

Comcast, IBM back blockchain fund

January 11 2018, by Joseph N. Distefano, The Philadelphia Inquirer

Comcast Corp.'s venture capital arm and IBM Corp. have agreed to finance MState, a fund that invests in early-stage firms looking to sell blockchain-based services to big corporations.

The fund's first investment is in BlockDaemon, a New York firm founded by Konstantine Richter (formerly of Lookbooks) which promises clients "one-click deployment" to access [blockchain](#) nodes using the Hyperledger Fabric, Ethereum Enterprise and R3 platforms.

Blockchain is the decentralized online ledger system (like a supercharged version of Microsoft Excel), first developed for the bitcoin electronic currency, which allows network users to track and update prices and other data. Promoters say blockchain systems, once in use, are fast, secure and cheap.

Electronic "cryptocurrencies" such as bitcoin and ethereum and other "killer apps built on blockchain" have attracted speculative investments worth hundreds of billions of dollars. But blockchain also has "mainstream" applications helping businesses transfer and update data quickly, cheaply and securely, according to MState founder Rob Bailey.

Philadelphia-area companies experimenting with blockchain include Vanguard Group, the Malvern investment giant; the Institutes, the Willistown Township-based insurance industry group; the upstart Delaware Board of Trade in Wilmington; and area blockchain start-ups, which have included Quickblocks (accounting), Clinical Blockchain (drug trials), Amino Payments (advertising), and Alpha Point (securities

trading), among others.

Bailey, whose prior companies include Kustomer and DataSift, is on the investment staff at Boldstart Ventures, a Manhattan firm that says it has raised more than \$1 billion in capital for 80 tech start-ups that sell to business.

MState said it will hold six-month business and technical training programs at Galvanize, a venture incubator, to prepare blockchain start-up operators, in cooperation with veteran company founders, at Galvanize locations in New York and San Francisco. MState will invest "25,000 to \$50,000 apiece" in start-ups that it agrees to back, Bailey told Bloomberg News.

Separately, Comcast and its NBC Universal video unit are seeking 10 "media, entertainment and connectivity" start-ups for the company's own three-month "Lift Labs Accelerator" program, run by Colorado-based Techstars at Comcast headquarters in Philadelphia.

Comcast Ventures, in backing MState, said in a statement that it has a particular interest in "blockchain technology to explore new media models."

IBM says it particularly supports "the development of openly governed blockchains" for its clients in "financial services, supply chains, Internet of Things, risk management, [digital rights management](#), and health care."

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Citation: Comcast, IBM back blockchain fund (2018, January 11) retrieved 26 June 2024 from <https://phys.org/news/2018-01-comcast-ibm-blockchain-fund.html>

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