Mathieu (00:24.14)
Okay. It seems like we're live, first podcast in a few months. So nice, nice to be back here. I think it's definitely worth it to get back for this conversation today. I'm sure a lot of our listeners who are part of this broader community have seen mentions of the Global Acceptance Network pop up in the last week or so through different social media channels. There are a lot of companies that have joined this initiative, and have started to talk about it.

so maybe a good place to start today. And as we get into what is the global acceptance network, it might be worth Darrell as the Executive Director for this new organization, just talk a little bit about what the problem that, I'll say GAN throughout this conversation, the Global Acceptance Network, the problems that the GAN is looking to solve. And maybe we could blend in this conversation as well with just the general problems that we're all trying to solve in this industry.

I think A lot of individual companies and different open communities have all been trying to create trusted digital interactions through different efforts. Where does GAN play into the whole mix? Are they the same problems that we've been trying to solve for years now? Maybe there's a lot of questions and a lot of things we could attack there, but I'll throw it to you, Darrell, to just kind of give a brief intro on that.

Darrell O'Donnell (01:44.27)
Yeah, I'll start in a few different sort of levels of detail. Fundamentally, GAN. And it's funny, everyone's calling it GAN. Many people don't know what it means, but yeah, Global Acceptance Network, which should be clear as a temporary name while we figure out what to call this thing. The whole purpose behind GAN is to establish a trust layer for the internet. One of the things if you dive back to the beginnings of this whole, I mean, I don't even say SSI much anymore, self -sovereign identity, but the Decentral Identity Movement, all of these things are basically trying to solve a lot of trust problems.

You're one of the co -founders of Trust Over IP, along with me and many others. We've been looking at the fact that if you back up, the internet is fundamentally broken. Trust is decaying rapidly. A lot of it comes down to the fact that it was never built for real security. Trust was never a concept that was built in. We've talked to some of the, you know, the earliest, the OGs of the internet and, know, they were literally friends. TCPIP was, you know, built with, you know, Vint Cerf and Steve Crocker and another gentleman who went to high school together. So these things started off as we trust everybody because we literally know everybody. But they never built trust into things. What we've learned over the years is that authenticity is one of the hardest problems to solve, for example.

If you don't get authenticity right, all you end up with is encryption with the bad guy. That's what SSL certs mean. Now they don't have a green check mark anymore. They don't even have a lock. It just means that you're encrypted with the bad guy. So what GAN is establishing is this new trust layer for the internet. Underlying that really just two things we're doing. One is we're establishing a neutral nonprofit that will be commercially focused, but it's focused first level on the individuals to make sure that we don't get the wrong incentives going. And the goal is the

GAN will govern, not necessarily operate, because we're kind of there as a, where people meet to market, so like marketplaces, but we'll be governing some digital public infrastructure. That's really about how do you exchange trusted and valued information. So that's the analogy is global acceptance network that some have used and works for some works to describe, know, when you use your Visa card, and we'll probably talk about these in a bit.

Darrell O'Donnell (04:09.27)
You don't need to know all of the machinations of the technology. You don't need to know the rich governance it has. You just need to know that the card works. You need to know how to use it and that it will work. That's all you really care about. We're looking to do the same thing for digital credentials.

Mathieu (04:27.19)
Great. I think there's, as I kind of mentioned early on, there's a lot of existing communities that have been trying to take different angles at solving digital trust problems. My sense is GAN is looking to collaborate with these organizations. Could you maybe explain where GAN fits into the mix of all these communities? And we've seen throughout the summer this year, a lot of shifting in the visions and missions of these communities and It's been interesting to see a lot of the reorgs happening, but where does GAN fit into the whole mix and how does GAN play with existing communities out there? Basically, what is GAN not doing and what is GAN doing?

Darrell O'Donnell (05:05.24)
Yeah, first off, GAN is not… a lot of what we've been doing in the past. I think this is also why you're seeing a lot of reorganization like any early stage technology, you tend to have the technologists leading things. What we're learning is that tech is not going to drive the problem here. GAN is using technology, whether it be in the open ID realm, whether it be in the SSI, the decentralized identity realm.

But we're focused on in order: business, governance and technology. We know that there's a lot of commercial value out there and I'll explain why we believe GAN is the unlock of that. And the governance is absolutely critically required. But on a business basis, once the governance needs are met, it's a checkbox. It's let's go build business and the governance we're covered. We have at least as much which can be very rich governance.

And the technology needs to be sufficiently there to do the commercial thing. And when I say commercial, it doesn't have to be paid for. It could be completely free. I'm a human. Just stop hitting me with captcha or puzzles that I'm apparently not human enough to solve, but AI can beat me on it. When we get to the governance side, though, let's talk about governance first. So you and I, we already mentioned, Trust Over IP Foundation.

Trust Over IP was created to build this governance and tech stack that worked together. I was asked by one of other founders, one of the earliest of the founders of Trust Over IP, how is GAN different? And my answer was, we're basically operationalizing Trust Over IP. Trust Over IP is there to build the specs, it's there to build the governance guidance, it's not there to build

governance frameworks, it's there to allow governance frameworks to be built and then used in earnest elsewhere.

GAN is doing exactly that and working with other ecosystems, which are doing real live work right now. I just, left the UK yesterday, I was in London and it was amazing seeing how many live digital trust ecosystems are out there with real coherent governance. And that's really, really powerful. It's really neat seeing that.

Darrell O'Donnell (07:18.22)
On a tech basis, you know, look around and you'll see the work being done at W3C, Decentralized Identity Foundation, OpenWallet Foundation, just to speak of a few of them, I have spoken with the EDs over at both at OWF, actually meeting with Daniel tomorrow. It'll be in the past when we release the podcast, I'm sure. As well as Kim over at DIF, we're getting better at drawing a line between, what is it? We're not building software over here at GAN. Or if we are, the software actually is going to be hosted elsewhere.

Some of it at DIFf, some of it OpenWallet Foundation, some of it in other places where it really belongs. But we're not here writing new specs, we're here to use the technology, use the specs, as well as on a business and governance basis, remove a lot of the ambiguities that are in the specs. There's a lot of interpretation still there, and we're gonna work with those standard development organization, the SDOs, to find, highlight, where there are ambiguities or too many options to say this is all we need. We're going to work with them to help them understand that optionality is not necessarily the friend of building real systems.

It's really cool if you're a technology led group and you like to to meet a particular need, but it's really hard for business to be built on top of something where you don't know the answers on how we make things conform to make sure that we're assured that when we try to work on GAN, that things are actually gonna work there.

Mathieu (08:53.25)
It's always easier to understand a new concept or a new idea around actual use cases that we're familiar with. Have there been any aha! moments when you've been talking to folks in the community that basically once they understood what you were describing in GAN, they kind of went, ahhh I now understand. I can now think about being able to do something that I wasn't able to do yesterday without this. Maybe if you could shed some light into some examples like this or some aha moments that came just for folks to just better understand what GAN enables.

Darrell O'Donnell (09:28.04)
Yeah, I'll cover it off in two different areas. So if we speak to a lot of our founders, our technology providers, some systems integrators, and then I'll talk about more on the business side. Pretty much to a person who is, to a person or organization who has joined the GAN, we have seen, or seen roughly the following pattern. Everybody's in, no longer overly opinionated on tech and they're working with customers, but they hit a wall.

The wall they're hitting is everyone thinks that they use this term ecosystem that there's this huge ecosystem out there called supply chain or called worker mobility or financial services. What I think every tech player has learned painfully is that there is no such thing as a supply chain ecosystem. It is comprised of in the supply chain case, thousands and thousands of little ecosystems which have subtle differences between them.

But those differences are big enough that you cannot get one customer to solve the overall problem of what data they need to either provide or what data they need to consume in a real world business case. So each of the tech players is basically, we've had tech players say, you know, this is the layer we've been missing. This is the part that has been missing. Yes, we talk about governance. Trust Over IP has done amazing investments in development there, but until it's used in earnest, but We've all been hitting the same wall.

On the business side, we're hearing similar. And the business people are saying they see the potential. There's many founders who have spent millions, tens of millions, perhaps some have spent north of a hundred million on projects that were dependent upon this decentralization of data. And they have hit a wall, recognized that no matter how big they are, they need a neutral place to share information.

Without that neutral place, there's just constant people concerned with vendor lock -in. There's trust issues that basically mean if you trust your partner, your vendor, everything's great, but at some point you're gonna hit a wall at which they say, my partner's not part of that vendor, and they're kind of competitors, or they are full -blown competitors.

Darrell O'Donnell (11:44.05)
Underneath the whole founding of the GAN was the message that we, especially the business people in the room, the technology providers and the systems integrators, as well as the pure business people. We have members of GAN that are not technology providers. They're not systems integrators. They had to be comfortable with the following, which is one reason I was brought in early as an independent, is that for GAN to work, you need to be really comfortable sitting across the table from or right beside your strongest competitor. And honestly, in the beginning days, some players were not comfortable with that. Some of them stepped away. Some of them have come in a little bit later because they had to deal with that and understand it better.

Mathieu (12:29.08)
So you mentioned a few things. You mentioned that different organizations or different ecosystems, and I do agree with you. It's often, I don't know if talking about ecosystems is always the right lens either, just because what consists of an ecosystem is just so contextual and different. And any one entity is just part of many different ecosystems, depending on the types of interactions, I guess that they're having with other entities. So the need for a neutral place, I've kind of heard the need for a common language as well. If you want to be able to interact with others, you need to be able to speak the same language. And sometimes that is something that's inexistent and without a neutral party helping to do that. it's just impossible.

And, so then that maybe leads me towards, we've been hearing comparisons of GAN trying to play a similar role to what Visa does for payments on a global basis. GAN has a global footprint already with its members and with its stakeholders. It's looking to have a global impact. What learnings were taken from the evolution of Visa, what Visa was able to do for payments? What are some of the things that GAN is being inspired from what Visa did? And maybe what are some of the things that Visa is doing or did or not doing that just are different in the context of GAN, or does that analogy make sense?

Darrell O'Donnell (13:58.05)
It makes total sense. actually, we provided the recommendation that many of the founders read, the Dee Hock book, One from Many: VISA and the Rise of Chaordic Organization. The earliest days of Visa were crazy, just absolute madness that in the 50s, 60s, somebody could come up with the idea that convinced a major bank who had a huge revenue generating product to say, we're going to hit a wall that we need to bring in the other banks, your direct competitors, into here.

So Visa created this really amazing, if you look at Visa as a company and take away their technology, they've got some amazing tech. But if you took their technology away and said, you can't use any of this, you have to start from scratch, they could recover relatively, you know, it'd be painful, but they could recover with ease, meaning they have the cash to do it and it would take three to six months probably to redo. But if you took away their governance framework that sets the rules of the road on how you can operate Visa across so many country boundaries, with the acquiring banks, the issuing banks, the various different payment providers, all of those providers in the system, if you took their governance away, it would be dead. So what Dee Hock did, and Dee Hock was an advisor for MemberPass for CU Ledger Bonafide when I was there as CTO. He actually met with John Ainsworth and Drummond Reed.

Drummond Reed as you know, and others may know, is the governance lead here at GAN now. He's been seconded over by Gen Digital. They met, and one of the things that Dee said, that caused him to leave Visa before Visa went public quite a bit before that, is its initial conditions are really, important, which is why some of the governance work we've been doing at GAN is so critical. Because the flaw that Dee saw, I mean, Visa has an opinion on this, I'm sure it's quite different, is that because the merchants and cardholders were never part of the initial ecosystem, the visa system, his goal to bring them in was just blocked. And that caused it to inevitably go to IPO he said that many times in public.

Darrell O'Donnell (16:10.21)
Another analogy though, because visa is very specific, I mean, has direct competitors and master card, those systems do not work together barring things like payment acceptance network, which is how your credit card works on this one machine. Instead of having one machine per credit card, that's actually a payment acceptance network. It does a few small things. But another analogy might also be, it's unfortunately in the payments world, and if you don't know SWIFT, what it does, it's hard to look at, but SWIFT itself, you it's not a bank. It does not do payments. It is a messaging system that coordinates payments.

The members of that system know that SWIFT will never compete with them. They know that SWIFT is there with really strong governance, that if someone is for whatever reason removed from the SWIFT network, that it is consistent governance. And people really understand how it works. What does it mean to be a good citizen in the SWIFT network? Same thing for Visa. If you go to the Visa governance documents, you'll see that there are removal procedures.

How does a bad actor get removed from the Visa network? You know, we can look up current data, but last I heard, there have been exactly zero ejections from the Visa network. People may not like what Visa does, to me, it's an amazing capability, but they know that being kicked out of the Visa network could be an existential risk because the network itself provides the value. The number of connection points where it can be used is absolutely enormous. And yeah, the lessons from there have been huge on what Dee Hock did, the leadership he provided. In many ways, we're trying to channel some of that energy. And it's challenging. It's fun.

Mathieu (18:00.16)
Visa has a very strong consumer brand. I think as we've talked about, if we walk into a merchant and we see the Visa logo there on the machine, we have a Visa card, we're comfortable just tapping our card. We know it's going to work. We don't ask ourselves any other question. Is that something similar that the GAN is trying to achieve with different types of digital interactions? And then maybe that leads to the question, does GAN need to become a consumer brand? And how does GAN start to think about Trust Marks and its branding, if that is the goal.

Darrell O'Donnell (18:32.16)
Yeah, I mean, definitely one of the things that Dee Hock used to do in every speech he did was, who here has a Visa card? And everyone in the room would put their hand up. His next question was, know, who knows how it works? No hands. No one, barring payment experts, knows how it works. But I think the really, really important thing are two other things, which is, you know that it will work. And do know how to use it.

I know how to use my Visa card. I know there's a ritual going from the Unisql chunk chunk world to swiping, to type, put it in, type your PIN in to now we're tapping and paying. Visa and its Trustmark, as well as the other players who have standardized on how you tap to pay, because they realized it wasn't a differentiator, it was really a common capability they all needed. So they worked together to solve that.

It's the Visa logo, it's the MasterCard logo, the AMEX, the China Union page, you see what it's all of the various payment networks and discover what not that you know how to use the thing and you know it means something. We know that GAN needs to get there. We know that GAN needs to get to the point where a consumer just knows that they can trust this thing as opposed to right now. You know, your web browser, you don't know this necessarily a real bank when you're going to the sites. Our mutual friend Jacques Latour at CIRA is tearing down

domains all the time. Guess what they're pretending to be? Banks and e -commerce sites. Why? Because people type their credit card number and information into that and it's valuable to the criminals, to the fraudsters. GAN needs to get to the point of that trust mark. So there's actually two things we're doing right now. One is GAN is a temporary name. Whatever our new name becomes, which will be relatively soon, because GAN itself as a name is actually getting some momentum, which I find kind of funny as a an engineer, it's momentum, it's inertia, and we need to overcome it. So we want to change it as fast as we can.

But the goal being whatever that trust mark is, whatever that brand is, that people will understand it. We also, though, recognize that that is not going to happen in consumers' hands on day one because the teaching that has to happen in order to build that trust, especially in a consumer, citizen, person basis, It's really hard. We need to make sure we step into this and we build the trust that's required.

Darrell O'Donnell (21:05.20)
We are though working, as you would know, through the GAN members, the founders, to build up use cases that start to approach what the consumer is going to see, what they're going to feel, how they're going to use types of things. And one of those things is this, what we're beginning to call is a certified GAN credential, a common credential that we can use for employee ID.

Not to create a skeleton key that everybody's employee ID schema fits into this thing, but to your point you raised earlier, to standardize the discussion, standardize the digital conversation that says, hi, I'm Darrell from GAN, and I'm checking in to come into this office to into a meeting. I'm coming in here as a subcontractor to come in. I'm coming in as an employee from another part of the country or another country itself of the same organization or I'm just coming into work and I want to tap in using my phone as opposed to using a hard card that is really hard to manage.

Standardize that conversation so that the next question is, and what else do you need to know about me? You may have, in a European context, a posted worker notification credential that needs to be shared afterwards. You want to standardize that introduction. Tap in and it just does the thing in my employee app that's created by my employer as opposed to some credential generic wallet, know, Apple Wallet down the road, we're sure that the Apple Wallet and Google Wallet and Samsung Wallet, Samsung Pay will all do the same kind of things. But it's that, what does the trust mark mean on an employee ID basis? But then down the road, when we start seeing it show up in browsers, when we start seeing it in other places, people will, so hopefully the goal is that they will associate that, that's something I can trust. I know I'm gonna be taken care of, that the bad guys can't get in there and pretend to be a bank because I'm using this system, I know it's actually the bank that I'm talking to and the bank knows it's actually me.

Mathieu (23:08.01)
Yeah, so in terms of the consumer brands, it. As we've been talking about Visa, I'm just actually thinking just the amount of times when we're over the summer is watching the Summer

Olympics and just Visa ads nonstop, nonstop, nonstop. So they're really pushing that trust around their brand. And they have relationships with the different stakeholders within their ecosystem, like us as cardholders or possible cardholders, just to build trust in the product altogether, into the network altogether. They have relationships with financial institutions. they have relationships with merchants and they have different, all of them have different contractual obligations, I guess, or different types of relationships with them.

What is going to happen with the GAN? I'm assuming GAN is going to have relationships with different types of stakeholders. What does it mean to have a relationship with GAN? And then when you have a relationship with GAN, what is GAN making a statement about the other entity that they have a relationship with? Maybe we could talk about just that whole dynamic and how you think that's going to shape out.

Darrell O'Donnell (24:10.29)
Yeah, I'll try not to get too complex on it, but the whole goal of members of GAN are really ecosystems. Many ecosystems will be part of GAN and those organizations and people inside those ecosystems and they may be in many different placesYou know, my Visa card plays . a role in many parts of my life. Just like you and I are both from Canada and one of our members Interac plays a big role. mean, I get to, you know, lot of people don't understand how easy it is to use. You know, I can email my babysitter or plumber through, I can email money through, well, basically emailing money. That's not technically what happens, but it's what it feels like. I'm sending money to their email address. As we're looking at things like the employee ID credential, for example.

The whole goal of GAN is to create a thin layer that begins to put in the governance and the trust required to make sure that when I exchange something in a way that's conformant with GAN, doesn't mean I'm using a GAN rail, unlike Visa, which has a huge technology base. Just that I'm agreeing to the conditions, the business, the governance, and the tech conditions that are required to share a credential. Let's say it was issued using Northern Block technology by a company. So that when that credential is used on the other end, it's verified, that we understand what's behind it, that we understand if I have a level of assurance, GAN has no opinion on how you define levels of assurance, but levels of assurance imply that you're going through some rigorous processes as you go to higher levels of assurance that likely make what you're sharing more valuable.

So what the GAN members are agreeing to is that if there are levels of assurance and there are funds being exchanged, that here are the basic rules to the road, but what does level of assurance mean in the context of an employee ID? What does it mean if I'm using that employee ID in the terms of commercial banking operations? Totally different things than the basic, here's what the credential does. Much like Visa, I present the card. It then goes back to the bank and says, hey, Darrell's allowed to buy this pack of gum for $3. That's a very different conversation than I'm using it to go and put a major down payment on a car, where it's tens of thousands of dollars. Visa is involved in the discussion but it's the bank at the other end that's saying, Darrell is good for this or Darrell is not good for this.

Darrell O'Donnell (26:41.18)
It's not GAN's job to determine all of the answers. It's to standardize that conversation so higher value credentials can be moved around. And they're not all credentials. We may have things like people looking for timestamps. People looking for proof of location. It doesn't have to be a credential. People are looking to sign things. but how do we standardize those as opposed to having 19 different ways that we could maybe do it, which results in everybody kind of pointing fingers at each other saying, I can sort of sign things. I don't sign them the way that you do things. So we really can't work together well. So the goal is to standardize the beginnings of that conversation so that we can have terms like assurance.

Mathieu (27:24.13)
Where do you draw the line between, and then I guess just to back up, GAN is an organization that serves its members, its founding members, it's building a common language and it's de-risking transactions or its aim is to de-risk transactions from happening by being able to create certain policies, I guess, that GAN members are following when they're in their interactions. Where do you delineate what GAN is doing between what a nation state government would do, in our space there, and you're sitting not necessarily in the EU, but you've been in the area in the past week or so, there's just tons of conversation in our space right now about what's happening under EIDAS 2.0 and the different implementations across nation states and how that intersects with different data privacy regulations and interfaces with digital identity regulations and signatures and stuff like that.

How does GAN compare to what a regulator would want to do to try to create, I guess, trust and interactions and where do they complement each other perhaps?

Darrell O'Donnell (28:35.28)
So there's a couple, I'll talk about it on the government side. There's a difference between, I would say, Your identity documents, driver's license, national ID. I learned, I knew, but I didn't know it that well. Driver's licenses aren't used over here in Europe much. They're rarely ever used and that's really only if you're pulled over because they have national IDs. GAN is not going to be having really much of an opinion of anything on what governments are doing to issue identity documents, driver's license, health cards, national ID cards, passports.

What GAN is interested in is how we identify people generally. If you want to go and use an MDL to identify yourself using a driver's license, use an EIDAS wallet using a high assurance credential from the German digital wallet. Great. Perfect. That feeds into now what do I want to do?

It's important for me if I'm working with you, Mathieu, to know that you're Mathieu. If I can do that on the government side, that's great, but the governments aren't going to take liability on it. They just don't. They won't. It's the context of a business transaction and maybe a zero dollar one, but there might be some liabilities involved. And we're finding liability is a great indicator of value, by the way. We've seen a lot of folks on the tech basis here, you know, when liability comes up, that they get nervous. And on the business basis, people actually start to go lean in

and tell me more. Tell me what the liability is and why is it there? Why is there liability? I'll get to the regulator in a second. The liability is there because someone wants to do business and they want to have their risks understood. Ideally, mitigate them somewhat by moving the risk onto say the provider of some credential. Governments aren't going to take that on. But many companies, given a standard set of rules, are happy to step in and say, If you're doing a high value transaction and you need to know that today it's Mathieu Glaude within a certain level of certainty and you're willing to take on, I'm willing to take on some liability if you make it valuable enough for me.

Darrell O'Donnell (30:56.25)
And that's actually a huge business model. We hear things like reusable KYC, it's interesting, it's good for onboarding potentially. But when you actually get into the compliance process, this gets into your question about what are the regulators thinking?

So financial services is probably one of the most regulated and probably most understood on a compliance basis. What do they need to do to meet the regulations at hand? And there's lots of different things they need to do. And they are all duplicating things. We're talking to a large number of financial services folks about how do we truly have a common baseline for compliance so that when I go to talk to the regulator.

The regulator is not going to accept, know, well, I just got my pass. I verified their passport and likeliness and liveliness using an SDK. Regulator is not going to accept that. The regulator, we're working with folks like Ahmed Sharma, Finclusive on this, who was at Treasury, US Treasury. To understand the real business question behind that is, which is how is the institution meeting its regulatory obligations and where does technology fit in?

But what we've learned, that's not sufficient. We have to have the business side as well as the governance. How are you meeting all of these requirements, which may have a rich set of capabilities and the regulators are basically telegraphing right now and we're beginning to work with them. They're saying, if you can show me a consistent framework, how this is being done. And we're looking at doing this on an EU basis, by the way, but it's nothing to do with the EIDAS wallet necessarily, it's related to the EU Posted Worker Notification Use case, which is kind of a, it's an EU specific one, but then I summarize it like this is that if you're working for a company out of Warsaw and you're posted to go work in Paris, the regulator needs to know there's regulation in place that says you need to prove that your Warsaw employee is being given equivalent benefits to someone of the same position in another country, in France in this case. And if you can't prove that, there are problems.

Darrell O'Donnell (33:13.03)
That doesn't mean the regulator is saying what technology stack are you using. What they're doing is saying, need to understand if you have a governance program, how are you mapping your compliance obligations? How are you meeting them? And how do you show us evidence that you're meeting them? We're actually working with some groups on creating a EU -wide body, whether it be a formal one, likely not formally beginning, but will likely have to be

formalized so that we can standardize the rules because it's the same set of rules. Yes, there's implementing regulation in 27 member states, it's slightly different, but they're consistent and we believe we can align all of those. That's not a GAN problem. GAN gets the conversation started. GAN is also the place where those capabilities are being developed, but that's not a GAN thing in that we don't do the technology, we set some underlying governance, how to exchange an employee ID credential, for example, and then the ecosystem itself or the cross ecosystem group says, let's go align on this, let's go do this at the biggest of levels and go do this for the small companies who really can't afford to go and build this capability. Hopefully that covers off both the government issuer side and the word of regulators play and how does GAN help facilitate.

Mathieu (34:30.21)
Yeah, that was very helpful. I guess, I just see it then as just being an enabler to make more use out of perhaps digital identities that are coming under a specific framework, obviously within the context of that legal framework and in compliance with that. But just making it easier for these things to be used in different types of interactions. And if those become easier to use, it's going to unlock other transactions, which again, GAN could make sure that they're being facilitated and that liabilities are being taken out of the system. I agree with you. That's perhaps one of the, we've heard reusable KYC. I can't remember since when, both in the blockchain crypto space and the digital ID space. There's a bunch of these use cases that we talk about that make so much sense, but that we've never seen broad adoption of it. And like, I think that that's where you're missing a neutral place to facilitate these types of transactions that seem so obvious they just haven't been able to happen.

Darrell O'Donnell (35:36.02)
Well, it's also, when I was doing the MemberPass work, had a credit union CEO of a very large credit union give me the generous yet forceful feedback that when I was parroting the words of reusable identity, reusable KYC, but also saying this is a compliant identity, that you can move some of the financial liability, fines, et cetera. You can have a limit of, here's what I'm willing to take on. He says, he goes, you can move some of that around. He says, what you can't move when you're dealing with a regulated entity, a regulated institution, what you cannot move is the fact that they may subject to criminal consequences. You can't move criminal liability, which kind of opened my eyes to the, need for something else. So at that point, GAN, wasn't a thing. And that was just bubbling through my mind when GAN came up as a concept and I was invited in to learn about it. It's when I realized that there was something new with this GAN.

Mathieu (36:38.07)
As an organization that's looking to have a big global impact, GAN is going to need to have robust governance within its own organization to make sure that the needs of different types of folks and industries are being taken care of. How is GAN structuring the organization within itself from a governance perspective?

Darrell O'Donnell (36:59.21)
So on a tactical basis, one of the things we're doing is establishing the actual nonprofit. Right now, we have a temporary company that is going, wanted to make sure we did the right homework, because we've learned from the past that groups that start off picking their jurisdiction and structure without understanding what they need typically end up in, not in trouble, but end up cleaning up a mess that they really should never have had in the beginning.

So we are establishing the nonprofit. I'm actually here in in Zurich to have discussions over what it might mean to do this as a Swiss association is one of the structures we're looking at. On a governance basis, we're doing a few things. One of the things we have not been stressing here today, we've been talking about employee IDs who are fundamentally, obviously they're individuals, these are people.

But when you say employee ID, that's people exchanging information in the context of business, in the context of commerce. One of the things that GAN is keeping front and center all the time. We're always, all of our documentation, all of our work speaks about the individuals first, which I haven't done a great job of on this podcast. But one of the, perhaps strange, but this is actually the founders, which are commercial organizations, who are funding us, providing cash to stand up GAN recognized is that if we made this commercial centric, business centric at the beginning where that, if you were able to buy a board seat, for example, it would be easily gained by commercial organizations to just skew everything to be best for business. One of the things that's strange about GAN is you can't buy a board seat. That's one thing. On a governance basis, it's just the top of the governance structures itself.

During this phase, have what we call a member advisory council. Every organization that has funded the beginnings of the GAN gets a seat on that council. But for every seat that they have on the council, there's what we call a GAN ambassador, who is somebody that really represents individuals or privacy rights, but who is globally understood to represent a different perspective than those of big business, because we can't have GAN being perceived rightfully or wrongfully as owned by business.

Darrell O'Donnell (39:27.22)
Yes, there certainly is commercially oriented, but the goal of GAN is to be self-sustaining in a way that members who are funding it don't have oversized control and ability to have oversized influence. Yet governance is absolutely critical. We're really, really pleased so far. You're one of our, MAC, the Member Advisory Council members, you will see shortly the 10 or 12 of our GAN Ambassadors who are joining the table. And I don't know if you've seen the slate of GAN Ambassador candidates right now. They're being voted on next week. By the time this goes to release, they'll already either have even been voted in or not. But they're absolutely world -class folks that bring an unbelievable perspective.

So yeah, governance is absolutely critical. We know if we don't get it right, governance is one of those initial conditions that would cause either failure or limiting in what it is that GAN can accomplish.

Mathieu (40:36.27)
What is GAN's business model long-term? definitely, it makes sense to think that there's going to be relationships between different commercial entities with GAN. Not only commercial, like we said, there's the individuals, but if we take the visa analogy, financial institutions, merchants have different types of relationships with visa.

I'm assuming that if we take the lens of digital credentials, just as one lens, you would assume that in different industries, there are organizations that issue certain credentials or that want to consume certain credentials that may want to be part of GAN. But the big difference between something like the Visa network and GAN is that GAN is trying to facilitate different types of transactions based on all sorts of different types of contexts all throughout the world. It's not one specific type of use case like Visa. And I would imagine that GAN also does not want to sit in the middle of all sorts of interactions. It's not a scalable model. It's probably not a model that industries will want to have.

So if GAN is not providing those rails like Visa is providing for transactions to happen, how does GAN perhaps think of monetization or just future sustainability of the company? Is that even a consideration or is the whole idea that it will have a membership model and that will sustain it?

Darrell O'Donnell (41:57.21)
I'm going to use the term sustainability as opposed to really anything else. We see two different ways of this that GAN maintains and becomes self-sustaining. Certainly, it is a member-based organization. Member dues will be part of the revenue stream. Definitely, that GAN needs in order to generate the capabilities that it needs to provide to make sure that it is capable of doing its job without having to go in and kind of pass the hat around for philanthropic donations. It's aimed to be commercially focused, nonprofit, to help individuals and businesses, but not to go and look for philanthropic donation.

Member fees are key, but we also do believe transaction fees are key too. And when I say transaction fees, I don't mean necessarily in the same model as Visa, where they have a fixed fee. I think it's a fixed percentage fee. This would be value driven in many, many things that GAN facilitates. And GAN facilitates, it does not move in that rail comment. We don't provide the rail, we facilitate the exchange of the information and we standardize the conversation. Which is really interesting, this came up at the Smart Data Forum in London this in September, just my past Friday. is if you take the concept of something that's really, really valuable, for example, if I'm immigrating as a senior executive from London to New York, there's a huge, rich file of information that's created in order to meet the Department of Homeland Security, various different agencies need. And that is a really valuable pile of information. One of our members, Fragment, actually, that's what they specialize in, is travel and immigration.

But the information that's piled up is useless to anybody except the executive who's walking in and then whatever it is, CBP, I guess, is doing the final welcome to the country step. It's effectively useless for me. I can't walk in with that pile of information and do anything with it. I

can't go and get a cell phone with that pile of information, that is, you know, I'm a high -flying executive. I know if you're aware of this, Mathieu, but it's really hard when somebody moves countries to get a credit card even.

Darrell O'Donnell (44:26.24)
Forget open a banking account. Forget take somebody who's a senior exec and wants to open a private banking account of a very large and valuable portfolio. The information they have is utterly useless. But if it was in a credentialized format where the bank who says, Mathieu just walked in and wants to open a private banking account, they'll be like that right now. That's nice. Go see a teller. I don't know who you are.

But if they can actually validate that you have a certain bank balance and maintain that with Lloyds of London private wealth management, that you have done, you have your degree from Oxford, you have got your long history with a company that's, yes, it's a different name of a company, because this one's US, this one's UK. If you can prove all of that information, we've gone and validated with financial services groups that says that information could be worth thousands or tens of thousands of dollars to rapidly onboard you with grace into a private banking account, for example.

For regular banking account, maybe worth hundreds of dollars. Same pile of information, different value based transaction. And if you wanted to use that to get a cell phone, it might be worth five bucks for the telco to know that one, you're a good person, you have capability to pay, and it makes it fast for them to onboard. You don't have to type in your new address. And it really depends, what we heard in London was, there's a lot of groups that have rich piles of information. The problem is they only have one price point.

But if I'm using it in the context of a $5 transaction and I only want the assurances for the purposes of giving you a cell phone, that's a very different business case than I want to open up a private banking account, which also you get a trading account. You get all of this and you get access to higher limits and stuff, which have huge impacts on an AML, anti -money laundering basis, that same pile of information can be used at different values. In theory, you could also use that to just prove you're human instead of having to be captcha all the time to just prove that you're an identified human. You could do that for free. GAN's role is enabling those conversations to happen, making them consistent, making the discussion over exchange of value consistent, but we're not exchanging the value.

Mathieu (46:48.07)
That makes total sense. And I love the standardized the conversation as a framing here and within your private bank account example, I guess there's certain transactions like this that just can't happen today because there's too much risk or there's maybe a lack of, well, there's too much risk because there's a lack of knowledge or lack of certainty or lack of assurance of kind of the information that's being presented to them or the claims that are being made and that they're not able to accept that to then move forward and open a bank account or do what they're trying to do. we start to get into, and I think throughout this conversation, it's been clear that with

a lot of the technology that's out there today, we've been able for a long time to solve technical trust. think what GAN is doing is all more in the lens of solving human trust problems, which have nothing to do with the technology. And when you get into human trust, it's being able to authenticate with assurance, being able to know authorization or authority with assurance, and seems like GAN plays an important role there.

And so with all that, we do, I personally talk about trust registries a lot, you personally talk about trust registries a lot, we talk about trust registries a lot together as well, but it seems like there's a big need for trust registries within the Global Acceptance Network, there's different types of trust registries that exist today. There's going to be an evolution of different types of data models out there. We often think about authoritative issuers or authoritative relying parties or verifiers. In the context of GAN, seems like if GAN is connecting different ecosystems together, it's a different type of model, perhaps a network and network or registry of registry.

How is GAN looking at all that and how do trust registries play an important solution to achieving some of, unlocking, I guess, some of these interactions and value creation that aren't possible today?

Darrell O'Donnell (48:54.12)
I mean, trust registries are probably, I guess, probably the fundamental fabric of what GAN is doing. And that might be the novel piece in that by connecting ecosystems where you can have an ecosystem in Canada, in Australia, that's each ecosystem is wildly different, but they're in charge of mining. I know you're working with the Mining Association of Canada, for example.

Each ecosystem maintains, runs itself. And that's one of the key premises behind GAN is that GAN is not going to ask an ecosystem to change, really. Every ecosystem of any substance knows who the players are in their ecosystem, call it a market, if you will. They know who the issuers and verifiers are. What we're doing with the Trust Registry query protocol is standardizing that very simple question, which is, is entity X authorized to do Y, under governance framework or ecosystem governance framework Z for our American friends. That simple question really, if you look at the, when you're going and checking up on a driver's license, know, is it really the Hawaii DMV that issued a driver's license or did some high school kid issue the McLovin driver's license? That's the example I use a lot. It's getting an answer to that. Are you really who you say you are as a person. as a business, Are you really Scotiabank, for example, in Canada There's a regulator who's in charge of who are banks and who are not banks, who are credit unions, who are not credit unions. And we're not asking to change any those. Those are systems of record. It's just answering that simple, consistent question. We definitely, as GAN, are more concerned about the where are those trust registries? Where are those ecosystems? And where is their answer, their system of record, their source of truth and how we connect those.

And that's where we get into the registry of registries side. But we also believe that that's going to be something that GAN is going to do, but everyone else is going to do that too. the overall, this kind of DNS for trust is how Drummond Reach speaks to it. And sorry, he wasn't able to

make it today. DNS for trust is you want to know that that's who they say they are. And you don't want to keep, you're not going to ask, well, did the regulator do the right thing by allowing that bank to operate in Canada, that's just not a thing.

If you are asking that question, you are so deep into the ecosystem of banking that you probably don't need GAN for that. But yeah, trust registries to me are one of the absolute fundamental underpinning pieces. And every ecosystem needs one, including the GAN.

Mathieu (51:44.00)
I think a lot of people get, not confused, but I think that the model of authority that people think about often is a very hierarchical model. And from what I'm hearing and through past conversations we've had together is it's perhaps more about mutual recognition or making a certain claim, but not that GAN necessarily has an authority over anything another ecosystem is doing, but is making a claim about what they're doing and that they perhaps recognize that. So it's not necessarily as a registry of registries sitting on top of any ecosystem, but it's just bilaterally sitting beside them. It's making statements about its relationship that it has with them, just like these other ecosystems can make statements about GAN. And perhaps if you have bilateral statements and you could cross-verify statements, that's where you really start building more of a, this DNS of trust or this web of trust that you described.

Darrell O'Donnell (52:36.02)
Yeah, and you start getting the business signals too, that if someone's willing to stand behind, you can reach as a business, if you want to verify that I have a degree from the University of Waterloo, you can reach them and you're going to pay to verify that information and the university is going to take on liability. If you don't have to go in to understand that University of Waterloo, I failed to hire someone, for example, years ago, because I didn't recognize the name of the university, which was Technion. I didn't recognize the university was one of the top universities in the world in a country that I didn't know anything about the university system.

I don't want to know that, but if some entity is willing to take on that liability because they know that market well, great, I can rely on them. And guess what? I pay them a little for that. Probably not as much as I would pay the actual university to go get a copy of that university degree to prove you are who you say you are. But you get the ability to establish those business relationships with the understanding of the underpinning governance behind it, but you don't at some point need to care as a business, is that a real legit university? Because someone else is doing that for you. That's really, really powerful.

Mathieu (53:48.22)
In closing, this conversation is being recorded in September 2024, just after the GAN public release and will be published in early October. I think one of the things I've taken from this conversation and I've been sort of wondering over the past months when people have been curious about the GAN or we've been interacting with people that it's maybe sometimes difficult for folks to understand the full breadth of what's going on and just to put it into a very simple model. But perhaps that's not a bad thing either, because as we've been going through

examples like Visa or Swift or even the internet, I don't think anyone understands what's happening underneath it. They just work for their purpose and people have confidence in it. And GAN is going to have a very, maybe some complicated, some not complicated, but a lot of stuff under the hood that you don't necessarily need to understand just like you don't understand what's under the hood of your car.

So I'm excited to see how the messaging and the different types of relationships and the different types of transactions that we're going to start to see in the near future, I think. being able to start to see transactions that weren't possible yesterday that then become possible are going to be very powerful indicators that GAN is working. In wrapping up, what is next for the GAN, Darrell, in the next couple of weeks in the next few months, and then how could folks learn more or get involved with the gang if they so wish to.

Darrell O'Donnell (55:22.10)
A couple of things I do want to back up. You mentioned Visa, Swift, and the Internet as things we can trust. I agree 100 % on the Visa and Swift. They do exactly what they say they're going to do. The courts have figured that. They've been figured out over decades that this is how things work there. All the players would agree with you that you can trust them. The Internet, don't believe that's true anymore. We're actually seeing signals that, one, on surveys alone, people no longer trust the Internet. It's decaying.

You and I in a past life worked with CIRA, the .ca top level domain. All .ca sites are in their registry. They recognize that the trust is eroding as does ICANN, which is another work we're modeling after. And that's one of the things that GAN is here to fix, is to fix that, can you trust the internet again type of thing.

In the very short term, we have a couple of things going on. One is, GAN won't be the name forever. Over the next month or two, we're probably gonna be releasing, I believe we will, we're down the path of releasing a new brand. What's really exciting is October 1, 2, 3, there are two major events going on. Drummond Reed will be on stage at the Baton Innovation Forum, which is an invite only forum. He'll be on stage with, I think at last count, there were six Nobel Laureates, announcing GAN, Bhutan NDI, Bhutan National Digital Identity Infrastructure, National Digital Identity has joined GAN as an ecosystem. I was supposed to be on stage with our friends from OpenWallet Foundation in Cairo at the Global Digital Public Infrastructure Summit, the Global DPI Summit, October 1, 2, 3 in Cairo. Due to visa problems, I didn't know Canada and Egypt had issues… I'm not going to be there, but we will have multiple GAN ambassadors there and you'll be seeing information on that on LinkedIn and whatnot.

In the longer term this year, we are establishing the nonprofit. In the next two years, so it's not an overnight mission. The next two years, we're going to be getting to the point where the organization is self -sustaining, but that's because we're generating so much value for our members and at that point it'll be not just organizational members but also individual members. And yeah, I'm really excited about where this GAN adventure is gonna go.

Mathieu (57:53.09)
I'm looking forward to this. I think, there's been so much effort by yourself, by other, GAN team members, by all of its members and corporate members that have been trying to solve trust problems over the past, I don't know, decades. And I think the The brain power and the knowledge that's part of this organization is quite impressive. It's easier said than done to execute on stuff and it'll be very interesting and I'm sure there'll be challenges, but I'm quite excited to start to see some of the deliverables that come out again and the types of value transactions that will start to happen. Darrell, thank you so much for doing this. We may have to redo another one when GAN decides to rebrand and change the name so

Darrell O'Donnell (58:42.24)
Yes, what was that GAN thing? I also wanted to say thank you, Matthew, for being one of the earliest members to join. As a small company, you're punching above your weight class. It's pretty impressive. And thank you to you and your team for weighing in on the various, you know, the business, the governance, and the technical workstream, the streams that we've been operating.