

Blockchain – Key to Our New Economy

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Most of us have heard about Bitcoin and some of the other cryptocurrencies out there but may not realize that the foundation of this new digital currency is blockchain, a term which is used to represent an entire suite of new technologies. This new technology represents nothing less than the second generation of the internet and a huge opportunity for the community that embraces it and supports its development.

What is Blockchain? First of all, it is not Bitcoin. That would be like saying, AOL (an early internet service provider) was the internet. Like AOL, Bitcoin is connected to and dependent on blockchain technology for a decentralized database or "digital ledger" to operate. Not to geek out here but blockchain technology allows a network of computers to agree on the true state of shared data. Transactions are recorded chronologically across many participants in a block. Each block contains a certain amount of transactional information and is linked to a previous block (thus the chain). So, the data cannot be altered, and therefore the system is impenetrable.

Why Blockchain will impact you. The internet is great for communicating but it's built for storing information not value, and it has not changed "how" we do business. When you send someone an e-mail, JPG or PDF you are sending them a copy that they may be able to print. You can't send them money for example without going through a bank, Vimeo, PayPal or some other third party which establishes your identity and helps to transfer the value. Blockchain allows you to connect directly without a third party for a secure transaction. In short, because blockchain verifies trustworthiness, you don't have to - so the friction and potential loss of your personal information in a transaction are reduced, and you save time and money. This technology will transform money, business, government and society in the next decade.

One example – Title Insurance. Anyone that has purchased a home knows about title insurance. It is a required fairly significant fee for most home loans; first, you pay for a title search and then the title insurance as part of your loan, just like the owners before you and those before them. However, once the blockchain technology is implemented, the title is recorded and verified in a way that cannot be altered, so there is no need for additional title searches, and you likely won't be paying the fee for a title search or for the additional title insurance.

Reno-Sparks already a leader in this new technology. With the recent passage of Senate Bill 398, companies now know that the state will recognize their blockchain transactions. That puts Nevada in the position of being one of two states that are acknowledging and giving credibility to this new technology. Our favorable business climate, government support of blockchain and proximity to the Bay Area, make us the perfect place for the companies advancing this new technology. We already see success in this area with the significant purchase of land at TRI by Blockchain Inc. and other prospects we are working with in this space. In fact, you can expect an exciting announcement in the coming months.

So How Can You Help? If we are going to be "the place" for blockchain, we need to continue to support and even embrace the advancement of this technology. We all should become more comfortable with what it is, and excited and supportive of its development in our community.

There is little doubt that the evolution of this technology has unlimited potential and will further accelerate the reinvention of our economy.