

Identabit Challenges Bitcoin and BitShares

August 12, 2015

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Australian startup Thinking Active, led by New York software entrepreneur John Underwood, today revealed plans for IDentabit, an identity-based alternative to Bitcoin. Designed to liberate decentralized currencies, IDentabit enables regulatory acceptance and viral adoption by way of user association.

IDentabit has been a year in the making, made possible by a collaboration between Thinking Active and Virginia-based U.S. software partner Cryptonomex, Inc., led by Dan Larimer, principal architect of the Blockchain 2.0 project, BitShares.

BitShares was the first chain to introduce DACs (Decentralized Autonomous Corporations), smart contracts, a decentralized exchange, and DPoS (Delegated Proof of Stake), a highly efficient, rapid, and scalable means of block confirmations.

?With the increased regulatory attention directed at Bitcoin, brought on by the stream of crime empowered by anonymity, we concluded that there was a need for a chain that enabled AML/CTF compliance, enhanced funds security, denial of crimes empowered by anonymity, and ensured security of transfer by way of user

association,? Underwood explained. ?We realize that this is the beginning of a long journey, but believe the time is right to recognize the might and purpose of compliance.?

?While we respect Bitcoin and the purpose of anonymity, we see benefits in offering the market a choice between anonymity and identity, a choice that enables growth across a broader range of use cases,? Underwood said.

IDentabit is best described as a permission-based ledger that enables proof of reserve without subjecting transactions to public scrutiny. IDentabit addresses P2P/AML/CTF compliance, Privacy (zero public scrutiny), user issued funds transfer, and decentralized transparent governance. It also introduces sustainable funding by way of Proof of Appreciation, enabling progressive issuance that only occurs in conjunction with favorable market conditions.

While the concept of identified transactions is simple to appreciate, actually implementing identity by way of a decentralized blockchain is not a trivial problem. ?We could not have found this solution without the combined perseverance of our respective teams,? Underwood said.

Of equal importance to compliance is scale: using DPoS the team was able to benchmark transaction capacity that exceeds four times that of Mastercard?s claimed 24,000 TPS. Underwood pointed out, ?As disruptors, we need scale if we are going to replace existing payment networks with P2P transactions. While we understand Bitcoin can get beyond 7 TPS, none of us has time to wait for Bitcoin?s organic crawl to address issues of speed and compliance.?

The timing of IDentabit?s release has been motivated by growing interest in blockchain technology by institutions collaborating with IBM and Ethereum. These teams are intent on building institutionalized identity-based alternatives.

Ironically to buy time, these projects depend on the crypto-community?s loyalty to anonymity. This loyalty has led to widespread acceptance of an assumption that for decentralized currencies to be disruptive, digital currencies must put ideology before security and compliance. This blind assumption has, until now, blocked the innovation required to compete with emerging institutional alternatives.

?We believe that if we don?t act now to protect decentralized currencies with an identity-ensured alternative to Bitcoin, we are handing the keys of change to the very organizations we sought to disrupt in the first

place,? Underwood said.

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Thinking Active

IDentabit digital currency, is the first decentralized identity based alternative to Bitcoin, designed to attract institutional adoption whilst offering users, zero public scrutiny and asset security.

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