Evolve
Capital Partners

Weekly News Update

Week Ending 11/3/17

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	Specialty Finance / Alternate Lending
Financial Management Solutions	Payments	Data & Analytics / IoT

News Count

Sector	Number of News	% of Total
Bank Tech / Solutions	10	26%
BPO	2	5%
Financial Management Solutions	2	5%
Healthcare Tech	4	11%
Insurance	2	5%
Payments	8	21%
Securities	5	13%
Specialty Finance / Alternative Lending	3	8%
Data & Analytics / IoT	2	5%
Others	3	8%
Total	**39**	**100%**

BANK TECH / SOLUTIONS

UK begins roll out of cheque imaging

Bank Tech / Solutions

10/30/17

The UK is beginning the phased roll out an image-based cheque clearing system that will slash processing times from six 'weekdays' to one day and pave the way for the introduction of interbank mobile cheque deposits.

Although cheque usage is in decline, 477 million were written in 2016. Previous attempts to abolish cheques caused political uproar and howls of protest from consumer groups and charities which still rely on paper-based donations.

Legislative changes to enable the passing of digital cheque imaging came into force in July 2016 and marked the onset of a number of bank trials of mobile cheque deposit systems for intra-bank clearing. Under the new system, banks will be able to accept and clear cheque images drawn from their peers.

Initially, the volume of cheques going through the new system - built by Vocalink and Exela Technologies - will be small, with the UK's Cheque and Credit Clearing Company running two clearing systems in parallel until all banks have come online later in 2018. This means that some cheques that customers write or pay-in will be cleared more quickly via the image system, and some will clear to the existing, six weekday timescale through the current, paper-based system.

James Radford, chief executive officer of the Cheque and Credit Clearing Company, says: "For more than 350 years the way cheques have been cleared in this country has essentially remained the same. Now, with the introduction of cheque imaging, we are bringing the UK cheque into the 21st century, ensuring that it remains a secure, robust and viable payment method for the millions of charities, businesses and personal customers that still write or receive cheques on a regular basis."

https://www.finextra.com/newsarticle/31263/uk-begins-roll-out-of-cheque-imaging?utm_medium=dailynewsletter&utm_source=2017-10-31&member=93489

Personetics leverages AI to help chip away at student loan crisis

Bank Tech / Solutions

10/30/17

Cognitive analytics company Personetics has launched Personetics Act to offer banks a way to help customers repay their student loans ahead of schedule, reports Julie Muhn at Finovate (Banking Technology's sister company).

The new service uses the Nudge Theory to incentivise the 44 million US student loan borrowers who owe more than $1.4 trillion in student loan debt to pay down their loans early and avoid paying thousands of dollars in interest.

The Nudge Theory was demonstrated by 2017 Nobel Prize winner Professor Richard Thaler, who noted that people make better decisions to improve their financial health when the choice is made easy for them.

Personetics Act puts the Nudge Theory to work by helping banks identify consumers that 1) have a student loan and 2) can afford to pay it off faster. The programme offers these consumer a tailored, automated service that adjusts to changes in their spending behavior and continually analyses their financial picture to find unused funds that can be applied toward the existing loan balance. This can be set to automatically make payments on the customer's behalf or to appear as a suggested recommendation. The company notes that applying an additional $50 per week towards a $40,000 student loan that bears a 5% interest rate can allow a customer to pay off the loan 3.5 years faster and save over $4,000 in interest payments.

"Existing bank plans are limited in scope and therefore unlikely to make a visible dent in any customer's outstanding loan balance," says David Sosna, Personetics' co-founder and CEO. "By applying artificial intelligence (AI) algorithms to analyse individual customer cash flows, we're able to identify windows of opportunity for customers to make these extra payments with no effort on their end."

Personetics was founded in 2011 in Israel and to date has received $18 million in total funding. Personetics recently onboarded Royal Bank of Canada (RBC) to pilot an AI-powered financial guidance solution, NOMI Insights, and an automated savings platform, NOMI Find & Save.

http://www.bankingtech.com/1049592/personetics-leverages-ai-to-help-chip-away-at-student-loan-crisis/

Bank of Ireland backs open ecosystem for innovation

Bank Tech / Solutions

10/31/17

Dave Tighe, head of open enterprise and innovation for Bank of Ireland explains how the bank is nurturing Irish entrepreneurs with partnerships, funds, mentoring and collaborative work spaces. When Bank of Ireland put open banking at the heart of its growth strategy, we knew that co-operation and innovation would be the keys to success. This meant working closely with fintechs to make us more competitive, and embracing the wider community of technology companies that might provide innovative, value-added solutions for our customers.

We decided to create an ecosystem that was as open as possible and that would allow us to work with lots of different tech partners - from start-ups, through scale-ups to well-established companies. Our ecosystem is a truly symbiotic system that benefits everyone and, most importantly, our customers.

But that's not all. Our ecosystem is global; we don't just work in Ireland. Our global footprint enables domestic tech firms that we work with to move more quickly on to a global stage. And when those tech companies are focused on banking, we get early access to the solution.

So how do we do it?

Our multi-faceted strategy has something for everyone. We work with students, undergraduates and post-graduates providing mentoring, funding and networking to connect them with entrepreneurs.

For those thinking about entrepreneurship or building something special we have free drop-in, co-working spaces and trained staff to help with developing business ideas and finding support and funding. First established in 2015, we now have Workbenches in six branches, with more to come. They are open to all and foster an atmosphere of discussion and knowledge sharing.

Their success has been phenomenal. The original Workbench, in our Grand Canal Street branch, Dublin, held more than 300 events in its first year, attended by more than 14,000 people. But it's not just about numbers; it's about bringing exciting new tech solutions to fruition. Plynk, a social-media payments app, is a product of Grand Canal Street Workbench. Its founders met there, came up with the concept for the business, worked with our community managers, received early-stage funding from our Delta Early Stage Capital fund, and were incubated in our Dublin offices. It has just closed a €25m fundraising round and announced 40 new jobs for Ireland.

Where Workbench is open to all, StartLab is by invitation only. Once young tech companies have a proof of concept, they can apply to receive six months' free mentoring, support and work space to scale up **their** business. StartLab is focused on helping tech entrepreneurs understand the fundamentals of a business, including market and customer validation, product fit, pitching for funding and pitching for customers.

Again, its success has been staggering. So much so that in March 2017 we opened a sister StartLab in New York to help Irish tech companies break into the US market. This program lasts 12 months (rather than six) and is free. Currently, it is helping seven Irish tech companies from premises near Grand Central Station, all of whom have received tremendous support from established Irish/American businesses.

Our open business ecosystem is growing, and going global, and all this is helping to create a virtuous circle. The bigger and more dynamic the ecosystem, the better the environment for growth. For this reason we don't rule out candidates already supported by our rivals, and we are willing to look at any tech solution that can be applied to business.

There is one exception to this. Where Workbenches, StartLabs and student programs have a general all entrepreneur remit, our forthcoming Dublin StartLab will heavily focus on fintech. Our Dublin StartLab will also leverage and partner with the Temenos' MarketPlace and Sandbox; which is focused on offering customers proven solutions that can be implemented quickly (MarketPlace) and understanding risk and protecting customers from it (Sandbox). Both of Temenos' initiatives allow companies to move faster with lesser risk, which has got to be good for everyone.

We expect this fintech focus to provide insights into banking business models, show where fintech is heading, and help us make sure that the tech solutions we are promoting will solve real customer problems.

Like all healthy ecosystems, ours is changing all the time. Partners come and go. But what isn't changing, and never will, is the fact that our community is helping businesses to grow and improve their performance, including our own. These are exciting times.

https://www.finextra.com/newsarticle/31264/bank-of-ireland-backs-open-ecosystem-for-innovation

€18 billion invested in software by European banks in 2016

Bank Tech / Solutions

10/31/17

The European Banking Federation (EFB) has released survey stats that show that European banks last year invested more than €18 billion in software.

The survey polled 108 banks of different sizes with different business models in 12 European countries.

With software becoming a core asset in banking, according to the EFB, recent projections placed the IT investments by European banks well above €50 billion per year, with a large part invested in software.

However, due to regulations, European banks are required to match its software investments with an equivalent amount of capital to maintain ratios.

As a result, this is not only a disincentive for investments but it also leads to "unfair competition" making software investing more expensive when compared to competitors such as fintechs and US banks, the EFB points out.

The EFB went on to say that the current revision of the Capital Requirements Regulation presents an opportunity for Europe to establish a fair competition in its banking marketplace.

http://www.bankingtech.com/1051172/e18-billion-in-software-invested-by-european-banks-in-2016/

IBM Security unveils system to help banks identify fraudulent accounts

Bank Tech / Solutions

10/31/17

IBM Security today announced a new capability from IBM Trusteer that helps banks identify fraudulent accounts before they are opened. The technology also protects consumers even if they are not a customer of the bank being targeted with the fake account

Identity fraud continues to be a global challenge, and an expensive one for banks and financial institutions. In the past six years, $112 billion has been stolen through fraudulent means, equating to $35,600 lost every minute. These trends are likely to continue when coupled with the historic breaches of personally identifiable information like addresses, Social Security Numbers and birthdates.

IBM Security helps banks and other financial service providers protect consumers by making it easier to identify fraudulent accounts with its IBM Trusteer New Account Fraud detection offering. This new technology, which is part of IBM's Trusteer Pinpoint Detect portfolio, helps financial institutions leverage machine learning to bring together the device and network information used to open a new account with analytics to help detect fraud.

IBM Trusteer New Account Fraud helps banks separate the fraudulent users from the legitimate ones, by not only looking at the positive information they provide, but comparing that with the negative indicators surrounding the transaction. The tool also looks at critical stages of the account creation process and leverages behavioral analytics to help verify identity and potential fraud patterns.

For example, details such as the IP address of where the account is being created, geolocation/time zone, and the health of the device that is being used can all be helpful in detecting fraudulent activity. If these details differ from the usual appropriate user, then it's a sign that a new account may be fraudulent.

The New Account Fraud solution will be an add-on to IBM Security Trusteer Pinpoint Detect, which protects hundreds of global financial institutions and banking websites against account takeover and fraudulent transactions and helps detect end user machines infected with high risk malware.

https://www.finextra.com/pressarticle/71413/ibm-security-unveils-system-to-help-banks-identify-fraudulent-accounts

Warwyck Private Bank signs for Olympic Banking System

Bank Tech / Solutions

10/31/17

ERI is pleased to announce that Warwyck Private Bank ltd, headquartered in Phoenix, Mauritius, has chosen the Olympic Banking System for the development of its private banking business. Warwyck Private Bank Ltd is one of the first Banks in Mauritius to be granted a licence as an exclusively private banking and wealth management financial institution. The Bank intends to offer its clients high quality services based on the Swiss model.

To support its growth strategy in the Private Banking business, Warwyck Private Bank has decided to implement a new Banking System platform to replace several legacy systems. The OLYMPIC Banking System will support the entirety of the Bank's business lines, specifically embarking functionality such as Portfolio Management, Fund Management and Digital Banking.

The implementation project for the OLYMPIC Banking System has already started. The Bank will be equipped not only with advanced transaction processing and reporting tools, but also with a highly automated transaction processing capability.

Pascal Dulau, CEO Warwyck Private Bank Ltd explained: "We have very demanding clients, and many of the products we are offering require a high degree of attention to detail. We have selected ERI as our IT platform partner for the future on the basis of the international experience of their solution and the wide functional coverage the product offers.

Jean-Philippe Bersier, Business Development Director ERI, commented: "We are delighted that Warwyck Private Bank Ltd has chosen to implement our application. This is our second win on the Mauritius market and we feel confident that our international expertise, combined with the depth and breadth of functionality in the product, will provide Warwyck Private Bank with exactly what they need to operate their new business model successfully."

https://www.finextra.com/pressarticle/71415/warwyck-private-bank-signs-for-olympic-banking-system

Fintech firm Bud strikes deal with Avios

Bank Tech / Solutions

11/1/17

Bud enters into partnership with travel rewards firm, weeks after announcing a trial with HSBC.

Fintech disruptor Bud continues to build out its supermarket of financial services. Today, the company has announced an exclusive partnership with Avios, allowing members of the travel rewards programme to access the “invite-only” version of the site. Those who sign up and login to their Avios account via the Bud dashboard will also pick up 500 Avios.

The Bud dashboard already features integrations with Barclays, HSBC, First Direct, American Express, Nutmeg, Zopa and beyond. Users can view and interact with all of these services through the Bud portal.

To this point, Bud has primarily been operating as a B2B service, allowing banks to leverage its technology to sharpen their own customer proposition. First Direct, owned by HSBC, became the first UK bank to push energy and broadband deals to consumers in October via a partnership with the Bud platform.

But while Bud’s D2C offering continues to simmer behind the scenes, the firm seems in no hurry to on-board users. In fact it tends only to use its D2C platform as a means of testing new products and integrations with a controlled crop of dedicated users. One wonders, then, whether there might be more to the Avios integration than meets the eye.

“Adding rewards to our platform brings us even closer to our ambition of linking all financial services in one place,” said Alan Walsh, head of network and partnerships at Bud. “This relationship will see us continue to offer significant value to Bud users, banks, the ever-expanding number of partners in our marketplace and now Avios customers too. It’s the start of a fantastic relationship.”

http://www.altfi.com/article/3680_fintech_firm_bud_strikes_deal_with_avios

MRI Software and KeyBank partner to automate payments for the Real Estate industry

Bank Tech / Solutions

11/1/17

MRI Software, a global leader in real estate software solutions, announced today that it has formed a strategic relationship with KeyBank, one of the nation's largest bank-based financial services companies, to provide clients access to KeyTotal Pay, powered by AvidXchange™, KeyBank's payment automation solution.

KeyTotal Pay provides real estate owners and operators the ability to eliminate paper checks, optimize vendor payments, and streamline reconciliation. Time-consuming post-payment activity and ongoing vendor engagement are shifted to KeyBank, while information reporting and research is embedded within MRI's financial management software.

The KeyTotal Pay platform has a high conversion rate to electronic payments, utilizing AvidXchange's payment network with more than 350,000 vendors and growing. Additionally, clients can maintain their existing operating accounts, even those with other banks. With KeyTotal Pay, payments are more secure, transparent, and cost-effective.

KeyTotal Pay is a complementary service to MRI Vendor Pay, which is MRI Software's existing payment automation solution, that offers greater choice and flexibility to mutual clients of MRI and KeyBank. KeyTotal Pay and MRI Vendor Pay are both powered by AvidXchange, allowing clients that have a banking relationship with KeyBank to automate payments through KeyTotal Pay, while others can select MRI Vendor Pay. In both cases, MRI will fully support the back-end integration into the client's financial database.

"We are incredibly excited to publicly announce this partnership. Two Cleveland-based companies, heavily focused on the real estate sector, have joined forces to bring best-in-class vendor payments technology to the market. Our integration with MRI gives our clients a seamless user experience with limited change to current processes. Simply put, we are leveraging technology to automate manual, paper-intensive processes," said Kevin Tholke, senior vice president of real estate payments at KeyBank. "Our mission is to help our clients run their businesses better every day. We do so by partnering with like-minded companies that have industry-leading technology, such as MRI Software."

"This new partnership with KeyBank builds on a long-standing relationship with AvidXchange to provide additional flexibility and choice for our clients," said John Ensign, executive vice president and general counsel for MRI Software.

"MRI users can simply select their payments from within our financial module and, instead of sending them to the printer, click a button to send them to the KeyTotal Pay network via the MRI Vendor Pay real-time integration. Clients now have the ability to enhance their relationship with

KeyBank and access KeyTotal Pay through MRI's industry-leading accounting and financial management platform."

https://www.prnewswire.com/news-releases/mri-software-and-keybank-partner-to-automate-payments-for-the-real-estate-industry-300547183.html

Iberiabank selects nCino for cloud-based lending

Bank Tech / Solutions

11/1/17

Iberiabank has selected nCino's cloud-based Bank Operating System to process services across several lines of business, including commercial and SME lending and treasury management.

After an evaluation of its current technologies, the bank identified the need for a partner that would help optimise its processes to enable "efficient and profitable growth", explains Iberiabank.

According to nCino, its Bank Operating System allows for a single, secure cloud-based platform, built on Salesforce, that combines customer relationship management (CRM), loan origination, deposit account opening, workflow, enterprise content management, business process management, digital engagement and instant reporting.

Mike Boyd, director of strategic risk initiatives at Iberiabank, says: "nCino will deliver a holistic view of our client relationships from the convenience of one platform, allowing us to present more timely, personalised offerings and better meet clients' financial needs".

Headquartered in Lafayette, Louisiana, Iberiabank has a branch network of 228 locations in ten southeastern states of the US.

Other recent deals for nCino include ConnectOne in New Jersey, Gulf Coast Bank & Trust in Louisiana, Pacific Western Bank in California (the 100th implementation of Bank Operating System), Great Southern Bank in Missouri, Valley National Bank in New Jersey, North State Bank in North Carolina and CrossFirst Bank in Kansas.

Previously, nCino gained its first client outside the US – UK-based OakNorth Bank.

http://www.bankingtech.com/1052192/iberiabank-selects-ncino-for-cloud-based-lending/?utm_source=rss&utm_medium=rss&utm_campaign=iberiabank-selects-ncino-for-cloud-based-lending

Telecoms giant Orange has launched its own mobile-based bank

Bank Tech / Solutions

11/2/17

Telecommunications corporation Orange has launched its own bank, it was announced Thursday.

Orange said its mobile-based retail bank is available in France and offers customers current accounts, bank cards, overdraft lending, a free insurance package and a savings account.

"With Orange Bank, this is an important new chapter in our history: Orange is now also a bank. A 100 percent mobile-based bank that is dedicated to providing an incomparable user experience," Stéphane Richard, chairman and chief executive of Orange, said in a statement Thursday.

Richard said the Orange Bank would combine "the best innovations available on the market today."

Orange's bank is the latest in a long line of challenger banks to provide a digital alternative to traditional offerings from larger lenders.

A number of challengers have been set up, such as Britain's Starling Bank and Germany's N26.

Orange Bank will provide real-time balances, mobile payments and a virtual adviser, the telecoms giant said.

Customers will also be able to visit Orange's stores to set up an account or fix any issues they are having.

The firm said it is also looking to introduce personal loans and mortgages.

https://www.cnbc.com/2017/11/02/telecoms-giant-orange-has-launched-its-own-mobile-based-bank.html

BPO

Capgemini expands digital transformation capabilities in New York

BPO

10/25/17

Capgemini today announced an expansion of its digital transformation capabilities in New York with the opening of a new innovation and client experience center at 79 Fifth Avenue in the heart of New York's Silicon Alley. The new location brings together innovation and transformation consultants, including Capgemini's innovation consultancy Fahrenheit 212 and its most recent Applied Innovation Exchange (AIE), with end-to-end business and IT services under one roof. The center represents a significant investment in capabilities designed to support and collaborate with clients at every stage of their digital transformation journey.

"Our clients are facing rapid and significant change that continues to accelerate; new marketplace entrants and disruptors, emerging technologies, and evolving consumer expectations are altering the relationships and connection points across people, business and technology," said John Mullen, Head of North American Markets, Capgemini. "Our new location in New York represents an investment in our Collaborative Business Experience partnership model, which enables us to create custom client teams that leverage industry-leading partnerships and end-to-end capabilities in digital, cloud, innovation, business and IT transformation services."

Capgemini's expansion in New York City follows in a year of revenue growth in digital and cloud both globally and in North America, which is the Capgemini Group's largest region by revenue. This new innovation and client experience center includes Capgemini's newest AIE that connects Capgemini's clients to New York's vibrant innovation and technology startup ecosystem. It features the latest technology and newest thinking in designing spaces to facilitate transformation-enabling collaboration, experimentation and innovation. The New York AIE is part of Capgemini's AIE global platform and network that provides clients with unprecedented access to innovation sources across the world.

Lanny Cohen, Group Chief Technology and Innovation Officer, and member of the Group Executive Committee at Capgemini, said, "Competitive advantage is about combining an ability to imagine new and better ways of doing business, and achieving that transformation by leveraging a complex ecosystem of partners, innovators, incubators, think tanks, start-ups and scale-ups. Our expansion in New York enables us to provide more innovative business and technology solutions across our portfolio to create tangible value for clients."

Capgemini's increased strength and expanded digital and innovation capabilities in New York offers clients a vast portfolio of services to develop and deploy sector-specific solutions to leverage emerging technologies and new business models.

"Our clients are now starting to look at value creation differently. In addition to transforming and optimizing their operations, many of our leading clients are betting on innovation as a key driver of growth, leveraging and coordinating a portfolio of digital capabilities to create and recreate their products, services and customer experiences. We designed our NY presence specifically around a unique new integrated offer, from strategy and concept design through to implementation," said Todd Rovak, CEO of Capgemini Consulting NA and Fahrenheit 212.

https://www.prnewswire.com/news-releases/capgemini-expands-digital-transformation-capabilities-in-new-york-300543180.html

Genpact and Sequoya team to help CPG companies transform trade promotion and pricing-related investments

BPO

11/1/17

Genpact, a global professional services firm focused on delivering digital transformation, today announced a new strategic relationship with Sequoya, an analytics firm specializing in multi-source data modelling and predictive analytics solutions. With this relationship, Genpact will integrate the Sequoya 20/20 analytics platform into its analytics and digital portfolio to optimize the trade promotion operations for its consumer packaged goods (CPG) and life sciences client base.

CPG and life sciences companies are under increasing pressure to optimize their return on their investment in promotion and pricing-related activities to provide an exceptional customer experience. Most continue to struggle to generate the insights from data that can best determine future outcomes and generate positive returns. To help clients leverage advanced and predictive analytics, Genpact will augment its automation to artificial intelligence (AI)-based Genpact Cora platform with the Sequoya 20/20 application. The net results for clients will be the ability to generate pricing algorithms faster and more accurately, allowing better pricing strategy and decision making. This new relationship will also dramatically increase Genpact's speed of data-to-insights-to-action, leveraging both technology and a managed service analytics center of excellence.

"Trade promotion spending for CPG and life sciences companies has moved far beyond cost, and is now focused on driving outcomes that create a competitive advantage, by way of optimizing trade spend, getting better return on sales impact, improving forecast accuracy, and providing outstanding customer service," said Ajay Kapoor, growth leader, CPG, Genpact. "This strategic relationship with Sequoya allows us to better harness data flows and leverage our automation to AI-based Genpact Cora platform along with our analytics capabilities to make the algorithms far smarter and more real time to provide deeper insights and a better user experience for our clients."

"Successful Revenue Growth Management (RGM) is driven by optimal trade and pricing strategies. CPG companies are building global RGM organizations to harness these strategies and build consistent analytic processes and capabilities across markets," said Richard Althoff, Founder and CEO, Sequoya. "This strategic relationship with Genpact gives us the global reach to deliver and execute these strategies locally."

https://www.prnewswire.com/news-releases/genpact-and-sequoya-team-to-help-cpg-companies-transform-trade-promotion-and-pricing-related-investments-300547397.html

FINANCIAL MANAGEMENT SOLUTIONS

Tyler Technologies and Samsung to develop innovative offerings for public safety agencies

Financial Management Solutions

10/23/17

Tyler Technologies, Inc. (NYSE: TYL) announced today that it is collaborating with Samsung Electronics America, Inc. in the Samsung Enterprise Alliance Program (SEAP) to create additional innovative products for public safety agencies. This program provides partners with access to more device features and leading-edge technologies on Samsung mobile devices. With this capability, partner software solutions can be better tailored to meet the needs of public safety end users, with the assurance of Samsung's defense-grade mobile security platform protecting the devices from hardware through software layers.

Tyler is currently working with Samsung to develop wearable smart device applications that will integrate with New World™ public safety software. This initial wearable device will be available on the Samsung Gear S3, which is Samsung's newest smartwatch and is compatible with most Android smartphones. Providing a wearable device helps improve access to mission-critical information for first responders without adding to the bulk of the devices they are already required to carry.

"This collaboration is a perfect fit for Tyler's New World public safety solution as we aim to provide best-in-class software for first responders," said Brian Leary, Tyler's vice president of software strategy and development for New World. "The Samsung Gear S3 is just the start of the innovative plans we have with Samsung, and we look forward to providing additional benefits to our current and future clients."

This wearable technology will add to the product offerings available in Tyler's New World public safety solution, which provides mission-critical information to dispatchers and first responders to increase the safety of users and the public. Current solutions include fully-integrated computer aided dispatch (CAD), law enforcement records management, mobile and field reporting, corrections, analytics, fire and EMS solutions. Wearable technology helps extend the functionality of these solutions and increase officer safety by enabling hands-free communication in emergency situations, without the need for a mobile phone nearby or wi-fi connection.

"Through the Samsung Alliance Program, we work with partners like Tyler Technologies to create new solutions that combine their transformative technologies with Samsung's mobility expertise," said Jan Ruderman, senior director, Public Safety, Samsung Electronics America. "In this instance, we're bringing the power of untethered, LTE-enabled mobility with the Samsung Gear S3 smartwatch to public safety agencies, enabling them to modernize elements of their existing technology systems without a complete overhaul. It's a prime example of the value we can bring not only in cost savings, but also in deeper engagement and empowerment for the end user."

In the future, wearable technology will provide significant improvements in situational awareness and communications as it senses changes in the field, provides automated alerts, and provides the field officer with knowledge about the location, person, or vehicle they've come into contact with.

Once the wearables have access to the information in New World CAD, law enforcement records management, fire records managements, and jail management software, field officers could use their smartwatch to:

- Receive alerts to important calls for service, stolen vehicles, or abducted children
- Notify others of an emergency and request assistance
- Receive location alerts
- Join a call in progress and keep the 911 center apprised of their status
- Receive alerts about dangerous situations and officers needing assistance
- Automatically notify others if they are down or in pursuit

"Tyler's collaboration with Samsung highlights our commitment to providing those in public safety with leading technology that helps enhance the safety of first responders and the communities they're proud to serve," said Greg Sebastian, president of Tyler's Public Safety Division.

http://www.businesswire.com/news/home/20171023005072/en/Tyler-Technologies-Samsung-Develop-Innovative-Offerings-Public

Paylocity Introduces compensation management and surveys solutions

Financial Management Solutions

11/2/17

Paylocity Holding Corporation (Nasdaq:PCTY), a provider of payroll and human capital management (HCM) software solutions, announced at its ninth annual Client Conference the two latest additions to its product suite: Compensation Management and Surveys. These solutions deliver simple, flexible, and intuitive solutions to meet the growing demands of the modern workforce.

Compensation Management

Compensation management can improve how organizations fairly and competitively reward employees. Whether through annual increases or one-time payments, leaders can make informed decisions to ensure increases align with organizational guidelines and performance metrics.

“Compensation is one of the most important decisions human resource professionals have to handle, yet most do not have a strategic approach leveraging data, such as performance,” said Steve Beauchamp, Chief Executive Officer at Paylocity. "Paylocity's Compensation Management product brings automation to the process of merit increases and bonuses by setting guidelines for managers to get involved, creating an informed and strategic compensation process. This product will change the way our clients approach compensation by putting the right information at their fingertips for informed decision-making."

With Compensation Management, users can create flexible compensation plans that align with a company’s compensation cycles. Specific features of this solution include:

- Simple configuration of plans that include budgets, plan participants, eligibility rules, guidelines, and multi-approval process with automated approvals
- An executive view for leadership across their reporting to ensure the annual compensation process is allocated in a way that retains top talent
- Managers can easily administer their budget and distribute increases with automatic calculations on a simple dashboard with note capabilities
- Payroll updates are made automatically upon completion of the compensation plan

Surveys

Communication in the workplace helps drive organizational success and employee satisfaction. Surveys enables clients to gather real-time employee feedback that is repeatable and simple to use. Clients can get started with one of Paylocity’s engagement surveys, or easily create a custom survey, such as a new hire or exit survey.

"Engaging with your workforce and understanding employee sentiment is necessary for creating a best-in-class culture," said Ted Gaty, Sr. Vice President of Product & Technology. "Ongoing feedback from surveys allows our clients to take action and drive authentic change in their organizations."

With Surveys, understanding employee sentiment is simplified and the results will give HR professionals the insights required to drive cultural initiatives while attracting and retaining top talent.

https://globenewswire.com/news-release/2017/11/02/1173758/0/en/Paylocity-Introduces-Compensation-Management-and-Surveys-Solutions.html

HEALTHCARE TECH

Nokia remains bullish on its digital health offerings

Healthcare Tech

10/30/17

Nokia remains confident in the potential of its digital health business, despite having to writedown 141 million euros ($164 million) in the third quarter, according to Reuters. The Finnish telecommunications company dipped its toes in the digital health market in 2016, purchasing Withings, a smart health and fitness wearables maker, for 170 million euros ($197 million). Nokia's confidence likely comes from the rapid growth of the booming global healthcare market, which is projected to grow at an annualized rate of 25% between 2017 and 2024 to reach $379 billion, according to Global Market Insights .

While new to digital health, Nokia's experience with mobile devices positions it well to succeed in the mobile health (mHealth) market . mHealth includes all aspects of digital healthcare that involve mobile devices, including apps and health monitoring devices, like fitness trackers. This segment of digital health is expected to outpace the overall digital health growth rate - from 2017, it's forecast to grow at an annualized rate of 35% to $200 billion by 2024 .

Nokia's has made a number of moves in the digital health space beyond its acquisition of Withings:

The company launched its Health Mate app in June. The app will serve as a central hub for consumers to evaluate data collected from Withings' existing health tracking wearables line-up as well as forthcoming products.

The business unit's growth strategy is focusing on patent, technology, and brand licensing to facilitate faster growth in the market. That's according to Nokia CEO Rajeev Suri on the company's Q3 2017 earnings call Friday. While the company took a hit from the Withings purchase, Suri reaffirmed Nokia's plans to leverage its global brand name and technological experience to take advantage of the digital health opportunity.

http://www.businessinsider.in/DIGITAL-HEALTH-BRIEFING-Nokia-remains-bullish-on-digital-health-efforts-Zocdoc-uses-AI-for-insurance-checker-Samsung-spins-out-two-new-digital-health-startups/articleshow/61343529.cms

New Zocdoc feature uses AI for appointment booking

Healthcare Tech

10/30/17

Zocdoc, the online medical scheduling company, launched an AI-powered insurance checking feature, which aims to reduce major scheduling pain points for both patients and providers. Patients will now be able to quickly add their insurance data and get coverage information just by uploading a picture of their insurance card. Zocdoc, using an artificial intelligence (AI) model that recognizes patterns on thousands of types of medical insurance cards and can match them with a known carrier and plan, reducing a primary pain point for the majority of US consumers - 77% of insured Americans stated they would like an easier way to ensure their doctor is in-network when booking appointments, according to a Zocdoc-Kelton Global Insurance Confidence survey. AI technology has the potential to transform the patient experience by providing the means to create a more tailored, personalized experience at scale - 84% of healthcare executives believe AI will revolutionize the way they will gain data from and interact with customers, according to Accenture.

http://www.businessinsider.in/DIGITAL-HEALTH-BRIEFING-Nokia-remains-bullish-on-digital-health-efforts-Zocdoc-uses-AI-for-insurance-checker-Samsung-spins-out-two-new-digital-health-startups/articleshow/61343529.cms

Increasing use of consumer health apps and EHR drives privacy concerns

Healthcare Tech

10/30/17

The lack of transparency and regulation around how health and wellness apps collect and use personal information should be a big concern for consumers, according to Rice University medical media expert Kirsten Ostherr. Speaking at a Department of Health and Human Services symposium in Washington last week, Ostherr suggested that this could lead to broader data privacy issues, particularly given the lack of awareness around how data breaches, such as the one experienced by Equifax, could affect internal electronic health record (EHR) systems. EHRs are becoming increasingly widespread, particularly by hospitals in the US. BI Intelligence forecasts that the rapid spread of electronic health records (EHR) will continue, with more than 760,000 physicians in the US, or upwards of 80% of all doctors, working at a facility that uses an EHR system by 2019. By 2025, nearly all facilities in the US will use EHR, with only a small fraction of private offices, generally owned by older physicians, still relying on physical records. Even the laggards may be phased out faster than expected should governments, either national or local, implement regulations that make the use of EHR systems a requirement.

http://www.businessinsider.in/DIGITAL-HEALTH-BRIEFING-Nokia-remains-bullish-on-digital-health-efforts-Zocdoc-uses-AI-for-insurance-checker-Samsung-spins-out-two-new-digital-health-startups/articleshow/61343529.cms

Partners Connected Health is making it easier for patients to share data

Healthcare Tech

10/30/17

Partners Connected Health, a part of integrated health systems company Partners Healthcare, is working with data connectivity provider Validic to give its clinicians and researchers access to patient-generated health data from over 420 consumer and clinical health devices. Physicians can use this data to provide efficient, evidence-based care. It can also be integrated into care plans and electronic health records (EHR) for patients. Increasing adoption of fitness devices will contribute to a spike in consumer-generated data. The global wearable medical devices market is poised to grow at an annualized rate of 17% over the next eight years to reach approximately $23.8 billion by 2025, according to Research and Markets. The resulting patient health data sets will likely speed the development of artificial intelligence (AI) for healthcare use cases. These datasets can be used to train algorithms to process more accurate results more quickly, according to a study by the National Health Service.

http://www.businessinsider.in/digital-health-briefing-nokia-remains-bullish-on-digital-health-efforts-zocdoc-uses-ai-for-insurance-checker-samsung-spins-out-two-new-digital-health-startups/articleshow/61343529.cms

INSURANCE

AIG Introduces Blackboard, new brand name for its digital subsidiary focused on transforming commercial insurance

Insurance

10/30/17

American International Group, Inc. (NYSE:AIG) today introduced – BlackboardSM, the new brand name and logo for its technology-focused subsidiary, formerly operating under the Hamilton USA brand. AIG completed the acquisition of Hamilton USA on October 2, 2017.

Blackboard's vision is to reimagine and transform commercial insurance through digital technology, data analytics, and automation. The name represents a clean slate and alternative solution for those in the industry who want to work together to leave behind the burden of inefficient, manual processes and outdated systems. The company will help clients and brokers move faster and with more insight so that they can focus on what's important: relationships, building business, and reinvesting for growth.

"Our name acknowledges that there will be many advances in data and technology, and Blackboard will be the place where our people, clients, and brokers collaborate continuously to find better ways of doing business and to transform the insurance experience," said Seraina Macia, Chief Executive Officer of Blackboard U.S. Holdings, Inc. "Blackboard is a key part of AIG's strategy to grow our business with the greatest competitive advantage and ability to serve our clients, today and into the future."

Blackboard will operate as a start-up in the effort to modernize the industry, while backed by the resources of AIG. The platform is expected to launch by the second half of 2018, providing an integrated, digital, end-to-end commercial insurance experience.

http://www.businesswire.com/news/home/20171030006208/en/AIG-Introduces-Blackboard-New-Brand-Data-Enabled

QBE partners with insurtech RiskGenius on policy distribution

Insurance

10/31/17

QBE Insurance Group has entered a multi-year commercial agreement with insurtech RiskGenius to apply machine learning to policies sold by the carrier. The goal is to automate underwriting by matching products and customers directly based on coverage needs, according to the company. QBE North America will be the Australian insurer's first division to implement RiskGenius' software, after completing a proof of concept with the startup earlier this year. The outpost expects to upload more than 125,000 policies into RiskGenius platform by June 2018, it says.

"Initially, we will be using the RiskGenius platform to analyze policy and endorsement language as well as to aid our teams in new product development," said Bob James, group head of transformation for QBE, in a statement.

The move also supports QBE's ongoing investment strategy—to spend $50 million in early-stage companies developing technologies beneficial to the company. RiskGenius is now QBE Insurance's first investment under QBE Ventures, its venture capital arm established this year.

""I love the fact that QBE has decided to focus on data and analytics when partnering with Insurtechs," said Chris Cheatham, CEO of RiskGenius. The two are aligned in our vision for RiskGenius to become a utility for insurance professionals looking to evaluate insurance policy language."

https://www.dig-in.com/news/qbe-partners-with-insurtech-riskgenius-on-policy-distribution

PAYMENTS

New mobile application designed to reinvent personal credit

Payments

10/26/17

Americans hit a new milestone in June when, according to the Federal Reserve, they were carrying collectively $1.021 trillion in outstanding revolving credit, or credit card debt.

That beats the previous record of $1.02 trillion, which was recorded in April 2008. That was the amount recorded by the Fed when it guaranteed Bear Stearns' bad loans to secure JP Morgan's agreement to purchase the failing investment bank to prevent its bankruptcy — and tried to prevent a collapse of global economic markets.

A recent study conducted by Affirm, a company intent on reinventing personal credit, found that 67 percent of 1,600 U.S. adults surveyed expressed personal fears about debt. Almost a third — 32 percent — are fearful because they don't know how long it would take to pay off that debt, and 72 percent of those who have carried a credit card balance worried about how much their purchases would end up costing after interest was included.

Findings like those and other factors prompted PayPal co-founder and serial entrepreneur Max Levchin to develop and roll out a new mobile application designed to reinvent personal credit. The Affirm app — rolled out this week and available for download from the App Store and Google Play — allows customers to split big online purchases into smaller, fixed payments with a virtual card.

“Credit today is broken — primarily because the incentives for banks that issue it are built on business models that profit from consumers’ failure — our mission is to fix this inherently broken model,” Levchin said in a media release. “The future of credit is not a traditional card, it’s a modern app that puts consumers in control, helping them use credit simply and deliberately while giving them more confidence over their financial lives.”

Affirm's financial services business is based upon three principles: There are no hidden fees, no compounding or deferred interest, and credit is extended only to those who can afford to repay on time and in full. The app, which was tested for more than a year before its rollout, gives consumers a choice to split a single purchase into smaller payments with up to 12 months to pay.

Analysts at NerdWallet, a company that provides consumers with online tools and information designed to help them make smart financial decisions, reviewed the Affirm app. Based upon an analysis of more than 30 data points collected from the lender, the application process, and comparisons with other lenders, NerdWallet found Affirm might be a good fit for some consumers, but may be a bad idea for others.

Amrita Jayakumar, a personal finance writer at NerdWallet, said the Affirm mobile app "may be a good option if you must buy something immediately but don't have money saved or a credit card." It may also be a good option for consumers who can pay off the loan within a year — the sooner, the better — and for those who want to lower the ratio of debt to available credit on another card, which can improve credit scores.

Jayakumar said those who can afford to wait and make a purchase after they have saved money will fare better without point-of-sale financing options like Affirm. The same is true, she said, for those who use credit cards for which balances are paid in full each month or those who are able to pay only the minimum due each month.

Affirm reportedly conducts only a "soft inquiry" of a consumer's credit report, loans are identified in the installment section of a credit report, and payments are reported to Experian. NerdWallet reported interest rates that ranged from 10 percent to 30 percent, depending upon a borrower's creditworthiness and credit history.

“Our unique transparency gives financial control to consumers – something especially important to Millennials, but highly valuable to everyone,” Levchin said. “Fair and honest credit is what consumers want and expect today. It’s high time to deliver.”

http://www.muskogeephoenix.com/news/new-mobile-application-designed-to-reinvent-personal-credit/article_7926cb5f-de66-5c12-a49e-64db72b21e50.html

New York subway to go contactless

Payments

10/27/17

New York is finally ditching the old-fashioned MetroCard and following in London's footsteps by allowing subway users to pay for their journeys with contactless bank cards and mobile wallets such as Apple Pay.

New York's Metropolitan Transportation Authority (MTA) first began testing contactless payments for subway users back in 2006, teaming with MasterCard and Citi on a pilot.

Ten years on, Governor Cuomo promised to "accelerate" the technology's roll out as part of a wide-ranging overhaul of the Big Apple's MTA designed to finally bring it into the 21st century.

The system was initially slated to roll out in 2018 but that has now been put back by a year after the MTA this week inked a $573 million contract with Cubic Transportation Systems to replace the MetroCard which took over from paper tickets in the 1990s.

Cubic, which has experience rolling out a similar system in London, will oversee the installation of new readers at 500 subway turnstiles and on 600 buses by the middle of 2019. All stations and buses should be equipped by the end of 202, with MetroCard readers retired in 2023.

Customers will be able to use their contactless bank cards as well as mobile options such as Apple Pay, Android Pay and Samsung Pay. The MTA will also begin issuing its own card from 2021.

"The move to a truly 21st century method of payment represents a critical step in our overall efforts at modernizing the subway system and improving service for all our customers," says MTA chairman Joseph Lhota.

Mastercard's Will Judge welcomed the news, arguing that not only will contactless payments reduce crowding and queues, it will save people from having to top up MetroCards and make life easier for visitors to the city.

https://www.finextra.com/newsarticle/31254/new-york-subway-to-go-contactless?utm_medium=dailynewsletter&utm_source=2017-10-30&member=93489

PayTrace Inc. launches browser-based EMV solution

Payments

10/30/17

PayTrace EMV is a fully integrated, browser-based, chip and signature solution designed to reduce the liability of fraudulent card-present transactions. The PayTrace EMV solution is available on the TSYS processing network and uses the Ingenico IPP320 EMV card reader. This solution is ideal for professional offices, automobile and truck dealerships, suppliers, distributors and all merchants who accept in-person card payments.

“PayTrace solves challenging problems by building innovative solutions through an extraordinary team who have unparalleled industry expertise,” said Cameron Miller, VP of Business Development. “PayTrace celebrates the efforts of our team and also recognizes the efforts of our technology partners in developing this robust and elegant solution.”

“Sales partners and merchants have been asking when our EMV solution would be available," according to Travis Naccarini, National Sales Manager. "We are excited to deliver a robust, plug-and-play solution. We have replaced other EMV solutions and learned that merchants appreciate a seamless integrated payment experience. Merchants particularly value the greater profitability

PayTrace provides by lowering interchange rates for qualified Level 2 and Level 3 transactions."
PayTrace EMV benefits:

- Improves consumer security at the point-of-sale and reduces merchant liability of fraudulent card-present transactions
- Greater profitability through lower Level 2 and Level 3 interchange rates
- Reduces risk of charge-backs
- Accept payments from multiple offices, websites and devices from a single account
- 5-Star service - LIVE experienced payment professionals answer support calls within 20 seconds

http://www.prweb.com/releases/2017/10/prweb14850533.htm

Australian Apple Pay-avoiding banks announce their own Beem mobile wallet

Payments

10/30/17

Three of Australia's largest banks -- Westpac, the Commonwealth Bank of Australia (CBA), and the National Australia Bank (NAB) -- have continued to ignore Apple Pay and announced a new joint venture named Beem that is charged with developing a mobile wallet for iOS and Android users.

According to the banks, customers will be able to use the app regardless of which bank they use, including organisations outside of the trio, with the end goal to be creating an "industry-wide payment solution".

Westpac chief executive of Consumer Bank George Frazis claimed the app followed in a line of "innovative" payment services in Australia, such as Eftpos.

"Customers will soon be able to 'Beem' free payments instantly using any smartphone, regardless of who they bank with and without the need to add account details," he said.

"Innovations such as Beem and wearables are leading the way in payment solutions because they're convenient, easy to use, and fit in with people's lifestyles -- we firmly believe in going to where our customers are and providing them with greater choice."

Initial user testing will be driven by CBA, with the app to have a money sending limit of AU$200 each day, and a monthly receiving limit of AU$10,000. The banks said each transaction would have "real-time fraud monitoring".

Earlier this year, the same trio of banks labelled Apple Pay alternatives "unrealistic" in the Australian market.

"These alternatives are unrealistic in Australia, which has the world's highest adoption of contactless NFC card payments and one of the world's highest iPhone market shares, particularly among customers likely to use mobile payments," the banks said in March.

"In Australia, potential mobile wallet providers other than Apple are locked out of the established payment infrastructure in respect of the clear majority of relevant customers."

The outburst formed part of the arguments made by CBA, Westpac, NAB, and Bendigo and Adelaide Bank to have regulatory approval to collectively negotiate with third-party mobile providers such as Apple on conditions relating to competition, best practice standards, and efficiency. The cartel was ultimately denied the chance to collectively negotiate by the Australian Competition and Consumer Commission.

Following that decision, the banks have introduced a range of payment solution alternatives despite their prior derision.

Earlier this week, Westpac announced the launch of PayWear, its own payment-enabled wearable devices that allow customers to "tap and pay" without their wallet or smartphone on all contactless-enabled terminals.

CBA announced last month it will be allowing customers to make payments using their Garmin smartwatchpayments via Fitbit Ionic.

The only member of Australia's big four banks to break rank and support Apple Pay has been ANZ, which also offers Fitbit Pay, Android Pay, and Samsung Pay among its payments options.

Eftpos has climbed aboard the Apple Pay train, announcing support for iPhone maker's wallet to make in-store Eftpos mobile payments with ANZ earlier this month.

http://www.zdnet.com/article/australian-apple-pay-avoiding-banks-announce-their-own-beem-mobile-wallet/

Square unveils cash register of the future

Payments

10/30/17

Square is known for turning tablets and smartphones into cash registers. But now it wants to reinvent the actual payments register.

The payment processing company on Monday unveiled Square Register, which has its software and payments technology built inside.

The standalone register ($999) doesn't need an app or a third-party tablet, unlike the company's existing products. Its current hardware for small businesses include chip and contactless card readers that plug into a smartphone or Square Stand, which turns iPads into a point-of-sale system.

Square launched in 2009 with the goal of letting anyone with a mobile device process credit card payments. The payments method has become especially popular among small businesses like food trucks and boutique coffee shops. About 2 million merchants currently use Square.

Now it wants to do the same for bigger businesses with Register.Square (SQ) said the new product helps larger sellers with tasks like managing big inventories and employees.

"The strategy is to bring [all] business needs to one place," Jesse Dorogusker, Square's head of hardware, told CNN Tech. "The hardware, the software with no additional third-party tablets ... it's all from Square, it's all out of the box [and] as integrated as possible."

http://money.cnn.com/2017/10/30/technology/square-register/index.html

Oz banks team up for mobile P2P payments service

Payments

10/31/17

In the wake of their bitter battle with Apple, three of Australia's big banks have joined forces on a person-to-person mobile payments app.

Commonwealth Bank, National Bank of Australia and Westpac will launch the free Beem app for Android and iOS devices by the end of the year, according to the Sydney Morning Herald.

It will be open to customers of all banks, who can send money without entering the recipients' account details.

Although Beem will initially focus on instant P2P payments, it could eventually expand to point-of-sale transactions, bringing it into competition with the likes of Android Pay and Apple Pay.

The three banks are currently refusing to offer Apple Pay to their customers after being denied authorisation to collectively bargain with the US the giant.

ANZ, the only big Oz bank to offer Apple Pay, is not currently involved in Beem but may sign up in the future.

https://www.finextra.com/newsarticle/31266/oz-banks-team-up-for-mobile-p2p-payments-service?utm_medium=newsflash&utm_source=2017-10-31&member=93489

Interac debit comes to Samsung Pay in Canada

Payments

11/1/17

Canadian debit network Interac has introduced support for Samsung Pay, enabling customers of participating banks to add their cards to the mobile wallet and make NFC payments.

CIBC, Scotiabank and ATB Financial customers can now add their debit cards to the Samsung Pay app and make purchases at thousands of merchants by tapping their handsets against a reader and authenticating the transaction with a fingerprint, iris scan or PIN. More banks are set to follow.

Customers of most of the big Canadian banks can already add their Interac cards to Samsung Pay's major rivals, Apple Pay and Android Pay.

Yesterday Interac also upgraded its e-Transfer service, enabling users to request money and to deposit funds that they receive without having to answer a security questions.

https://www.finextra.com/newsarticle/31274/interac-debit-comes-to-samsung-pay-in-canada?utm_medium=dailynewsletter&utm_source=2017-11-2&member=93489

Visa launches real-time payments platform Visa Direct in Europe

Payments

11/2/17

Visa has announced the European launch of Visa Direct – a real-time payments platform that allows companies to leverage Visa's global reach and scale to transform domestic and cross-border payments for businesses and consumers. Visa is working with payment service providers, financial institution clients and strategic partners to roll out services using Visa Direct.

Visa Direct enables person-to-person (P2P), business-to-consumer (B2C), and business-to-business (B2B) payments. With Visa Direct, funds can be transferred into the recipient's Visa account quickly, conveniently, and securely – providing instant access to funds and the ability to make purchases at 44 million retail locations worldwide.

Visa has partnered with Worldpay, a global leader in payments processing technology and solutions for merchants, to accelerate the availability of Visa Direct to merchants in Europe and subsequently across all of its markets globally. Once recipient banks make required changes to their systems, Visa Direct will enable Worldpay's merchants to send real-time payments to consumers – improving customer satisfaction.

"For decades, Visa has led the way in transforming the way we pay in stores and online. Now, we have an opportunity to transform how consumers and business pay each other in a fast, convenient and secure way," said Mike Lemberger, Senior Vice President of Product Solutions, Visa in Europe. "Visa Direct is a proven platform that enables technology companies, businesses and financial institutions to meet the demand for real-time payments, backed by the ubiquity, cost-efficiency and speed of Visa's global network."

Dave Glaser, Chief Product Officer, Global eCom at Worldpay said: "In recent years, the payments landscape has changed dramatically with clients and consumers alike expecting to be able to make a payment under their own terms – whether that is making a real-time payment or using a specific method. We are proud to be working with Visa on this unrivalled platform as an early adopter in Europe and other global markets and believe that Visa Direct is an important step in meeting those needs – providing both acquirers and merchants with the tools they need."

Visa Direct is expected to transform payments in Europe by enabling a range of real-time payment use cases backed by the security and scale of Visa's global payment network, including:

- Business-to-consumer: enabling businesses to send almost any kind of payment directly to a Visa account – such as gaming winnings, insurance payouts, and daily merchant settlements.
- Business-to-business: enabling businesses to pay freelancers, contractors, and other small businesses – in real time.

- Person-to-person: enabling consumers to pay each other quickly, conveniently, and securely, often through their connected devices – such as when splitting bills or giving gifts.

In the US, Visa Direct is already enabling payments for partners such as PayPal, Braintree, Square Cash, and Stripe. The platform is designed to help financial institutions, merchants, and technology companies meet the demands of consumers and merchants who increasingly rely on connected devices to shop, pay, and get paid.

http://irishtechnews.ie/visa-launches-real-time-payments-platform-visa-direct-in-europe/

SECURITIES

Automated wealth managers are getting bigger, but they still manage a very small portion of total assets

Securities

10/27/17

EXCHANGE-TRADED funds (ETFs) were supposed to make investing easy. Instead of spending hours researching individual stocks and bonds or paying an expert fund manager, investors could simply buy a few ETFs. But now there are too many to choose from. BlackRock offers 346 in America alone. Some investors need help allocating their money between different funds. Many companies now offer “automated wealth managers” (AWMs) that perform this service.

AWMs have been around for less than ten years, but they have proliferated, offering different services in different countries. Often, they are called “robo-advisers”, but this term can be misleading. Some offer clients detailed advice about how to save. For example, Wealthfront, an American AWM, predicts the cost of sending a student to a given college, taking into account increases in tuition fees and likely financial aid. It then suggests how parents can save in a tax-efficient way. Other AWMs are simpler. Wealthify, based in Cardiff, rejects the term “robo-adviser” because it does not provide advice. It merely allocates clients’ funds based on how much they wish to invest, when they expect to need the money and the degree of risk they will accept.

Nonetheless, AWMs have a few things in common. They typically invest in low-cost ETFs and charge very low fees. Annual charges are usually only a fraction of a percentage point of an investor’s total savings, plus any fees levied by the ETFs.

AWMs target cash-conscious investors who cannot afford or do not wish to pay a human adviser. Millennials are considered good customers because they are used to doing things online and are starting to earn money. But generally they do not have a lot of it. Individual savers tend to have small portfolios. At Betterment, the largest independent American AWM measured by assets under management, the average client had $27,400 in June 2017. At Wealthfront, its rival, the average client had $40,900.

Their business model leaves AWMs with a problem. To make a profit despite low fees, they must attract lots of client money. Michael Wong, an analyst at Morningstar, an investment research firm, estimates that, depending on its model, an AWM would need between $16bn and $40bn to cover its costs. No independent AWMs have reached profitability, though some are close. Betterment says it has $11bn under management.

But for most AWMs, profitability remains distant. Only a few manage over $1bn or have more than 100,000 clients. To get more clients, many are tying up with established wealth managers. On October 5th Aviva, a British insurer, said it would buy a majority stake in Wealthify. Michelle Pearce, Wealthify’s co-founder and chief investment officer, noted that Aviva has 15m customers in Britain, who can use her firm’s services through Aviva’s portal.

To stay independent, AWMs need to get big quickly, in part by seeking customers established firms neglect. Similarly, acquired AWMs often pitch their products to people their parent firms would not otherwise serve. These customers tend to have little wealth and to be new investors. There are dangers in this: they may place too much faith in AWMs’ more optimistic projections of future riches. Wealthfront even allows customers to borrow at 3.5-4.75% against the value of their savings without selling off their portfolios and disrupting their investment strategies. Like their human counterparts, robos may have a tendency to oversell their investing prowess.

https://www.economist.com/news/finance-and-economics/21730693-automated-wealth-managers-are-getting-bigger-they-still-manage-very-small?frsc=dg%7Ce

Capgemini to offer cloud-based Skience solution implementation services

Securities

10/30/17

Capgemini announced today that it has entered into an alliance with The Athene Group to implement the technology provider's Skience® product. Skience, a cloud-based, books and record solution built on the Salesforce® Platform, provides Broker Dealers and Registered Investment Advisor (RIAs) with client onboarding, data aggregation and compliance applications. Capgemini's implementation and integration services for Skience will be available in North America, the United Kingdom, and Continental Europe.

The Skience solution can help wealth managers protect and grow their business by making informed compliance decisions that respond to heightened financial services' regulatory requirements. Skience has a comprehensive set of industry leading solutions that accelerate onboarding, help ensure compliance, and provide in-depth analysis and reporting that's driven by one high-quality source of financial data aggregated from over 200 providers. Skience analytics provide valuable insights to engage wealth management clients of Broker Dealers and RIAs.

"Our alliance with The Athene Group to implement Skience enriches our ability to provide end-to-end business transformation for our wealth management clients," said Michael Leyva, Executive Vice President, Strategic Growth and Innovation, Capgemini. "It is particularly exciting as implementing Skience will enable our clients to deliver a differentiated, unified, end-to-end customer experience based on the Skience solution and Capgemini's cutting-edge innovation and transformation capabilities."

Sanjeev Kumar, The Athene Group Founder, President, and CEO added, "We are excited to partner with a global leader like Capgemini to serve our growing list of clients, and to expand beyond the US. Skience has grown to be a solution offering comprehensive features that can be implemented and tailored to suit our clientele's needs, extending their use of the Salesforce Platform to support their operations and compliance needs. Our alliance with Capgemini helps firms implement Skience, leveraging the industry and technical expertise of Capgemini, across continents."

"Technology is key in empowering wealth management firms with the tools they need to build meaningful relationships with clients, partners, and employees," said Rohit Mahna, GM of Financial Services at Salesforce. "By leveraging the power of the Salesforce Platform through Skience, Capgemini will enable wealth managers to work efficiently, deepen client relationships, and minimize risks."

http://www.businesswire.com/news/home/20171030005110/en/Capgemini-Offer-Cloud-Based-Skience-Solution-Implementation-Services

CME to offer bitcoin futures

Securities

10/31/17

CME Group, the world's largest exchange operator by market value, is readying plans to offer futures on bitcoin, giving momentum to cryptocurrencies' move away from the fringes of finance.

The Chicago-based trading venue said it intended to add bitcoin to its stable of futures on interest rates, stock indices, commodities and currencies by the end of the year.

Bitcoin, the biggest of the cryptocurrencies, is controlled by computer algorithms rather than central banks, unlike mainstream currencies. Advocates applaud its traceability while critics say it is an avenue for money laundering and fraud.

The price of bitcoin has exploded by 570 per cent this year, luring traders bored by the lack of volatility across other markets. Hedge funds, family investment offices and proprietary trading companies are dipping their toes into cryptocurrency markets now worth more than $170bn, while banks and traditional asset managers have mostly steered clear.

A lack of futures contracts has made it difficult to hedge exposure to bitcoin's wild fluctuations. Terry Duffy, CME chief executive, said the exchange made its move "given increasing client interest in the evolving cryptocurrency markets". His exchange was a "natural home" for the vehicle.

The gambit puts CME in competition with Chicago-based exchange operator Cboe Global Markets, which in August announced plans to launch derivatives on bitcoin based on data from virtual currency exchange Gemini Trust in late 2017 or early 2018.

"The business case for us is the desire for exposure to crypto, period," Ed Tilly, Cboe chief executive, said at a conference in October.

Both CME's and Cboe's contracts require approval from the US Commodity Futures Trading Commission. A third company, LedgerX, opened a bitcoin derivatives venue two weeks ago, reporting more than $1m in trades in its first week.

The CFTC declared bitcoin and other virtual currencies a "commodity" in 2015, enabling it to police futures contracts based on them. The agency recently warned that unregistered cash bitcoin markets are susceptible to "bucket shop" schemes, "Ponzi schemers" and "fraudsters seeking to capitalise on the current attention focused on virtual currencies".

Jamie Dimon, the JPMorgan Chase chief executive, last month called bitcoin a "fraud" that is used mostly by murderers, drug dealers and other miscreants. Larry Fink, head of BlackRock, the world's biggest asset manager, said bitcoin was an "index of money laundering".

The warnings have not dissuaded traders. Garrett See, chief executive of DV Chain, a Chicago-based trader, said CME's announcement showed that "cryptocurrencies are gaining more legitimacy in the financial marketplace. It's really exciting. I think it's going to bring a lot of liquidity."

Bobby Cho, head of OTC trading at Chicago-based Cumberland — the leading cryptocurrencies market maker — said the announcement "potentially accelerates the pace of involvement of more traditional financial firms. Many already have connections into exchanges like CME, and this is just another product they can plug into."

Most new futures contracts fail for lack of volume. CME has in the past succeeded in introducing novel products, however, including interest rate and currency futures. Last year the notional value of its transactions topped $1,000tn.

The new CME Group contract would be cash-settled, based on the CME CF bitcoin Reference Rate, a once-a-day index based on prices at the Bitstamp, GDAX, itBit and Kraken bitcoin exchanges.

https://www.ft.com/content/1c9f468a-be53-11e7-9836-b25f8adaa111

How AI and machine learning could improve wealth management

Securities

10/31/17

From robo-advice to chatbots, the much-hyped technology will be revolutionary for finance, claims a new report.

In the past 12 months interest in artificial intelligence (AI) and machine learning has soared with almost every aspect of the UK economy touted to be disrupted by the two technologies over the next decade.

You could even say it is pretty hyped, perhaps an understatement when observing the below investment return of some of the funds investing in the listed equity of AI firms.

Asset management and financial services is no exception with huge applications expected to transform various aspects of the market, according to a recent report, entitled the State of AI in 2017, from Numis.

These functions include firms' investment strategies, portfolio construction, risk management and client services.

AI's ability to extract content hidden in unstructured data using natural language processing, it says, will help to find subtle patterns in disparate data sets. This will enable machine-to-human communication via 'chatbots' and has multiple applications in asset management.

"By augmenting or automating many of an asset manager's tasks, AI enables asset managers to deliver to the mass affluent a degree of personalisation and service quality previously reserved for high net worth clients," it said.

Additionally, it says AI could decrease the cost of portfolio construction while improving quality, bringing about the era of the 'robo-advisor' across the field of asset management.

The report says investment strategies could substantially shift as AI improves a firm's number crunching. This is done by 'synthesising' its research and data, and incorporating broader data sets including unstructured information to bring about greater understanding of market trends.

"Superior pattern recognition can then deliver better multi-objective optimisation. AI can balance a diverse range of inter-connected objectives (including fund deployment, risk and profitability) to enhance returns more effectively than rules-based systems," the report said.

Within portfolio construction AI tools can augment, and increasingly automate, an asset manager's process of portfolio construction this again could potentially lower costs at a time when active managers are under pressure to cut fees.

AI-powered 'robo-advisors' can also "analyse a client's goals, and within a firm's investment rules develop personalised, optimised portfolios at low cost and high speed," it says.

Risk management is one of the areas that could be impacted the most, as AI can improve risk management for the same reasons it enhances investment strategy. Through the interpretation of broader data sets and improved cognitive processing, risk metrics may be improved in their predictive power.

"90 per cent of data generated today is unstructured information, stored outside traditional databases Natural language processing enables additional data sets to be incorporated into firms' analyses. Other AI techniques, including deep learning, then enable patterns in data to be identified with greater granularity and confidence. Together, these capabilities enable risks to be identified and quantified more effectively," the report said.

Another area the technology could have profound implications is simply in how firms communicate to clients.

"Chatbot interfaces are being applied within and beyond asset management firms. Deployed in client-facing channels, natural language systems enable client enrolment, support and self-service."

"Embedded in internal tools, chatbots let account managers query client details and understand developments relevant to a client's portfolio in seconds instead of minutes. Fewer account managers can then provide a higher quality service to a greater number of clients," it said.

http://www.altfi.com/article/3677_how_ai_and_machine_learning_could_improve_wealth_management

HSBC unveils robo-advisor plans

Securities

11/2/17

HSBC's head of retail wealth, Dean Butler, provided his perspective on automated advice, and the bank's plans for new products in the area, at the UK Robo-Advice Innovation Forum on Wednesday, attended by BI Intelligence.

Butler believes there are both positives and negatives associated with current automated investment products:

- On the plus side, current products are affordable; easily accessible thanks to their digital format; and often educational, in that firms offering the solutions take pains to provide tailored marketing materials.
- On the other hand, Butler believes the sheer number of automated investment products available is confusing to consumers, as they find it hard to understand any differences between products. Additionally, he said the complex language associated with all investment products, which is often a requirement of regulation, is off putting.

HSBC is planning to launch a new product in 2018 that counters these downsides.HSBC's new product, dubbed Robo-Advising 2.0 by Butler, will provide holistic financial advice, rather than just automated investment, helping it to differentiate.

His vision for the product includes transforming an existing offering that "nudges" customers into saving more via simple notifications into a financial advice tool, in order to help customers better manage their entire financial life. Eventually, that will include recommending and managing additional products such as pensions and insurance.

HSBC's goal is admirable, but it will have to move fast. It seems probable that customers will be more likely to take an investment product from their current bank than from an unknown startup, as a trusted brand would help alleviate the mistrust many consumers feel toward automated investing. Additionally, HSBC's plan to enable customers to see all their financial details in one place will likely prove popular.

However, with open banking approaching fast, other banks will no doubt be planning similar propositions, and the new rules will make it easier for them to pull in ready-made investment products from startups, meaning HSBC will have to move quickly if it wants to benefit from a first-mover advantage.

BI Intelligence, Business Insider's premium research service, has put together a detailed report on the evolution of robo-advising that scopes the current market for robo-advisors, providing an updated forecast through 2022.

In addition, it explains the different types of robo-advisors emerging, details how startups and incumbents are working to ensure the success of their products, and outlines what will happen to the market over the next 12 months.

http://www.businessinsider.com/hsbc-unveils-robo-advisor-plans-2017-11?IR=T

SPECIALTY FINANCE / ALTERNATE LENDING

Newable Business Finance partners with Open Risk Exchange to enhance its credit scoring capability

Specialty Finance / Alternate Lending

10/26/17

Newable Business Finance (Newable), a national provider of unsecured business loans to small businesses in the United Kingdom has partnered with Open Risk Exchange (ORX) to augment its existing approach to credit risk assessment.

Newable is a leading provider of responsible finance for small businesses in the UK with c.15 years of experience in lending to start up and growing businesses. Working alongside high street banks, finance houses and accountants Newable assists small businesses that are unable to secure their finance from mainstream sources.

Philip Reynolds, Managing Director, Newable Lending said: “Newable’s approach to lending combines high-tech with high-touch. The ORX risk model provides us with a richer view of the risk profile of the applicant which augments our traditional underwriting model, allowing us to more accurately assess the risk of small businesses. We hope to be able to work with and assist the growth of more small businesses in the United Kingdom as a result."

ORX, a London-based FinTech company, uses complex statistical modelling and machine learning algorithms on a combination of structured and unstructured data to deliver one of the most sophisticated business risk models in the market. Along with an online portal offering free access to low volume users, the company also offers an API on request for users requiring high volume programmatic access to its scores.

Kanishk Walia, co-founder & CEO, ORX said: “We are proud to be partnering with Newable Business Finance. ORX has successfully built technology to find and extract publicly available information on all registered businesses in the UK from a wide range of data sources extending beyond the traditional approach taken by the credit bureaus. This enables us to outperform the existing commercial credit scorecards when it comes to predicting insolvency and business closure. We look forward to working with the Newable team to help it achieve its goals.”

http://www.altfi.com/wire/248

Mosaic partners with PeerIQ to provide enhanced loan-level transparency to their $307 million solar loan securitization

Specialty Finance / Alternate Lending

10/30/17

Mosaic, America's leading provider of affordable home solar financing solutions, has partnered with PeerIQ, a leading loan analytics platform provider, to support this week's solar loan asset backed securitization, MSAIC 2017-2. This is Mosaic's second term ABS issuance, with Deutsche Bank, BNP Paribas, Guggenheim Partners, and DZ Bank arranging the deal. Backed by 10,188 residential rooftop solar loans, the deal was heavily oversubscribed, pricing significantly tighter than the low end of price guidance.

Specifically, Mosaic leveraged PeerIQ's platform to offer prospective ABS buyers easy access to loan-level collateral data and analytical tools. Instead of providing rep lines by subgroup, Mosaic and PeerIQ exposed the entire collateral pool, offering potential investors tools to filter and stratify the entire pool, drill down on single loans, and export loan tapes and other diligence analyses.

"PeerIQ's platform allows digital consumer lenders, financiers, and ABS buyers to transact with confidence," said Ram Ahluwalia, chief executive officer of PeerIQ. "We're excited that Mosaic chose to work with us on this issuance to increase loan-level transparency, streamline diligence, and improve overall ABS execution."

Katya Baron, Managing Director of Capital Markets at Mosaic, added: "PeerIQ's portal allowed us to deliver greater transparency to investors during the offering process. This was a huge plus in marketing the deal and enhanced overall execution."

http://globenewswire.com/news-release/2017/10/30/1160000/0/en/Mosaic-partners-with-PeerIQ-to-provide-enhanced-loan-level-transparency-to-their-307M-solar-loan-securitization.html

Orchard to launch online lending industry page on the Bloomberg terminal

Specialty Finance / Alternate Lending

11/1/17

Orchard Platform's online lending industry data and insights will be made available to Bloomberg terminal subscribers, providing a wealth of information on an asset class that offers a number of potential investment opportunities.

"Orchard seeks to provide investors with access to quality data and technology solutions to conduct analysis and make well-informed investment decisions," said Matt Burton, CEO and Co-Founder of Orchard Platform. "As the online lending industry matures and more and more investors begin exploring opportunities to allocate to the space, working with Bloomberg to bring Orchard's industry data onto their Terminal just made sense."

Orchard Platform is a leading provider of data, analytics, and content across the online lending industry. Their industry insights will now be available to Bloomberg's terminal subscribers via Bloomberg Intelligence, Bloomberg's research arm. In addition to the Orchard U.S. Consumer Online Lending Index (http://www.orchardindexes.com)—the only industry-wide performance benchmark for the online lending space—which is also available via Bloomberg Intelligence, Orchard is providing access to its standardized, industry aggregate data sets and research to help investors follow industry trends and key performance indicators more closely.

"As evidenced by the response to our recently launched Deals™ portal, there is broad interest from institutional investors in online loans," said Bill Ullman, Chief Commercial Officer of Orchard Platform and CEO of Orchard Platform Markets, LLC. "The investment community is constantly looking for an edge and increasingly finding it with quality data and advanced analytics. We're excited to be working with Bloomberg and to be able to offer our expertise in this area to their subscribers."

https://www.prnewswire.com/news-releases/orchard-to-launch-online-lending-industry-page-on-the-bloomberg-terminal-300547449.html

DATA & ANALYTICS / IoT

IBM Cloud Private brings cloud native computing to your data center

Data & Analytics / IoT

10/31/17

As companies search for ways to modernize their technology stacks, they struggle with managing the legacy software (and hardware) inside their own data centers. IBM introduced a new private cloud product today that is supposed to ease the transition to cloud computing and containerization and place those legacy applications in a more modern IT management context.

IBM Cloud Private wants to help customers take IBM middleware and other legacy applications, place them inside containers and transform them into contemporary applications to take advantage of containers and container orchestration run by Kubernetes — and all the flexibility that offers them.

IBM isn't alone in this approach, just the latest to offer a solution, but it's particularly critical for a legacy vendor like IBM because the new product offers a path for maintaining older IBM middleware products like Websphere without forcing long-time customers to completely rip and replace.

Of course, updating the old stuff is only part of the motivation here. It's also about making it easier to move the cloud. The whole idea of cloud native computing is to provide a consistent way of managing your IT stack, whether your applications are in the cloud, your own data center or moving between the two.

Some companies want to stay in the cozy confines of their own data centers for a variety of reasons from performance or governance to a belief that they are more secure there (whether that's true or not). Cloud Private (and products like it) lets them do that while giving them a cloud-like management experience.

Essentially, IBM wants to give IT the best of both worlds by providing a way to build APIs to connect cloud services like Salesforce with the in-house data center and share data with those legacy applications. It also enables them to to manage the legacy applications in a modern way by moving them to containers, while using Kubernetes as a management layer.

Kubernetes is the open source container orchestration tool originally developed by Google. It now lives at the Cloud Native Computing Foundation and has been embraced by just about every major tech company out there from AWS to Oracle and Microsoft to VMware and Pivotal (both of which are now part of Dell-EMC) — and that's just the most recent members.

All of these companies want to bring cloud native computing to their customers, much like IBM is doing with their offering today, but IBM probably has other motivations. According to data released by Synergy Research last week, IBM remains the number three cloud infrastructure provider by virtue of its strength in private cloud services. What Synergy also finds, however is that IBM's cloud business isn't growing rapidly, especially compared to competitors.

This product could be an attempt to exploit that position, and help grow its marketshare, while also acknowledging the need to help customers move to a more modern computing environment. If IBM's middleware customer base is willing to take the leap, it could help achieve both goals.

https://techcrunch.com/2017/10/31/ibm-cloud-private-brings-cloud-native-computing-to-your-data-center/

IBM expands Watson Data Platform to help unleash AI for professionals

Data & Analytics / IoT

11/2/17

IBM today announced new offerings to its Watson Data Platform, including data cataloging and data refining, which is designed to make it easier for developers and data scientists to analyze and prepare enterprise data for AI applications, regardless of its structure or where it resides. By improving data visibility and helping to better enforce data security policies, users can now connect and share data across public and private cloud environments.

By 2018, nearly 75 percent of developers will build AI functionality into their apps, according to IDC1. However, they also face the obstacle of making sense of increasingly complex data that lives in different places, and that must be securely and continually ingested to power these apps.

Addressing these challenges, IBM has expanded the functionality of its Watson Data Platform, an integrated set of tools, services and data on the IBM Cloud designed to enable data scientists, developers and business teams to gain intelligence from the data most important to their roles, as well as easily access services like machine learning, AI and analytics.

"We are always looking for new ways to gain a more holistic view of our clients' campaign data, and design tailored approaches for each ad and marketing tactic," said Michael Kaushansky, Chief Data Officer at Havas, a global advertising and marketing consultancy. "The Watson Data Platform is helping us do just that by quickly connecting offline and online marketing data. For example, we recently kicked off a test for one of our automotive clients, aiming to connect customer data, advertising information in existing systems, and online engagement metrics to better target the right audiences at the right time."

Specifically, this expansion includes:

- New Data Catalog and Data Refinery offerings, which bring together datasets that live in different formats on the cloud, in existing systems and in third party sources; as well as apply machine learning to process and cleanse this data so it can be ingested for AI applications;
- The ability to use metadata, pulled from Data Catalog and Data Refinery, to tag and help enforce a client's data governance policies. This gives teams a foundation to more easily identify risks when sharing sensitive data.
- The general availability of Analytics Engine to separate the storage of data from the information it holds, allowing it to be analyzed and fed into apps at much greater speeds. As a result, developers and data scientists can more easily share and build with large datasets.

"The key to AI starts with a strong data foundation, which turns the volume and velocity of incoming data from a challenge into an asset," said Derek Schoettle, General Manager, IBM Watson Data Platform. "For companies to innovate and compete with AI, they need a way to grasp and organize data coming in from every source, and to use this complete index of data as the backbone of every decision and initiative."

To further help companies grasp control of all of their data no matter where it resides, IBM is also announcing a series of new features to its Unified Governance Platform. These bring greater visibility and management of clients' global data, including new capabilities that help clients as they better prepare for impending data protection regulations such as GDPR.

Built on open source technologies and fueled by IBM Cloud, the Watson Data Platform brings together IBM's cloud infrastructure, powerful data services and decades of experience helping clients across industries solve their data challenges. Linked closely with the most popular communities among data scientists and developers, including Python and Spark, the Watson Data Platform continues to evolve to build the most open and complete data operating system on the cloud.

https://www.prnewswire.com/news-releases/ibm-expands-watson-data-platform-to-help-unleash-ai-for-professionals-300548129.html

OTHERS

Mobile apps replace bank branches for UK millennials

Others

10/30/17

More than half of millennial Brits now regularly use their mobile phones to keep on top of their financial affairs, according to a Visa survey.

Of more than 2000 Brits quizzed, 38% carry out banking via an app on a regular basis, with this rising to 53% for 18 to 34 year olds. However, there is still some way to go for the mobile to become ubiquitous, with 31% of millennials never having used a banking app.

Meanwhile, UK consumers are also making use of the increased ability to quickly and securely make payments on their phone. Over a third have now made a peer-to-peer digital payment via a mobile device, with millennials again leading the way on 59%.

With more mobile devices coming equipped with fingerprint scanners, millennials also demonstrate an increased appetite for using biometric technology when authenticating their identity. More than a third of 18 to 34 year-olds would prefer to make P2P payments using biometrics, while 37% would like to use this technology in conjunction with a banking app.

Jonathan Vaux, executive director, innovation partnerships, Visa, says: "Mobile technology has revolutionised the retail banking industry. Until relatively recently, simple transactions such as transferring money between accounts meant visiting a bank branch in person.

"We are now seeing banks embrace the flexibility offered by apps to reduce the pain points for customers and allowing them to stay on top of their finances while on the move. In essence, anyone with a smartphone or tablet is now able to take their bank branch with them wherever they go."

https://www.finextra.com/newsarticle/31260/mobile-apps-replace-bank-branches-for-uk-millennials?utm_medium=dailynewsletter&utm_source=2017-10-31&member=93489

Can blockchain be used to build a better credit bureau?

Others

10/30/17

The Equifax breach has driven Congress and others to rethink two major parts of the current credit system: having credit bureaus store most Americans' identity data and using Social Security numbers as a primary identifier.

But figuring out a new system is challenging. One intriguing idea is adapting distributed ledger technology, a shared database with security and access controls built in, for identities.
"There's no doubt that the blockchain concept, with its power to prevent duplication and divergence from the chain, is highly promising for identity," said Jo Ann Barefoot, a former deputy comptroller at the Office of the Comptroller of the Currency and now a compliance consultant. "On a distributed ledger, everybody can trust that what's in the ledger is there and is the only version of it."

Bloom, the Decentralized Identity Foundation, and Open Identity Exchange are all working on protocols and standards that could be used by any entity to create a distributed ledger ID system. When a user creates a new identity in a distributed ledger based on Bloom, a blockchain identity protocol, the user submits information to the network: name, address, phone number, etc. The system sends queries to parties that already have that information to look for matches.

"If the name matches the name on your phone account, that's one verification," said Jesse Leimgruber, co-founder of Bloom. A second might be a utility company verifying the address.
LexisNexis and the credit bureaus already do such verifications. But instead of all the data being stored at credit bureaus, where it's a target for hackers, with Bloom it's in a shared, distributed ledger.

"No one on the Bloom team will ever have to think about money," Leimgruber noted. "Some of us have sold our companies. This is a project we feel passionate about."
More than 100 financial firms around the world — mostly alternative lenders — intend to use the Bloom protocol, he said. But the Equifax breach has stirred greater interest.

"Before the Equifax hack, it was tough. We were pulling teeth to convince people why a global, secure solution would be better," Leimgruber said. "After the Equifax hack, we had 42,000 emails and sign-ups for more information to join, and many of those were banks, lenders, fintech providers."

Credit bureaus are also reaching out to Bloom, which Leimgruber refers to as a decentralized credit bureau, largely because of nervousness about security.

"I don't think we're going to put Experian or Equifax out of business anytime soon, but we will reduce reliance on their role in identity," he said.

Leimgruber acknowledged the drawbacks of blockchain technology: blockchains are slow, they're expensive (each request can cost 10 to 15 cents) and they're not scalable.

"If the world's ID system was on a blockchain right now, it wouldn't fit," he said. "These are massive limitations."

But he addresses those weaknesses by using IPFS, a protocol for decentralized, distributed content hosting.

"It's kind of like a decentralized Dropbox," Leimgruber said. "No one controls it; it's another protocol. Most of the tough computation elements, the things that would typically be bogged down by blockchain, are stored on IPFS."

IPFS could become an attractive target for hackers, Leimgruber concedes. But because the system uses private keys and hashing, it can't be hacked, he said.

As for concerns about someone setting up a synthetic ID in Bloom and using bits of another person's identity information, Leimgruber said as long as the person owning the identity has more information than the fraudster, the identity can't be stolen.

Bloom also has a fallback mechanism called "staking." Here, a user gets parents, siblings or friends to hold certain keys that unlock their identity.

"So even if a fraudster got every piece of information that ever existed about you, they would also have to compromise your mother, your sister, some percentage of your network that has staked your ID," Leimgruber said.

Some blockchain identity startups are gaining traction, especially in developing countries where there isn't a large, complicated identity infrastructure in place.

Examples include Bitnation, Cambridge Blockchain, Civic, Global ID, and Consensys.

One World Identity, a strategy and research company focused on identity, works with several.
"The future could look like that," said Joe Stuntz, vice president of cybersecurity at the firm. "That isn't a solution for today. There are a lot of smart people figuring it out, so I hope it's a solution five years from now."

Instead of a blockchain run by a startup, however, some foresee the credit bureaus building a blockchain of their own.

"I would not believe for one second that the big three players in the U.S. are going to let some startup blockchain company take their franchise away from them," said Steve Ely, CEO of the alternative credit bureau eCredable. "There's way too much money at stake for them to allow that to happen. As much as they compete with each other, they're also smart enough to know that they do have the goose that lays the golden eggs every year."

There's a precedent for this, Ely noted: VantageScore, the alternative credit score the three bureaus created to compete with FICO.

"If they're not thinking about [building a blockchain] already, shame on them," he said.
Barefoot agrees.

"If I were in their shoes, I would be working on exactly that concept," she said.
A chain of blockchains

Getting everyone in the U.S. to use one identity blockchain is challenging. But what if several interoperable blockchains could be stringed together?

"A lot of people believe that is the future," Stuntz said. "If we have 10 options and one of them goes down, we can migrate them to one of the options that's still standing." This could provide the scalability needed to accommodate millions of people at a time.

https://www.americanbanker.com/news/can-blockchain-be-used-to-build-a-better-credit-bureau

OneSavings Bank in regtech project with Lombard Risk

Others

11/1/17

UK-based regtech vendor Lombard Risk Management is supplying its regulatory reporting platform, AgileReporter, to OneSavings Bank.

The platform will be used to gather key management information and analytics on trends, variances for audits and approvals at OneSavings Bank. It also enables the UK-based bank to track and prove its compliance with all relevant Prudential Regulation Authority (PRA), Financial Conduct Authority (FCA), Bank of England and European Banking Authority (EBA) requirements. Cameron Joe, head of regulatory reporting at OneSavings Bank, says: “We wanted to build a scalable, reliable and technology-rich foundation that provides the flexibility to adapt and develop as we grow the business and our product offerings.”

OneSavings bank is a relatively new entrant in the UK banking sector – it is an amalgamation of a number of financial services businesses owned by US-based private equity firm JC Flowers. The bank says it has invested in building a “highly efficient” compliance operation not constrained by legacy systems and processes that other financial services providers have to contend with.

http://www.bankingtech.com/1052242/onesavings-bank-in-regtech-project-with-lombard-risk/?utm_source=rss&utm_medium=rss&utm_campaign=onesavings-bank-in-regtech-project-with-lombard-risk