.

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"We want to transition the blockchain narrative from the PowerPoint presentation to the prototype," said Adam Ludwin, Chain's founder and CEO, on a call. "Now, any development team working anywhere in the world have access to download and freely install our platform, freely start a network, or connect into a network."

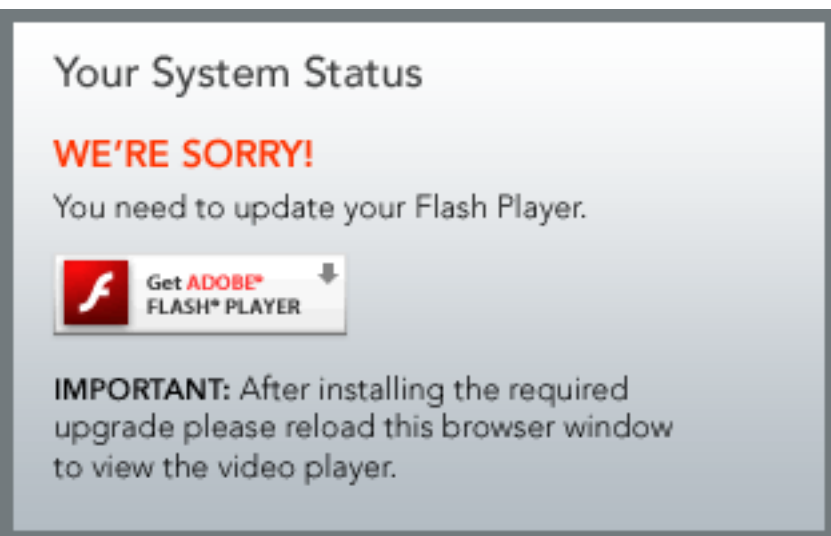
Previously, anyone who wanted to use Chain had to partner with one of the firm's collaborators, which includes **Visa** (**V** ▲ **1.02%**), Nasdaq (**NDAQ** ▲ **0.26%**), Fidelity (**FNF** ▲ **0.14%**), **Capital One** (**COF** ▲ **0.75%**), and **Citigroup** (**C** ▲ **0.22%**). The company has raised more than \$40 million in funding from investors to date.

Chain is one of the companies locked in a race to help banks build "permissioned" blockchain systems, meaning ones that require clearance from some authority to join, for tracking and transferring assets as part of a distributed ledger. Last week, the company announced that it would launch a product that allows businesses to **send sums of money across borders** over a blockchain, instantly and *sans* cumbersome intermediaries.

Days before Chain said it would open its code and technical specifications to the open source community, **B3 CEV**, a New York-based firm that works with a consortium of more than 50 banks, said

Community, R3 CEV, a New York-based firm that works with a consortium of more than 30 banks, said it would **open source its blockchain code**, called Corda, through a partner organization called the Hyperledger Project. Like Digital Asset Holdings, another New York-based blockchain startup, the company works closely with the Hyperledger Project, an arm of the non-profit organization the Linux Foundation.

For more on blockchain tech, watch Fortune's video:



Chain's move to publicize its code meshes with the original spirit of distributed ledger tech. Bitcoin, its progenitor, began as an open source project in 2009, attracting a passionate group of volunteer core developers after its debut.

Another young and rising contender for the cryptocurrency crown, an open source network known as Ethereum, has recently been used by banks such as **J.P. Morgan Chase** and Banco Santander in trial programs. (You can read more about Ethereum in this **recent Fortune feature story**.)

Chain is also releasing a "test net," or test network, for coders to experiment in partnership with **Microsoft**, which has agreed to supply cloud infrastructure with its Azure business. The two are also collaborating with a consortium of research universities interested in blockchain tech called IC3, or the Initiative for Cryptocurrencies and Contracts, which includes Cornell University and University of California, Berkeley.

"Microsoft believes the potential for blockchain technology to digitally transform the financial industry is enormous," said Marley Gray, principal architect project manager within the Azure blockchain engineering team at Microsoft (**MSFT** **▲ 1.95%**)

Engineering team at Microsoft ([MSFT](#) = [100%](#)).

Ludwin said that by opening his system up, more people would be able to experiment with different blockchain projects at their leisure. He described the opportunity as being akin to a massive multiplayer online video game, in which participants join whichever games—or in this case, sub-networks—are up and running, and relevant to their interests.

“We’re excited to be among the first to actually get something real into the hands of developers,” Ludwin said.



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