

# When you think blockchain, think Cleveland. Yes, Cleveland.

## Blog

I recently attended the inaugural Blockland Solutions Conference, which took place in Cleveland, OH from 1–4 December. The event was remarkably well attended, with more than 2,000 participants and a full slate of keynote presentations and breakout sessions.

Hype is the biggest risk in any emerging technology, and one of our concerns around blockchain has been vendors' grandiose plans to "reinvent" global industries with incredibly long value chains. Simply put, we've "seen this movie before" and it typically ends the same way – remember how we were supposed to be flying in 3D-printed planes by now?

But I was pleasantly surprised at Blockland. The conference highlighted tangible, and more importantly, achievable business value that can be enabled by blockchain.

I listened to companies in the consumer products space talk about using blockchain to track their products in transit, improve transparency in their digital advertising purchases, and reduce coupon fraud. I heard a major food retailer discuss rolling out a blockchain project that will help isolate the sources of food-borne illnesses and reduce food waste. A major telecom company talked about tying blockchain together with 5G, the Internet of Things (IoT), and AI, as well as using blockchain to help better manage personal data security in digital advertising. Healthcare providers are working to put healthcare records on blockchain to make our healthcare data truly ours – portable, accessible, and secure.

And it wasn't just corporations. State and local governments are working on various blockchain projects to improve service delivery and lower costs. It may not be too much longer before a trip to the DMV to register your car is a thing of the past. Blockchain over time may allow for better municipal services delivery at lower cost.

All these new projects are exciting and point to a more secure, more automated world. But getting there won't be easy. Multiple blockchain practitioners at the conference mentioned that getting blockchain

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technology working is only 20% of a project; the other 80% is getting people on board and changing the business processes.

The good news is that the Blockland Solutions Conference was unusually pragmatic. I heard as many questions that focused on the "how" to implement blockchain as the "why" to implement blockchain. Most encouragingly, I heard speakers hammering home the point that successful blockchain projects have to be targeted in scope, strategic in nature, and tangible in business value. And the best part was almost no one brought up Bitcoin!

From a public equity markets perspective, we think the investment opportunities in blockchain are still scarce. For now, blockchain seems to be more about addressing costs rather than creating revenue, and also seems to be project-based rather than a product that can go to market at scale. IT consulting companies may see some incremental revenue from blockchain, but probably not enough to move the needle.

Local business owners, educators, and the municipal government aim to make Cleveland a blockchain hub. I think they are off to a great start – 2,000 attendees over four days would appear to agree with me. There's a lot of work still to be done, but in a couple of years, when we think blockchain, we may just think Cleveland. Yes, Cleveland.

A few summary thoughts:

- The energy and interest in blockchain is incredible, as seen by the 2,000 attendees at the Blockland Solutions Conference in Cleveland, OH.
- The risk is that the hype overtakes the reality, but the good news is that I think the efforts and expectations are pragmatic.
- The toughest part of implementing blockchain isn't the technology – it's people and processes.
- Blockchain investment opportunities in the public equities market are currently limited due to the maturity of the technology and the nature of blockchain projects.
- Over time, blockchain will likely be a part of a next-generation technology stack that includes IoT sensors to capture data, blockchain to store and protect the data, 5G to transmit the data, and AI to process the data.

Kevin Dennean, UBS Financial Services Inc. (UBS FS)

## Appendix

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