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Ternio LLC is building Enterprise Blockchain Applications for Small to Medium to Large Businesses providing everything from the Data Side to the Payment Side

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CEOCFO: *Mr. Gouldman, would you tell us the concept behind Ternio?*

Mr. Gouldman: Ternio is an enterprise blockchain company, and we build enterprise blockchain applications for any number of small to medium to large businesses.

CEOCFO: *Would you explain blockchain and how it works?*

Mr. Gouldman: Blockchain is interesting; it is always conflated with Bitcoin. But Bitcoin is just one use-case that sits on top of the blockchain technology. What makes blockchain significantly more disruptive in multiple industries is that unlike traditional database systems, which is what blockchain is, it allows for a payment layer. Most companies have their data for their operations and customer information in one set of databases and banking information in another set of databases. Blockchain has both of those things sitting on top of each other.

CEOCFO: *Why is that significant?*

Mr. Gouldman: It is significant for a lot of reasons. One thing that shows the evolution of the office and the phone, and how there are all of these things that we used to have in an office like a Rolodex, calendar, notepad, camera, and all these different things that you would own that would be in your office. It would show over time, how the phone started to take all of those functionalities that existed and put them into one simple interface.

What people do not understand about blockchain is that it is databases and everything we do is databases, and it is also payments which is a \$4 trillion industry and will be \$5.5 trillion in the next few years, you are literally going to eliminate a lot of unnecessary elements that businesses utilize, peer-to-peer kind of stuff, and business. A lot of this sort of stuff when you are operating a business or interacting as a consumer let's say making payments, a lot of that stuff is going to become simpler, faster, cheaper. It is going to give a lot more control to companies and to consumers. That will make costs lower and create a much better user experience. Blockchain is going to kill a lot of jobs like accounting, accounts payable, post analytical jobs; I don't think we're ready for the level of displacement that it's going to put in motion.

CEOCFO: *What have you developed at Ternio to meet these needs?*

Mr. Gouldman: We are a full-scale enterprise Blockchain company, with everything from the data side to the payment side. One of the more popular applications that we are known for is our Block Card, which is a Visa approved crypto card that allows customers to spend their digital assets anywhere Visa is accepted. I think we will find that large companies will be embracing these digital assets, as Samsung and Facebook are reportedly doing. JP Morgan Chase has already done a 180 and expanded the program with digital assets, and rewards programs are being talked about right now being tokenized. There is already a shift underway and there is a huge amount of money focused on stable tokens.

What is happening with crypto currencies right now are like an iceberg. People only see Bitcoin, at the top above the water, but there is this massive amount of innovation happening underneath the water that people are not that familiar with in the mainstream. We have built an application that allows for that entire marketplace that is already here today. In fact, it doubled last year and it will continue to grow in a large way for several years. We are giving people a cheaper, faster way to spend those digital assets, and that is just one example.

CEOCFO: *What was the challenge in creating a blockchain app that would work where needed?*

Mr. Gouldman: For enterprise, one of the biggest challenges not on crypto currency per se but on the data side of the blockchain where you are talking about the databases. The biggest challenge some people have is they understand what blockchain is conceptually. They can conceptualize the functions and what it does, but have a hard time sometimes figuring out the appropriate use case of blockchain for enterprise. Even though there are a lot of similarities from industry to industry, and no matter what the industry is, whether it is healthcare or digital advertising, public sector, much of what you build for one is relevant for the other. It comes down to figuring out the proper utilization of the blockchain and then once you have built that as your infrastructure, you can layer in a lot of different things. You have to build out the infrastructure and a lot of companies are afraid to do that now.

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CEOCFO: *What types of companies are using Lexicon today?*

Mr. Gouldman: There are very large companies that we have as clients. We are one of only five or six blockchain companies in the world that is an advanced type partner, so we are proud of that with Amazon. In terms of our clients, it is still early days. The types of companies range from public sector, to digital advertising, to banking, to payments. We have not done anything on the healthcare side, although we have questions from people in the healthcare industry. I find as we interact with different industries, the solutions we are solving are very similar, and 80% of what we need from them is an engine that has already been built and 20% of it is the user interface and the process of how that applies to their specific business and what they are trying to do.

CEOCFO: *What is involved in an implementation?*

Mr. Gouldman: It is different from a Microsoft update, because that is like a push to your software. What we are dealing with is real-time databases that are the infrastructure that connects the application. If there is an application software update, then that will still continue to happen for the customer, but it is not going to change the underlying data in the data base, or it should not. Let us say there is a database with your name, your telephone number, and email; none of that information will change. What you deal with such as the website or application you are interacting with, that might change, but that connects to the blockchain.

One of the biggest challenges when you are dealing with enterprises is blockchain takes participation. When you are dealing with supply chains, you have internal supply chains. However, if you have an internal supply chain, it is much easier because you can control or the company can control your entire solution, but you are still having to have to make change which can be painful. If it is an external supply chain, it becomes more problematic because you have multiple companies in a supply chains who all have to agree on this approach, unless it is done in a really careful way. The challenge there is how to introduce blockchain to an ecosystem where the rest of the ecosystem is not using it. In order to get consensus, you either need a consortium and consortiums take a lot of time, or you need a major heavy-weight like a Walmart or Amazon, so they will tell all their suppliers that this is the new system. Walmart did that already with their supply chain of lettuce, so it is going to take that kind of scenario to force the supply chain to be adopted, unless they have a longer time period.

CEOCFO: *How are you reaching out when there is a lot of opportunity, and where do you focus?*

Mr. Gouldman: This is an amazing thing that is going to happen over the next five to ten years. I see it plain as day. People understand the technology but there’s a real struggle how to find the right use case. There is an awareness factor and then it becomes more about the proper implementation and what it does and does not do. We need a lot of people and a lot of people come to us because they heard about us somewhere. They heard about us through digital advertising or maybe an investor or another company. We have a lot of people come to us and we are constantly trying to talk to people and tell them how blockchain can solve their problem. We are always have those conversations and it is just a matter of time before we will see broader adoption.

CEOCFO: *When did you know blockchain was the right thing?*

Mr. Gouldman: I had a couple people who worked for me that were developers. We were always talking about blockchain and digital advertising and how it could solve problems. We talked about different ways it would make sense to solve those problems. I had one of them propose an idea to me and we tested it. We built a few different systems and once we started to understand the true power of the technology, it really became a life mission for me. That moment is hard to pinpoint because it is a lot like the frog boiling in the water, because the temperature rise was gradual. At some point you are all-in.

CEOCFO: *What should people remember about Ternio?*

Mr. Gouldman: We are a very special company, an emerging technology at the forefront of our space. We can do some things that some of the biggest companies in the world cannot do. People wonder how that is possible, but if history is ever shown anything, it is that sometimes the smaller companies such as the Googles and Apples of the world that are working out of the garage, are able to move faster and take on the world through a new paradigm worldview that the larger companies are not prepared to nimbly move through. Blockchain is moving so quickly that we are one of the few that are well positioned to be able to move through this minefield of challenges in an emerging industry. I would not be surprised if several years down the road that you are talking to somebody about how Ternio became a multibillion-dollar company.