

Why Standards Will Drive the Acceleration of the Web 3.0 Blockchain Revolution

The internet achieved mass adoption due to standards. Standards drive "interoperability" – making standards the key ingredient to scaling the Enterprise Blockchain ecosystem. Interoperability motivates enterprises to incorporate blockchain solutions because it facilitates multiple vendors of choice, driving competition and confidence that all options are considered when selecting a vendor.

To ensure interoperability, vendors with enterprise blockchain solutions will be required to pass an EEA Certification test (targeted for Q1 2020) confirming offerings comply with the EEA specification.

How a Global Standard Organization Helps to Drive the World's Blockchain Ecosystem to Scale

With the introduction of a new technology, it takes a global standards organization with a world-class testing and certification program to ensure interoperability and drive global adoption. Historically, this is true across a wide range of technologies. For example, in the telecommunications space, consumers can buy a mobile phone knowing with confidence that it will work wherever they purchase a sim card and connect to an operator. The reason why the device works is that the phone has gone through certification testing to the 4G mobile communications standard "LTE." As a result, there is a high degree of trust the phone will work with any operator of their choice. Similarly, the EEA standard specification and associated Certification testing model will drive interoperability and help accelerate the development of the enterprise blockchain market.

What about Proprietary Solutions

Historically, proprietary solutions are first out. However, upon acceptable maturing of the technology or business opportunity, enterprises will band together to launch a standards body to take the place of proprietary solutions because vendors have more confidence to commit to standards solutions for reasons covered as follows:

- 1. Proprietary solution implementations tend to be costlier due to the lack of a specification defining system requirements, features and performance parameters. Therefore, without a specification or framework to build blockchain solutions, a vendor's internal development team faces greater development challenges and cost with limited resources to define from scratch the requirements, technical implementations, and benchmarks needed to build, verify and validate their solution. As a result, proprietary or "single-vendor" solution providers ultimately have fundamental differences that have historically hindered them from surviving once the global standard emerges.
- 2. Typically, Proprietary vendors attempt to define "interoperability" as the ability of their client solution to communicate with other vendor solutions. This definition is very different than the true meaning of interoperability which requires an independent certification program where vendor solutions must be third-party tested and conform to an Industry Standard Specification.
- Since Proprietary vendors set their own pricing and define the feature set, this means that if a customer wants an enhancement, it's up to the proprietary vendor to decide if they will add it. Alternatively, if the customer is a member of a standards organization, such as the Enterprise



Ethereum Alliance (EEA), they can contribute this feature to the standards organization's working committee. With the committee's support, their contribution becomes a defacto feature. EEA encourages Proprietary vendors to modify their code to develop a solution that will conform to the EEA standard specification.

Bottom line, with a single source market model, the majority of large enterprises hesitate to commit to a proprietary vendor that does not have a well-established developer ecosystem. Not only are enterprise customers wary of what they will get from a single-vendor offering, but they also are unsure if a developer ecosystem will be able to support them five, ten, fifteen years down the road.

Scaling the Enterprise Blockchain Market by Fostering Competition

With the EEA Specifications and Architecture Stack available as documents to download for free on the EEA public website, this open, standards-based approach continues to scale worldwide. The EEA's rapid growth in membership mirrors the accelerating acceptance and deployment of Ethereum blockchain solutions within the global marketplace. The technological breadth, depth, and variety of the 500+ EEA member organizations coming together to drive Enterprise Ethereum standards is evidence of the Alliance's ability to accelerate global market adoption. Plus, the Ethereum 30,000+ developer community is magnitudes greater than any other proprietary implementation effort. Please check the recent EEA Specification launch releases at entethalliance.org/news.

Since its formation in February 2017, the EEA published its first architecture and specification in May 2018. In Oct. 2018, the EEA released the next version of the EEA Enterprise Ethereum Client Specification V2, and the first public draft of the EEA Off-Chain Trusted Compute Specification V0.5. Both Specifications and the Stack are available for public download on the <u>EEA website</u>: entethalliance.org.

In addition, the EEA intends to introduce a TestNet to further interoperability pre-testing across member solutions. Most importantly, the EEA plans to launch their Certification Testing Program in the first quarter of 2020. The EEA Certification Program will ensure solutions conform and interoperate with the standard, thus building customer confidence and trust that they will get the results they paid for.

EEA – Scaling the Number of Markets Enterprise Blockchain Can Address

As an industry standards organization, the EEA invites all members to participate with an equal voice and vote in contributing to the development of specifications. EEA's Enterprise Ethereum Client Specification V2, Off-Chain Trusted Compute Specification V0.5, and Architecture Stack allow enterprises and startups to develop interoperable offerings that will enable them to mix and match applications cost-effectively to meet industry needs. The EEA's Special Interest Groups (SIGs) are established to define market requirements needed to contribute to future versions of the EEA specification, helping to scale the number of Enterprise Ethereum market categories the specification supports. As a result, the EEA specification will be able to cover more vertical industries than proprietary solutions. EEA Special Interest Groups include insurance, financial services, supply chain, health, telecommunications, aviation, and more. The EEA believes that by taking the lead to deliver a standards-based approach, the organization strives to be the global standards organization for Enterprise Ethereum blockchain – one that is backed by the largest developer community in the world and a growing member-base.



Become Part of the Solution – Join the EEA

The EEA invites everyone including proprietary vendors to consider betting on the larger total available market opportunity by joining our organization and developing solutions that allow them to be part of a global standard. Download the EEA Specifications and Stack document for free on the EEA website and plant a stake in the ground as we attract tens of thousands of software developers to deliver standards-based Enterprise Ethereum solutions.

Visit the EEA website at entethalliance.org to:

- Learn more about the EEA and download the Specifications and Stack
- Sign-up to receive the latest EEA information
- Join the 500+ member companies of the EEA