

Blockchain and the Legal Profession



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Executive summary

Created by programmers from the mid-90s onwards and launched by technology disruptors in 2008 on the back of the biggest corporate failings in trust and honesty the modern world has seen, Blockchain collects facts as diverse as Wikipedia and churns them out as randomly as Alexa in a playschool. Heralded as the next big thing, blockchain has the potential to radically change the way lawyers work, and even threaten their very existence.

So, what is it, and how does it work? This book, featuring opinions and experience from some of the most knowledgeable thought leaders on the subject, aims to cut through the hype and explore the many different facets of blockchain, and what it will mean for the legal profession.

Acting as an introduction to the book, the first chapter by Joanne Frears of Lionshead Law explains what exactly blockchain is, and provides thoughts and reflections on what it might do.

David Fisher from Integra then expands on this in chapter 2. The blockchain technology revolution is predicated on the removal of intermediaries from human interactions as a means to increase trust and efficiency. The legal industry, by definition, is an intermediary layer in society. What, he asks, will blockchain technology mean to the future of law, the legal industry, and the lawyers who practice in it?

In chapter 3, Robert Millard of Cambridge Strategy Group, looks at how blockchain will impact law firm business models and the business of law generally. There are a number of trends (few if any involving cryptocurrencies) that intersect well with processes and systems in a 'typical' law firm, and represent opportunities for improvement. This chapter goes through all these.

The smart contract concept creates a chance for improvement of some of the dysfunctions of our current legal and regulatory systems, says Krzysztof Wojdyło, Partner at Wardynski & Partners. Of course, there are also serious risks related with automation of social and economic processes. Chapter 4 seeks the balance between the need for automation

(without which our system may become dysfunctional) on the one hand and the need for respect of human dignity and nuances of our complex reality on the other.

In chapter 5, Joshua Ashley Klayman looks at blockchain and finance transactional law.

Vijay Rathour of Grant Thornton then explores the intrinsic strength of Distributed Ledger Technologies in authenticating and establishing provenance of tangible and intangible property. DLT can be used to establish trust and confidence in information and processes tied to those properties, and in a digital forensic context, can provide a robust solution to evidence handling processes. The Chain of Custody related to handling evidence in civil and criminal investigations has been critical in both securing success in legal proceedings and investigations, and also, on occasion, failing disastrously, causing miscarriages of justice or failure of the legal processes. It has been said that justice needs both to be done and seen to be done, and the verifiable and indelible nature of Blockchain technologies, argues Vijay, makes it an ideal mechanism for establishing trust in evidence.

In chapter 7, John Sheridan of the National Archives looks at how blockchain can be used for archives, big and small, whilst in chapter 8, Alvin Lam of Maucher Jenkins provides a perspective on the blockchain patent landscape, identifying what areas of technological advances are being protected, who is actively filing and pursuing patent protection, and where patents are being filed and granted. While trends in patent activity are by no means a precise or complete measure of developments within the blockchain space, there is certainly evidence of varied, and growing, R&D and productisation of blockchain technology around the world.

Finally, in chapter 9, Lewis Cohen at DLX Law looks at capital markets and the blockchain.

About the authors

Leading a new kind of law firm for a new economy, **Lewis Cohen** is a corporate attorney experienced in all aspects of blockchain and distributed ledger technology, smart contracts, cryptocurrencies and other new capital raising techniques and structures for businesses, from venture capital all the way through all aspects of capital markets transactions.

David Fisher is the founder and CEO of Integra Ledger, the permissioned blockchain for the global legal industry. Immediately prior to Integra Ledger, David was the founder of Privātim, a collaboration platform for law firms and their clients. His experience developing Privatim led to the insight that distributed ledger and blockchain technology, combined with modern cryptography, can provide a new opportunity for legal service delivery: authoritative systems of record that are securely shared between firms and clients. With Integra Ledger, the goal is a universal backbone and technology platform that empowers law firms and clients to interact and interoperate with much greater efficiency and security. In addition to Integra Ledger's direct benefits to providers and consumers of legal services, it provides a unified, interoperable, global legal technology ecosystem that empowers legal software companies to innovate and compete to deliver new products and services, including cutting edge technologies in the area of artificial intelligence.

One of the first women solicitors in the City to specialize in advising technology businesses on IT law, **Joanne Frears**, solicitor and leader in IP and technology law, Lionshead Law, has been advising on technology law and commercialization of IP for over 20 years. Providing advice and strategy on IP, exploitation, commercialization and defense, she has particular expertise in law for AI, AR and VR, Blockchain, cybersecurity and defense of patents against trolls. She also has an academic interest in emerging technology and how the law deals with everything innovative. Joanne is a member of the Accord Project (participating in the

IP and Technology Working Groups) and is legal counsel to the British Blockchain Association and the IBA and holds a Master in comparative EU, UK, and US IP law.

Joshua Ashley Klayman is one of the best known blockchain and cryptocurrency lawyers in the world. Recognized by Chambers and Partners as one of the top 12 blockchain and cryptocurrency lawyers globally, Joshua co-founded and has led since its inception MoFo's global Blockchain + Smart Contracts Group, which she currently co-chairs and which includes over 70 lawyers. Joshua is the chair of the prominent Wall Street Blockchain Alliance Legal Working Group and is a member of the global Wharton RegTech think tank. In addition, she has been appointed by the Delaware Secretary of State to serve on Delaware's Blockchain Strategy Committee, founded the Blockchain Legislation Project and frequently speaks with regulators from around the world regarding blockchain, smart contracts and cryptocurrency matters. Joshua works collaboratively with blockchain leaders from other law firms, clients, and the broader community to advance the industry, anticipate and address regulatory concerns and seize strategic opportunities.

Alvin Lam is a partner in the patent group of Maucher Jenkins' London office. He graduated in 2001 with a joint degree in Artificial Intelligence and Computer Science from the University of Edinburgh, and entered the patent profession amidst the developing landscape of patenting computer and software-related inventions in the UK and Europe. His practice specialization has remained in advising and obtaining patents for high-tech clients in the AI and computing fields. Alvin has extensive experience with drafting and prosecuting patent applications, global patent portfolio management and filing strategy advice, as well as prior art and freedom to operate searching and advisory work.

Robert Millard is director of Cambridge Strategy Group (CSG,) a virtual management consultancy in the UK that utilizes a sophisticated digital collaboration platform to leverage a network of leading specialists in a variety of areas of business strategy and management. The firm is focused primarily on professional services and other deep knowledge enterprises. Rob is immediate past co-chair of the IBA's Law Firm Management Committee and currently serves on the steering committee of the IBA's "President's task force on the future of legal services". He is based in Cambridge, UK, but his clients span the globe.

Vijay Rathour is a partner with the forensic and investigations practice, leading the digital forensics group. Prior to joining Grant Thornton, he was a solicitor with over ten years of experience working in a range of legal fields including corporate and transactional work, personal injury and negligence, and corporate litigation. Throughout his career, Vijay has been engaged on many high profile disputes and investigations across a range of industries, specializing in the financial sector. In his role as a lawyer within the enforcement and financial crime division of the FSA, he advised on regulatory actions and assisted in establishing enforcement strategy for the financial markets. Vijay specializes in the fields of cybercrime, cyber-security, incident response and data breaches, and has managed some of the UK's most high-profile digital forensic investigations.

As digital director at The National Archives, **John Sheridan** is responsible for digital services, enabling The National Archives to fulfil its ambitions to become a digital archive by instinct and design. His role is to provide strategic direction, transform the National Archives' digital offering, and to shape and drive forward its web-based services. Prior to this role, John was head of legislation services at The National Archives where he led the team responsible for creating the legislation.gov.uk website, as well as overseeing the operation of the official Gazette. A former co-chair of the W3C e-Government Interest Group, John has a strong interest in web and data standards. He serves on the UK Government's Open Standards Board, which sets data standards for use across government. John was an early pioneer of open data and remains active in that community.

Krzysztof Wojdyło heads the New Technologies Practice at Wardynski & Partners. He handles matters involving blockchain, smart contracts, FinTech, commercialization of new technologies, telecommunications, robotics, and anti-money laundering. Krzysztof takes part in major projects relating to new technologies law and regularly advises startups as well as large companies from the new technologies sector. He has often spoken at conferences and seminars, including events organized by the International Bar Association. He runs training sessions for leaders of startups and is the coordinator of the regulatory working group of the Coalition for Polish Innovations. He graduated from the Faculty of Law and Administration at Warsaw University in 2005.