

From: **Brandon Thomas** <blockchain.monitor@graylinegroup.com>

Date: Wed, Apr 4, 2018 at 8:02 AM

Subject: Microsoft: Ethereum Pioneer (GBM #2)

To: Jane Doe <jane@doe.com>

Jane -

Thanks again for signing up for the Blockchain Monitor. As part of our goal to help our customers understand how blockchain is affecting traditional industries, we will periodically send you profiles, interviews, and other content outside the bi-weekly Monitor publication. Our goal is to provide useful, informative content that exemplifies the macro trends and micro events covered in the Monitor.

We wanted to bring your attention to Microsoft and how they are supporting the opportunity of blockchain. Under Satya Nadella, MS has moved aggressively towards cloud-based products and services. To that end, Microsoft was one of the first “Blockchain-as-a-Service” (BaaS) companies, initially launching a suite of blockchain services back in 2015. Since, MS representatives have been very engaged within the blockchain ecosystem, speaking at major insider conferences and lending their brand and credibility to nascent blockchain systems.

MS joined early Ethereum pioneers to launch their initial product just 4 months after the first release of the Ethereum protocol (Ethereum’s initial release was in July 2015; MS introduced their initial Azure BaaS product for Ethereum in November of that same year). MS’s first move has now grown to an alliance of over 300+ organizations focused on the use of the Ethereum protocol for enterprise needs, as the Enterprise Ethereum Alliance ([EEA](#)).

Not only has MS been early, they also have been unafraid to dig deep into the more unique and not yet understood characteristics of emerging public blockchain systems. MS’s use of Ethereum provides a direct connection to the parent public, permissionless Ethereum blockchain. Most other early enterprise offerings are being developed discreetly from the major public blockchain projects. MS’s close connection to Ethereum allows them to see and understand first-hand emerging assets (and liabilities) of the public Ethereum blockchain as they develop.

Even if you aren’t a fan or existing customer of Microsoft, it is important to understand what services they are offering, in particular to your industry, your competitors. If you are already an MS customer, their BaaS offering may provide you a short onramp to begin experimenting.

-Brandon

# PROFILE: MICROSOFT'S BLOKCHAIN-AS-A-SERVICE (BaaS) PLATFORM

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**DOB:** November 2015

**FOUNDED BY:** Microsoft, in partnership with Ethereum venture studio, ConsenSys

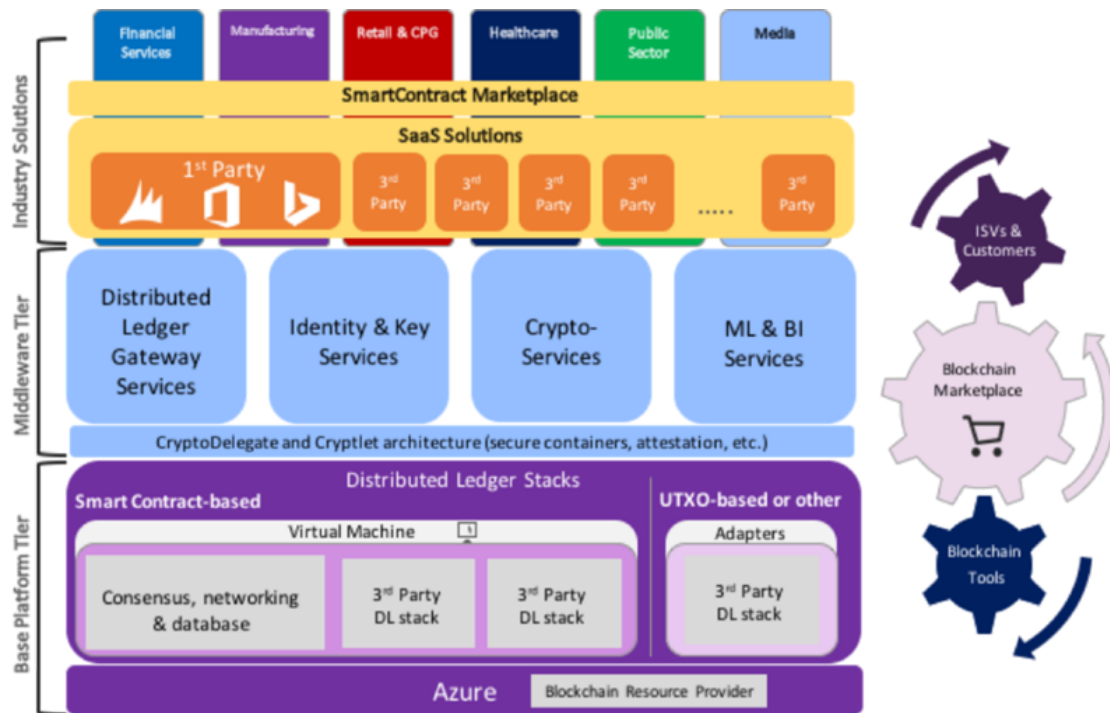
**WHAT THEY DO:** Microsoft offers blockchain-as-a-Service (BaaS) on Microsoft Azure, providing enterprise clients and developers a single-click cloud based blockchain development environment. MS generally seeks to reclaim its former Windows dominance with Azure, their enterprise-grade cloud infrastructure environment. The Azure BaaS offering is one of a multitude of technology areas among which MS is helping enterprises develop solutions.

**WHY IT MATTERS:** BaaS by Microsoft Azure claims to provide a rapid, low-cost, low-risk, and fail-fast platform for organizations to collaborate together by experimenting with new business processes - backed by a cloud platform with the largest compliance portfolio in the industry. Microsoft's early investments in blockchain have added credibility to the nascent ecosystem, and have led to the creation of the Enterprise Ethereum Alliance, an organization bringing together now over 300+ enterprises focused on how to leverage the Ethereum protocol for enterprise needs and use cases. In addition, Microsoft is working with other blockchain protocols as well, such as Corda and Hyperledger.

**HOW IT IS USED:** Microsoft's BaaS offering allows customers and partners to play, learn, and fail fast within a low cost in a ready-made dev/test/production environment. It allows them to create private, public and consortium-based Blockchain systems using industry leading frameworks very quickly, distributing their Blockchain products with Azure's World Wide distributed (private) platform. That makes Azure a great Dev/Test/Production Environment for Blockchain applications.

Early projects have included efforts to simplify data collection and reconciliation with UBS and the broader banking industry, to streamline data transparency for Guardtime and the commercial insurance industry, and to develop a clearing and settlement system for payments and securities with the Monetary Authority of Singapore.

From Microsoft: Microsoft's BaaS product suite is many features combined: the creation of the Blockchain network with multiple nodes, the hashing, the mining, the consensus among the nodes, the distribution of the replicated ledger to all nodes and even more. Microsoft's strategy creates opportunities to connect several services on the Azure Platform with each other.



Source: [Microsoft](#)

More on their efforts in the financial services industry can be found [here](#); more on their efforts in supply chain can be found [here](#).

#### QUOTEWORTHY:

From the launch of their BaaS offering back in 2015:

“Working with our customers that wanted to start playing around with blockchain technology, the major pain point that we kept hearing from them was that it was just too hard to get started, and too expensive.” - [Marley Gray, Microsoft Principal Architect, Azure Blockchain, November 2015](#)

On Microsoft’s recent admission into The Initiative for Cryptocurrencies and Contracts ([IC3](#)), a Cornell University-based academic consortium charged with advancing the science and applications of blockchain:

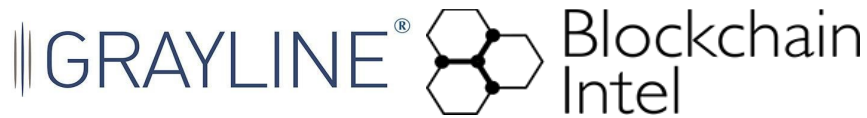
“We are excited to collaborate with this team of world class experts in cryptography, game theory, distributed systems, programming languages, and system security. Their work is aligned to five areas, which they call Grand Challenges, that form the basis of blockchain enterprise readiness: Scaling & Performance, Correctness by Design, Confidentiality, Authenticated Data Feeds, and Safety & Compliance.” - [Yorke Rhodes III, Microsoft Business Strategist, Blockchain, September 2017](#)

## DIVE DEEPER:

Blockchain: Develop, Test, and Deploy Secure Blockchain Apps, [Microsoft](#)

What Is the Enterprise Ethereum Alliance?, [Investopedia](#)

Quick Brief on Blockchain-As-A-Service (BaaS) Players, [Business Insider](#)



*The [Blockchain Monitor](#) provides unique context, insights, and other useful information to better equip professionals for the current and future implications of blockchain. Filtering out the noise, we highlight relevant projects and specific actors of interest within the blockchain ecosystem. From organizations to individuals to strategy implications, our goal is to provide you with actionable information and a decision advantage.*

Brandon Thomas, Managing Partner, Blockchain Intel

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