New-look Blockchain Technology Partners launches management platform Sextant on AWS

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451 Research®

Edinburgh-based startup Blockchain Technology Partners (BTP) has completed its makeover with the introduction of Sextant, its blockchain management platform. Sextant is available now as a one-click deployment on AWS Marketplace for Containers, with Google Cloud Platform, Azure and Alibaba Cloud marketplace offerings in the pipeline.

THE 451 TAKE

Blockchain is still a science project for most businesses, so making the technology easy-to-use is certainly a good bet – and critical for widespread adoption. With that value proposition, BTP is on the right track. We believe that a sizeable number of enterprises will be making platform decisions within the next two years, so the timing of Sextant's launch is good. However, BTP is not the only contender trying to grab a piece of the pie, and it will need to prove that its value proposition and business model can generate profitable revenue.

CONTEXT

Blockchain Technology Partners is starting over with the general availability of Sextant, its blockchain management platform that leverages Hyperledger Sawtooth and Kubernetes. The company reincorporated in June, with cofounders Duncan Johnston-Watt and Kevin O'Donnell at the helm, while keeping its mission to simplify enterprise adoption of blockchain technologies.

TECHNOLOGY

BTP's Sextant leverages the modular Hyperledger Sawtooth 1.0 blockchain framework, which uses the Proof of Elapsed Time consensus protocol. Instead of having miners solve a cryptographic puzzle (like Proof of Work [PoW] does), PoET uses a trusted execution environment to ensure that blocks get produced randomly and within a guaranteed wait-time, but without the 'work' overhead. It's fundamentally more energy-efficient and performant than PoW. Besides its green credentials, BTP has chosen Hyperledger Sawtooth based on its support for Ethereum smart contracts, as well as its modularity, pluggable consensus mechanism and scalability. Additionally, according to the company, the separation of the network and application layers makes it easier for developers to create blockchain applications relying on their existing expertise.

Sextant is a cloud-native blockchain management platform in which Kubernetes provides production-grade container orchestration. Sextant can automatically generate Kubernetes manifests, and a BTP-curated Sawtooth distribution can be deployed not only on existing Kubernetes clusters, but also on those deployed by Sextant on AWS. A one-click deployment is offered to developers either as stand-alone (e.g., when testing a new application) or for joining existing Sawtooth networks. Besides AWS, the company has plans to make Sextant available on Google Cloud Platform, Azure and Alibaba Cloud marketplaces in the near future.

BUSINESS MODEL

BTP is currently self-funded, but it is actively seeking seed funding now that it has launched Sextant. The company is a member of the Linux Foundation and an active participant in both Hyperledger and the Cloud Native Computing Foundation. Its management team has industry experience in automation, operations, blockchain technology, cloud and open source software.

The startup's go-to-market focus is both use-case- and industry-agnostic. However, BTP acknowledges that there are a few application areas, such as digital identity, supply chain management and trade finance, as well as markets such as fintech and biotech, that have real potential in the short term.

BTP will work with its customers to create an operational model that meets their needs – for example, the company offers to manage and operate the underlying platform on behalf of customers. Potential revenue streams include professional services fees tied to use-case assessments, proof-of-concept work, minimum viable product development, production rollout, and recurring revenue in the form of Sextant subscriptions and managed operations.

COMPETITION

BTP is up against startups catering to enterprise requirements, such as BlockApps, Dragonchain, Gospel Technology and Kaleido. The company is also competing with large IT firms such as HPE, IBM, Microsoft and Oracle.

SWOT ANALYSIS

STRENGTHS
BTP has a clear value proposition – bringing the benefits of blockchain to business by simplifying its use – and a leadership team with the necessary expertise to deliver.

WEAKNESSES
BTP will need to prove that its value proposition and business model can generate profitable revenue.

OPPORTUNITIES
Although production use of blockchain technology is currently low (5% of organizations), according to our latest VotE Digital Pulse survey, 45% of enterprises are experimenting with blockchain or considering its implementation. Given the scarcity of blockchain skills and real-world enterprise experience, this is a sizeable opportunity for technology and service providers.

THREATS
Our research shows that service providers are way ahead in investing in blockchain technology compared with enterprise demand. Rivals in the blockchain, cloud and IT markets have been stepping up their efforts and have blockchain offerings that cater to enterprise requirements.