Overview

- Brief Perspective of Technology Today: Exponential Growth
- Level Setting Blockchain
- What is Happening Now for Law Firms in this Space?
- Where will Blockchain take off in the Legal Industry?
- What the Future May Look like with Blockchain?
What does EXPONENTIAL growth feel like?

If you take 30 EXPONENTIAL steps...
You would travel around the earth 26 times.

1  2  4  8  16  32
64  128  256
512 1024...

...1,073,741,824 yards
 i.e. 1 Billion

Robotics

Autonomous Cars

Biomedical
Mobile Devices

Trinity of Forces – Cloud Storage

Trinity of Forces – Processing Power

Trinity of Forces – Artificial Intelligence

The Trinity of Forces
- Infinite Cloud Storage
- Infinite Processing Power
- Artificial Intelligence

BLOCKCHAIN
History of Blockchain

- Peer to peer electronic cash transfer
- No central bank authority
- Relies on cryptography proof rather than trust
- Nodes agree/verify the history of the chain
- Winners of computational race earn bitcoin
- Solves the double spend problem

Blockchain Ecosystem

- Distributed
- Decentralized
- Immutable
- Permissionless
- Cryptographic
- Network Effect
- Trustless
- Consensus Protected - Open Source

Real World “Theory”

If you can arrange laws or rules into a systematic code – it’s “Blockchainable”

Legal Space

- 2016: General Awareness Through Legal
  - 1.5 Billion invested in last 18 months*
  - All of the largest banks (50) in the world are involved – R3
  - Goldman Sachs: 11-12 Billion US saved yearly by clearing and settlement of cash securities
  - 24 billion saved by moving wheels on the ledger
- 2017: The Year of Pilots
  - Law Firms setting up Blockchain Practice Areas
  - Starting to take Bitcoin
  - Collaboration with Universities e.g. University College London
- 2018: Real use of the technology
  - Banking & Insurance companies
  - Financial Industry – transactions (options, swaps, trading confirmations)

What is Happening Now for Law Firms in this Space?
Consortiums & Companies

Where will Blockchain take off in the Legal Industry?

Blockchain of Things (BoT)

- **Smart Contracts** – self executing legal documents
- **Real Estate** – real estate transactions e.g. Honduras (Factom)
- **Boardroom** – recording which C-suite voted for various proposals at a company
- **Identity** – Passport (private & public blockchain) proof of validation – other info safe
- **Chain of Title** – track the ownership of a property back to creation
- **Authentication** – verification of things like diamonds or signed sports memorabilia
- **Notary services** – will be gone in the next few years
- **Rental Contracts** – Airbnb vulnerable - creating a rental network (Slockit)
- **Music Licensing** – Musicians directly selling music to their listeners (BitTunes)
- **Money Transfer** – absolutely be impacted with money exchange (Western Union)

Smart Contracts & Coding

Real Estate - Factom

- Peter Kirby, Factom CEO and Founder

Music Licensing

"If it is on paper, somebody can steal it from me. If all my neighbors just agree that it is mine, it is ready more secure in my mind."

- Peter Kirby, Factom CEO and Founder
Chain of Custody (CoC)

What the Future May Look like with Blockchain?

What the Future May Look like with Blockchain?

- **DAO** - Decentralized Autonomous Organization

  - **Digital Contract**

  "The code is the law."

  - **Lawyers Be DAMNed!** (Decentralized Arbitration and Mediation Network)

    - Passed by the UN in 1958, the New York Convention is an agreement between more than 65 countries establishing that any decision made by a recognized arbitrator will not only be recognized by the courts of those nations, but enforced by them.

    - In two examples the fee for a $60,000 claim was $221 compared to an arbitration fee of $10,925, an increase of 4,943%. Further, an $80,000 claim would cost $221, compared to $11,625 at an arbitrator, or a 5,260% difference.

- **Algocracy** - The Matrix

  - Algocracy - organizational decision making through algorithms.

    - CommonAccord is an initiative to create global codes of legal transacting by codifying and automating legal documents, including contracts, permits, organizational documents, and consents.

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      - The Future: All laws will be inserted into software – automatic fines based on IoT and automatic judgments

- **Our Past Platform**

  - **UBER**

    - **APPS**

      - **SMART PHONES**

        - **WEB**

          - **EMAIL**

            - **INTERNET**

Source: Joe Guagliardo
What Is Next?

Other Industry Terms

• Colored coins
• Sidechains
• Anchored chains
• Specialized chains
• Other Cryptocurrencies (200+)
• Blockchain Economy
• Blockchain of Things
• Oracles
• Tokens
• Augur

Challenges

• Skeptics
• Ideological Motives – Antiestablishment Roots
• Regulatory
  – Privacy issues – sharing
  – Interoperability Fragmentation
  – Scalability
  – Need for standards
  – Technology driven solutions v Solutions Driven

Questions & Quick Guide of Resources

• Twitter: @joerazz
• Main Sites: JoeTechnologist.com or JosephRaczynski.com
• YouTube: Joseph Raczynski
• Topics:
  - Blockchain
  - AI
  - Cybersecurity
  - Cloud
  - Portal
  - Big Data
  - AR/VR/MI
  - Drones Technology

TR Resources

• Answers On: TR Blogs
• Know 360 App
• Practical Law - Westclip Blockchain
• Westlaw
  – Data Privacy & Security Practitioner Insights Page & Alerts
  – Blockchain – A Guide for Legal & Business Professionals
• White Paper: Blockchain Technology — Why Law & Finance Won’t Look the Same in Five Years

https://annual-report.thomsonreuters.com/blockchain-gets-real.html
Questions?