

MEDIA RELEASE
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AgriDigital successfully executes world's first settlement of an agricultural commodity on a blockchain, enabling real-time payment on title transfer for Aussie grain growers

[AgriDigital](#) has successfully executed the world's first-ever live settlement of a physical commodity on a blockchain between a grower and a buyer.

Real-time payment has huge implications for the agri-supply chain as it eliminates the counterparty risk that all sellers face.

"Proving the feasibility of real-time settlement for physical commodity transactions is an important first step in de-risking the agri-supply chain for all participants," said AgriDigital Chief Executive Officer, Emma Weston. "We won't be stopping there. Building out the entire supply chain from grower to consumer also means creating more flexible supply chain finance options and enabling authentic food stories that give consumers confidence in where their food comes from," Weston added.

During the pilot, the AgriDigital SaaS platform was connected to a multi-node private Ethereum blockchain network. AgriDigital managed the nodes, acting as operator, buyer, and regulator to create an example of the ecosystem that will occur in the future.

The pilot system captured real-time data of a grain sale between a grain grower and buyer, and then executed that transaction on a blockchain. The grower was David Whillock of Whillock Pastoral Co Pty Ltd who delivered a load of wheat comprising 23.46 metric tonnes to [Fletcher International Exports](#) (FIE).

The settlement occurred on the blockchain and simultaneously the payment was created: a global first for the agriculture industry.

A smart contract from the proprietary AgriDigital library auto-executed the settlement by first valuing the delivery, then verifying that the buyer had sufficient funds to pay the grower, and then securing the funds in the grower's name pending delivery. Once the grower made the physical delivery, the title for the grain was transferred to the buyer as the grower payment was simultaneously created from the reserved funds. For this pilot, though transaction settlement occurred on the blockchain, the grower received the payment in local currency using traditional methods: a message was sent out as a bank file for the buyer to upload and pay, on the same day, via existing mechanisms with its bank. Typically, payment terms in the Australian grains industry range from two to five weeks, and it is these terms that pose counterparty or credit risk to growers.

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“The new blockchain technology will benefit farmers such as Whillock Pastoral Company by providing fast and secure payment of grain,” commented David Whillock, “knowing that we will be paid on delivery will assist in maintaining regular cash flow, helping us better and more confidently manage our business”.

Moving into 2017, AgriDigital plans to execute a similar pilot within the Canadian grains industry. AgriDigital will also be exploring alternative platforms beyond Ethereum and continuing to build out the commercial application of blockchain technology, ultimately enabling the entire agri-supply chain to incorporate provenance information so consumers can understand where their food comes from.

For more information about AgriDigital, please visit <http://www.agridigital.io>

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About AgriDigital:

AgriDigital is a software as a service, commodity management solution for the global grains industry. AgriDigital enables same-day payments on commodity title transfer and provides an integrated platform for grain growers, buyers, and site operators to seamlessly manage contracts, deliveries, invoices, payments, and inventory in one place.

AgriDigital is a product of Full Profile. Full Profile develops solutions to real world problems in the agriculture sector that bring transparency, efficiency, and trust to growers and the post-farmgate ecosystem. Full Profile is also exploring opportunities such as on-farm contract management, and solutions for other commodities such as livestock and cotton. For more information, visit <http://www.fullprofile.com.au>.

About Fletcher International Exports:

Fletcher International Exports Pty Ltd is one of Australia’s largest sheep meat exporter, with exports to over 95 countries around the world, as well as being a significant grain buyer.

About Whillock Pastoral Co Pty Ltd:

Whillock Pastoral Company is a family owned and operated farm located near Geurie in the Central West of New South Wales, Australia. Keith Whillock and his sons David and Greg manage all aspects of the mixed farming business that specializes in sheep and cattle grazing and the production of cereal crops.