

*Welcome to Morgan Creek Digital's weekly digital asset update. It is comprised of a thought piece from our team followed by a summary of what we consider the most compelling digital asset news during the last week. We hope you find this content interesting. Please let us know if you have any comments or questions or if you would like to speak to a member of the [Morgan Creek Digital team](#).*

## **Welcome Yugen Partners & W. Scott Stornetta!**

We are pleased to announce that Dr. W. Scott Stornetta, Chief Scientist at Yugen Partners, is joining the Morgan Creek Digital (MCD) team as a Venture Partner. Dr. Stornetta is widely considered a co-inventor of blockchain technology and a thought leader in cryptography and distributed computing. Dating back to 1991, his seminal series of research papers, written with co-author Dr. Stuart Haber at Bell Communications Research, was awarded the 1992 Discover Award for Computer Software and was featured in *The New York Times* in 1995.<sup>1</sup> This pioneering research aided in creating the foundation for Bitcoin and other digital currencies (in fact, of the eight citations in the Bitcoin white paper, three reference his and Dr. Haber's research).

This year marks the 30th anniversary of continuous commercial operation of the world's first blockchain. In 1991, Dr. Stornetta and Dr. Haber introduced the framework for creating a sequence of blocks of information linked together using secure cryptographic computing that enables the immutability and verifiability of the data.<sup>2</sup> More simply put, Dr. Stornetta played an integral role in the emergence of the 21<sup>st</sup> century's decentralized blockchain revolution.

Dr. Stornetta has consulted for many years across various disciplines, evaluating the commercial viability of leading-edge technologies on behalf of universities, commercial research labs, venture capital firms, and is currently Partner and Chief Scientist at Yugen Partners.<sup>3</sup> More broadly, Yugen Partners focus on early-stage emerging technologies in AI & blockchain will expand MCD's reach in monitoring companies at an earlier stage, which we believe will lead to an enhanced pipeline of investment opportunities. MCD anticipates that Dr. Stornetta's experience with disruptive technology companies and his deep industry network, developed while a Partner at Yugen Partners, will benefit the firm moving forward.

### **Professional Career Highlights**

After attending MIT, Harvard, and Brigham Young University, Dr. Stornetta graduated with a Ph.D. in Physics from Stanford University in 1989. While at Stanford, he served as a member of the Association for the Advancement of Artificial Intelligence (AAAI).<sup>4</sup> After graduation, he began working at Bell Communications Research (Bellcore) as a research scientist.<sup>5</sup> In 1994, Haber & Stornetta co-founded Surety

Technologies, a Bellcore spinoff, focused on providing digital time-stamping services.<sup>6</sup>

Currently, Dr. Stornetta is a Partner and Chief Scientist at Yugen Partners, an early-stage private equity firm investing in companies leveraging blockchain technology.

Once again, we welcome Dr. Stornetta as a Venture Partner at MCD.

## THE RUNDOWN:

**Bitcoin’s Biggest Upgrade in Four Years Just Happened – Here’s What Changes:** The first bitcoin upgrade in four years has just gone live. It is a rare moment of consensus among stakeholders, and it’s a big deal for the world’s most popular cryptocurrency. The Taproot update means greater transaction privacy and efficiency – and crucially, it will unlock the potential for smart contracts, which can be used to eliminate middlemen from transactions. [Read more.](#)

**SEC Rejects VanEck’s Spot Bitcoin ETF Proposal:** The U.S. Securities and Exchange Commission rejected investment firm VanEck’s proposal for a spot bitcoin exchange-traded fund in a decision released on Friday. The agency had previously delayed its final decision on the proposal in September. In its letter, the SEC wrote that “the Commission concludes that [the fund] has not met its burden under the Exchange Act and the Commission’s Rules of Practice to demonstrate that its proposal is consistent with ... the requirement that the rules of a national securities exchange be ‘designed to prevent fraudulent and manipulative acts and practices’ and to ‘protect investors and the public interest.’” [Read more.](#)

**The Crypto Capital of the World:** The anything-goes ethos has dogged Ukraine for years, and now the government is hoping to bury it, with an assist from cryptocurrency. In early September, the Parliament here passed a law legalizing and regulating Bitcoin, step one in an ambitious campaign to both mainstream the nation’s thriving trade in crypto and to rebrand the entire country. [Read more.](#)

**Sam Bankman-Fried Discussed the Best Blockchains for Mass Crypto Adoption and the Rise of NFTs:** Crypto billionaire Sam Bankman-Fried, who heads up the FTX exchange, recently discussed the current cryptocurrency climate, including the outlook for institutional investment, the rise of non-fungible tokens and how a badly placed ad can make rookies question the legitimacy of a crypto exchange. [Read more.](#)

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<sup>1</sup> <https://www.yugenpartners.com/team>

<sup>2</sup> <https://medium.com/@strangethingintheland/celebrating-the-blockchain-thirty-years-on-d188c79568f8>

<sup>3</sup> <https://www.yugenpartners.com/team>

<sup>4</sup> <https://www.worldcryptoindex.com/creators/w-scott-stornetta/>

<sup>5</sup> <https://www.yugenpartners.com/team>

<sup>6</sup> <https://www.worldcryptoindex.com/creators/w-scott-stornetta/>

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