Goldman Sachs has achieved a milestone in the race for an industry standard for a
digital currency, taking the lead ahead of Switzerland's UBS.

«I know more than 100 companies working on the version of blockchain which all eventually will
use,» Oliver Bussmann, UBS's top innovation manager said in the autumn. «The race in on.»

However, UBS is not in the lead. U.S. rival Goldman Sachs recently patented its own crypto
currency, according to a report by «Bitcoin Magazine».

SETLcoin

The digital money designed by Goldman Sachs is called SETLcoin – in keeping with Bitcoin but
also making reference to its intended use. SETLcoin is designed to be used in the digital
settlement of securities.

SETLcoins can be programmed in a way that they correspond to one or several securities, for
example 100 Google shares. That way they are turned into tokens, which can be traded
between two parties – without wasting time on intermediaries such as exchanges. Blockchain
technology guarantees the safe encryption and transparence of the transaction.

Technology by Circle

The coin was constructed with the help of Circle, the startup company in which Goldman Sachs
invested $50 million earlier this year.

With the patent for SETLcoin, Goldman Sachs achieved what UBS is working on in London, at
the Level 39 laboratory. Switzerland's biggest bank is relying on technology developed by
Etherum, a Zug-based startup as well as on Clearmatics, a blockchain stock exchange-
technology specialist. UBS expects first results for its «Utility Coin» by the beginning of 2016.

Upset to Inter-Bank Harmony?

The step by Goldman Sachs may also upset the harmony between the various global banking
institutes in respect to the blockchain technology and its further use. Goldman Sachs, J.P.
Morgan, Barclays, Commonwealth Bank of Australia, State Street, RBS, BBVA as well as Swiss
arch rivals Credit Suisse and UBS agreed in September to together work on the technology,
using the R3CEV startup as a platform.
Blockchain: Goldman Sachs Takes the Lead
Thursday, 3 December 2015 15:01

Whether the Goldman Sachs patent will dent the alliance, time will tell.