Evolve
Capital Partners

Weekly News Update

Week Ending 9/1/17

SPECIALIZED INVESTMENT BANKERS AT THE INTERSECTION OF FINANCE AND TECHNOLOGY

Preface

Each week, Evolve Capital Partners compiles relevant news and press releases across the finance and technology sectors. We analyze publicly available information and source each article. We also release a weekly summary of M&A and financing transactions.

Evolve Capital Partners is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology. We are a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements. Founded in 2012, we are based in New York.

You can learn more about us at www.evolve-capital.com. We post past weekly transaction and news updates on our website, plus in-depth industry research reports.

To contact us, please email admin@evolve-capital.com or call (646) 688-2792.

Sectors we cover at the intersection of finance and technology include:

Bank Tech / Solutions	Healthcare Tech	Securities
BPO	Insurance	Alternate Lending / Specialty Finance
Financial Management Solutions	Payments	Data & Analytics / IoT

News Count

Sector	Number of News	% of Total
Bank Tech / Solutions	5	10%
BPO	4	8%
Financial Management Solutions	4	8%
Healthcare Tech	3	6%
Insurance	3	6%
Payments	11	23%
Securities	7	14%
Specialty Finance / Alternative Lending	8	16%
Data & Analytics / IoT	3	6%
Others	1	2%
Total	**49**	**100%**

BANK TECH / SOLUTIONS

Credit Suisse eyes 2018 to launch its blockchain-based loans platform

Bank Tech / Solutions

8/21/17

A group of banks led by Credit Suisse is eyeing the launch of a commercial platform for blockchain-based syndicated loans, according to reports.

Speaking to finance magazine EuroMoney, Emmanuel Aidoo, who leads Credit Suisse's blockchain efforts, said that syndicated loan trial – which began last fall – is moving ahead.

Aidoo told the publication: "We are working to put a few dozen smaller loan transactions, where we or other participating banks are the agent, onto a distributed ledger platform using smart contracts in production next year."

The group involved finished the second phase of their testing in March. Conceptually, the test envisions a syndicated loan market – in which multiple lenders pool their capital for individual borrowers – built on blockchain. The group hopes the technology can reduce barriers between counterparts, reducing both time and cost in making the necessary capital available.

Using smart contracts to reduce those turnaround times could increase the market's appeal to potential lenders and investors, according to Aidoo.

"Many investors, including mutual funds and institutional asset managers, might be attracted to loans that are senior to bonds in the capital structure, but they are put off by how long loan trades take to settle," he said.

https://www.coindesk.com/credit-suisse-could-be-using-smart-contracts-in-production-next-year/

FIS and Equifax unveil OnlyID, advanced protection against financial fraud and identity theft

Bank Tech / Solutions

8/23/17

FIS, a global leader in financial services technology, and global information solutions company Equifax have teamed up to improve consumer experiences by bringing new levels of convenience and security to consumers challenged with maintaining multiple usernames and passwords to protect themselves from financial fraud and identity theft.

The two companies jointly offer OnlyID, an identity verification solution that provides a higher level of account protection and personal control through a single, secure digital log-in, consisting of the consumer's thumbprint or another unique identifier.

This identity solution, which can be used across multiple accounts, will be offered by financial institutions and e-retailers who participate in the OnlyID Network. In addition to providing security and convenience to consumers, OnlyID benefits financial institutions and businesses by helping them reduce fraud claim costs, provide better digital experiences and increase consumer loyalty.

"Imagine if you no longer needed passwords to protect your digital identity because you had a unique, protected identifier that only you could use at the places where you bank and shop," said Bruce Lowthers, head of FIS Payments. "OnlyID from FIS and Equifax brings the power of advanced authentication technologies to make consumers' financial lives simpler while providing secure protection against fraud."

"OnlyID combines powerful predictive analytics with risk scoring models that generate a frictionless fraud assessment, without disruption to consumers or businesses," said Trey Loughran, President USIS, Equifax. "Our collective unique data assets, innovation and depth of expertise across Equifax and FIS enabled us to create a solution that will advance digital security over the web and via mobile devices."

"Passwords not only provide little security, they also result in cumbersome and clunky user experiences, particularly in the mobile environment," said Julie Conroy, research director, Aite Group. "The next generation of digital security leverages authenticators such as device-based security and biometrics, which provide greater levels of security as well as a better consumer experience."

Equifax and FIS, both trusted data stewards with powerful identity authentication and analytics capabilities, deliver anti-fraud solutions to thousands of financial institutions. This joint effort will advance digital security and uniquely positions them to deliver a powerful, universal authentication service through OnlyID.

The two companies plan to co-market the OnlyID solution to banks, credit unions, retailers, telecommunications providers, utilities and other businesses.

http://www.prnewswire.com/news-releases/fis-and-equifax-unveil-onlyid-advanced-protection-against-financial-fraud-and-identity-theft-300508063.html

Wells Fargo and U.S. Bancorp turn to startup to speed up mortgage applications

Bank Tech / Solutions

8/24/17

Wells Fargo & Co. and U.S. Bancorp have signed deals with mortgage-software startup Blend Labs Inc. to move more of their loan applications online.

The five-year-old San Francisco company announced its new customers Thursday along with a fresh $100 million fundraising round.

The software from Blend offers the two lenders a chance to compete better against nimble financial-technology offerings such as Rocket Mortgage, the Quicken Loans Inc. product that has attempted to speed up the often-tedious mortgage application process.

Minneapolis-based U.S. Bank says the latest changes eventually could trim four or five days off the process, which takes roughly six weeks on average. The actual time to apply eventually could be sliced in half, says Tom Wind, president of U.S. Bank's mortgage division.

"I've never chosen a startup for a project of this size and scale before," said Michael DeVito, Wells Fargo's head of mortgage production. The bank, which extended $100 billion in home loans in the first half of the year, started inviting some applicants to try the Blend technology late last year. It is looking to roll out the product nationally in 2018.

Blend, part of a new crop of fintech firms that aim to work with banks rather than compete directly against them, said the fundraising round was led by venture-capital firm Greylock Partners. Greylock's Jerry Chen is joining Blend's board. The $100 million deal will bring the company's valuation to roughly $500 million, according to people familiar with the matter.

Other Blend investors include Andreessen Horowitz, Emergence Capital, Founders Fund, and Conversion Capital LLC.

Blend's software already is used for websites or smartphone applications at about 30 lenders, including Movement Mortgage LLC.

In addition to powering a version of the product that is similar to Rocket Mortgage, Blend can be used by loan officers based in retail branches or call centers. The ability to serve those different groups helped persuade banks that Blend simply wasn't looking to replace their existing sales staff with computers.

The company's software automates the loan-application process by filling in forms electronically through direct connections to information sources.

For example, Blend taps Intuit Inc. to pull figures from tax returns filed through TurboTax, Automatic Data Processing Inc. to verify income via pay stubs, and Plaid Technologies Inc. to find the value of assets in bank and brokerage accounts.

Run by CEO Nima Ghamsari, Blend expects to use the proceeds from its fundraising to expand in other forms of consumer credit and develop technology to make other manual parts of the home-loan process, such as appraisal and closing, more digital.

The latest fundraising would signal to lenders that the company would be able to ride out any market dips, Mr. Ghamsari said.

Wells Fargo executives have mentioned its work with Blend in recent months, without giving details. While Blend has worked closely with banks, the business model for online lenders of taking them on directly has struggled.

Making loans to consumers and small business directly over the internet and getting money managers to bear the risk of defaults captivated investors as recently as 2015. But a series of stumbles helped lead to a wave of layoffs, executive changes and a 75% slump in venture-capital investment in the sector.

“There’s definite skepticism around whether or not these things will be legacies or whether they’ll be fads,” Mr. Ghamsari said of Silicon Valley’s online lenders. He said their ascent helped raise awareness among traditional financial institutions, which had spent the preceding years wholly focused on regulatory compliance, not innovation.

Other companies in online lending also have branched out to building software for banks. Last year, On Deck Capital Inc. started making small-business loans to customers of J.P. Morgan Chase & Co. via the bank’s website.

“Success in the [online] lending industry in the U.S. is likely to come from partnering with the incumbents to become services enablers for them,” Morgan Stanley analysts wrote in a recent report, “as opposed to outright competing with them as independent pure play providers.”

https://www.wsj.com/articles/wells-fargo-u-s-bank-turn-to-startup-to-speed-up-mortgage-applications-1503572580

RBC pilots AI-based financial insight tools

Bank Tech / Solutions

8/28/17

In another first for a Canadian bank, RBC is announcing the pilot launch of two digital services based on artificial intelligence (AI) that offer actual insights about our client's financials and a fully-automated savings solution that uses predictive technology to identify money in a client's cash flow that can be automatically saved.

NOMI Insights and NOMI Find & Save provide personalized, timely and relevant insights to help clients manage their day-to-day finances on the go through the RBC Mobile app. Both of these new capabilities use a client's account activity to identify trends, unusual activity and potential savings opportunities.

"We're investing in emerging technology like predictive analytics to better understand our clients. Simple solutions like NOMI Insights and NOMI Find & Save will provide value in a seamless way, when, how and where it's most convenient for our clients," said Neil McLaughlin, Group Head, Personal & Commercial Banking, RBC. "NOMI Insights and NOMI Find & Save are always thinking a few steps ahead to help ensure our clients' finances are in order. We're one of the leading voices on artificial intelligence in Canada, and these new digital capabilities are examples of how our clients are benefitting from our advancements in AI."

NOMI Insights will be automatically available this fall to all RBC Mobile clients running the most recent version of the RBC Mobile app– that means that 1 in 9 Canadian smartphone users will have access to personalized digital financial insights at launch.

NOMI Insights and NOMI Find & Save help clients manage their money effortlessly, and on the go, by offering personalized insights at a glance through the RBC Mobile app.

NOMI Insights helps clients manage day-to-day finances with timely tips and advice. While you're busy living your life, NOMI Insights is keeping an eye on your finances to help you keep track of spending, plan for upcoming expenses and give you a head's up when needed, like when a regular monthly payment is higher than usual. NOMI Insights can also tell you when monthly spending in a certain category is unusual so you can make informed decisions about your spending habits. For example, NOMI Insights may notice that you've been dining out more than usual in a given month, or your transportation costs have increased.

NOMI Find & Save helps make saving simpler for clients by using predictive technology to find pockets of money in a client's cash flow and automatically moving that money into savings.

Both NOMI Insights and NOMI Find & Save blend artificial intelligence and client data with a highly personal touch, identifying trends, unusual activity and potential savings opportunities. Both capabilities are now in pilot with clients ahead of a full launch this fall.

RBC continues to evolve into a digitally-enabled relationship bank, focused on providing clients with an exceptional and secure experience that's available when, how and where it's most convenient for them.

Through co-creation work with our clients and our employees in our RBC innovation labs, we're building digital capabilities to be more convenient, more seamless and more personalized for our clients, to help them manage their day-to-day finances and reach their financial goals.

Innovations such NOMI, with its related NOMI Insights and NOMI Find & Save, are provided to clients through our RBC Mobile app, which was recently awarded the Highest in Customer Satisfaction Among Canadian Mobile Banking Apps by the J.D. Power inaugural 2017 Canadian Banking Mobile App Satisfaction Study. RBC has seen an increase of more than 20 per cent in active mobile users over the past year, a clear indication that more Canadians are using the RBC Mobile app to bank whenever and wherever they want.

https://www.finextra.com/pressarticle/70478/rbc-pilots-ai-based-financial-insight-tools?utm_medium=dailynewsletter&utm_source=2017-8-29

Trizic drags banks into the fintech age with automated wealth management

Bank Tech / Solutions

8/30/17

Trizic, the fintech company behind a B2B wealth management platform, has signed on as the technology provider to Fidelity National Information Servcs Inc, connecting the Bay Area startup with the banking sector.

Trizic Digital Advisor — an open-API platform for registered investment advisers, enterprise clients, banks and credit unions — is a product built from the ground-up, CEO Drew Sievers told Benzinga.

“It’s one entire modern, holistic coded platform,” he said. “We’re a hosted solution. All one code base. All our own technology. Nothing borrowed or purchased from anyone else.”

The platform’s features include trading, portfolio management, cash management, billing and compliance reporting.

Trizic expects to take its first bank and credit union clients live within the next two months, Sievers said.
Trizic’s platform can be run inside of a bank’s website or mobile app, allowing wealth management to be integrated with the bank’s existing architecture.

The platform’s automation means banks can offer a wealth management solution for clients who have between $5,000 and $250,000 in assets — typically an unprofitable space for institutions, Sievers said.

“It’s a unique selling point.” FIS is the largest provider of financial services technology, Sievers said.

“If there’s 14,000 banks and credit unions out there, we should be able to go to half that market,” he said.
Trizic’s existing clients include 60 to 70 RIA firms, such as Level Four Wealth Management, which vary in size from $50 million in assets up to $10 billion, Sievers said.

John Hancock Financial, a subsidiary of Manulife Financial Corporation (USA), signed on as an enterprise client in March, deploying the Trizic platform to power the digital advice program MyPortfolio.

https://www.benzinga.com/personal-finance/financial-advisors/17/08/9997427/trizic-drags-banks-into-the-fintech-age-with-autom

BPO

DXC Technology unveils insurance platform to accelerate business transformation in the North American insurance market

BPO

8/23/17

DXC Technology, the world's leading independent, end-to-end IT services company, today announced Digital Insurance as a Service (DIaaS), an integrated, end-to-end solution tailored for the North American insurance market that enables insurers to maintain and expand their relevance with clients.

Today's insurers are wrestling with a dual agenda, working to meet changing consumer demand for innovative digital services while at the same time upgrading their existing technology infrastructures. With DXC's DIaaS, insurers can accelerate their journey to digital.

They now can launch simplified products quickly and deliver a streamlined digital customer experience across new business, servicing and claims -- all with a consumption-based pricing structure. Insurers also can tap the benefits of an easy-to-deploy infrastructure that eliminates the need for large and lengthy capital-intensive projects and helps align costs with revenue.

To provide a standardized deployment capability tailored for the North American insurance market, DXC brings its deep industry expertise, software and services together with its extensive partner network. Two versions of DIaaS are available: one for life and wealth insurers and one for property and casualty insurers.

DIaaS comprises:

- DXC's OmniChannel Digital Consumer Engagement Platform
- Modern, API-enabled policy administration systems for either life and wealth insurers or property and casualty insurers, including billing and claims
- A robust, externalized product configuration, rating and rules engine
- Data analytics, providing insights for the creation of tailored customer offerings and better understanding of risk
- A comprehensive deployment environment encompassing cloud computing and storage, secure networks, API gateway, cybersecurity, disaster recovery, business continuity and more
- Across-the-board, 24x7 operations support for applications, infrastructure and cybersecurity

The modularity of DIaaS gives insurers the flexibility to consume the entire solution on a turnkey basis, or integrate their own components, including other policy systems or their own digital engagement platforms.

“Today, every insurer is working to deliver a more digital experience to their policyholders and distribution partners,” commented Donald Light, research director at research and advisory firm Celent. “Insurers with siloed legacy systems face formidable obstacles to achieving their digital goals. Many insurers are looking to their external technology providers for tools and solutions to accelerate their digital journey.”

“Fundamental to DXC’s strategy for insurance is a commitment to lead the industry’s digital transformation,” said Phil Ratcliff, vice president and general manager of the global insurance industry at DXC. “Insurers are in a race against time, as their competitors and new market entrants are raising the bar quickly. The breadth of our capabilities and our standing in the market, now combined with DIaaS, uniquely position DXC Technology to curate and implement an insurance ecosystem that will satisfy the expectations of today’s digitally savvy consumer, while delivering outstanding business agility.”

The DIaaS solution is the latest addition to DXC’s growing portfolio of digital insurance solutions, including automobile Usage-Based Insurance (UBI), digital claims FNOL and OmniChannel Digital Consumer Engagement Platform. In addition, DXC can surround DIaaS with a Business Process Services (BPS) capability.

http://www.dxc.technology/newsroom/press_releases/142239-dxc_technology_unveils_comprehensive_digital_insurance_platform_to_accelerate_business_transformation_in_the_north_american_insurance_market

Genpact enhances critical advanced automation capabilities

BPO

8/29/17

Genpact, a global professional services firm focused on delivering digital transformation, has enhanced its clients' abilities to more easily navigate their digital journeys with an expanded alliance ecosystem that includes market-leading automation software providers.

As part of its ongoing strategy to drive digital-led innovation and digitally-enabled intelligent operations for clients around the world, Genpact recently announced its modular, artificial intelligence (AI)-based platform, Genpact Cora, that accelerates meaningful transformation at scale. The platform's strong alliance ecosystem provides access to innovative products and services in robotic process automation (RPA) and intelligent automation (IA), which incorporates the power of digital technology to drive greater transformative impact from traditional RPA. Solutions from Automation Anywhere, Blue Prism, OpenSpan (part of Pegasystems), UiPath, WorkFusion, and other leading providers combine seamlessly with Genpact's deep industry domain expertise, process knowledge, and automation and digital technology experience to help clients execute their transformation journey with greater business outcomes.

"When embarking on enterprise-wide digital transformation, companies often face challenges in knowing where to start, and intelligent automation projects are a frequent entry point," said Sanjay Srivastava, senior vice president and chief digital officer, Genpact. "Our alliance ecosystem provides market-leading solutions, which also integrate with AI products powered by our modular Genpact Cora platform. As a result, we deliver a flexible and agile roadmap to help clients reimagine operations and improve customer experiences, increase revenue, and better compete in a 'digital first' world."

Genpact has helped clients automate more than 750 different type of processes at hundreds of companies around the world, resulting in an average 44 percent increase in productivity by significantly reducing cycle times. It is an industry leader in intelligent automation, as evidenced by top placement in recent analyst and research firms' reports: the winner's circle of HfS Research's 2016 Blueprint Report on Intelligent Automation, and a leader in Zinnov Zones for Robotic Automation Services 2017. Genpact also is a leader in artificial intelligence, and ranks 3 among 22 global service providers in HfS' 2017 AI-powered OneOffice Premier League.

"As Genpact's first and oldest RPA partner, we have worked together for many years to deploy Automation Anywhere solutions in more than 50 enterprises in nearly every vertical," said Mihir Shukla, chief executive officer and co-founder, Automation Anywhere. "As our Digital Workforce platform has evolved and grown to have the largest market share, our relationship with Genpact has also strengthened. We look forward to continuing to work together to help companies achieve strong business outcomes from their automation and digital investments."
"UiPath provides a highly scalable and flexible intelligent automation solution which includes cognitive elements that deliver a distinctly wide scope of automation," said Daniel Dines, chief

executive officer, UiPath. "Our strategic collaboration with Genpact, which combines its deep process experience and expertise in digital transformation with our advanced technology, will help customers speed up their journey toward truly intelligent operations."

"Genpact shares our commitment to delivering superior business outcomes and operational efficiency from RPA all the way through to AI," said Max Yankelevich, chief executive officer, WorkFusion. "We're excited to partner with Genpact to scale intelligent automation within their clients' operations and across global markets."

http://markets.businessinsider.com/news/stocks/Genpact-Enhances-Critical-Advanced-Automation-Capabilities-with-Expanded-Alliance-Ecosystem-1002291255

Apple and Accenture join to help customers design business solutions

BPO

8/30/17

Apple and Accenture have jumped into bed with each other to create a new digital agency which will help customers design business solutions for iOS.

It's a relatively simple idea; the digital economy is growing and people want to make money off it, but they don't know how. In theory, when you take experts from one of the largest business consultancies in the world, and put them together with Apple employees, they should be able to make your idea more compatible with the iPhone or iPad.

Accenture will create dedicated iOS practices within Accenture Digital Studios, its consultancy unit to capitalise on the digital transformation craze, at several locations around the world offering expertise which the customer may not already have access to. These skills include visual and experience designers, programmers, data architects and scientists, and hardware and software designers.

This is not a complex idea. Accenture knows enterprise IT systems, Apple knows about the iPhone and iPad. Bring them together and they can optimise your apps and business processes for the devices.

It might also be worth noting that this is not a particularly new idea from the Apple team. Similar partnerships, focusing on optimising business for iOS, are currently in place with the likes of Cisco, Deloitte, IBM and SAP.

"Starting ten years ago with iPhone, and then with iPad, Apple has been transforming how work gets done, yet we believe that businesses have only just begun to scratch the surface of what they can do with our products," says Tim Cook, Apple's CEO.

"Both Apple and Accenture are leaders in building incredible user experiences and together we can continue to truly modernise how businesses work through amazing solutions that take advantage of the incredible capabilities of Apple's technologies."

"Based on our experience in developing mobile apps, we believe that iOS is the superior mobile platform for businesses and are excited to be partnering with Apple," says Pierre Nanterme, Accenture CEO.

The new proposition will be an attractive one for those who want to tap into the fortunes being held by iLifers. But perhaps there is something more here, maybe this is the BYOD (bring your own device) trend in its most real form.

In years gone, a basic Android operated device, or perhaps even a Blackberry were the options for staff on the go. Now with so many individuals choosing their own devices, and many of them

being dedicated iPilgrims, there is of course a need to optimise any apps, processes or functions for the iOS platform as well. After all, if you want your staff to work while on holiday or the toilet, you have to give them the right tools to be able to do so.

http://www.bankingtech.com/962582/apple-and-accenture-announce-alluring-alliance/?utm_source=rss&utm_medium=rss&utm_campaign=apple-and-accenture-announce-alluring-alliance

ERI and Swisscom team for hosted core banking technology

BPO

8/30/17

Switzerland-based core banking software provider ERI has joined forces with another domestic IT firm Swisscom to offer private-banking and wealth management outsourcing services to banks and financial institutions operating in the Swiss financial centres.

ERI's Olympic core banking system will be packaged together with Swisscom's banking operation to offer information technology outsourcing, application management of Olympic and third-party applications, as well as business process outsourcing (BPO).

The latter, ERI says, "will cover the entire outsourcing of payment processing, securities data management, back-office for securities transactions and document digitization".

Swisscom already provides these services to over 80 banks in Switzerland, the vendor adds. For this partnership, Swisscom will provide the infrastructure, host and operate the Olympic core platform (as well as third-party systems).

This is not ERI's first foray into outsourcing. Back in 2012, it announced plans to provide its fully-outsourced core banking software in Switzerland via a local partner (by that point, ERI had been talking about this option for a number of years). Banking Technology is not aware of that venture's progress or any takers.

A number of ERI's Swiss clients already outsource certain services around IT and application management to vendors such as IBM (e.g. managing data centres).

In the UK, ERI has a partnership with Blue Chip, which hosts a "bank in a box" version of Olympic. The offering is aimed start-up and challenger banks. It has one known taker, BFC Bank.

Earlier this year, ERI teamed with Capgemini to launch a shared services centre for private banks and wealth managers in Europe.

http://www.bankingtech.com/963372/eri-and-swisscom-team-for-hosted-core-banking-tech-and-ops/?utm_source=rss&utm_medium=rss&utm_campaign=eri-and-swisscom-team-for-hosted-core-banking-tech-and-ops

FINANCIAL MANAGEMENT SOLUTIONS

Conformance Technologies launches enhancements in its offering for merchant acquirers

Financial Management Solutions

8/29/17

Conformance Technologies, a fast-growing provider of technology solutions, education and expertise used to manage business compliance requirements, today announced new automated transaction laundering, fake celebrity endorsement fraud and false front merchant detection enhancements to its InConRadar offering. The patent pending Conformance Compliance Operating System facilitated rapid development and deployment of the new capabilities, helping merchant acquirers and independent sales organizations (ISOs) meet global card brand merchant risk standards, while avoiding non-compliance assessments.

"We are an early adopter of InConRadar and it's been very effective in reducing our risk profile, while increasing efficiency in dealing with risk and underwriting issues that crop up," said Deborah Brown, executive vice president and chief operating officer for TriSource Solutions. "With InConRadar, we're scanning our merchant portfolio dozens of times daily to uncover potential violations requiring further investigation," added Brown. "InConRadar has proven to be quick, easy and a real time-saver for our organization, and these new enhancements are very advantageous to us."

Honored with the Electronic Transactions Association's (ETA) PayPal Tech Innovation Award for risk product of the year, InConRadar is a continuous merchant website and risk factor monitoring service.

Suspicious commercial activities, plus potential image damaging circumstances and business practices, are identified and presented in a consolidated format so that risk managers can investigate and take appropriate action. Scanning merchant websites dozens of times daily, InConRadar can be used to streamline and enhance Know Your Customer (KYC) due diligence by learning more about merchants' digital environments before onboarding and connecting to the payments system, as well as regularly thereafter.

"Acquirers and ISOs are frequently frustrated with these blatant forms of merchant fraud because they are difficult to investigate on an ongoing basis," said Darrel Anderson, president of Conformance Technologies. "We communicate regularly with the card brands who encouraged us to come up with a solution to effectively address these hot fraud trends," added Anderson. "With the Conformance Compliance Operating System, we are able to quickly enhance InConRadar with functionality that addresses fast-changing card brand demands on merchant due diligence processes."

Transaction laundering, also known as factoring, consists of processing fraudulent payment transactions on behalf of other merchants, commonly with stolen credit card numbers. Another

form of transaction laundering is when legitimate merchants process contractually prohibited business transactions in addition to their own valid transactions.

False front merchants are entities who hide the true nature of their businesses and sales of card brand prohibited goods and services. These companies do not actually engage in selling what they claim during the merchant underwriting process, and usually are involved in illicit, illegal endeavors.

A popular new merchant fraud trend is falsely claiming celebrity endorsements, when stars never actually authorize the advertising statements. Fake endorsements fall under card brand deceptive business practice rules, which require banks to review merchant intentions during underwriting and periodically thereafter to ensure no dishonest or misleading sales and marketing practices are employed.

http://www.businesswire.com/news/home/20170829005372/en

Tyler Technologies to provide Enterprise Resource Planning solution to the city of Berkeley, California

Financial Management Solutions

8/29/17

Tyler Technologies, Inc. signed an agreement with the city of Berkeley, California, for Tyler's Munis enterprise resource planning (ERP) and ExecuTime (for time and record keeping solutions.) The solutions will help the city meet its goal of improving business processes while it installs core public sector ERP functionality.

The city of Berkeley developed an organization-wide assessment of their needs and sought an ERP solution that would be up to date with current technology trends and fulfill many reporting options the city needed for departments to run efficiently. They sought a system with greatly increased functionality and greater integration between existing systems. The city turned to Tyler, through a competitive bidding process, because of its existing relationship with the company and Tyler's knowledge of modern ERP systems.

"Tyler understood our unique needs and has worked closely with us to set us up for success within our various departments," said Tasha Tervalon, assistant to the city manager, city of Berkeley. "We are excited to see what advanced data analysis and processing capabilities the solutions bring to our city so we can best serve our community."

Through the implementation, the city plans to manage grants, projects, and budgets in a way they couldn't before, as well as make improvements to systems and data integration. The city also expects that with the implementation of Munis and ExecuTime, it will be able to eliminate duplicate data entry, provide citizen access to data and user-friendly reporting tools, reduce paper use, and broaden employee and vendor self-service capabilities.

"We look forward to improving business processes and efficiencies for the city of Berkeley through Tyler's Munis and ExecuTime solutions," said Chris Hepburn, president of Tyler's ERP & Schools Division. "With our comprehensive system, the city will be set up for success to reach their objective of installing and maintaining a modern public-sector ERP system."

The city of Berkeley is in Alameda County, California, on the east side of the San Francisco Bay, and has a population of nearly 120,000. Tyler also provides its Versatrans® student transportation solution to the Berkeley Unified School District.

http://www.businesswire.com/news/home/20170829005075/en/Tyler-Technologies-Provide-Enterprise-Resource-Planning-Solution

Cloud-Accounting firm Acuity partners with Veem

Financial Management Solutions

8/31/17

Global business payments pioneer Veem Inc. announced today a partnership with cloud accounting service firm Acuity to streamline international payment processing on the Veem Platform. By adding Acuity to the Veem roster, the firm adds a new level of service for its customers. Acuity currently helps businesses manage bookkeeping, payroll, bill pay, invoicing and more.

With Veem, Acuity can now also offer their customers simple international wire transfers. Veem global invoices and payments take minutes to complete, not hours, and they come without the high wire fees or hassle. Veem provides direct connections between businesses, their suppliers, distributors and partners. Automated payment status through shared connections keeps all parties in the loop on payment status, boosting relationships and building trust. Veem's payment dashboards provide real-time visibility into the status of payments and invoices to and from over 60 countries.

The partnership highlights another way for accountants looking to improve business processes through new cloud-based services. "New technologies and services that simplify our clients' day-to-day work and improves our workflows is an essential part of what we do. We are excited to add Veem to our portfolio," said Matthew May, COO of Acuity. "Acuity is one of the strongest cloud accounting firms in the industry and we're very pleased to have forged this partnership," said Veem CEO Marwan Forzley.

Acuity sees the future of the accounting industry as one of increased automation. As financial technology, software and tools become more available, affordable and powerful, they give small business owners and the accounting firms that serve them a real competitive edge. "Like Veem, we believe that financial managers should be spending their time creating value and building relationships with their clients, not mired in the clumsy, costly and often frustrating process of international wire transfers," said May.

http://www.prweb.com/releases/2017/09/prweb14648512.htm

DaySmart Integrates CardConnect's secure payments platform

Financial Management Solutions

8/31/17

DaySmart, an award-winning developer of software solutions for small business operators, and CardConnect, a leader in payment processing technology, today announce the availability of integrated payment processing across DaySmart's entire product line. This integration will further simplify and secure the way users of Salon Iris, 123Pet Software, Orchid and Inkbook do business while improving profitability through speedier checkouts, competitive transaction rates and simplified reconciliation.

"We are thrilled with the opportunity to build upon the DaySmart platform and extend our payment solution to their diverse range of customers"

"DaySmart is committed to simplifying the business process for our tens of thousands of clients. The CardConnect integration is a real milestone in that continuing effort," said Jeff Dickerson, President and CEO of DaySmart. "We want to provide the best desktop and mobile application experience - and that will always include the best payment processing systems."

Through this partnership, DaySmart has integrated their platform with CardConnect's latest product, Bolt P2PE, a plug-and-play solution for card-present transactions, providing customers with secure payment acceptance, advanced merchant services, and PCI-Validated Point-to-Point Encryption (P2PE) and tokenization for complete data breach protection. In addition to in-store services, the integration extends to e-commerce transactions, supporting features across the DaySmart product line like online booking and product orders.

"We are thrilled with the opportunity to build upon the DaySmart platform and extend our payment solution to their diverse range of customers," said Rob Nathan, Executive VP of Integrated Solutions at CardConnect. "Now everyone from hair stylists, estheticians to tattoo artists and pet groomers will have access to secure and flexible payment features that will ultimately enhance the customer experience all through a single source."

http://www.businesswire.com/news/home/20170831005214/en/DaySmart-Integrates-CardConnect%E2%80%99s-Secure-Payments-Platform

HEALTHCARE TECH

Taking a pulse on European healthcare's eInvoice adoption

Healthcare Tech

8/7/17

Government mandates have led jurisdictions like Latin America to become heavy adopters of electronic invoicing while other markets, like the U.S., still lag behind.

Europe is one market catching up to the leaders, though, as regulators look to eInvoicing to combat fraud and promote tax compliance. Initiatives like the 2006 VAT Directive 2006/112/ED and the 2010 Electronic Invoice Directive may be promoting eInvoicing adoption, but they're adding another level of tax compliance to an already regulated market across Europe: the healthcare industry.

Global Healthcare Exchange, also known as GHX, recently announced news of a service for healthcare suppliers to be able to issue compliant eInvoices to European countries. The EU healthcare industry, GHX Vice President of Product Management Pete Nelson told PYMNTS, has had an interesting journey in terms of digitization of B2B transactions, from eInvoices to payments.

"Especially in the European market, and especially in healthcare, the migration to some sort of ACH or SWIFT payment has already occurred," he recently told PYMNTS. "The North American healthcare market deals with ACH a bit, credit card and p-card payments and checks. But in Europe, electronic payments have been around for a significant amount of time, and eInvoicing is catching up. It's almost the reverse of the North American market, where, at least for healthcare, North America began with the automation of POs in the Dot Com era, then moved to automation of invoicing and now, in the last decade, has really focused on payments."

While many industries across the globe see their suppliers struggle with late payments — with delayed supplier payments an ongoing issue in Europe — the healthcare market is a bit different considering many providers are funded by the government. But because private healthcare exists across Europe, too, payment terms to suppliers can vary wildly — from 20 days, which is common across northern Europe, to as long as a year in some rare cases, Nelson explained.

But suppliers operate with an understanding that payment terms will vary, and in Europe, it's less common for a supplier payment to be even further delayed because payment is made via paper check.

"Generally speaking — this is certainly subject to specific markets and individual trading partners — payments in Europe have been automated for a decent period of time," he continued. "Then the market moved to eInvoices, ultimately dragging POs along with them — there are still a lot of manual purchase orders in the European healthcare market."

Europe is an interesting case when it comes to payment terms, too.

As the industry adjusts to emerging eInvoicing regulations, Nelson explained that the healthcare space may have an opportunity to benefit from efforts among regulators to streamline processes and boost transparency in B2B transactions. While he said he can't speak for the regulators themselves when it comes to determining the motivation behind some of these regulations, Nelson did say that there are a few objectives that are probably at play.

"Overall, there is a great desire in Europe to be more efficient from a payments point of view," he said. " 'Efficient' is a very large word, but it's about removing paper. In Europe, there aren't really checks anymore, so it's efficiency of cash and of visibility."

"There is an effort to look at tax fraud," he added, "and to look at how payments move across and inside each country. There might be other country-specific initiatives at play, where regulators want to have a central repository for all of this data, to look at [what] medical spend is doing. It's hierarchical. It starts with looking at efficiency, then visibility by market."

Nelson said the complexity of some of these regulations, though, could trip up some suppliers, especially as they bill their corporate customers across EU borders. The purpose of Global Healthcare Exchange's new pan-Europe eInvoicing solution, GHX eInvoicing, aims to not only help businesses maintain compliance with EU and country-specific requirements, but to reduce friction that stems from what Nelson described as "a broad level of segmentation" when it comes to customers' ability to actually accept electronic supplier payments.

"You have some businesses able to deal with super-efficient and capable systems, ERP integrations and communication from invoice all the way to payment," he said. "And there's the multidimensional complexity of some of the regulations in this space. For a centralized supplier, that can be very complex, dealing with how you send invoices out across Europe."

Keeping in mind a mix of Europe's both private and government-funded, single-payer healthcare market, that compliance complexity can increase.

"You have different government entities tied into how you have to send out invoices," Nelson said. "There is significant interaction from government agencies. Overall, healthcare isn't too different from other industries, but ultimately there is a bit of a nuance when it comes to regulations in terms of how you bill governments."

http://www.pymnts.com/news/b2b-payments/2017/ghx-explores-european-healthcare-einvoicing/

AthenaHealth incentivizes employees to use disaggregated network

Healthcare Tech
8/28/17

AthenaHealth is running a new disaggregated data center architecture alongside its old legacy architecture at its three data centers across the United States. And it has found ways to incentivize the company's IT employees to transition to the new model.

Athena needed to grow the capacity of its three U.S. data centers, located on the west coast, east coast, and mid-continent. "We took this opportunity to explore solutions in the market to see what the modern trends are," said Andrey Khomyakov, Athena Health's network architect.

The company decided to move away from proprietary hardware and software to a disaggregated, open model. It's using open Dell EMC switches and the Cumulus Linux operating system.

But as it transitions to the newer model, it's not forcing the nearly 500 members of its IT and development staff to embrace the new. Instead, it's incentivizing them.

"We are running the old in parallel with the new," said Khomyakov. "It is a Herculean task to refactor the old. Too many people need to participate with too many dependencies. It was much easier to build a new network off to the side and use it as an incentive for teams. The old legacy will effectively die on the vine as systems get deployed." But people naturally resist change, so how are they motivated to use the newer technology?

Khomyakov said when someone requests additional capacity, they're told they can get that on the new network in a matter of a few days. They'll also benefit from automation, newer hardware, and faster links. But if they really insist on deploying their application on the old network, he says, "Send me a ticket. I'll try to procure the equipment that I don't have in stock anymore. Decide for yourself."

AthenaHealth is based in Watertown, Massachusetts. Its network supports 100,000 health care providers and 98 million patients across the country. All of its solutions are provided in web browsers. Its health care providers just need an Internet connection. Athena provides all the computing from its own data centers.

When the company evaluated ways to increase its data center capacity, Khomyakov and his team realized that white box hardware and open networking software would give it more flexibility.

"Previously, I would have to buy everything from a single vendor," he said. "With open networking I can evaluate hardware independent from software.

The company chose Dell EMC for its hardware switches, running the Cumulus Linux OS. It also deployed Big Switch's Big Monitoring Fabric, which also runs on the same Dell EMC hardware to provide network monitoring and insight into the data streams.

"By going with open networking hardware, we have positioned ourselves to be able to replace our hardware in a year or two if it no longer meets our needs," said Khomyakov. "We're also able to apply tools that have been available to the systems side like Puppet and Ansible to effectively manage the network."

https://www.sdxcentral.com/articles/news/athenahealth-incentivizes-employees-to-use-disaggregated-network/2017/08/

HealthPay24 partners with CardConnect to deliver the latest in-patient payment innovation

Healthcare Tech

8/29/17

HealthPay24, a recognized leader in patient financial engagement solutions, and CardConnect, a leader in payment processing technology, announced a partnership that will secure payment acceptance and improve business efficiencies through a seamless, integrated offering for healthcare organizations and the omni-channel patient.

Through this strategic partnership, HealthPay24 has enhanced their existing integrated platform with Bolt P2PE, CardConnect's solution for simplified payment device integrations. This combined offering provides secure payment acceptance and data breach protection for healthcare providers and their patients through PCI-Validated Point-to-Point Encryption (P2PE) and tokenization, along with the ability to simplify efforts to comply with Payment Card Industry Data Security Standards (PCI DSS) and reduce administrative time spent on Self-Assessment Questionnaires (SAQs). The integration produces a seamless and secure experience extending to major Electronic Medical Record (EMR) and Electronic Health Record (EHR) systems including Epic, Cerner, McKesson and GE.

"Today's patient can enter the revenue stream at many different channel scenarios throughout their unique health service cycle," said David Millary, President of HealthPay24. "With the integration of CardConnect into the HealthPay24 platform, providers can utilize omni-tokenization technology to enable payment tokens to transcend any single service channel and be unique across an entire health enterprise. This solves many payment challenges providers face when servicing omni-channel patients."

"HealthPay24 has developed a flexible, robust, patient payment platform for healthcare organizations and now we have the opportunity to enhance the user experience by infusing Bolt technology," said Rob Nathan, Executive Vice President of CardConnect. "Together, we can provide HealthPay24 clients and patients with the most secure and efficient payments platform on the market."

http://www.prnewswire.com/news-releases/healthpay24-partners-with-cardconnect-to-deliver-the-latest-in-patient-payment-innovation-300510240.html

INSURANCE

Motorists Insurance Group deploys Guidewire Software for its new company

Insurance

8/22/17

Motorists Insurance Group (Motorists) and Guidewire Software, Inc., a provider of software products to Property and Casualty insurers, today announced that Motorists has successfully deployed Guidewire InsurancePlatform products to serve as the technology backbone for its new commercial lines company, Motorists Insurance, which was launched on May 1, 2017.

Motorists deployed Guidewire InsuranceSuite(TM), Client Data Management, Rating Management, Standards Based Templates, Quote and Buy Portal for Policyholders(TM), Account Management Portal for Policyholders, and Gateway Portal for Agents as part of an organization-wide initiative to support the company's vision and transform the way it does business.

The company aimed to modernize its technology infrastructure and operations to better address the evolving needs of its agents and policyholders. In the first pilot of its implementation project, Motorists deployed the products across all of its commercial lines of business to agents in Michigan and Tennessee, with more pilot states to follow in the third quarter and a comprehensive state rollout throughout 2018.

Eventually, InsuranceSuite and the Guidewire Digital products will be deployed across all of Motorists' commercial lines of business in all of the states where the company does business.

"Thanks to the 'one company, one solution, one experience' vision and leadership of our CEO David Kaufman, we adopted the mindset of an 85-year-old startup and took a greenfield approach, allowing us the unique opportunity to reinvent our business, IT and organizational structure," said John Kessler, senior vice president and chief strategy officer, Motorists. "In essence, it mitigated the need to integrate with disparate and antiquated systems and business processes being used by our various affiliates, and enabled us to create a brand new commercial lines company.

We were able to collaborate effectively with Guidewire to facilitate a smooth implementation and complete the project on time and on budget," Kessler added.

"With the launch of Motorists Insurance, we are now able to offer one technology platform and a consistent set of processes and procedures to serve our independent agents and associates," said Todd Lawrence, vice president of Business Transformation, Motorists. "Internal and external stakeholder feedback has been positive, especially regarding our independent agents' experiences with the new portals. Overall, we are very pleased with the new platform."

"We congratulate Motorists Insurance Group on its successful launch of Motorists Insurance to serve its commercial lines of business," said Alex Naddaff, chief customer officer, Guidewire

Software. "We applaud Motorists' vision of ensuring the trust of its agents and policyholders and are humbled that our core and digital products are serving as the foundation for its transformation journey."

https://www.wsj.com/articles/PR-CO-20170822-905874

Axis Capital partners with Plug and Play on startup accelerator

Insurance

8/25/17

AXIS Capital Holdings, the parent company of AXIS Re and AXIS Insurance, has announced a new partnership with startup accelerator Plug and Play Tech Center.

The insurer joins Aviva, Sun Life Financial, USAA and Munich Re as carriers with active business ties to the Sunnyvale, California-based company. AXIS business leaders will serve as program mentors and technical advisors to insurtechs in Plug and Play's insurance incubator. In return, the company gains access to emerging technologies it can incorporate into core products and operations.

"Our alliance with Plug and Play will allow us to partner with the entrepreneurs who are helping to drive innovation in insurance and reinsurance," said Chris DiSipio, CEO of AXIS A&H, in a statement. "We are the perfect partner for bringing their ideas to life and are committed to insurtech as a driver of future growth, both for AXIS and the (re)insurance industry."

AXIS will work with P&C, life and health insurtech startups accepted into Plug and Play's 12-week program, occurring twice a year. The insurer is keen on collaborating with startups developing platforms in the Internet of Things, mobility and fintech spaces, it says.

"Our team intends to leverage this partnership and AXIS' expertise in the field to continue to drive innovation and change in the industry with the hope of creating the ultimate startup ecosystem for insurtech," Plug and Play Insurtech Director Ali Safavi said.

https://www.dig-in.com/news/axis-capital-partners-with-plug-and-play-on-startup-accelerator

XL Catlin adds technology to its insurance products

Insurance

8/31/17

XL Catlin has added two new enhancements to its professional liability insurance for architects, engineers and other design professionals in the US, including an expanded professional services definition and Principal Protector Coverage for qualifying firms.

XL Catlin's Design Professional team has expanded the definition of professional services to include existing and emerging technologies used by design professionals in the delivery of their services. This includes the development of software programs, systems and applications; database design and maintenance; warehousing data generated by building information models, digital tools, etc.; hosting data and application sites; and website design for its design services clients.

XL Catlin also added Principal Protector Coverage, specifically for its large design firm segment. This coverage offers supplemental limits outside of the firm's policy limits for any current, former, or retired member or employee of the firm for negligence claims arising from their participation in a non-profit entity.

XL Catlin's Design Professional business provides professional liability insurance for architects, engineers and design consultants. Coverage is available for firms of all sizes and disciplines. XL Catlin's design professional coverage is accompanied by a variety of loss prevention assistance and risk management assistance including continuing education courses and access to XL Catlin's Contract eGuide.

XL Catlin insurance companies offer property, casualty, professional, financial lines and specialty insurance products globally.

http://www.insurancejournal.com/news/national/2017/08/31/462839.htm

PAYMENTS

Imperial FX brings its money transfer service to Poland

Payments

8/25/17

UK-based money transfer brand, Imperial FX, have announced that they are now transferring funds into the Polish market, and can beat the rates of many other money transfer firms.

The announcement comes after they have proven themselves to be a preferred provider for individuals transferring money to Brazil, Portugal and the Middle East, due to the competitive rates that their money corridors enable them to offer. They cemented their position in these markets with the acquisition of BR money in 2015.

While many fintech firms are concentrating on digital payments and currencies, personal backgrounds and the experience in sending remittance payments means that the team at Imperial FX are increasingly aware of the financial exclusion that the digital realm is creating, and the number of 'unbanked' people that are unable to take advantage of these services, missing out on vital funds.

"We had held back on the Eastern European markets until we could ensure that we were offering a service that provided numerous benefits to users, especially those that are being pushed out of the digital transfer services", explains CEO Ali Alani, "We have now been able to create a comprehensive offering to those who wish to send money back to Poland."

"Having already invested £2 million into building our own secure and agile transfer technology rather than relying on third-party software, we are currently working on our online offering. But we are also aware of the number of individuals worldwide that may suffer as a result of the 'digital only' world, not being able to access funds, and being penalised with high charges and fees that the traditional services offer.

Brexit has also had a severe effect on the amount of remittance sent back home by migrants, we want to make sure our services can lessen the financial burden."

Last year it was reported that approximately 165 million people across Europe are financially excluded and without a bank account, often relying on remittance payments in order to survive.

Imperial FX want to ensure that they can provide services for these people by continuing to offer money transfers that can be picked up in bricks and mortar stores.

Transferring funds to Poland using Imperial FX provides service users with the following features

- The funds can be sent and received in various currencies
- The transfer is conducted within 24 hours
- The funds can be collected in more than 350 branches
- Imperials own software ensures high levels of security and efficiency

- Multilingual customer support

https://www.finextra.com/pressarticle/70466/imperial-fx-brings-its-money-transfer-service-to-poland?utm_medium=dailynewsletter&utm_source=2017-8-28

Payza unveils test center for smoother payment integrations

Payments

8/28/17

Payza, an award-winning global online payment platform, today announced the release of the Payza Test Center, which offers merchants a new way to test out their integrations prior to a live release.

The Test Center allows businesses to create and analyze test Payment Buttons and Instant Payment Notifications (IPNs) without performing real payment transactions. All Payza Business Accounts, both verified and unverified, have access to the Test Center. The Test Center provides sample information for testing credit card transactions using both Payza Member Checkout and Guest Checkout.

The Payza Test Center provides all the tools that a merchant needs to test their payment buttons and generate IPNs. "We wanted to provide added resources and a more user-friendly environment to help our merchants make sure their integrations are properly set up from beginning to end," said Ali Nizameddine, EVP Product and Technology at Payza.

With this new offering, businesses can now convert individual Standard Integration and Advanced Integration Payment Buttons into test buttons, which reproduce the functionality of live buttons, however no payment data is ever sent or received. Merchants can still set their accounts to Test Mode, which converts all payment buttons into test buttons.

The Test Center provides scripts to convert payment buttons into test buttons, which allow merchants to verify that their buttons are properly configured. Transactions performed through test buttons can then be used to generate sample IPNs, with a range of settings to recreate the various Payza transaction statuses.

Sample IPNs can be used to build or test various post-payment automation scripts. Payza IPNs transmit encrypted information regarding every aspect of a Payza transaction. Once decrypted, merchants can use the values for scripts that automate post-payment tasks, such as sending out follow-up emails or fulfilling an order. Find a full list of IPN values in the Payza Reference Center: Payza API Guide – IPN.

"The new Test Center replaces Payza Sandbox and Payza Developer's Center as the complete testing environment for Payza integrations," said Firoz Patel, Payza's CEO. "It's part of our mission to make sure that our business accounts can easily navigate and test within our user interface and we're confident that the Test Center will help in this regard."

http://www.prnewswire.com/news-releases/payza-unveils-test-center-for-smoother-payment-integrations-300509935.html

Appetize launches advanced POS technology across another four convention centers

Payments

8/29/17

Appetize, the modern point of sale (POS) company transforming foodservice and retail transaction technology for major venues at scale, announced today that its cloud-based system has been integrated into four new convention centers. These venues collectively host over 800 events annually with hundreds of thousands of attendees, and will now, through Appetize's industry-leading technology, evolve their overall attendee experience and back-of-house management.

Appetize Technology has increasingly become the go-to digital and cloud-based POS technology for leading organizations, venues and theme parks, among other verticals. The company's popularity is centered on the fact that it offers enterprise dependability, plus modern-day features such as real-time inventory reporting and end-to-end facility implementation.

Built on the latest mobile operating systems for iOS and Android, the company's robust, scalable and reliable suite of innovative solutions solve the challenges that convention center managers have struggled with – how to quickly and efficiently process the latest tech-based payments when using outdated POS systems.

Attendees of conventions, trade shows, and consumer events will enjoy a swift checkout experience through Appetize's kiosks, handheld ordering tablets, and state-of-the-art POS systems. The company's advanced features arm venue managers with a simple way to collect customer purchase preferences via real-time inventory management and paperless backend reporting. Some of the nation's top sports and entertainment venues, quick serve restaurants, universities, and other professional properties depend on Appetize to streamline their businesses and help maximize their revenue.

"Appetize's unique technology can be tailored to the specific needs of any venue keeping pace with an increasingly cashless society" said Kevin Anderson, chief strategy officer, Appetize. "We are proud to provide a turnkey revenue generating option to convention centers and the large events they produce."

Backed by private equity firm Shamrock Capital, Appetize launched in 2011 and has quickly grown its concessions technology to serve the country's largest sports and entertainment venues, amphitheaters, college campuses, and other organizations, venues and retail destinations. Appetize is quickly outpacing systems from traditional competitors including Oracle Micros, Agilisys and NCR.

http://www.prnewswire.com/news-releases/appetize-launches-advanced-point-of-sale-technology-across-another-four-convention-centers-300510522.html

Sterling Payment Technologies partners with ExaDigm to support Wireless EMV solution

Payments

8/29/17

Sterling Payment Technologies, a leading provider of secure payment processing, today announced it has partnered with ExaDigm, Inc., a leading innovator in point-of-sale (POS) terminal solutions, to offer an EMV solution for the wireless ExaDigm G3 retail and restaurant application.

The G3 works as a standalone POS system capable of Wi-Fi or 3G cellular wireless connectivity. The compact, user-friendly design offers merchants the capability to accept payments wherever they do business. Fully compliant with payment industry standards, the G3 supports contactless payments and digital wallets such as Apple Pay®. The G3 also helps manage merchants' PCI scope by not storing cardholder data, as well as supports the newer, more secure SHA-2 security certificates.

"Sterling is proud to expand our partnership with ExaDigm to provide merchants with a secure, cost-effective and convenient EMV solution like the G3," said Jim Raftice, President U.S. and Canada, EVO Payments International, parent company of Sterling Technologies. "G3's ability to process secure EMV transactions in the field will greatly benefit our customers."

Due to the liability shift by the major card brands in 2015, businesses that do not use terminals that process EMV chip card transactions are now liable for chargebacks associated with payments made with counterfeit, lost or stolen payment cards. This burden can represent significant losses to businesses that do not use EMV-enabled point of sale systems.

"Our priority at ExaDigm is to make sure our customers' transactions are among the most secure in the marketplace," said Tony Dabbene, president and CEO at ExaDigm. "Sterling shares this objective, and we're pleased to be working with them to help our restaurant and retail businesses achieve full EMV and PCI compliance."

Sterling Payment Technologies is dedicated to providing fast, affordable and secure payment processing to merchants throughout the U.S. Sterling excels at easy payment integrations that include EMV solutions, P2PE, tokenization, out-of-scope solutions, mobile solutions, and cloud-based POS reporting platforms. The company's focus on technology and service allows Sterling to provide superior customer support and a broad range of advanced solutions to its customers.

http://www.prweb.com/releases/2017/08/prweb14634478.htm

American Express targets debt-leery consumers with new card features

Payments

8/30/17

American Express Co is unveiling a new option that could tempt young, budget-conscious consumers into taking on credit card debt.

On Wednesday, the No. 1 U.S. card issuer by spending will roll out a feature that will allow customers to borrow for big purchases like furniture, medical expenses, airplane tickets or weddings, while separating those balances from everyday items like $2 cups of coffee.

American Express is also adding a feature that will allow customers to immediately pay for small purchases from their bank accounts.

Under the new option as many as 10 purchases of at least $100 each can be siloed into installment plans, American Express said. A $1,000 purchase, for example, could be covered in six monthly installments of $172.18 – costing an additional $33.06, or $5.51 a month, in finance fees. That is virtually the same as AmEx would charge in interest for a revolving balance on the account.

Other monthly spending would be interest free as long the cardholder pays in full by the due date.

Together, the options will allow cardholders to decide what purchases deserve interest payments and better manage their budgets in real time, said Jeff Chwast, head of global lending new products and capabilities at American Express.

“You’ll know exactly how much you’ll be charged before you set up the plan, which is very different than a normal credit-card revolve feature,” Chwast said in an interview last week.

In adding the features, American Express is responding to a generational shift that has hurt credit-card lenders.

Young Americans who grew up during the Great Recession and saw parents struggle with debt, or who faced their own problems with cards before the implementation of financial reforms in 2010, have eschewed racking up balances, industry research has shown.

At the same time, big banks such as JPMorgan Chase & Co and Citigroup Inc have been enhancing rewards for spending on their credit cards and have taken market share from American Express.

AmEx still has more spending on its cards than any other U.S. issuer, with 22.1 percent of the total last year, according to The Nilson Report. However, its market share fell from the prior year,

partly because mega-retailer Costco shifted its jointly branded cards to Citigroup from American Express.

American Express slipped in outstanding balances as well, ranking fourth last year with 10.7 percent.

The test of whether its new features succeed may come down to whether debt-leery customers are willing to pay AmEx a little more for big-ticket items.

American Express is hoping the changes will lead more customers to use its cards and thereby increase company revenue, Chwast said.

“We believe customers will be taking out their American Express card to pay, rather than other cards,” Chwast said.

https://www.reuters.com/article/us-american-express-cards-loans-idUSKCN1B92TW

Mastercard turns phones into contactless payments terminals

Payments

8/30/17

Mastercard is prepping a pilot that will see small businesses in Poland able to accept contactless payments with only a smartphone.

Starting in the Autumn, the trial will see several hundred small and micro businesses from all over Poland accept contactless card and mobile payments of up to PLN50 using just a phone and dedicated app - no dongle.

Mastercard is working with Elavon, Mobeewave and Polskie ePłatności on the project, for which it says it has developed "specific security principles".

Poland has a strong contactless base but a recent study commissioned by the Polish Foundation for Development of Cashless Payments shows that among entrepreneurs that gave up card or mobile payments, 36% did so because of the associated costs.

"Innovations such as this can help streamline processes, increase service availability, and reduce time and costs, benefiting small merchants and consumers," says Rafał Gołębiewski, country manager, Poland, Elavon.

https://www.finextra.com/newsarticle/31017/mastercard-turns-phones-into-contactless-payments-terminals?utm_medium=dailynewsletter&utm_source=2017-8-31

PayPal rolls out cashback credit card

Payments

8/30/17

PayPal has come up with a novel new weapon to help it take over the high street - an old-fashioned plastic credit card.

The digital payments pioneer has teamed up with Synchrony Financial on the Mastercard card, which will offer two per cent cashback on every online and instore purchase, with no annual limit, no minimum redemption amount, no restriction on how to spend rewards and no expiration.

Darrell Esch, VP commercial officer, global credit, says that trials of the card have shown that customers are using PayPal more not only in stores but also online.

Says Esch: "Our goal is to provide our customers choice and flexibility in how they pay when making purchases - whether online or in store. The PayPal Cashback Mastercard provides our customers with another innovative consumer credit option, making the payment experience seamless for each customer's unique lifestyle."

https://www.finextra.com/newsarticle/31015/paypal-rolls-out-cashback-creditcard?utm_medium=dailynewsletter&utm_source=2017-8-31

Enterpay and Collector Bank in Nordic fintech alliance

Payments

8/30/17

Enterpay and Collector Bank have kicked off their collaboration. Collector Bank will add a B2B invoice powered by Enterpay to its payment method selection in Finland and later in the Nordics.

The collaboration lays the groundwork for Enterpay's expansion to the Nordics and after Finland, the collaboration will continue in the Swedish market. Partnering with Collector helps Enterpay to grow the number of its service's users and reach potential customers in new channels.

"Here at Enterpay we are very excited and proud about the collaboration. Having Collector as our partner introduces the service to a significant number of new merchants and gives our customers more selection and more possibilities to make buying online even easier", says Jarkko Anttiroiko, Enterpay's Managing Director.

Collector widens its payment method selection by introducing a B2B invoice specifically designed for B2B ecommerce to its customers. Both Collector's new and existing customers have access to the new service easily with available integrations.

"Enterpay has been pioneering in making B2B ecommerce easier and more modern. Enterpay's service speeds up significantly the launch of Collector Bank's B2B invoice and prevents fraud and misuse in B2B ecommerce. Together we have committed to further develop innovative B2B payments", says Petri Koskinen, Head of Payments Finland, from Collector Bank.

https://www.finextra.com/pressarticle/70502/enterpay-and-collector-bank-in-nordic-fintech-alliance?utm_medium=dailynewsletter&utm_source=2017-8-31

Plynk and Jumio team up for instant money messaging verification

Payments

8/30/17

Jumio, the creator of Netverify Trusted Identity as a Service (TIaaS), today announced a partnership with Plynk, Europe's first money messaging app, to accurately verify users who are loading money onto their Plynk accounts for instant person-to-person payments.

Plynk removes the complexity and awkwardness from money transfers between friends by integrating a payments account and a messaging platform so people can instantly send funds to other Plynk account-holders in the familiar setting of a messenger. Money can be sent either to a single individual or easily distributed through group chat applications, without the fees and delays that are associated with high street banks. Users simply register and receive a payment account, an IBAN and virtual Mastercard for online payments.

Jumio's trusted Netverify solution will help Plynk deliver a hassle-free user experience by verifying frequent customers who are instantly loading money from their debit and credit cards to their Plynk payment account. The verification takes less than a minute and does not require users to leave the app. This convenient process is perfectly suited to Plynk's target market of on-the-go, digital-first consumers.

A streamlined verification process is important for convenience-focused, mobile-only financial products such as Plynk, which must comply with Anti-Money Laundering (AML) legislation and Know Your Customer (KYC) requirements but, unlike brick and mortar licence-holders, cannot physically check customer identities in-person.

Netverify's ability to process identity documents from over 200 countries will also help to promote scalable growth for Plynk as the app expands into the Spanish and Portuguese markets. Since launching in January 2017, Plynk has grown rapidly across Android and iOS within the Irish market, with plans to eventually become Europe's dominant money messenger.

Robert Prigge, CRO, Jumio, said: ''As the market's most reliable digital identity platform, with over 60 million identities verified at the highest accuracy rate, Jumio is delighted to partner with Plynk. Netverify is perfectly suited to the unique challenges of meeting KYC/AML compliance for digital-only organisations, and this partnership further consolidates our established credentials for trusted verification and a great user experience in the financial services industry.''

Charles Dowd, CEO and Co-Founder, Plynk, said: ''In today's fast-moving digital world, Plynk is leading the way in making the money transfer process as easy as sending a text or a photograph to friends. The speed, innovation and security of Jumio's Netverify aligns perfectly with Plynk's key values of being fast and fun. This, combined with Jumio's excellent track record in helping

highly reputable companies meet tight KYC and AML regulations, made Jumio a natural partner for us, and we look forward to working and growing together.''

Netverify Trusted Identity as a Service incorporates three core pillars: ID Verification, Identity Verification and Document Verification, and uses advanced technology such as AI, machine learning, eyeball tracking and Intelligent Process Automation to establish the real-world identity of the consumer.

https://www.finextra.com/pressarticle/70498/plynk-and-jumio-team-up-for-instant-money-messaging-verification?utm_medium=dailynewsletter&utm_source=2017-8-31

Google aims to leverage its millions of credit card credentials for mobile commerce

Payments

8/30/17

Google plans soon to give merchants access to the vast trove of credit card credentials it has in its databases to speed customer checkout for mobile and online payments. The search-engine giant, however, is not putting itself in competition with payment card networks, a Google executive said this week.

The service is called Pay With Google, and it could tap data on the "hundreds of millions" of customers Google has on file, including payment card account numbers and related customer information, according to Jack Connors, head of commerce partnerships at Google, the main subsidiary of Mountain View, Calif.-based Alphabet Inc.

Google first disclosed the planned feature among the 101 announcements it made at its Google I/O conference for software developers in May. The service will launch in about a month, Connors said at the Mobile Payments Conference in Chicago.

Pay With Google uses Google Payment, a set of application programming interfaces (APIs) through which merchants' payment processors can bring the Google data to their clients. The APIs will pull up card credentials associated with Google's Gmail email service and give buyers the option to use Pay With Google, which will autofill the data, rather than go through a conventional checkout.

The rationale is to use the card data and related information that Google already gathers from consumers for purchases involving its own products and services, such as the Android Pay mobile-payments service, Chrome browser, YouTube, or the Google Play app store. With that data, third-party merchants could generate more sales by making the mobile or online purchase process more convenient, according to Connors.

Counting card numbers, addresses, and all the other information needed, not to mention typos that require correction, a typical new customer making a mobile purchase has to tap the phone about 120 times, said Connors.

"On a mobile phone, buying something with a credit card is a real hassle," he said, later adding: "We can streamline conversion pretty much anywhere globally."

Abandoned purchases, many caused by tedious checkout processes, are one of the biggest fears of online and mobile merchants. Connors claimed that tests with some merchants showed conversion improvements of as much as 3.5 times through Pay With Google.
Google's initial processor partners are Vantiv Inc., PayPal Holdings Inc.'s Braintree e-commerce unit, and Stripe. Google did not disclose pricing for the service.

Connors mentioned that the Amazon.com Inc. model of providing payment services for other retailers became successful because merchants concluded it's easier to use the card and personal data already on file with Amazon rather than require their customers to enter it again. But he insisted Google aims to improve merchant sales and is not making a run at Visa Inc. or Mastercard Inc., both of which offer streamlined online and mobile checkout through their respective Visa Checkout and Masterpass services.

"We're not actually viewing this as a payments thing primarily," Connors told the conference attendees. "We're actually not looking to compete with the networks. We're looking to work in conjunction with them ... we're doing it in a way that's ecosystem-friendly."

Online-commerce payments researcher Rick Oglesby, president of Mesa, Ariz.-based AZ Payments Group LLC, says an account on file is necessary for one-click checkouts, and merchants increasingly want one-click checkouts even with first-time customers.

"A third party that does know the consumer is needed to facilitate the transaction, and Google is well-positioned to play there," Oglesby tells Digital Transactions News by email. He also says Google can use account-on-file data to facilitate purchases through fast-growing venues like wearables and voice-based systems such as Google Home and Amazon's Alexa.

http://www.digitaltransactions.net/news/story/Google-Aims-To-Leverage-Its-Millions-of-Credit-Card-Credentials-for-Mobile-Commerce

Payworks builds on First Data partnership with contactless accreditation

Payments

8/31/17

Payworks, a leading provider of Point of Sale payment infrastructure, announced today their new certification with First Data Merchant Solutions UK (FDMS), a global leader in commerce-enabling technology and solutions.

Payworks will bring their next generation payment gateway technology to nearly one-hundred thousand merchants across the UK via their new accreditation with First Data Merchant Solutions. Certification for both EMV Chip + PIN and contactless transactions has been completed, ensuring FDMS access to the latest payment technologies. With over 108 million contactless cards issued, consumers in the UK have been one of the fastest demographics to adopt tap & go payment. Payworks enables acquirers to support modern payment acceptance including contactless, EMV, mobile wallet and alternative payment transactions through a powerful payment infrastructure.

Payworks supports an acquirer agnostic gateway allowing a broader range of certifications and integrations. Independent Software Vendors and merchants working with First Data Merchant Solutions will now have access to Payworks' payment gateway technology in addition to the easy to use card readers from Miura, the M010 and M007. Payworks provides an easily accessible technology with pre-certified software and hardware which creates a quick and easy implementation process allowing payment acceptance in a matter of minutes instead of months.

"The UK continues to be a hub for payments innovation adoption, so we're excited to see Payworks' technology directly support the use of these innovations," says Christian Deger, CEO and Co-Founder of Payworks. "By partnering our new payment technology expertise with the local experience and insights of First Data Merchant Solutions, we're ensuring an improved Point of Sale solution and experience for thousands of end-users."

https://www.finextra.com/pressarticle/70509/payworks-builds-on-first-data-partnership-with-contactless-accreditation?utm_medium=dailynewsletter&utm_source=2017-9-1

SECURITIES

Family Office Networks launches new alternative investment platform

Securities

8/22/17

Family Office Networks (FON) has launched a new online technology platform aimed at providing family offices with access to alternative investment products.

The platform allows family offices to view, list and co-invest in investment opportunities that have been offered to a community of over 10,000 single and multi-family offices, FON said in a statement. It includes alternative investment products such as private equity, real estate, direct, sponsored and venture backed transactions.

New technology will simplify the investment process in private placement transactions, and investors will be able to filter transactions by key parameters such as size, industry, current round and geography.

"The direction the market is going in is clear. More and more transactions are getting done digitally," said Andrew Schneider, Founder and CEO of Family Office Networks, in the statement. "In the last 18 months we have seen companies such as BlackRock, KKR and UBS invest hundreds of millions of dollars in similar technologies. Our new platform stands out because we have the strongest distribution network of family offices seeking to allocate into alternative investments."

A mobile app is also under development and will be launched later this year, the company added.

Family Office Networks was founded in 2014 by the Schneider Family Office as a community for families to share information and intelligence about potential investments, including private equity, venture capital, alternatives, and real estate. The firm also counsels family offices on portfolio management, record keeping, philanthropic management, multi-generational wealth management, compliance, regulatory assistance, risk management, insurance, life management, shared asset perks, training and education.

http://www.finalternatives.com/node/35727?mc_cid=a79568a916&mc_eid=09a5b83d03

Toronto based Wealthsimple launches shariah-compliant portfolio

Securities

8/23/17

Toronto based automated investment provider Wealthsimple Financial Inc. introduced a Shariah-compliant portfolio targeting U.S. and Canadian investors on Wednesday in a move to expand its product offerings in an increasingly crowded robo-adviser market.

Robo-advisers have recently emerged as a popular segment of the market among passive individual investors seeking lower management fees and a reliable return on investment. However, the space has become crowded, with companies such as Charles Schwab Corp. and Bank of America Corp. launching their own robo-adviser offerings alongside startups such as Wealthfront Inc. and Betterment.

Robo-advisers are likely to report double-digit growth in assets under management in coming years from a base of less than $100 billion in 2016, according to a report released by Fitch Ratings Inc. last month. The Fitch report cited a recent study by KPMG that estimates robo-advisers' assets under management will total more than $2 trillion by the end of 2020.

Wealthsimple's Halal Investing portfolio is aimed at setting the company apart from its peers, said Michael Katchen, the company's chief executive and co-founder.

"The Muslim community in North America is extremely large and underserviced," Mr. Katchen said. He expects the portfolio's interest to closely mirror the company's socially responsible products that began as a niche offering and grew to one of its biggest services.

The new portfolio will track a group of 50 companies traded in the U.S. and Canada that don't generate more than 5% of their revenue from alcohol, tobacco, gambling or pork production, and don't make significant income from interest. Wealthsimple's fees are a flat 0.5% for the first $100,000 invested and drop to 0.4% on any additional investment.

Mr. Katchen said there is a lack of affordable options aimed at Muslim investors, which opened the opportunity for the company to develop its own offering. He cited the Global Iman Fund managed by Global Growth Assets Inc., with a management fee of 2.82%, as a competitor. Another rival is New York-based Wahed Invest, which offers Shariah-compliant investments with management fees ranging from 0.29% to 0.99%.

"This is a way for people to achieve their long-term goals and make it acceptable to a group which hasn't had that kind of option in the past," Mr. Katchen said.

Privately held Wealthsimple has raised 100 million Canadian dollars ($79.6 million) over several funding rounds over the past three years led by a subsidiary of the Power Corporation of Canada

Inc., a Canadian-based financial-services company controlled by the Desmarais family. Mr. Katchen said he expects to tap another round of venture funding before seeking an initial public offering.

The company has more than $1 billion in assets under management and operates in the U.S. and Canada. It plans to launch in the U.K. next month, Mr. Katchen said. The company was founded in 2014 and has about 130 employees.

“There’s a very long-term partnership [with Power Corp.] where we’re not going to sell ourselves in the interim,” Mr. Katchen said.

https://www.wsj.com/articles/toronto-based-wealthsimple-launches-shariah-compliant-portfolio-1503460802

Umstel makes an update to its trading platform

Securities

8/24/17

Web based trading platform Umstel has released its latest update, launching a new Strategy Builder for users. The new functionality is a refreshing perspective and sizable asset for traders both novice and veteran alike, enabling lengthy backtesting capabilities and customized strategies without any hassle of coding.

The rollout of the Umstel's Strategy Builder follows after its certification by the Financial Commission (FinaCom) earlier this month. Umstel's certification followed after a rigorous review process to evaluate technical information requirements within the trading platform, which were found to be of the highest standard.

Since launch, Umstel has steadily developed and rolled out one of the most versatile platforms on the market, backed by a team with over two decades of experience in the industry. The platform allows for usability in all markets, enabling a turnkey user-friendly environment.

Given an extensive data partnership with Bats Exchange, Umstel's trading platform supports direct trading on more than 10,000 instruments, including stocks, indices, futures, and foreign exchange (FX) – the platform's users also have access to market-leading technology, also benefitting from some of the most competitive stock exchange execution.

The release of the Strategy Builder constitutes a game changer for clients given the myriad benefits associated with its usability and versatility.

With lengthy backtesting options that goes over two decades, users have access to one of the most extensive data streams with which to customize their trading strategies.

One of the strongest features of the Strategy Builder upgrade is its functionality. In addition to allowing users to craft a cohesive strategy, the new option combines a host of useful elements that include hundreds of different indicators, data, and other values. Users can also save customized descriptions to these strategies, while also implementing buy, sell, and exit orders all via this same interface.

Umstel Strategy Builder also features some of the most robust risk management features available to trading platforms – in addition to StopLoss and Take Profit options for all open positions, users can test any strategy they wish right on Umstel's server without any delay in execution. This is routinely an issue with other platforms running algorithmic capabilities in their respective terminals.

The latest update also signals Umstel's emphasis on transparency with regards to the platform. This facilitates improved broker-client relationships, as users are able to quickly troubleshoot or navigate through any potential queries.

Umstel's platform is also supported by an informative help desk, which details all components and options available on the terminal.

http://www.financemagnates.com/thought-leadership/umstel-launches-new-strategy-builder-trading-platform/?utm_source=daily_newsletter&utm_medium=email&utm_campaign=30.08.17

Why robo-advice is going to become human

Securities

8/29/17

As they say, everything has its limit. Only a few short years ago, pure robo-advice was enough – but not anymore.

Robo offers an enhanced digital experience compared with most traditional investment advice platforms – with greater automation and at a lower price point. It provides a service and experience highly appealing to an increasingly diversified and forward-thinking investor base.

But as investment advice has become increasingly commoditised, even investors generally disposed toward self-service are starting to miss the human element – and are demanding it back. Meanwhile, established wealth management firms and financial institutions are realising that they have some distinct competitive advantages they forgot about. These include the time-honed know-how about the service levels wealthy – and mass affluent – clients expect, teams of portfolios managers skilled in portfolio construction, in addition to ready access to an investment product supply chain.

From both camps, firms are seeking to put the spirit back into the machine.

Despite all the hype about the potential of artificial intelligence, most first-generation robos focused on solving a relatively contained issue – that pure asset allocation and investment management could and should be commoditised, like transaction-based fees before them. It wasn't about making the machines smarter in robo. It was about making sure humans who couldn't beat the market consistently weren't collecting inordinately high compensation for the exercise.

As a result, improving the value that truly standout financial advisors provide largely fell by the wayside. This includes services like goals-based planning, counsel during the transfer of wealth across generations, succession planning, trusteeship and good, old-fashioned empathy. Sometimes it's as simple as wanting a friendly, familiar face listening to you articulate your life objectives and concerns.

It's not to say that machines can't learn to provide these services – it's just that on the whole, they don't.

Earlier this year, Accenture published findings based on a survey of over 1,300 North American investors representing all income and age brackets. It showed that over two-thirds of emerging wealthy and high-net-worth investors in North America favor hybrid advice. This was not just over robo-advice – but also over traditional human-only advice. In addition, nearly the same proportion says they get better financial planning advice through hybrid channels, including for traditionally human-intensive processes like estate and tax planning.

This means it isn't just about remedying an over-simplification of investor needs by robos. It's about marrying the digital experience and digital automation to human processes and insights.

Not surprisingly, both financial institutions and robos are taking notice and reacting. A few months ago, Charles Schwab launched Schwab Intelligent Advisory, their digital advice offering integrating access to human advisors via both phone and video conference. Only two months earlier, Betterment made a similar move.

Mid-scale wealth managers are well poised to take advantage of this trend. Fortuitously positioned at the mid-point between the poles of the advice spectrum, advisors at wealth management firms tend to have highly personalised relationships with their clients yet operate businesses for which operational efficiency matters. The best ones offer flexible episodic advice – life advice that goes beyond portfolio construction and rebalancing.

In order to evolve into an effective hybrid model, human talent must be matched to top-notch technology. For established robos, the challenge is one of hiring the right people and maintaining scale through growth, partnership or M&A activity. But for wealth managers and diversified financial institutions, it's about creating the right digital platform as quickly and cost-effectively as possible. This is where partnering with the right enabler is the key differentiator, because organisational barriers tend to hamper nimbleness, and they usually get worse the larger the organisation is.

While 2016 and 2017 were robust years of strategic investments, partnerships and acquisitions in the digital advice space, there are bound to be some very interesting developments in the coming 12 months. Small and large digital advice players will increasingly converge as digital action – not just digital strategy – moves from optional to mission-critical.

http://www.altfi.com/article/3405_why_robo_advice_is_going_to_become_human

Fundbase launched mobile app for alternative investments

Securities

8/30/17

Alternative investment platform Fundbase has launched a new mobile application for qualified investors to source alternative investment products from high-quality, alpha-producing strategies and managers.

The new application, named Fundbase Mobile, emphasizes the kinds of efficiencies mobile platforms can provide, the company said in a statement. It allows users to quickly view relevant, high-level fund data and decide to include a fund for further due diligence or pass all together by simple screen swipes.

Investors can thus identify top manager talent anywhere, and the more they interact with the application, the more personalized suggested alternative funds become as the system learns from user approvals and passes.

Fundbase Mobile is available in both the Apple App store and Google Play, the company continued.

"It's a unique tool allowing investors to source the best funds from an intelligently and systematically selected universe, based on an active and engaged community of qualified investors and a global universe of alternative managers," said Pascal Rode, CEO of Fundbase, in the statement. "The mobile experience allows users to easily browse through interesting funds everywhere and anytime, something that was not available."

Founded in 2013 and headquartered in Switzerland, Fundbase provides alternative investment technology offering a behavior-based approach to sourcing top alternative investment funds through its community of active managers and qualified investors. The company's flagship product, Alpha, is specially geared towards automating the alternative investments selection process.

http://www.finalternatives.com/node/35769?mc_cid=3d020b46c4&mc_eid=09a5b83d03

Betterment's chief talks about the firm's strategy in future

Securities

9/1/17

The 220 people who work for robo adviser Betterment LLC gather in the New York company's cafeteria twice a year to hear from their chief executive.

There, Jon Stein, a 38-year-old former bank consultant, often has addressed one of their biggest beefs with him: Even after years of trying to rein in his own worst habits, Mr. Stein remained a micromanager.

Mr. Stein sometimes was "sticking his nose in when he wasn't being productive," said Eli Broverman, who co-founded Betterment with Mr. Stein in 2008.

"Maybe it's particularly tough for me because I built this company," Mr. Stein said. "The first lines of code were mine. I'm intimately familiar with all the workings of it."

Mr. Stein wants to do to financial services using technology and automation what companies such as Amazon.com Inc. have done to brick-and-mortar retailers. His mission is to make investment advice and financial services broadly accessible, while also lowering the cost and removing the compensation conflicts investors sometimes grapple with when working with a financial adviser.

Mr. Stein's do-it-all mind-set has been a key factor behind Betterment's success in delivering financial advice to investors. He has shaped a wealth-management business that one day looks to go public and become a household name.

Betterment relies on algorithms that gauge an investor's risks and goals to recommend cheap, long-term investments. Through its app and website, the firm suggests a basket of exchange-traded funds for investors, rebalances portfolios and offers securities sale strategies to minimize tax bills.

But Betterment clients pay less than half of the typical financial adviser fee of as much as 1% of portfolio assets. Mr. Stein said the firm isn't encumbered with hundreds of branches and hefty salaries for thousands of brokers.

The firm's success—it has more than 250,000 clients—has spawned a raft of rivals, ranging from upstarts such as Wealthfront Inc. to Wall Street giants. Industry veterans say the onslaught of competition will make the firm's next chapter that much more challenging. It'll be about having a clear vision of the best way to serve customers," Mr. Broverman said.

Along the way, Mr. Stein has had to grow into his CEO role and learn how to trust his employees, according to himself, colleagues and mentors, some of whom are investors in his company.

"There's an easygoing exterior," said Jim McCormick, chairman of First Manhattan Consulting, where Mr. Stein worked following graduation from Harvard University in 2001 with a degree in economics. That shell "hides a very demanding internal drive."

In 2007, when Mr. Stein started work on his M.B.A. at Columbia University, he also took up coding in his spare time to build an early version of Betterment. “I really thought I could build it all myself,” he said, “but I quickly realized that was stupid.”

Mr. Stein eventually turned to his roommate at the time, an engineer at Google, to help build Betterment, as well as other friends, including Mr. Broverman, a securities attorney, to assist with the regulatory and operational work of launching a new wealth-management firm. Messrs. Stein and Broverman met when they played their first poker game together in 2003.

Mr. Broverman continues to serve on the robo adviser’s board after stepping down from his president role in April to focus on working with newer startups.

“My partnership with Jon is easily the best working relationship I’ve ever had,” he said.

In the years after Betterment’s launch, brokerage executives said the emergence of robo advisers wasn’t a threat. They said their firms tended to focus on wealthier investors whose more sophisticated needs usually necessitated having a broker.

That mind-set has changed over the past year or so as traditional brokerages such as Bank of America ’s Merrill Lynch and Morgan Stanley as well as others like Vanguard Group and Charles Schwab Corp. , have worked on launching their own robo advisory services to attract younger and less-wealthy clients who have the potential to become bigger clients later.

Betterment’s $800 million valuation, provided by investors such as Bessemer Venture Partners and Swedish fund Kinnevik AB, has risen as robo advisers have collected more assets. Researcher Cerulli Associates estimates the robo advice industry had more than $80 billion in assets by the end of 2016, and will have $385 billion in the next five years, eating into the multitrillion-dollar asset base of traditional brokerage firms.

While Mr. Stein says he has gotten better at delegating tasks to the various teams that report to him, he still keeps a hand in activities such as answering customer-service calls several times a year—something all employees of Betterment have to do, too. “It’s one way of creating a connection with the people we serve,” he said.

https://www.wsj.com/articles/10-billion-robo-adviser-betterment-flourishes-as-chief-learns-to-let-go-1504267200

E*Trade and OptionsHouse merge platforms

Securities

9/2/17

After E*Trade acquired Aperture New Holdings, the parent of OptionsHouse, last summer, the firms spent a year working through the integration. Much of the conversion was completed early last month, with OptionsHouse customers logging into E*Trade on Aug. 7.

It's a four-step process, says Joe Corso, E*Trade's senior vice president of active trading. The invisible part was moving OptionsHouse customers from their former clearing firm, Apex Clearing, onto the E*Trade back-office systems. According to Corso, that part went smoothly, and Barron's didn't hear any complaints from clients, as we have with some past acquisitions. Next came migrating OptionsHouse customers to the E*Trade platform, with new log-in credentials. And then, when OptionsHouse customers began logging in to the E*Trade website, their funds and existing positions successfully joined them.

Over the next couple of months, E*Trade customers will gain access to the OptionsHouse trading and analytical platform. A large training effort is under way for customer-service reps who will help introduce the new, option-heavy tool set to E*Trade customers.

Steve Claussen, an OptionsHouse official who's now the senior vice president of trading strategy at E*Trade, says "OptionsHouse was a pure trading firm, but with the integration, our customers now have so much more." He notes that the nontrading interactions, including banking services, have pleased customers. As for the trading platform, it was completely rewritten in HTML5, which loads pages of data much faster than the previous incarnation, written in Adobe Flash. "HTML5 is just more efficient," says Claussen. "Our customers with lots of open positions have noted that the HTML5 pages snap onto the screen."

To launch the OptionsHouse platform, a customer logs in to the E*Trade website and then clicks the Launch Trading button in the right-hand column. There is also access to the Flash legacy platform, but Claussen says nearly three-quarters of the customers shifted to the new platform without any prodding. There is more customization possible on the HTML5 platform, such as changing column widths and altering font size. Tabs across the top of the screen allow access to trading features, research functions, and account data. Clients can move widgets around and resize them, including watchlists, account details, a market view, and headline news.

The center of the screen takes up most of the real estate, and is used for charting or running LiveAction screens. The screens let you look for unusual stock and options activity, ranging from the usual trading volume, gainers and losers, and 52-week highs and lows, to specific options activity such as largest negative net deltas. LiveAction also has quite a few volatility screens, such as the biggest one-week gain in implied volatility, which can point options traders to additional possibilities.

One of my favorite features of the legacy OptionsHouse platform, the TradeCycle, is no longer its own discrete section, but if you know where to look, the features are still there. TradeCycle encouraged customers to fully research a trade prior to placing it, and then to continually evaluate

it and have an exit strategy. I thought that the TradeCycle, in its former guise, helped options traders to maintain discipline, especially those who were gaining confidence in options. Claussen says the TradeCycle will be “E*Trade-ized” and rolled into the education platform.

Claussen says the platform is evolving, and more features will be added. The group plans a rollout of OptionsHouse 2.0 under the E*Trade banner later this fall.

http://www.barrons.com/articles/e-trade-optionshouse-merge-platforms-1504325466

SPECIALTY FINANCE / ALTERNATE LENDING

OFF3R launches new SIPPS portal

Alternate Lending / Specialty Finance

8/24/17

OFF3R has launched a new channel dedicated to Self Invested Personal Pensions (SIPPs), the tax-free vehicle for pension savings. The investment aggregator's SIPPs portal launched on Tuesday 22 August with an initial list of three pension providers: Hargreaves Lansdown, IG, and True Potential Investor. It details the various fees and investment thresholds of each platform, as well as information on the different management styles.

Hargreaves Lansdown enables investors to include two alternative finance-focused funds – the Honeycomb Investment Trust and the Funding Circle SME Income Fund – in their SIPPs.

"It's our foray into the more traditional investment finance side of things as we're expanding the products on offer," Lex Deak, chief executive of OFF3R told Peer2Peer Finance News. "The new platform will be a useful tool for helping to guide individuals to investments that are relevant or potentially suitable.
"We're not giving people advice but we are providing them with the tools to help them navigate this complex universe."

The peer-to-peer lending sector has already been embracing SIPPs, with Crowdstacker and Folk2Folk both revealing plans for SIPP-friendly products of their own.

The SIPP launch comes just a couple of months after Deak told Peer2Peer Finance News that the firm was "aiming to become the Moneysupermarket of the investment sector" by offering a range of investment products for all users.

OFF3R, which started life as an alternative finance aggregator, is also preparing to roll out a series of "education modules" as a way of teaching new investors about the world of P2P.

"The launch of the SIPPs channel is one of a number of additions that you'll start to see over the coming weeks and months," said Deak. "There will be a new interface and new features coming soon. "I want OFF3R to be the first port of call for people who want to invest and don't necessarily know where to start. I want it to be the access point to empowering your financial future and really understanding what your options are beyond the vanilla savings products."

SIPPs are popular among long-term investors as they are open to a range of different investment options, including P2P. However, under the 'connected parties' rule, there can be no connection between the lender and the borrower in a SIPP investment. This means that P2P investment trusts offer the easiest way to gain P2P exposure in a SIPP portfolio.

http://www.p2pfinancenews.co.uk/2017/08/24/off3r-sipps/

Flinks partners with Merchant Advance Capital to smoothen the process of loan approvals

Alternate Lending / Specialty Finance

8/25/17

Flinks, a financial API for banks and credit unions, announced a partnership with Merchant Advance Capital, an online lender for small and medium-sized businesses.

Merchant Advance Capital partnered with Flinks to reduce loan approval time for its customers. Flinks will allow Merchant Advance Capital to connect its app directly with customers' banks, allowing the company to validate account ownership, account balances, and transaction histories.

"We're responding to a demand for quicker access to capital among Canada's SMB owners," said Dave Gens, CEO and Founder of Merchant Advance Capital. "When selecting a partner, we felt Flinks shared our goal to improve financing options for underbanked SMBs across Canada, thereby helping this part of the economy grow."

In early July, Flinks raised a $500,000 pre-seed round with the goal of bringing a more "data-driven aspect" to its API to include assessing fraud risk or credit score information of a user.

"We're happy to open up banking data for Merchant Advance Capital," said Yves-Gabriel Leboeuf, CEO of Flinks. "The fit between the two companies couldn't be better, as we share a common mission: increasing accessibility for superior financial products."

http://betakit.com/today-in-company-updates-flinks-partners-with-merchant-advance-capital-thinking-capital-partners-with-financial-institutions/

Golden 1 Credit Union enhances member experience with Selection of Accel debit payments network from Fiserv

Alternate Lending / Specialty Finance

8/29/17

Focused on delivering enhanced and personalized member experiences, Golden 1 Credit Union chose the Accel debit payments network from Fiserv, Inc. (NASDAQ: FISV), a leading global provider of financial services technology solutions, to ensure members have access to real-time debit payment functionality, as well as the latest technology to move money and transact whenever and however they choose.

California's leading credit union with more than $11 billion in assets and 860,000 members is expanding its relationship with Fiserv by leveraging capabilities of Accel to continue to strengthen its unique and flexible point-of-sale interchange programs, nationwide ATM access and coverage as well as PIN and PINless transactions. This is in addition to enhanced payment capabilities and technologies, including transactions secured with a token to enhance the secure debit payments options available to members.

"We are constantly evaluating ways to fulfill our mission to provide financial solutions with value, convenience, and exceptional service," said Kathy Flynn, vice president, Account Services at Golden 1 Credit Union. "We chose Fiserv as our partner to ensure our members have access to quick and easy debit card transactions on a nationwide ATM and point-of-sale network."

"The strategy driving any successful payments network is rooted in one simple fact – consumers want what they want when they want it," said Carol Specogna, vice president, Product Strategy, Card Services, Fiserv. "We are partnering with Golden1 to provide its members with a steady stream of smooth, effortless transactions across all channels, as well as member engagement.

In a world that is moving faster than ever before, Fiserv helps financial institutions deliver solutions that are in step with the way people live and work today – financial services at the speed of life.

http://www.businesswire.com/news/home/20170829005142/en/Golden-1-Credit-Union-Enhances-Member-Experience

Mintos marketplace adds ID Finance loans issued in Georgia

Alternate Lending / Specialty Finance

8/29/17

Fintech company ID Finance, is now listing investment opportunities on the Mintos marketplace incorporating prime personal loans issued under its Solva brand in Georgia. Solva is a fully owned ID Finance subsidiary in Georgia that has disbursed 28,000 personal loans worth €12 million since late 2016.

Mintos is a global online marketplace for loans. It provides retail investors with an easy and transparent way to invest in loans originated by a variety of alternative lending companies around the world.

“Solva is an innovative product in global online lending. It was developed for prime clients and offers very attractive terms for personal loans. It closely resembles traditional bank loans, but with a focus on transparency, ease and convenience of service. Thanks to our technological innovation and efficient operations, we can offer investors a high annual net return,”explained Boris Batine, ID Finance co-founder and CEO.

Martins Sulte, CEO and co-founder of Mintos, said his company was extremely excited with the new partnership with ID Finance;

“ID Finance is a Fintech company in a true sense of this word – it uses modern technology to significantly enhance financial services and efficiently manage risks. It makes the products of ID Finance an excellent fit for the investors on our marketplace.”

ID Finance joined Mintos in March 2017, offering investors the opportunity to invest in personal unsecured loans issued in Spain. Management reports that the average loan issued in Georgia that ID Finance will now place on the Mintos marketplace will be €1000 and have a term of up to 12 months. Investors will be able to invest in Georgian lari (GEL) and Euros. The annual net return offered to investors is estimated to reach 16%.

Solva describes a scoring system built around machine learning, advanced risk assessment techniques, multiple search technologies, big data and text mining. The system also evaluates the device on which the loan application is being filled out and the user’s behavior when filling out the application. These techniques are designed to allow Solva to identify credit-worthy consumers that have been loans by banks.

The loan originator will offer a buyback guarantee for loans that are delinquent for more than 60 days. The share of non-performing loans for Solva is said to currently be at approximately 4%. ID Finance will keep at least 10% of each loan available on the Mintos marketplace on its balance sheet so its interests are aligned with investors.
ID Finance was established in 2012 and now claims to be the largest online consumer lender in CIS region. Headquartered in Barcelona, the company operates in Spain, Kazakhstan, Georgia, Poland, Russia and Brazil, and plans to boost its presence in Latin America in near future. ID

Finannce now claims over 3.8 million registered customers and has so far issued more than 1.1 million loans worth USD $240 million.

Mintos has 27 loan originators issuing loans in 13 countries from Europe, Asia, Africa and more than 32,000 registered investors. As of August 2017, loans worth €300 million have been financed through Mintos.

https://www.crowdfundinsider.com/2017/08/121168-mintos-marketplace-adds-id-finance-loans-issued-georgia/

Ten-X Partners with Money360 to offer financing services for commercial real estate transaction marketplace

Alternate Lending / Specialty Finance

8/29/17

Ten-X Commercial, the nation's leading online real estate transaction marketplace, today announced that it has partnered with Money360, a technology-enabled direct lender focused on commercial real estate (CRE), to offer financing for properties available for sale. The partnership will expand the investor pool for commercial properties listed on Ten-X by giving prospective buyers assurance they will be able to procure the necessary financing to fill the deal's capital stack, while providing sellers and their brokers increased confidence that once terms are agreed upon, buyers will be able source a loan and close the deal.

Under the agreement, Money360 will work with Ten-X to determine which commercial properties listed on the Ten-X platform are appropriate for pre-arranged financing, and will then pre-underwrite bridge and/or permanent loans for qualifying properties. The lender's offers will be listed on the Ten-X property detail page, informing prospective buyers about the available financing terms. After the property trades, Money360 will work with buyers to underwrite, process and close the loans to facilitate the transaction.

"Our mission is to accelerate real estate transactions for buyers, sellers and brokers, and our partnership with Money360 to provide pre-approved financing is a natural extension of our platform," said Steve Jacobs, General Manager of Ten-X Commercial. "Money360 offers a unique combination of cutting-edge technology and decades of experience in commercial real estate financing. The streamlined financing process will provide a customer-friendly solution to buyers who need financing to close transactions. This partnership will enable prospective buyers to make bids and offers with greater confidence, which in turn will lead to accelerated close rates for sellers."

"We're excited to work with Ten-X Commercial, a true industry pioneer, to offer financing to their buyers," said Evan Gentry, CEO of Money360. "They are an ideal partner, as both of our companies are committed to using technology to make the purchase and financing of CRE properties more efficient and transparent, leading to higher closing rates and increased certainty of execution."

For Ten-X Commercial, the agreement with Money360 is the most recent in a line of enhancements to the company's suite of marketplace solutions. Earlier this year, Ten-X released Offer Select 2.0, an enhanced version of its non-auction transaction solution, which incorporates new filtering functionality and other upgrades to simplify the buying process. Together with the Live Bid auction-based format and the Managed Bid hybrid approach, Offer Select 2.0 rounds out Ten-X Commercial's comprehensive suite of transaction solutions, providing sellers and brokers with the flexibility to choose the transaction method that maximizes the value for their assets. Ten-X has sold more than 300,000 properties since its inception, totaling over $50 billion. Leveraging desktop and mobile technology, Ten-X allows customers to safely and easily complete real estate transactions online.

Money360 focuses on providing small-to mid-balance commercial real estate loans ranging from $1 million to $20 million, while offering investors direct access to attractive fixed income investments secured with a first-priority lien against income-producing commercial real estate. The company has closed more than $400 million in total loans and is on pace to close more than $600 million by the end of 2017.

https://www.money360.com/resource-center/ten-x-partners-with-money360-to-offer-financing-services-for-commercial-real-estate-transaction-marketplace

ShopKeep launches "ShopKeep Capital" to help small businesses grow

Alternate Lending / Specialty Finance

8/30/17

ShopKeep, the cloud-based technology solution that transforms an iPad into a smart, connected cash register that is used by more than 24,000 independent businesses, today announced the launch of ShopKeep Capital, a merchant cash advance service. The new service helps small business owners overcome one of the largest challenges that stands in their way of growth – lack of easy access to capital.

Through ShopKeep Capital, select eligible merchants across ShopKeep's customer base will have the opportunity to request a cash advance that can be used towards a variety of business needs, such as purchasing extra inventory, building a new website, expanding their employee base, investing in marketing initiatives and more.

"Difficulty accessing capital is an issue most businesses are familiar with, but for the independent merchants we serve, the issue carries even more weight. Having access to funds when needed can be the determining factor as to whether or not a merchant can expand their business," said Michael DeSimone, ShopKeep CEO and President. "ShopKeep's mission has been to innovatively support the growth of the independent businesses we serve while making the lives of their owners and staff easier. ShopKeep Capital will serve as another critical pillar in serving that cause and we look forward to seeing our customers grow and succeed with the help of a boost from ShopKeep."

One of the key benefits of the ShopKeep Capital program is that merchants will not be subject to fixed, monthly payments. ShopKeep customers will enjoy a simple, seamless process, with a set percentage of the proceeds from their daily sales going to pay the balance until the advance has been paid. This works in the customers' favor, particularly if the businesses sales volume is highly variable, because payment amounts are driven by sales volume and are not fixed.

The ShopKeep Point of Sale serves as the core component of a merchant's daily operations, helping them run a more efficient business and providing valuable data that can drive more informed decisions. This unique view into its merchants' business enables ShopKeep with the ability to identify qualified merchants who could benefit from extra capital, while avoiding risks typically associated with traditional loans.

"We are uniquely equipped to make very well-informed decisions as they relate to our customers and ShopKeep Capital. This service will make for a strong addition to our core business and contribute to our greater mission of supporting the success and growth of our customers," added DeSimone.

https://www.shopkeep.com/blog/shopkeep-launches-shopkeep-capital-to-help-small-businesses-grow

Ondot Systems joins the Symitar Vendor Integration Program

Alternate Lending / Specialty Finance

8/30/17

Ondot Systems, the leading provider of mobile-based card services platform, today announced that it has joined the Symitar Vendor Integration Program (VIP). Participation in the program will provide Ondot with access to Symitar's technical resources to enable Ondot's card control platform to integrate with Symitar's Episys core system. The Vendor Integration Program is designed to help ensure that Symitar's customers can easily deploy third-party products.

Ondot integrates with Episys via SymXchange, a services-based programming interface that enables third-party vendors and credit unions to access the platform's core data and business rules. The integrity of data is maintained throughout any data exchange, because access to business rules and data is managed through a service layer which governs these interactions.

Ondot's solution automates nine of the most common card-related customer service tasks in a mobile setting. Members using the platform can manage everything from card on/off, card replacement, real-time transaction alerts, spending limits, establishing location usage parameters and other actions that traditionally required contacting customer service.

San Antonio-based Credit Human has been using Ondot's card controls since late 2016, and the credit union has found that the card control application reduces the number of service calls made by members and increases mobile engagement with their members.

"Ondot's software's biggest impact has been in driving a better member experience in our mobile channels," said Adele Glenn, Emerging Channels Innovation Architect for Credit Human. "By putting the power of their cards into an easy-to-use mobile app, all of the card management needs our members used to do by calling member support or visiting the branch can now be done in the palm of their hands, 24 hours a day, seven days a week."

Ondot's solution enables users to confirm transactions instantly, reducing the number of calls made to the credit union to resolve fraud issues or false positive card blocks. In addition, the number of calls made to call centers can be dramatically reduced through the ability for members to turn their card on and off, enable online shopping, set spending limits or establish geographic boundaries for transactions.

"Financial institutions that put the power of mobile-based card controls into consumers' hands see daily mobile app and card usage increase as users establish their own usage preferences," David Golden, Senior Director Product and Professional Services at Ondot, said. "By providing the tools needed to make the experience seamless from the Episys core processing system through the end user, credit unions benefit from increased card use, reduced service expenses and greater digital engagement."

Symitar's VIP takes the customer out of the middle, providing vendors with direct access to Symitar's technical resources and test systems. VIP inclusion is not an endorsement of the vendor's product.

http://www.businesswire.com/news/home/20170830005618/en/Ondot-Systems-Joins-Symitar-Vendor-Integration-Program

Credibly selected to service BizFi's $250 million portfolio

Alternate Lending / Specialty Finance

8/31/17

Credibly, a leading findata small and medium-sized business (SMB) lending platform, announced today that the company is now servicing BizFi's $250 million portfolio and 5,200 merchants. Since 2005, BizFi had been a leading capital provider to SMBs and in 2016 was one of nation's top three largest originators of merchant cash advances. Numerous SMB direct lenders vied for the BizFi portfolio. Credibly was chosen due to their proprietary data science driven portfolio management strategy.

Credibly also announced that it has crossed the $500 million milestone in capital deployed to tens of thousands of SMBs across the U.S. This is separate from the $250M portfolio the company is now servicing from BizFi.

"Acquiring the servicing rights of BizFi's portfolio is a testament to our data-driven approach and laser focus on the working capital needs of small businesses," said Ryan Rosett, Credibly's Founder and Co-Chief Executive Officer. "We welcome our new customers and are committed to ensuring that their growth capital needs are met."

In addition to servicing the BizFi portfolio, Credibly is working with both sales partners and merchants to provide additional working capital to the businesses in BizFi's portfolio. Credibly's data science team has the ability to analyze BizFi's twelve years of data and remittance history, which will allow Credibly to better service both the BizFi and Credibly portfolios. Further, BizFi's data enhances Credibly's risk management, scoring models, and portfolio management tools.

The Small Business Association (SBA) estimates that traditional banks still reject approximately 90 percent of SMB loan applications. Since 2010, Credibly has emerged as a proven platform that leverages data science and analytics to provide SMBs with a simple and intuitive way to access critical working capital. The company addresses the fundamental capital needs of SMB owners across a broad credit spectrum and through every stage of a business' life cycle.

Main Street SMBs across a wide variety of industries that include restaurants, retail stores, salons, spas, dry cleaners, auto body shops, and doctors' offices, all rely on Credibly to secure the necessary capital they need to grow.

http://www.prnewswire.com/news-releases/credibly-selected-to-service-bizfis-250m-portfolio-300510970.html

DATA & ANALYTICS / IoT

Amazon is a threat to banks but not in the way one thinks

Data & Analytics / IoT

8/28/17

For Amazon, it's more about disrupting banks, not necessarily displacing them. To date, the Seattle-based e-commerce giant has a foot in payments, cash, small business lending, consumer credit and an initiative to get people to shop with Amazon using their debit cards. Research also shows millennials have no love for traditional banks and would rather manage their money with a more reliable and "fun" brand like Amazon or even Facebook or WeChat, but that's just 23 percent.

Still, observers agree that trend is a little sensationalized; that although we're seeing an Amazonification of financial services — whereby the incumbent banks are platforms for all other non-bank providers of financial services to plug into — legacy firms aren't actually losing accounts to Amazon. But, they are losing direct interactions with customers. For example, USAA and Capital One are both experimenting with Amazon's digital assistant Alexa as a new consumer banking channel.

"The threat is not about [technology companies] taking market share, it's that they become the customer interface and the banks become the ingredient brand," said Alyson Clarke, a principal analyst at Forrester. "When you lose that connection with your end customer, you're simply a no-name product manufacturer. And when you no longer have brand, the only things you have left to compete on are price and features."

Further, large technology firms are becoming more and more operationally important to the financial system, particularly as companies move their data to cloud storage and increase opportunities for consumer facing artificial intelligence, according to Jesse McWaters, the World Economic Forum's project lead on disruptive innovation in financial services.

"Three or four years ago it was common for senior banking executives to fairly declaratively say they would never move systems off premises, and now it's becoming increasingly important for data to be processed in the cloud," he said.

Banks these days look like technology companies — one impetus is companies like Amazon and Facebook raising the bar for digital customer experiences; another is that legacy financial firms are embracing an open API banking system, as they realize their customers like using third-party fintech apps.

These shifts have led them to realize the importance of data security features — encrypting, monitoring and tracking access points. As a result, financial institutions of all sizes are becoming more dependent on cloud-based infrastructure provided by companies like Amazon, Oracle and IBM to scale and deploy processes, according to a report published by the World Economic

Forum (WEF) and Deloitte. Ultimately, that could force them to relinquish some of their control over costs — and data.

“The rise of digital interfaces and data in financial institutions means that those institutions increasingly focus on developing large tech capabilities, which is accompanied by an increased reliance on large tech firms,” the WEF says, which leads to “tough choices for all firms: become dependent on large techs or risk falling behind.”

Amazon has the cloud computing advantage today. The WEF report says AWS is forming the backbone of the financial services ecosystem and Gartner ranks it as the leader in cloud infrastructure, followed by Microsoft Azure and Google Cloud. AWS sales increased 42 percent on a year-over-year basis to $4.1 billion for the second quarter, Amazon reported last month.

The WEF report cites JPMorgan Chase as an AWS customer, though the bank itself avoided naming vendors. In 2016, JPM spent 16 percent ($9.5 billion) of its budget on technology. Then-chief operating officer Matt Zames, who left JPM in June, said in the company’s annual report in April that it has been pursuing a hybrid private-public cloud strategy. Last year it launched Gaia, its private cloud platform; this spring it began running applications in the public cloud.

“Working collaboratively with public cloud providers, we have made significant progress developing a set of solutions that meets our rigorous risk and security standards,” Zames wrote. “The public cloud reduces our peak infrastructure requirements by providing compute services during temporary fluctuations in demand. The public cloud also helps reduce long-term storage costs and accelerates developer access to new cloud services.”

Capital One has employed AWS as part of its strategy to reduce its data center footprint from eight (in 2015) to three by 2018. Stripe, which powers payments for companies like Lyft, Postmates and Kickstarter, is also an AWS customer.

There is a tiny bit of a halo effect around Amazon today in that it seems it can do anything. But it seems like Amazon has better things to do than try to legally become a bank — or even try to steal business away from banks — if only because of how much regulation it would fight both in obtaining a banking license and then in its day-to-day operations.

Longtime Amazon rival Walmart has tried becoming a bank a number of times: in 1999, it tried to buy Federal BankCentre, a one-branch thrift in Oklahoma; in 2006, it applied for a banking license to establish an industrial loan company in Utah. Eventually lawmakers and banking groups blocked future banking efforts by Walmart and tried to prohibit commercial companies from obtaining new ILC licenses.
For Amazon, providing financial services is just a means to an end: making more money by selling more things. Other retailers are still its main competition — not banks.

“They’ve already got the cards and payments going on — and they’re not making money off that, they’re doing that because it enables people to get their goods faster,” Clarke said. “Small

business lending to businesses on the platform helps them get up and running faster, it's about supporting Amazon's existing business model."

PayPal is arguably the more immediate "threat" to the banking industry than Amazon. It is the dominant third-party online payment platform in the U.S. and directly serves consumers, small businesses and merchants. Beyond owning the popular Zelle-rival Venmo, its growing PayPal's mobile offerings. It's extending its reach into brick-and-mortar through mobile wallets and through recent collaborations with Visa and Mastercard — it's even bringing Venmo to in-store merchants. It has consumer credit and small business loan offerings. Giving financial access to people without financial access is sort of its M.O.

PayPal isn't seen as a hazard to the banking industry, which makes Amazon's potential threat even less convincing. Incidentally, the top four U.S. banks as well as Apple, Google and Facebook are all PayPal's partners.

"I don't think Amazon is necessarily a threat to banks at all," said Thad Peterson, a senior analyst at Aite Group. "Banks and fintechs or tech companies are in very, very different niches and a significant percentage of people understand that banks are to be trusted and that their money is safe. That's not going to go away, it's part of their role as a fiduciary."

While Amazon is definitely not a bank or even a payments company, it does have high-quality payments offerings (again, though, it's just a means to an end). But since it's in the retail business, and particularly with its recent Whole Foods acquisition, it could make some payments companies a little uncomfortable. Amazon accounted for 53 percent of U.S. e-commerce growth in 2016, according to receipt mining company Slice.

"We're definitely going to see more from Amazon Pay," but how that looks remains to be seen, said Thad Peterson, a senior analyst at Aite Group. "The more the brand is out there, the greater utilization and awareness it gets. I guarantee you'll be able to use Amazon Pay at Whole Foods, and as Amazon moves into other parts of the retail space I expect Amazon Pay will follow right along with them."

According to Liz Elder, a senior research associate at digital think tank L2, instead of trying to disrupt banks or even payments companies like PayPal, it is far more likely it will focus on what it's already got: affluent millennials.

"Amazon's access to customers who spend more money has been further reinforced through the acquisition of Whole Foods, which by nature serves a higher-end clientele," she said. "PayPal is much more geared to the underbanked population and people that don't necessarily have bank accounts or credit cards."

http://www.tearsheet.co/data/amazon-is-a-threat-to-banks-just-not-in-the-way-you-think

Quantum adds Veritone's Artificial Intelligence platform to its Xcellis storage system

Data & Analytics / IoT

8/29/17

Quantum is the latest company to bring artificial intelligence (AI) to bear on workflow problems for content creation, announcing today that it has integrated aiWare, an AI platform from Veritone, in its Xcellis storage systems.

Bundling Veritone's technology with Quantum's StorNext shared-storage will allow users to leverage technologies including optical character recognition, object detection and speech-to-text transcription in on-premise storage. By keeping the AI processing behind the local firewall, Quantum said, aiWare adds new options for companies concerned about latency, cost or security when it comes to cloud storage.

"The integration of AI with on-premise storage enables organizations to apply cognitive analytics to video and audio content and generate much more robust metadata without the cost and hassle of moving their extensive media libraries to the cloud," said Quantum Senior Director of Media and Entertainment Solutions Marketing Keith Lissak in a prepared statement. "This will be a game-changing capability for many media companies, as it opens up new realms of possibility for monetizing these libraries." News of the partnership was first announced at NAB, when Quantum demonstrated the technology and promised that a joint StorNext-aiWare solution would be in the offing.

Quantum said the technology could enable customized VOD offerings through automated tagging of existing content, faster search and discovery for post-production applications, and the ability to automatically tally all appearances of a sponsor's brand name or logo, in speech or in text, in broadcast media and redistributed clips.

AiWare for Xcellis is now shipping, Quantum said. Three deployment options are available: an Embedded version aimed at small media repositories, for deployment on an existing Xcellis system; a Standard version, delivered on an Xcellis Application Director for improved performance; and the High Performance version, delivered on a souped-up Xcellis Application Director with more than triple the CPU cores and memory of the Standard version. Quantum said most larger companies storing less than a petabyte of content should opt for the Standard version, while those with multiple petabytes will benefit from the additional processing power and memory of the High-Performance configuration.

Quantum said the system can scale as new appliances are added to the storage environment. Support for additional on-premise engines is scheduled to be added starting later in 2017.

http://www.studiodaily.com/2017/08/quantum-adds-veritones-artificial-intelligence-platform-xcellis-storage/

Amazon seeks to defend Alexa's lead as competition heats up

Data & Analytics / IoT

9/1/17

Amazon.com Inc. is pouring more resources into Alexa to maintain its edge as competition heats up among artificial-intelligence assistants, according to people familiar with the company's thinking.

Amazon is adding hundreds of engineers to the Alexa program and giving it hiring preference over other divisions, the people said. It has also put Tom Taylor, a veteran Amazon executive known for scaling high-growth operations, in charge of the business, after the former Alexa chief retired.

Alexa powers Amazon's Echo speaker device, which was the first of its kind when it was launched nearly three years ago. The Echo has about three-quarters of the U.S. market for smart speakers, with more than 11 million total devices sold through the end of last year, according to analyst estimates.

But the people say Amazon executives are eyeing a land rush they have created, with new or planned devices using similar virtual assistants from Alphabet Inc.'s Google, Apple Inc., Microsoft Corp. and Samsung Electronics Co. All four rivals have access to different, deeper pools of data through their huge device businesses, which could be used to quickly train assistants on user behaviors and language.

On Wednesday, Amazon said it was teaming up with Microsoft to allow their voice-enabled digital assistants to work together, move analysts said would help boost Alexa's content. But the two won't be sharing data.

Amazon draws its user data primarily from its retail website, which gives it a big advantage when it comes to shopping and other related machine learning, and its Echo devices.

Google gathers data from its widely used search engine in addition to its Android operating system for smartphones. It is directing its voice assistant at Amazon's stronghold, e-commerce, with the partnership it announced with Wal-Mart Stores Inc. last week. Users of its Google Express shopping service will be able to order from the retail giant by voice via Google's virtual assistant.

Google's virtual assistant, which responds to "OK, Google," now understands questions as well as Alexa, at about 95%, according to Loup Ventures research, which tested 800 questions on both systems. Google previously lagged behind in a February test, understanding about 77% of queries, versus 94% for Alexa. Google answered 65% of the questions correctly, compared with 54% for Alexa, although both improved.

"If I am the person who is in charge of the Echo, I would be concerned about the war chest of data that Google has to make this experience better," says Gene Munster, head of research at Loup Ventures.

Amazon declined to comment on its Alexa strategy.

Amazon already has bolstered its Alexa business, including the launch last year of the $49.99 Dot, a smaller cousin to the $179.99 Echo. That has helped drive adoption of Alexa because the Dot has sold faster than the Echo, according to an internal document viewed by The Wall Street Journal and people familiar with the matter.

Amazon integrated Alexa with outside developers and products, adding more than 15,000 skills.
Amazon integrated Alexa with outside developers and products, adding more than 15,000 skills.
PHOTO:

Amazon also integrated Alexa with outside developers and products, adding more than 15,000 skills that allow consumers to ask Alexa to digitally shake a Magic 8-ball or turn on the lights. Alexa has also been added to devices ranging from Ford Motor Co. cars to Sears Holdings Corp.'s Kenmore refrigerators, which Google is also trying to do.

Still, Amazon needs Alexa to keep getting smarter. Josh Vickerson picked up a Dot late last year when it was on sale for $35. The 24-year-old originally tried out features like playing Jeopardy and integrating his Fitbit. Now he uses it to play videos, set timers and turn off the lights.

"It's fun to play with when you first get it," said Mr. Vickerson, a Rochester, N.Y.-based web developer. But "there's no enormous value proposition." He's considering purchasing Apple's new $349 Home Pod, which comes out in December, in which Apple's AI assistant, Siri, is expected to be integrated.

Amazon has been accelerating the growth of its Alexa staff at a rapid pace for years—long before competitors emerged. The company recognizes when it has to boost growth in certain divisions to grab more share in an emerging market, the people said.

It's unclear exactly how large the Alexa unit's staff is now, but LinkedIn shows nearly 3,000 current Amazon employees with Alexa in their description. Amazon's jobs site recently had nearly 1,500 openings mentioning Alexa.

The Alexa division now generally wins when competing within Amazon for promising job candidates and other resources—even against Amazon Web Services, the highly profitable cloud services division, according to the people.

Overseeing the effort since June is Mr. Taylor, a nearly 20-year veteran who previously ran seller services. That includes the company's Fulfillment by Amazon program, where Amazon stores and ships merchandise for sellers on its site. That division has experienced explosive growth over the past few years. Mr. Taylor succeeded Mike George, who retired after two decades at Amazon.

A major goal is to generate more data via greater Alexa adoption. The added engineers are developing new features and pushing deployment of new Alexa-enabled devices, as well as helping with algorithms to improve functionality, the people said.

The hope is that attracts more companies to integrate Alexa into more smart cars, appliances and other devices, thereby adding more users who generate more data that Amazon can use to further train Alexa.

https://www.wsj.com/articles/amazon-seeks-to-defend-alexas-lead-as-competition-heats-up-1504263601

OTHERS

Cyber security firms link up to fight attacks

Others

8/22/17

Start-up accelerator Level39 has launched Cyber39, a programme aimed at bringing together private companies to address cyber threats facing the country.

Cyber39 will initially involve Level39's 22 cyber-security companies, but it hopes other companies join in an effort to share ideas and "scale and develop" new technologies.

Level39 also unveiled the Cyber Demonstration Centre to allow start-ups to showcase their innovations.
The centre will be based at its Canary Wharf headquarters and is backed by the Department for Digital, Culture, Media and Sport and the Department of International Trade. Last month, the DCMS unveiled plans to build a new cyber-security centre in London.

"While the Government has committed to backing innovation to address this threat, the private sector must accelerate the growth of the ambitious start-ups that are so often our first line of defence," said Level39's Ben Brabyn.

The digital minister Matt Hancock said London is "at the forefront of the booming cyber security industry, and we want to keep it that way".

https://www.standard.co.uk/business/cybersecurity-firms-link-up-to-fight-attacks-a3617096.html