

## Fintech Startup, Covington To Launch Blockchain Council

By Rick Archer

*Law360, New York (January 6, 2017, 3:20 PM EST)* -- Blockchain technology company The Bitfury Group is teaming up with law firm Covington & Burling LLP to launch a Global Blockchain Business Council at this year's World Economic Forum.

Bitfury announced Wednesday that the council will meet for the first time this month at the annual Davos, Switzerland, summit and that the meeting will include businesspeople, attorneys, politicians, economists and writers from around the world.

"The GBBC will provide a much-needed forum for businesses, innovators and technologists to come together and explore the many opportunities that blockchain technology has to offer. This is a crucial step in the global advancement of blockchain technology," Bitfury Group CEO Valery Vavilov said in a press release.

Blockchain refers to a public ledger of cryptographically protected transactions that are distributed across many computer networks, which authorized users can update without a middleman in a visible manner for others to see. Advocates say that blockchain's absence of intermediaries makes it more efficient than existing records systems while its transparent nature prevents tampering.

In addition to using blockchain for bitcoin and other "cryptocurrencies," banks have been testing blockchain in a number of use cases. The technology can eliminate the need for a trusted third party, and instead of settlement occurring across the books of a single central authority such as a central bank, strong cryptographic and verification algorithms allow everyone in a network to have a copy of the tamper-proof ledger. This also lends itself to identification verification, and can be used when onboarding customers or for anti-money-laundering purposes.

"Blockchain has the potential to be the next great technological innovation, revolutionizing areas from cross-border payments, trade finance and land registries to government records," Sebastian Vos, co-chair of Covington's global public policy and government affairs practice, said in the release. "Through advocacy and international engagement, Covington looks forward to working with the Global Blockchain Business Council to unlock the potential of blockchain technology."

The council will serve as a resource center on blockchain to raise awareness and encourage collaboration and partnerships within the blockchain market.

The the speakers at the first meeting will include Uschi Schreiber, global vice chair of markets and chair

of global accounts for Ernst & Young; Wei Wang, founding chair of China Mergers and Acquisitions Association; Carl Bildt, former prime minister of Sweden; Toomas Hendrik Ilves, former president of Estonia; economist Hernando de Soto; writer Don Tapscott; and Patrick Byrne, CEO of Overstock.com Inc.

In December Overstock completed a \$10.9 million preferred stock offering that includes digital securities designated to trade on a blockchain-based platform, marking the first public stock issuance of its kind.

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