

THOUGHT LEADERS

BLOCKCHAIN

Building blockchain: Industry leaders discuss cryptocurrency technology



ALL PHOTOS: MARK WEBSTER

From left: Krista Marcucci, co-founder of BlocKlub; Chuck Fried, president and CEO of TxMQ; and Duane Conners, co-founder of rprrt, discuss blockchain technology and its impact on Bitcoin and other cryptocurrencies at a Thought Leaders roundtable sponsored by Hodgson Russ LLP.

BY DAN MINER
dminer@bizjournals.com

Blockchain has mystified and entranced the business world for years, starting with the gold rush over cryptocurrency applications such as Bitcoin.

But the broad effects of the technology are just now coming into focus. They can be as practical as a better way to store and share data. Or as potentially revolutionary as breaking up the traditional role of banks and other intermediaries in financial transactions.

"Every major technology is a blend of adoptions over time," said Duane Conners, co-founder of rprrt,

a Buffalo-based consultancy focused on technology issues in the health care space. "What drives (consumer) adoption is user experience and whether it feels comfortable."

A traditional technology database is stored on a single server and can be accessed by a single entity. A blockchain is a shared list of records stored simultaneously on many different servers, which are then encrypted into data "blocks" that can never be altered.

Theoretically, the data can be trusted without the use of intermediaries.

Blockchain communities have sprung up in predictable financial and technology centers worldwide, including nearby Toronto and New York City. But the idea has also infil-

trated the Buffalo business community, with a burgeoning Blockchain Buffalo group, startup companies and service providers all dedicating significant energy to it.

The technology was the focus of a recent Thought Leaders conversation facilitated by Buffalo Business First and sponsored by Hodgson Russ LLP.

Conners and another participant, Chuck Fried, president and CEO of TxMQ solutions and staffing company, said blockchain has become a regular conversation among existing and potential customers.

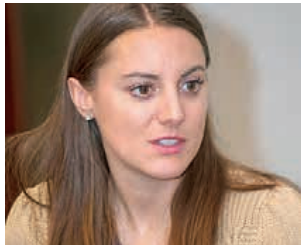
In some cases, institutions look for software that carries the trendy label of a blockchain product. Other customers never heard of the tech-

nology but have a data issue that can be solved through distributed ledger technology.

Fried said TxMQ built a medical credentialing platform for a Texas-based medical practice management company that helps manage the complex process of credentialing doctors. TxMQ is also introducing a public-facing platform that allows anybody, from a hobbyist to a hospital group, to build distributed ledger applications that can work on different platforms.

"Customers are coming to us with management problems and wondering whether blockchain can solve them," Fried said. "We're saying let's look at those problems and how we

with KRISTA MARCUCCI, CHUCK FRIED and DUANE CONNERS



“You can have a team of incredible developers building out a technically sound blockchain project but it takes more than that to make a successful product. It takes marketing, sales, and user adoption personnel.”

KRISTA MARCUCCI, co-founder, BlockClub



“I say to customers time and again that everything you can do with blockchain you can’t do a hundred other ways. But for the right uses, you can do it better, cheaper and smarter using distributed ledger.”

CHUCK FRIED, president/CEO TxMQ



“People saw they could make money on cryptocurrency and for about 18 months they took advantage of it. Now it’s about stepping back and putting it into normalized use cases that make sense that people aren’t just trying to commercialize for dollar value.”

DUANE CONNORS, co-founder, rprt

HODGSON’S TAKE



“Part of the fun of this for us is going outside of the region, helping a client with intellectual property or security issues. During that process we can point out Buffalo has a budding entrepreneurship community, tons of startups and a solid IT infrastructure. We’re able to expose people outside of Western New York to the fact that there is interesting stuff here.”

NATHANIEL LUCEK, senior associate and blockchain & cryptocurrency practice co-leader, Hodgson Russ LLP



Chuck Fried, president and CEO of TxMQ, says blockchain has become part of the conversation with clients. Krista Marcucci, co-founder of BlockClub, expects wider adoption of blockchain concepts as public understanding of the technology grows.

go about solving them. Maybe it does require blockchain, but maybe it’s a simple app.”

Another Thought Leaders participant, Krista Marcucci, is a Rochester native who attended Canisius College. She graduated in 2011 and left to work as a recruiter in Washington, D.C., and Manhattan before moving back to Buffalo last year. Working in close proximity to the local technology scene stoked Marcucci’s interest in blockchain technology.

Now she is co-founder of BlockClub, an advisory, marketing and events services firm for the blockchain industry, which works with clients all over the world while hosting events in Buffalo. Planned events include Blockchain Blocktable on Oct. 25 and The Blockchain Expo next year.

Marcucci said the public’s tenuous conceptual grasp of distributed ledger technology limits its applicability, since products require more than the input of software engineers to be successful.

She said that as marketers, sales representatives and

business professionals start to grasp the concept that it will lead to wider adoption. In the meantime, Marcucci said Buffalo can carve out a big niche in the development of blockchain technology.

“I stayed in Buffalo because I see there’s potential here, because people want to be innovative and because the entrepreneurs are incredible,” she said. “There are so many potential projects out there that involve blockchain.”

CLOSER LOOK AT THOUGHT LEADERS

Thought Leaders is an ongoing series of discussions with Western New York business leaders and attorneys at Hodgson Russ LLP.

Each month, leaders in diverse industries meet for a roundtable discussion moderated by Business First journalists. Excerpts from the conversation are published after the roundtable.

Discussions are held in the law firm’s Pearl Street offices in Buffalo.



“There is an energy and enthusiasm for building entrepreneurs in Buffalo that may not even exist in larger cities, and that spirit exists for this emerging technology. I don’t see Buffalo in any way as behind the times in developing blockchain services or companies. I think we’re on par with other places and we stand to benefit from the innovators and developing businesses.”

JESSICA COPELAND, partner and blockchain & cryptocurrency practice co-leader, Hodgson Russ LLP