How Blockchain Technology Can Change Collection Management
Blockchain Basics

- Blockchain technology addresses trust in the digital age
- It’s cryptographic and registrarial
- A “trusted library of source material that can certify the information vetted by experts.” - Amy Whitaker
- Digital ledger of continuous transactions / time-based information: a special database
- Distributed ledger = exists in interconnected copies = removal of central data authority
- Each entry refers to the prior entry’s “hash” (or digital identity rendered by an algorithmic code)
- Different computer servers can cross-compare logs simultaneously
- Blockchains can run smart contracts and dApps
- Hacking = hacking each individual block on each ledger on the chain
Current Art & Collectibles Applications

- Title Registry: consolidated provenance, consolidated value, supply chains
- Self-Sovereignty: digital identities, KYC, collection management
- Artist Rights: copyright, IP, resale rights, royalties, legacy
- Digital Art Market & Digital Scarcity: creating digital artworks
- Fractional Ownership: equity interests, collective title, new markets
In 1988, Congress enacted the Berne Convention Implementation Act. This action made the U.S. a member of the Berne Convention.

The Berne Convention deals with the protection of works and the rights of their authors. The original signers of the Berne Convention in 1896 were Belgium, France, Germany, Great Britain, Haiti, Italy, Spain, Switzerland, and Tunisia. The Berne Convention deals with the protection of works and the rights of their authors.

MORAL RIGHTS

Moral Rights protect the integrity of the artist by including:
- Right of Attribution (which is the right of an author to be credited as the work’s author);
- Right to the Work’s Integrity (the right of an author to prevent prejudicial distortions of their work);
- Right to Publish Anonymously or Pseudonymously;
- Protection against anything that takes away from the Artist’s relationship with their work after the Work leaves their possession or ownership.

The Berne Convention deals with the protection of works and the rights of their authors.
In 1994, the U.S. joined the World Trade Organization and signed the Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement).

No Moral Rights!

In 1998, Congress passed the Copyright Term Extension Act of 1998, or the Sonny Bono Copyright Term Extension Act.

In 1990, Congress legislated limited Moral Rights of attribution and integrity to artists/authors by adopting The Visual Artists Rights Act (VARA) of 1990.

- Only covers works for hire.
- Does not cover work created for hire.
- Narrow definition of fine art.
- Limited definition of copy.

"I Got You Babe!"

What does this all mean???????

U.S. Copyright Office’s April 2019 report, entitled “Authors, Attribution, and Integrity: Examining Moral Rights in the United States”

"Whether considered as a useful tool or a threat to protection of integrity and attribution interests, there is no question that technology has transformed the moral rights landscape in the United States.

Block chain?

- Does not cover work for hire.
- Only covers living artists.

Privity: referring to the mutual or successive relationship to the same right of property or the power to enforce a promise or warranty.
CryptoKitties
Fractional Ownership

Whitney Museum of American Art

PUBLIC KEY / PRIVATE KEY

BY JENNIFER & KEVIN MCCOY

Jennifer & Kevin McCoy (with performer Gillian Chadsey), Still from Public Key / Private Key, 2019
Considerations and Barriers:

- Learning curve hinders mass adoption
- Knowledge gap
- Association with cryptocurrency
- Blockchain “air gap”
- Expensive development process
- Hesitation of art market and institutions
- Industry consortium: who controls data input?
- Regulatory infrastructure needs to be created