Evolve Capital Partners

Weekly Deals Update

Week Ending 01/26/18

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Key Deals

M&A

Date	Target	Acquirer(s)	Sector	Amount ($mm)
1/22/18	workmarket	ADP	BPO	NA
1/22/18	VALIDUS GROUP	AIG	Insurance	$5580
1/17/18	iKaaz	Grab	Payments	NA

Financing

Date	Target	Lead Investor	Sector	Amount ($mm)
1/24/18	pagseguro UOL	Public Investment	Payments	$2300
1/22/18	PAYTRONIX	Great Hill PARTNERS	Financial Management Solutions	$65
1/12/18	snowflake	ICONIQ	Data & Analytics / IoT	$265

Preface

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

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.

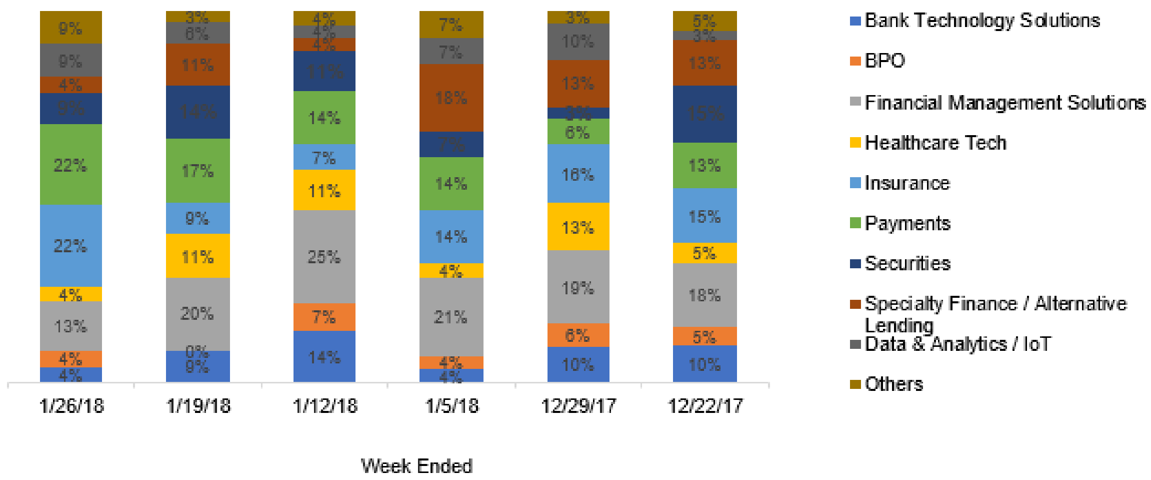
Sectors we cover at the intersection of finance and technology include:

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

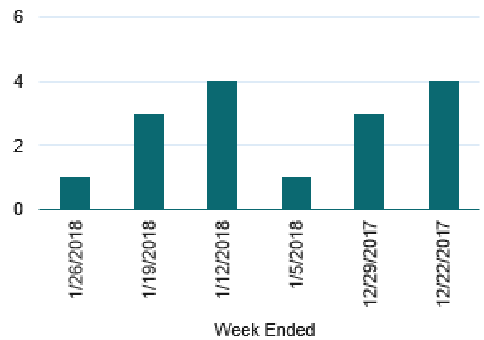
Deals Count

Sector	Number of Deals	% of Total
Bank Technology Solutions	1	4%
BPO	1	4%
Financial Management Solutions	3	11%
Healthcare Tech	3	11%
Insurance	5	19%
Payments	5	19%
Securities	2	7%
Specialty Finance / Alternative Lending	1	4%
Data & Analytics / IoT	3	11%
Others	3	11%
Total	**27**	**100%**

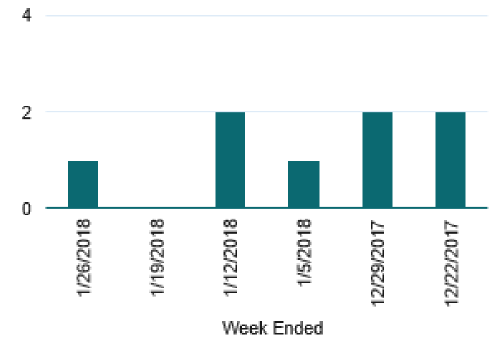
Sector-Wise Deals Breakdown



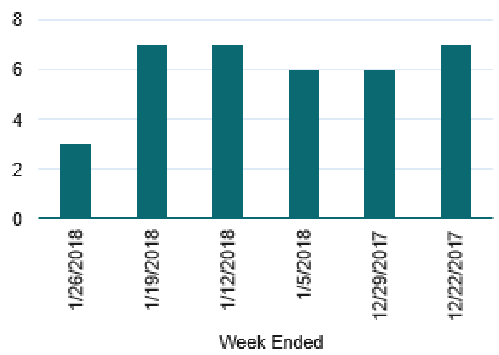
Bank Technology Solutions



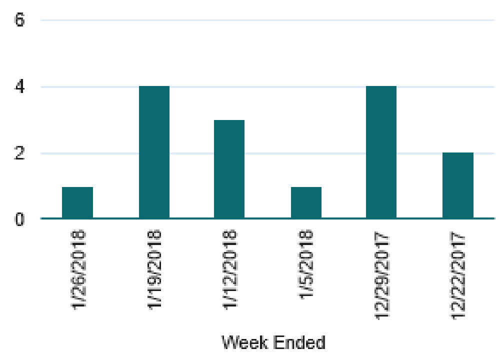
BPO



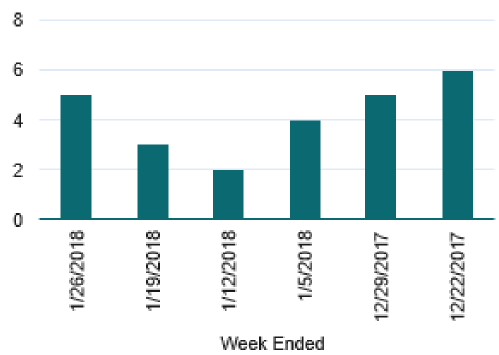
Financial Management Solutions



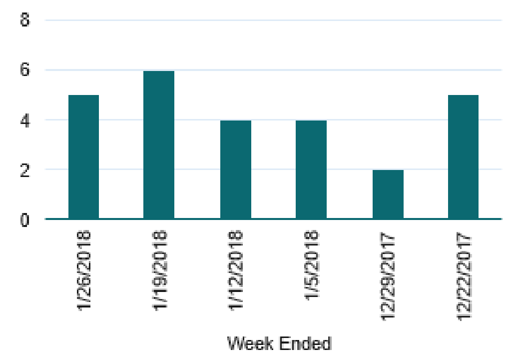
Healthcare Tech



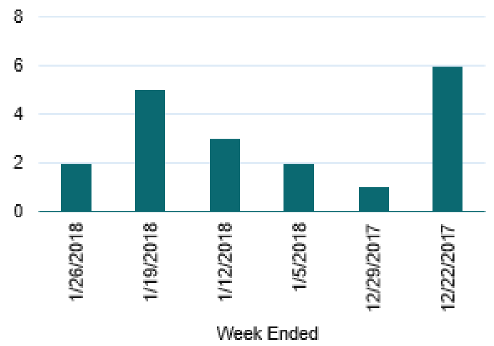
Insurance



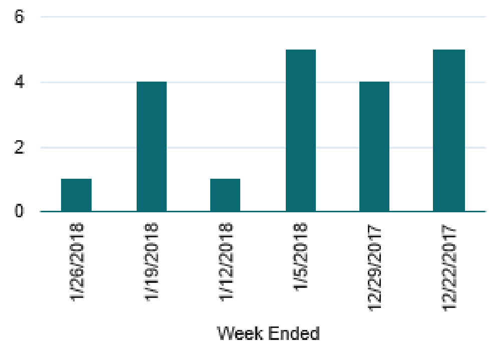
Payments



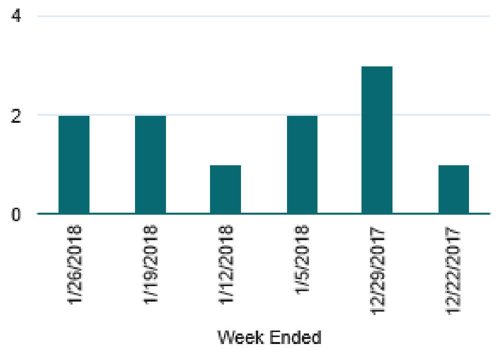
Securities



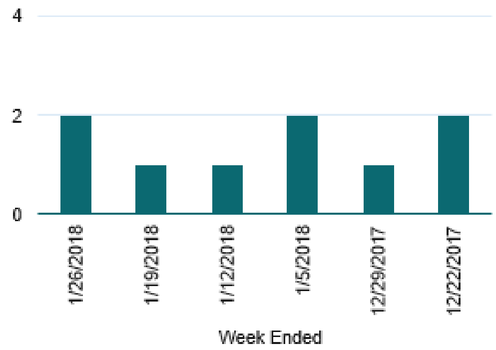
Speciality Finance / Alternative Lending



Data & Analytics / IoT



Others



BANK TECHNOLOGY SOLUTIONS

Opendoor raises 135 million in funding

Bank Technology Solutions

1/25/18

Opendoor, a San Francisco, CA-based online home-selling service, raised $135m in funding.

The round was led by Fifth Wall Ventures and Lennar with participation from Rialto Capital Management.

The company will use the proceeds to continue to expand its operations.

Led by Eric Wu, CEO, Opendoor provides a technology platform to sell a home online in minutes and streamline the transaction time, which traditionally involve a months-long closing process.

With the deal, Lennar, a large home builder and Opendoor will try to solve the inefficient process of buying and selling a home. Lennar will enhance the digital distribution channels for its financial products to transact a home, from mortgages, to title insurance, to home insurance, etc. while Opendoor will benefit from Lennar's distribution through its Trade-Up Program—providing a new channel to access customers, which will broaden its scope and scale.

http://www.finsmes.com/2018/01/opendoor-raises-135m-in-funding.html

BPO

ADP acquires WorkMarket to further extend human capital management to contingent workers

BPO

1/22/18

ADP® today announced the acquisition of WorkMarket, a leading cloud-based workforce management solution provider that allows companies to build and manage an integrated workforce across W-2 employees, 1099 contractors, vendors and other types of workers.

With this acquisition, ADP builds on its current portfolio of industry-leading payroll and human capital management solutions that help clients and workers modernize the way work gets done while unlocking productivity, engagement and growth.

WorkMarket was founded in 2010 and is headquartered in New York City. Backed by leading venture firms such as Union Square Ventures, Spark Capital and Foundry Group, as well as Accenture Ventures, WorkMarket helps companies manage their integrated workforce in a simple, secure and compliant manner. WorkMarket's innovative solutions include tools to source and vet independent workers, manage their engagements, and pay and evaluate these workers.

In addition to offering robust freelancer management functionality, the company has extended its capabilities to help clients optimize how work gets done across any labor type. Their client base spans global brands, as well as small and mid-sized businesses.

"At ADP, we innovate by anticipating how the world of work evolves and how dynamics -- like the rise of the gig economy -- impact the needs of our clients and the modern workforce. WorkMarket allows us to provide ready access to a growing contingent labor pool and the tools to manage and pay them in a secure, efficient and compliant manner. Through this acquisition, ADP continues its tradition of helping clients keep pace with change and manage increasing complexity," said Carlos Rodriguez, president and CEO of ADP. "WorkMarket is a proven expert in freelancer management. We are thrilled to welcome their team to ours and to leverage our global footprint and bring scale to their expertise and technology."

The rise of the contingent workforce is shaping the global workforce. ADP data shows that approximately 80% of U.S. businesses already rely on independent contractors and the number of contingent workers as part of the overall workforce is growing. According to Gartner, by 2020 nearly 60% of human resource leaders will use a unified talent strategy for employees and contractors. With this acquisition, ADP becomes the only human capital management provider with broad functionality for HR professionals to manage and have insights into this new mosaic of labor, which will be comprised of both full-time employees and contingent workers.

Jeff Wald, co-founder and president of WorkMarket, said, "The WorkMarket team is thrilled to be joining ADP. We share the same vision of enabling companies and workers alike to navigate the changing labor marketplace with greater ease, and we look forward to offering our solutions to ADP's vast client base."

http://www.marketwired.com/press-release/adp-acquires-workmarket-further-extend-human-capital-management-contingent-workers-create-nasdaq-adp-2244850.htm

FINANCIAL MANAGEMENT SOLUTIONS

Digital ID firm Signicat raises $2 million

Financial Management Solutions
1/25/18

Identity Assurance-as-a-Service (IDAaaS) firm Signicat has won phase two funding from Horizon 2020, the EU framework program for research and innovation. The $2 million grant (€1.6 million) will enable Signicat to continue development of its IDAaaS toolbox for use in Europe, and takes the company's total funding to $3.9 million, reports David Penn at Finovate (FinTech Futures' sister company).

"A single digital ID market in Europe is vital so that financial service providers can easily offer their services across borders without the customer struggling to assert their identity," Signicat CEO Gunnar Nordseth says.

The development of a single digital identity market for Europe is a goal for the European Commission by the second half of the decade, Signicat notes.

Its IDAaaS technology will give financial service providers and e-commerce businesses the ability to verify new customer identities using electronic identity (eID) and digital verification of paper ID.

IDAaaS also enables them to use a range of other solutions such as facial recognition.

Signicat secured phase two funds following successful completion of phase one, which was begun and funded by Horizon 2020 at the end of 2016. During phase one, Signicat partnered with Innopay to analyse the demand and potential for digital onboarding solutions in a set of European countries. The study uncovered areas where current European eID protocols were lacking in terms of providing sufficient information for effective digital onboarding, and indicated how Signicat's IDAaaS technology could fill those gaps.

Founded in 2007, Signicat is based in Trondheim, Norway. It launched its mobile authentication solution, MobileID, last year in May. Also that month, the company partnered with Rabobank to launch a Digital Identity Service Provider (DISP) to provide a variety of online login, identity, and signature solutions.

http://www.bankingtech.com/2018/01/digital-id-firm-signicat-raises-2m/

SheerID raises $18 million to continue innovation of the digital identity and verification market

Financial Management Solutions

1/23/18

SheerID, the market leader in verification technology enabling digital trust for the enterprise, is excited to announce the close of an $18 million Series B investment round led by Silicon Valley and New York-based investment firm, Centana Growth Partners. The investment will continue to fuel product innovation and accelerate market adoption across all digital commerce categories.

SheerID provides enterprises a comprehensive digital verification platform that instantly verifies credentials of individuals or businesses using authoritative data sources, all within an organization's brand experience. With SheerID, enterprises can deliver exclusive offers and experiences to high value segments such as the military, students and teachers, while mitigating discount fraud and reducing friction in the user experience. Centana Growth Partners will be joining Voyager Capital on SheerID's board, which led its previous financing in 2015 and participated in this round, along with Arnold Venture Group.

"Our investment in SheerID falls squarely into Centana's authentication and identity expertise, and we're excited to work with a team whose experience, knowledge, and customer relationships give it an incredible competitive edge in today's market," said Eric Byunn, Partner at Centana Growth Partners. "The company's impressive growth trajectory and comprehensive platform capabilities, coupled with the size of the market, make it an investment we look forward to seeing reach its full potential."

The funding allows SheerID to continue to capitalize on recent momentum. By the end of 2017, the company was experiencing 112% year over year growth, while adding an impressive array of new customers to its already robust client list. In the last year, SheerID has added Lowe's, Target, Microsoft, Adobe, Sprint, and TOMS to their client list, joining other Fortune 500 companies including Spotify, Foot Locker, Costco, and Amazon. Centana's focus on financial services will help SheerID continue to penetrate additional market segments.

"Lowe's is dedicated to going the extra mile for our military community, and we are always looking to improve our Military customer experiences, which is why we partnered with SheerID: to bring our Military Loyalty Program to life," said Ryan Fagan, Director of Sales and Operations Planning. "Through this partnership, we can now deliver a seamless and easy enrollment experience, empowering loyalty strategies like exclusive offers to the military community online and in-store." In addition to bringing on new customers, SheerID has also expanded its team to more than 50 employees, and will continue to grow in various areas of the business including marketing, sales, engineering, and others. The team has also made a number of notable executive hires, including that of Sai Koppala, its new Chief Marketing Officer. Koppala is a Silicon Valley veteran with over 20 years in the business, with marketing and product leadership roles at global technology companies including Google Cloud, SAP and Sun Microsystems. He also led Marketing at

Proximity Corp., which was acquired by Apple, and most recently for Apigee, a leading API management provider, which was acquired by Google in 2016.

“We’re so proud of how far we’ve come, and even more proud of the happy clients who continue to renew and expand their use of our platform” says Jake Weatherly, CEO of SheerID. “Our solution specifically addresses the challenges many enterprises face when establishing trust with their customers, and this funding will accelerate both the capabilities of our platform, as well as support the growth of our incredible team to continue addressing our clients’ needs. We appreciate the support from all of our investors and board members who share our vision of redefining how enterprises create trust in a changing, highly digitalized world.”

http://www.centanagrowth.com/news/newsarticle/3020

Paytronix Systems, Inc. to accelerate growth with $65 million investment from Great Hill Partners

Financial Management Solutions

1/22/18

Paytronix Systems, Inc., an innovator in loyalty, rewards, gift, mobile applications, and guest engagement analytics software, has received a $65 million growth equity investment from Great Hill Partners, a leading Boston-based private equity firm focused on investments in high-growth mid-market companies. Founded in 2001 by Andrew Robbins and Matt d'Arbeloff, Paytronix has become the CXM industry leader, serving more than 330 customers and 16,000 store locations generating $18 billion in guest spend. Great Hill's investment represents the first institutional capital in Paytronix, which has been a high-growth, profitable business for the past 10 years.

"Restaurant and convenience store operators are seeking more efficient and scalable ways to engage with their customers in real-time to increase foot traffic and sales," said Nick Cayer, Partner, Great Hill Partners. "Paytronix is the clear market leader, providing its robust platform to brands such as Panera Bread, California Pizza Kitchen, Thorntons and Bloomin' Brands. Great Hill's investment model is to partner with strong founders and management teams of high growth companies. We are excited to work with Andrew Robbins and the entire Paytronix management team to help with the next stage of growth."

"To fully execute the vision we've set for the company, we needed a financial partner that could quickly scale with us," said Robbins, the president of Paytronix. "With its expertise in growing tech companies, Great Hill Partners fits our needs perfectly. I look forward to accelerating the development of our technology to redefine the guest experience and perpetuate our strategic advantage."

Morse, Barnes-Brown & Pendleton acted as legal counsel for Paytronix, and Vista Point Advisors acted as its financial advisor. Kirkland & Ellis acted as legal counsel to Great Hill Partners.

https://globenewswire.com/news-release/2018/01/22/1298502/0/en/Paytronix-Systems-Inc-to-Accelerate-Growth-with-65-Million-Investment-from-Great-Hill-Partners.html

HEALTHCARE TECH

Remote patient monitoring startup LindaCare lands $8.6 million from Phillips, others

Healthcare Tech

1/24/18

Remote patient monitoring company LindaCare announced on Friday that they landed $8.6 million (€7 million) in Series B funding with participation by Philips, PMV, Capricorn ICT Arkiv, and Connecticut Innovations.

“This investment is a significant step for us, as it enables LindaCare to execute faster on our ambitious vision and strategy, and to take a leading market position across both Europe and the US,” says Shahram Sharif, LindaCare’s Founder and CEO. “With Philips onboard as a strategic partner, alongside existing and new venture capital providers’ support, LindaCare significantly increases its ability and credibility to create an impact on a global scale.”

The Leuven, Belgium and Hartford, Connecticut-based startup plans to use the funding to accelerate its US market expansion and commercialization. The money will also be used toward expanding its products to a broader range of cardiac diseases.

The company’s first product, OnePulse, allows cardiologist to monitor patients with chronic heart failure and cardiac arrhythmia with a Cardiac Implanted Electronic Devices (CIED). The product is currently installed in some major European hospitals and is part of a US pilot. LindaCare claims 10 million patients are using the product worldwide.

The platform promises to offers a unified dashboard for remote patient monitoring data from different cardiac implantable device vendors, triage alerts across venders in customized ways, workflow automation and integration with electronic patient records.

The company was founded in 2013 by Shahram Sharif and is now has a total of $10.7 million (€8.6 million), according to Crunchbase. In January of 2017 the company announced its plan to expand to the US market, citing substantial interest in the product at the Heart Rhythm Society last year.

Also in 2017, the company tapped Donald Deyo, CEO of FemPulse, as chairman of the board, citing his knowledge of the US market as an asset.

"We are extremely pleased to have someone with Don's depth and breadth in the industry join us,” Sharif said in a statement. “The US market is incredibly important to us and we know that Don's experience will support us in executing our aggressive growth plans.”

The company said that after this latest investment it will continue to provide remote patient monitoring services through its Independent Diagnostic and Testing Facility service origination, and other local service providers.

“Whilst remote monitoring of patients with a Cardiac Implanted Electronic Device is recommended as a standard of care, we see that the number of patients benefiting from it remains limited,” Diane Lejeune, senior investment manager, Life Sciences and Care, at PMV, said in a statement. "LindaCare’s products greatly simplify such remote monitoring, thereby enabling better care and utilization of healthcare resources. I am delighted to see that this new investment will enable the company to support more clinical teams and patients.”

http://www.mobihealthnews.com/content/remote-patient-monitoring-startup-lindacare-lands-86m-phillips-others

Protenus raises $11 million from F-Prime Capital, Kaiser Permanente Ventures

Healthcare Tech

1/24/18

Healthcare compliance analytics company Protenus today announced an $11M investment to make its comprehensive health data auditing and privacy monitoring platform available to hospitals across North America. Protenus, founded in 2014, helps health systems keep one of their most sacred promises to patients: that sensitive health data remains safe, and is used appropriately.

Currently used by top health systems and academic medical centers across the country, the Protenus platform uses artificial intelligence to analyze every single action inside a medical record system. Hospitals gain full insight into how their health data is used, in order to better protect it.

"Health systems today have big challenges when it comes to protecting patient data," said Nick Culbertson, Protenus Co-Founder and Chief Executive Officer. "We ask our credit card companies to validate every transaction and alert us to anomalous charges. Why shouldn't we be asking health systems to audit everyone who accesses patient data? Similar principles apply, and the technology is available."

With nearly 9 out of 10 hospitals in the U.S. having experienced health data breaches, and a new breach occurring nearly daily, Protenus growth in 2017 outpaced expectations. The $11M Series B funding round, which will accelerate sales and customer support hiring, as well as R&D to expand platform capabilities, was co-led by F-Prime Capital Partners and Kaiser Permanente Ventures, with Arthur Ventures, Lionbird Venture Capital, and Cognosante Ventures participating.

"Kaiser Permanente Ventures is dedicated to investing in innovative technology solutions that help deliver the best care possible to patients," said Sam Brasch, Senior Managing Director at Kaiser Permanente Ventures. "We're excited about the opportunity to partner with the fantastic team at Protenus to advance their efforts to solve meaningful problems for the healthcare community."

New era for patient privacy standards

Health systems have been responsible for protecting health data since the passing of the Health Insurance Portability and Accountability Act, or HIPAA, in the late 1990s. Since then, the near-complete transition to electronic health records, and resulting expansion in the amount of health data available digitally has resulted in an increase in the amount of health data breaches, and an alarming increase in the severity of those breaches.

Built for this new big data paradigm, Protenus is an artificial intelligence-enabled platform providing privacy teams with the ability to automatically and completely review every access to patient data.

"We are passionate when we meet teams with a unique insight on a market, and the Protenus team recognized early on that the tension between the need to share health data and the inherent risk of unmonitored access to patient information would ultimately require a secure, enterprise-scale solution," notes Jon Lim, Partner at F-Prime Capital Partners. "The company's rapid growth to date, coupled with its impressive client roster, showed us that the nation's leading health systems are choosing Protenus as they grapple with this problem."

Actionable insights at scale

The Protenus platform makes an analytical assessment of every digital "touch" of health data by any employee, contractor or affiliated physician, saving time and energy across privacy, security and IT teams. Using clinically-aware artificial intelligence, the platform understands when workforce members are acting outside the bounds of appropriate behavior, to an accuracy of up to 99.5 percent. The platform also assesses the risk these inappropriate accesses represent to the institution, based on the activities performed by bad actors while in the medical record.

"At Protenus, we audit every access, but our customers use Protenus to go beyond auditing," added Culbertson. "They prevent data breaches and reduce violations of patient privacy, fundamentally shifting the act of protecting patient data from a reactive to a proactive activity. Every patient should have these sorts of protections."

Fundamentally, with this expansion, Protenus will make auditing accesses to health data at scale possible for healthcare leaders across the country, helping them make decisions about how to better protect their data, their patients, and their institutions.

"Patients deserve reassurance that their most sensitive health information is only accessed by people with a good reason to do so," notes Protenus Co-Founder and President Robert Lord. "We are delighted that F-Prime and Kaiser Permanente Ventures have joined us on our mission to bring our technology to every health system in North America. With their deep expertise in healthcare, cybersecurity, enterprise technology, and artificial intelligence, we could not ask for better partners to continue to scale our vision."

https://www.prnewswire.com/news-releases/protenus-raises-11m-from-f-prime-capital-kaiser-permanente-ventures-300585652.html

Indianapolis' Springbuk raises $20 million for its employer-facing health analytics software

Healthcare Tech

1/22/18

Springbuk, an Indianapolis-based provider of health intelligence software, announced today that it has raised a $20 million series B round. The round was led by HealthQuest Capital and Echo Health Ventures. St. Louis-based Lewis & Clark Ventures and Indianapolis-based Elevate Ventures also participated in this round.

According to Crunchbase's data, Springbuk's series B is the largest raised by an Indianapolis company since media startup The Odyssey raised a $25 million series B in 2015. It's a positive development in an area (the Midwest) where scale-up capital has traditionally been hard to come by.

VentureBeat's Heartland Tech channel invites you to join us and other senior business leaders at BLUEPRINT in Reno on March 5-7. Learn how to expand jobs to Middle America, lower costs, and boost profits. Click here to request an invite and be a part of the conversation.

Springbuk, which launched its software in 2015, targets employers that are looking to assess how effective the various benefits services they offer are.

"There's a lot of software that's solving the provider and payer side of the equation," Springbuk cofounder and vice president Phil Daniels told VentureBeat. "But it's the thesis of our business that that the employer has so much at stake — it's their dollars, their population, and they're the ones that really benefit the most from a healthy productive workforce. So Springbuk helps them see what the biggest risk and opportunities are."

Here's how it works: Employers pay for a monthly subscription to Springbuk, based upon how how many employees they have. The type of data Springbuk can help employers analyze includes medical bills, pharmacy sales, and payroll data, including how many sick days an employee takes. Daniels says that executives such as the human resources chief or the chief financial officer can only view data in aggregate — not how much an individual employee spent on medical bills or what kind of medicine they are purchasing.

But these executives can then use Springbuk's software to determine what gaps in care their employees are experiencing, and offer services that might alleviate that. For example, according to a case study on Springbuk's site, a Goodwill office in Michigan started used Springbuk's software to start offering services including "lunch-and-learns focusing on cholesterol, diabetes, and financial stability, gym partnerships that include discounts and on-site classes, the opportunity for biometrics screenings, and wellness awards for tracked activity levels."

More than 1,000 employers use Springbuk, Daniels told VentureBeat. Springbuk also works with vendors such as onsite clinics and benefits consultants to help them gauge how effective employers are finding their services, though Springbuk declined to say how many vendors it works with.

Springbuk also announced today that it would be adding 100 jobs in Indianapolis by 2020. The company had 49 employees at the end of 2017. Daniels said that the majority of these jobs would be on the data science and engineering side.

According to Daniels, Springbuk met with 75 venture capitalists across the country while raising the company's series B round.

"The feedback we got was that [from venture capitalists] was that in the Midwest we knew how to build real businesses, with real models and realistic goals."

https://venturebeat.com/2018/01/22/indianapolis-springbuk-raises-20-million-for-its-employer-facing-health-analytics-software/

INSURANCE

MGA Ascent Underwriting acquired by Preservation Capital Partners

Insurance

1/25/18

Private equity firm Preservation Capital Partners has completed its acquisition of Ascent Underwriting, the London-based cyber and specialty lines MGA, after obtaining UK regulatory approval.

Ascent's management team will retain a significant shareholding in the company and will continue to manage the business. Further terms of the transaction were not disclosed.

Headquartered in London, Preservation Capital Partners will provide significant additional capital to support Ascent's ambitions to grow through the development of new business lines and complementary products, said Ascent Underwriting in a statement.

Ascent recently announced the first of several new products, including its Allied Health professional liability product. Growth will also be achieved via the acquisition of specialist MGAs and through selective team hires, Ascent said.

The investment will allow Ascent to accelerate growth, meet growing global demand for cyber insurance, and to further develop its proprietary OPTIO quote-and-bind platform, while expanding its global distribution and in-house talent base. (Brokers can access and bind modular products via the OPTIO platform, which enables them to provide clients with cover that suits their individual needs).

"Since launching, Ascent has built a market-leading distribution platform to deliver cyber and specialty line products to customers globally," said David Umbers, chief executive of Ascent, which was founded in 2013 by Umbers and Gareth Tungatt.

"Our independence is important, and we are pleased it will be maintained through this deal with Preservation Capital, who are providing investment to support our strategic expansion plans," he added.

A mid-market private equity firm specializing in the financial services sector, Preservation Capital focuses on partnering with market-leading companies with proven and resilient business models that have demonstrated strong growth. It is backed by a number of ultra-high net worth family offices and institutional investors.

Ascent was advised by Oakwell Capital, Boodle Hatfield and Gibson Booth. Preservation Capital Partners was advised by Aon Securities, Norton Rose and Alvarez & Marsal.

https://www.insurancejournal.com/news/international/2018/01/25/478491.htm

Risk Strategies acquires Ohio's Benefits Network Insurance Agency

Insurance

1/24/18

Risk Strategies Co., a privately held national insurance brokerage and risk management firm, has acquired Benefits Network Insurance Agency (BNIA), a specialist brokerage focused on the development of employee benefits plans. Terms of the deal were not disclosed.

Headquartered in Cincinnati, Ohio, with additional offices in Dayton, BNIA was founded in 1989 by Phil DiCiero as a wholesale broker providing services to the small group business of Blue Cross Blue Shield's independent agents. BNIA added its own retail service capability in 1993 and its business today is almost equally balanced between retail group insurance sales and wholesale brokerage.

In building out its wholesale business, the company expanded its footprint to represent Anthem Blue Cross Blue Shield, Humana, Medical Mutual of Ohio, United Healthcare, Principal Financial and Aetna.

In addition to BNIA, Risk Strategies recently acquired three brokerages with benefits specialty focuses, specifically: Mosse & Mosse, located north of Boston; Tikia Consulting, just outside New Orleans; and TSG Financial on Long Island, New York.

Risk Strategies has offices in more than 45 locations nationwide including Boston, New York City, Chicago, Miami, Atlanta, Dallas, Nashville, Los Angeles and San Francisco.

https://www.insurancejournal.com/news/midwest/2018/01/24/478330.htm

Nexar gets $30 million Series B for its AI-based road safety dashcams and network

Insurance

1/24/18

Nexar, a startup that makes an AI-based dashcam app to monitor road safety, announced today that it has raised a $30 million Series B led by Ibex Ventures. Participants included Alibaba Innovation Ventures (the venture capital investment arm of Alibaba Group), Nationwide Insurance and returning investors Aleph, Mosaic Ventures, Slow Ventures, True Ventures and Tusk Ventures.

Nexar's dashcam app relies on computer vision and sensor fusion to detect accidents and analyze road conditions, then sends real-time alerts to other vehicles on its network. Its tech is also used by insurance companies for collision reconstructions to help with claim investigations.

The Tel Aviv-based company also made two big leadership announcements. Yoad Shraybom, the former chief financial officer of the Walt Disney Company in Turkey, Israel and Greece, is now its CFO, and Incapsula founder and former general manager Marc Gaffan will serve as its chief business officer. Though Nexar's newly-minted CFO and CBO positions might prompt speculation that it is eyeing a stock offering (Mobileye, another road safety tech company, went public in 2014), co-founder and CEO Eran Shir said there are no current plans for an IPO. Instead, the addition of Shraybom and Gaffan is meant to help the company's global expansion. Ibex partner Elan Zivotofsky also joined its board.

Nexar has now raised $45 million in total funding and is using its new capital to build its vehicle-to-vehicle (V2V) network by signing partnerships with insurance companies, drivers on ride-sharing services like Uber or Lyft, automakers and municipalities that use its tech to monitor traffic and street infrastructure. For cities, Nexar's tools helps them find ways to fix traffic bottlenecks or spot potholes, cracks and other potentially dangerous road damage by creating a "digital MRI of the city," said Shir in an email.

Nexar's app launched in 2016 and is now used by drivers in 740 cities across 160 countries, the company claims. Its biggest markets are currently New York City (Nexar says its used by more than 10% of ride-sharing drivers there), San Francisco, Tel Aviv and Las Vegas. The addition of Alibaba as an investor may help Nexar add some Chinese cities to that list, too.

"China is an incredibly exciting market for us which we always have our eye on. We do already have a large number of drivers in China who drive with Nexar, and partnering with local players in the region could assist in accelerating our drivers' footprint in the region," said Shir.

Nexar's competitors include Mobileye, which was acquired by Intel for $15.3 billion last year, and Nauto, which also use AI-based dashcams to send information through V2V networks. Shir says Nexar differentiates by allowing its drivers to download a mobile app that turns their smartphones into a dashcam so they don't need to buy separate hardware. The company also claims to have the largest V2V road-safety network and the world's biggest dataset of road conditions and driving safety, drawn from over 100 million driven miles.

https://techcrunch.com/2018/01/24/nexar-gets-30m-series-b-for-its-ai-based-road-safety-dashcams-and-network/

InsuranceHub acquires Insley Insurance of Georgia

Insurance

1/24/18

InsuranceHub, a technology-driven insurance agency with more than 15,000 clients nationwide, has acquired Insley Insurance of Dacula, Ga.
The acquisition became official in January 2018.

Insley Insurance was founded by Kristina Insley and Yvonne Sliger in 2014 and works with business owners and professionals to manage risk in their business in addition to personal property portfolios.

Kristina Insley joins the InsuranceHub team in Lawrenceville as its new associate vice president and Yvonne Sliger will now serve as senior account manager. The two bring with them three members of the Insley Insurance staff: Alicia Brown and Robyn Roberts will assume the role of account executives, and Ashley Hemphill as InsuranceHub's newest customer service representative.

InsuranceHub was originally launched as a small Nationwide Insurance agency in Metro Atlanta in 1985, the Lloyd Pro Group Agency was rebranded as InsuranceHub in 2015 and now has three offices in the Southeast.

In 2017, InsuranceHub moved to a 20,000 SF office in anticipation of adding up to 50 new employees within the next three years. The company also merged with CoverYou Insurance and announced the expansion of its Transportation Division.

https://www.insurancejournal.com/news/southeast/2018/01/24/478222.htm

AIG strikes $5.56 billion deal to acquire a bermuda insurer

Insurance

1/22/18

Eight months ago, new American International Group Inc. AIG -3.82% Chief Executive Brian Duperreault promised that the age of a shrinking AIG was over. The poster child for the excesses of the 2008 financial crisis would strive once again to expand.

On Monday, he made his first big move to make that happen.

AIG said it is acquiring Bermuda-based insurer and reinsurer Validus Holdings Ltd. in an all-cash deal for $5.56 billion. At $68 a share, the deal represents a 46% premium to Validus's closing share price Friday and a 16% premium to its 52-week high.

On Monday, Validus's shares soared 44%, to close at $67.29, while AIG's stock fell 0.9%, to $61.

Before landing at the center of the global financial crisis of 2008, AIG was one of the world's biggest financial-services companies with about $1 trillion in assets. It is about half that size now after divesting many businesses and assets to repay a U.S. government bailout that reached nearly $185 billion.

Taxpayers got their money in full by the end of 2012, but AIG's retrenchment continued as management then sought to improve weak profit margins by shedding poorly performing parts.

Last September, U.S. officials rescinded AIG's status as a "systemically important financial institution," giving AIG flexibility to do large acquisitions.

Mr. Duperreault, who became the company's CEO last May, made clear from the start that he would look for deals to expand AIG, probably by sharply reducing a stock-buyback program that was helping to boost earnings per share. He turned to an island he knows well. He was born in Bermuda, and two of his previous CEO roles were there.

Mr. Duperreault said in an interview that he has known the management of Validus for years, both as a competitor and as a client of brokerage and consulting firm Marsh & McLennan Co s., where Mr. Duperreault was CEO from 2008-2012. He said a key question he asks of potential targets is whether its management is "going to make us better or not," while of Validus's business mix, he said, "I love the fit of this company" with AIG.

"That's why I put the call in" to get deal talks rolling, he said.

Bermuda is a well-established hub for property-catastrophe reinsurance. The deal Mr. Duperreault has struck is the latest example of consolidation in this corner of the industry. In recent years, many reinsurers have suffered erosion of profit margins, making mergers and acquisitions a preferred course of action. Some analysts have had Validus on a list of potential acquirers.

Another factor in favor of deal making, said Cathy Seifert of CFRA Research, is a recent change to U.S. tax law that reduces tax advantages long held by Bermuda-based insurers.

Profit margins have eroded in large part because of an influx of capital from pension plans and other big investors into catastrophe bonds and other reinsurance vehicles that serve as alternatives to conventional reinsurance.

Reinsurance is an arrangement in which insurers take on the risk of policies that primary insurers sell to businesses and individuals. A big product line for Validus is property-catastrophe reinsurance for hurricanes and other disasters.

The company also has other operations, including a Lloyd's syndicate, crop insurance, and a unit that insures small U.S. companies. They overlap minimally with existing businesses at AIG, a leader in insuring multinational corporations and other large businesses and a large U.S. life insurer.

As hurricanes Harvey, Irma and Maria unfolded last year, Bermuda reinsurers looked poised to benefit from sharply rising premium rates. But, in general, rates renewing as of Jan. 1 have fallen short of those expectations and are up more modestly, according to industry brokers and analysts.

While reinsurance premium rates have gone up less than people initially speculated, Mr. Duperreault believes they are at a reasonable level. He also noted that Validus has been adept at innovating. He praised its $3.4 billion asset-management arm called AlphaCat, which specializes in insurance-linked securities such as catastrophe bonds. Mr. Duperreault said the unit has "great growth potential."

Ed Noonan, Validus's chairman and chief executive officer, said the deal makes sense for Validus because "becoming part of a larger, more diversified organization immediately opens new opportunities for our people and our franchise."

Other reinsurers gained sharply in trading Monday as investors factored in an "M&A premium," said Wells Fargo Securities anlayst Elyse Greenspan. "It's a tough reinsurance market," she said.

Validus was launched in 2005 in the wake of Hurricane Katrina, whose approximately $50 billion in insured damage (in today's dollars) caused havoc in insurance markets and created a need for new, well-capitalized companies. Validus was founded by Aquiline Capital Partners LLC, headed by Jeff Greenberg, who recruited Mr. Noonan. Aquiline raised $1 billion of equity from institutional investors and was able to get the company up and running in time for Validus to participate in renewals as of Jan. 1, 2006. Its initial public offering of stock was in 2007.

On Monday's call, some analysts asked about other possible transactions. Mr. Duperreault said his team would "continue to see what's out there." He said AIG had "a lot of white space" as he thought about this initial deal, and one appealing aspect was Validus's minimal overlap with AIG's existing operations. That means that AIG's managers in the core business-insurance unit will be able to continue their focus on improving results, rather than diverting to integration matters.

Mr. Duperreault has previously said areas of interest would be expansion of AIG's life-insurance and retirement-services business, especially overseas; its auto- and homeowners-insurance business, which is known for insuring the well-to-do; and the core business-insurance unit, by adding a focus on small and midsize companies.

AIG's market capitalization was $55 billion as of Friday, far off a peak of more than $200 billion in 2000.

https://www.wsj.com/article_email/aig-strikes-5-56b-deal-to-acquire-a-bermuda-insurer-1516622329-lMyQjAxMTI4MTIzMjMyMzI4Wj/

PAYMENTS

Pay By Group announces follow on investment from Czar Ventures

Payments
1/26/18

Pay By Group, the premier group payments solution provider has closed a round of investment from Czar Ventures and other notable investors. This will be a follow-on investment by Czar Ventures into Pay By Group. The amount and terms of the investment were undisclosed.

"We are excited to participate again in the opportunity to invest in Pay By Group. They provide the perfect solution for e-commerce group payments," said Suhel Kothari of Czar Ventures. "Suhel and Czar Ventures have been fantastic and loyal investors. We're thrilled to continue working with them," said Camilo Acosta, CEO and co-founder of Pay By Group.

https://www.prnewswire.com/news-releases/pay-by-group-announces-follow-on-investment-from-czar-ventures-300588874.html

POS provider Appetize secures $20 million in Series B funding

Payments

1/25/18

Appetize, the modern point-of-sale (POS) company transforming foodservice and retail payment technology for major venues at scale, announced today that it raised $20 million in Series B funding.

This brings the company's total funding to date to over $45 million. The round was led by Shamrock Capital Advisors, with additional financing provided by Silicon Valley Bank. Appetize will leverage these new funds to drive nationwide growth, onboard large clients, and enhance the platform's retail, restaurant, and self-service functionality.

Appetize has been delivering faster, easier-to-use payment technology to enterprise businesses like arenas, stadiums, convention centers, theme parks, campuses, and chain stores since 2011. Founders Max Roper, Kevin Anderson and Jason Pratts lead an experienced management team and over 200 employees out of a new headquarters in Playa Vista, California.

Last year, Appetize saw 100 percent annual revenue growth and a greater than 70 percent sales win rate.

"Since inception, Appetize has focused on bringing a combination of innovative and reliable POS products to the enterprise customer first, and the results validate that focus," said Max Roper, co-founder and chief executive officer, Appetize. "We're replacing legacy competitors at record speed and driving leading initiatives like self-service and mobile ordering to big brands. This additional investment gives us even more ability to grow and capture significant market share."

Appetize delivers tablet, cloud and mobile technologies to an enterprise POS world untapped by new players. The platform is doing so in a way that also enhances security, reliability, redundancy, inventory management and increased guest analytics.

Appetize boasts an impressive roster of clients, including Madison Square Garden, Live Nation, Ole Miss University and thousands of the largest global foodservice and retail enterprises.

"Appetize's cloud-based POS solution has been integral in improving the fan experience, and in particular, improving wait times in concession and merchandise lines," commented Andrew Howard, partner, Shamrock Capital. "Our additional investment will be used to further enhance the Appetize technology platform, enabling venue operators to have increased data and analytics capabilities as well as inventory controls, which has consistently proven to drive significant revenue uplift."

The dual platform (Android and iOS) product suite includes fixed POS, handheld POS, self-serve kiosk, mobile and online ordering, as well as back of house enterprise management and reporting.

Appetize represents two of the fastest growing subsets of technology: POS and mobile payments — a market projected to grow by 400 percent over the next four years. The company is quickly outpacing systems from traditional competitors including Oracle Micros, Agilisys and NCR.

https://www.finextra.com/pressarticle/72325/pos-provider-appetize-secures-20-million-in-series-b-funding?utm_medium=dailynewsletter&utm_source=2018-1-26&member=93489

Bango raises £5 million; acquires Audiens

Payments

1/24/18

("Bango"), the mobile payments company, announces a placing of 2,777,778 new ordinary shares (the "Placing Shares") at a price of 180 pence per share (the "Placing Price") to raise £5 million (the "Placing"). In addition, Bango announces that it has acquired 98.45 per cent. of Audiens SRL ("Audiens"), the data management subsidiary of Digitouch S.p.A (DGT:Borsa Italiana) ("Digitouch"), from Digitouch, Marko Maras, Sodapao S.R.L., My Draco S.R.L. and Fabrizio Ampollini (together the "Sellers") (the "Acquisition"). The Acquisition is not conditional on admission of the Placing Shares to the AIM market. The Placing and Acquisition are intended to enable Bango to capitalize on demand for the valuable data it generates through its existing operations and to enable the Bango Platform to provide additional value to the rapidly-growing mobile advertising market.

Acquisition of Audiens

The consideration for the Acquisition comprises of €1.48m (£1.3m) in cash, to be paid immediately, €0.63m (£0.55m) which will be paid to Digitouch for provision of shared services for up to 12 months from the date of the Acquisition, 521,803 Bango ordinary shares which have been issued at the Placing Price (the "Consideration Shares") and the grant of 738,399 warrants over Bango ordinary shares exercisable for a period of 10 years at the Placing Price.

The remaining 1.55 per cent. of Audiens is retained by Marko Maras, a co-founder of Audiens (the "Maras Shares"). Bango has entered into an agreement with Mr Maras relating to the Maras Shares (the "Option Agreement"), pursuant to which additional consideration may become payable as part of a two year incentive plan to maximize the success of Audiens as part of Bango. Further information on the Option Agreement is set out below.

The net proceeds of the Placing will be used to fund the Acquisition, to integrate the Audiens technology with the industry leading Bango Platform and to support the development and marketing of the emerging Bango mobile data monetization business.

Application has been made to the London Stock Exchange plc for the Placing Shares and Consideration Shares (together, the "New Ordinary Shares") to be admitted to trading on AIM. It is expected that the Placing will become unconditional, that admission to AIM will become effective and that dealings will commence on 29 January 2018.

Commenting on the Acquisition and the Placing, Bango CEO, Ray Anderson said:

"The acquisition of Audiens accelerates the development of the Bango data monetization business and opens the door to exciting new additional revenue streams from the Bango platform.

Mobile operators are eager to find new ways to improve their monetization of data - in ways that respect user privacy and comply with regulations. Merchants want to grow sales faster and reach new customers more efficiently. The combined platform will provide customer insights to merchants, advertising partners, and mobile network operators, to drive consumer engagement and revenue.

The Audiens team has developed a powerful data monetization product that is gaining rapid customer traction and is being integrated with industry leaders. The technology and relationships that Audiens brings will enable Bango customers to grow faster than originally planned. Bango Boost already monetizes data by delivering significant sales growth for merchants. With Audiens technology, Bango can now capitalise on the demand for data to enable more effective marketing, bringing additional revenue and scale to Bango, as mobile cements its place at the centre of global commerce."

Reasons for the Acquisition

Bango is the payment platform chosen by the world's most influential companies to grow their sales faster in the age of connected commerce. Working with global stores including Google, Amazon, and Microsoft, Bango has become the industry standard mobile commerce platform, helping people make payments quickly and conveniently. Through its innovative technology platform and relationships with over 100 network operators, Bango technology increases sales success and provides unique insights derived from the pooled data and shared knowledge of the platform. Since 2016, Bango has been developing technology to deliver additional insights from data accessible using the Bango Platform. These insights are used by merchants to drive increased sales and improve marketing effectiveness.

Over more than two years, Audiens has developed a cloud based data platform that collects, organises and analyses data, building customized audience segments and making these available to advertisers. Advertisers can map more accurately to relevant users based on their activities, enabling data-driven decision making. The Audiens team has extensive domain expertise and market experience.

Bango believes that the Audiens technology complements and accelerates the Bango data strategy by 12-18 months, enabling Bango customers and other advertisers to improve marketing effectiveness. This acquisition will also enable mobile operators that partner with Bango to more efficiently and successfully monetize valuable consumer data.

The directors of Bango believe there are substantial market and product synergies from this deal. The integrated platform will provide a tested, trusted, secure and safe route to market for valuable data accessible through the Bango Platform. Bango partners will benefit from the deep data insights provided from the platform to monetize better through higher sales success and improved marketing conversion.

https://www.finextra.com/pressarticle/72301/bango-raises-5-million-acquires-audiens

Brazilian payment processor PagSeguro prices upsized $2.3 billion US IPO above the range

Payments

1/24/18

PagSeguro Digital, which provides online and in-store payment services for small businesses in Brazil, raised $2.3 billion by offering 105.4 million shares (52% insider) at $21.50, above the range of $17.50 to $20.50. It originally planned to offer 92.1 million shares (53% insider). PagSeguro Digital plans to list on the NYSE under the symbol PAGS. Goldman Sachs, Morgan Stanley, BofA Merrill Lynch, Bradesco BBI, Credit Suisse, Deutsche Bank, Itau BBA and J.P. Morgan acted as lead managers on the deal.

The article Brazilian payment processor PagSeguro prices upsized $2.3 billion US IPO above the range originally appeared on IPO investment manager Renaissance Capital's web site renaissancecapital.com.

Investment Disclosure: The information and opinions expressed herein were prepared by Renaissance Capital's research analysts and do not constitute an offer to buy or sell any security. Renaissance Capital, the Renaissance IPO ETF (symbol: IPO) or the Global IPO Fund (symbol: IPOSX) , may have investments in securities of companies mentioned.

http://www.nasdaq.com/article/brazilian-payment-processor-pagseguro-prices-upsized-23-billion-us-ipo-above-the-range-cm909958

Uber rival Grab acquires Indian startup to bulk up its mobile payment platform

Payments

1/17/18

Grab, Uber's main rival in Southeast Asia, is continuing to develop its mobile payment strategy after it announced the acquisition of India-based startup iKaaz.

The deal — which is undisclosed — will see iKaaz's engineering team join the Bangalore-based engineering office which Grab opened last year. The firm declined to say how many new recruits are moving over from iKaaz, but a spokesperson disclosed that Grab currently has 75 engineers in Bangalore with plans to grow the number to 200 before this year.

Grab also has engineering teams in Singapore, Jakarta, Ho Chi Minh City, Beijing and Seattle. The company claims it is Southeast Asia's top ride-hailing app with more 70 million downloads. Southeast Asia has a cumulative population of more than 600 million consumers. Ride-hailing in the region is predicted to grow into a $20.1 billion per year industry by 2025 up from $5.1 billion in 2017, according to a report co-authored by Google.

iKaaz was founded in 2012 by former Nokia engineer Soma Sundaram. Its products include a cloud-based platform for online sellers, point of sale hardware for retail merchants and a mobile wallet solution. Following the acquisition, only the consumer-focused mobile wallet product — MOWA — will live on via a Grab-owned unit.

"The existing Mowa wallet that serves the India market will continue as a separate company with its own leadership and staffing. iKaaz's existing client-facing business will be separated into a separate entity, which will continue to support its merchant and bank contracts in India," a Grab spokesperson explained.

Grab seems likely to use iKaaz's product knowledge — particularly its POS and mobile payment experience — to develop its nascent GrabPay service. Grab began working on its payment platform in 2016 and last year it acquired Indonesian startup Kudo for up to $100 million to boost its offline network.

The company has moved beyond merely processing customer rides using credit cards, with GrabPay becoming a mobile payment app that can be used outside of Grab's transportation services. Support for payment via GrabPay rolled out to Singapore-based merchants in November, initially among street food vendors, and the company is looking to expand that effort across Malaysia, Indonesia and other parts of Southeast Asia this year.

That focus on other services is also shared by Go-Jek, the unicorn startup that is widely believed to be ahead of both Uber and Grab in Indonesia. By focusing on services, like food delivery, and payments, Grab and Go-Jek hope to raise engagement and become a daily go-to app for users.

Uber, meanwhile, offers UberEats in some parts of Asia but it has no other non-transportation services.

iKaaz previously raised undisclosed seed investments. Back in 2014, the startup was said to be in talks to raise as much as $10 million but no deal was struck.

https://techcrunch.com/2018/01/17/grab-ikaaz/

SECURITIES

GLMX raises $20 million in growth equity financing

Securities

1/25/18

GLMX, a NYC-based comprehensive technology solution for the trading of repurchase agreements ("repo") and secured lending, raised $20m in growth equity financing.

The round was led by Sutter Hill Ventures, with participation from Otter Capital and Tippet Venture Partners.

The company intends to use the funds to expand its operations into major European markets and grow its engineering team.

Founded in 2010 by Glenn Havlicek, CEO, GLMX has developed proprietary technology which provides an integrated global money market trading solution for institutional participants. The system provides a request-for-quote ("RFQ") based buy-side-to-dealer trading platform built to enhance the relationship between buy-side and sell-side counterparties, and address the need for an efficient repo trading infrastructure, particularly in light of increasing regulatory reporting requirements.

The company has offices in NYC, Palo Alto and London.

http://www.finsmes.com/2018/01/glmx-raises-20m-in-growth-equity-financing.html

Epazz buys CryptoFolio's bitcoin and altcoin portfolio tracking app

Securities

1/24/18

Epazz Inc. (OTC: EPAZ), a Chicago-based provider of cryptocurrency mobile apps and solutions, has agreed to acquire blockchain android app CryptoFolio, and will allow it to operate somewhat independently with its own brand.

CryptoFolio is an app for tracking and managing Bitcoin and altcoin portfolios. The handy cryptocurrency app allows users to fully control their cryptocurrency investments.

CryptoFolio app has been downloaded more than 3000 times since its launch on the Android Play Store. It provides free features to attract subscribers and then charges fees from $1.99 to $5.99 to allow users to purchase additional features.

This acquisition is part of Epazz's effort to help people accomplish more with its blockchain solution, ZenaPay, which boasts online and in-store Bitcoin purchase capability using proprietary software. CryptoFolio's user base will help grow ZenaPay's business as the company plans to add other blockchain apps in a bid to create new sources of revenue.

Epazz plans to add more cryptocurrencies and languages to CryptoFolio to attract more users, and announced that it will bring the app to iOS devices later this year.

ZenaPay is set to roll out the new version of its blockchain app next month, which will allow users to see a summary of their Bitcoins and Ethereum holdings immediately to determine which cryptocurrency to use when making transactions. The company charges a one percent transaction fee through its point-of-service (POS) solution.

Shaun Passley, CEO of Epazz Inc, commented: "The synergies with ZenaPay and CryptoFolio are clear. CryptoFolio users will benefit from ZenaPay. We will add mobile apps through acquisition or internal development over the next few months. We believe blockchain is a very large industry, and we will use our skills to expand into this market."

https://www.financemagnates.com/cryptocurrency/news/epazz-buys-cryptofolios-%E2%80%8Ebitcoin-altcoin-%E2%80%8Eportfolio-tracking-app/?utm_source=daily_newsletter&utm_medium=email&utm_campaign=25.01.18

SPECIALTY FINANCE / ALTERNATE LENDING

StreetShares secures $23 million equity funding

Specialty Finance / Alternate Lending

1/24/18

StreetShares, Inc., the leading small business funding and government contract financing company serving the military and veteran market, announced today it has completed its Series B funding round, raising $23 million in fresh equity capital. The Series B round was led by a $20 million investment from Rotunda Capital Partners, LLC, and included an additional $3 million from existing investors, including veteran-focused venture firm, Stony Lonesome Group.

“StreetShares uses technology to serve the business funding and alternative investment needs of America’s heroes and their communities,” said Mark L. Rockefeller, CEO of StreetShares. “This injection of capital allows us to continue to provide red-carpet treatment to our very special members— the veteran entrepreneurs, small business owners, government contractors, and impact investors—that make up our country’s next ‘Greatest Generation.’”

StreetShares’ technology captures the social loyalty that exists within the military and veteran community and harnesses that trust to lower risk in financial transactions. The StreetShares’ model provides lower costs to borrowers and higher returns to investors.

StreetShares won the 2017 Professional Services “Innovator of the Year” Award in Washington, D.C. for its technology and three unique product lines:

Small Business Funding: Small business loans, business funding, and lines of credit that are mobile, digital, clear, transparent, and human. StreetShares never charges application fees or pre-payment penalties.

Government Contract Financing: StreetShares has reinvented receivables financing and invoice factoring for government and commercial contracts. StreetShares provides funding at every stage: from pre-award to “mobilization loans” to traditional receivables financing.
Alternative Investments: Do good; do well. StreetShares investors earn solid returns and support veterans, their families, and the main street business community with a first-of-its-kind impact investment product, Veteran Business Bonds.1

“We’re thrilled to join StreetShares as a strategic business partner and investor,” said John Fruehwirth, managing partner at Rotunda. “Mark L. Rockefeller, Mickey Konson, and the entire team at StreetShares have really been innovators in the small business lending and investing space. Our team at Rotunda is proud to join StreetShares and its mission to improve access to credit for veteran-owned small businesses while providing unique investment opportunities to their supporters.”

“Securing this funding is a huge step in StreetShares’ growth and we’re excited to have the support from a great firm like Rotunda Capital,” said Mickey Konson, former Capital One senior executive and COO of StreetShares. “StreetShares is proud to fuel this special class of great American small businesses, and our partnership with Rotunda demonstrates that we are just getting started.”

http://blog.streetshares.com/streetshares-secures-23-million-equity-funding-to-scale-award-winning-fintech-platform-for-the-military-and-veteran-market?utm_campaign=B%20Round&utm_source=email%20pitches&38;utm_medium=blog%20press%20release

DATA & ANALYTICS / IoT

Arundo Analytics raises $25 million Series A funding

Data & Analytics / IoT

1/25/18

Arundo Analytics, a software company powering advanced analytics in heavy industry, announced today an initial closing of $25 million on its Series A financing round. To date, the company has raised over $32.5 million since its founding in 2015.

“This investment is a validation of the product and market strategy our team pursued over the last two years,” said Tor Jakob Ramsøy, CEO of Arundo. “We created flexible, user-friendly software that allows operators, OEMs and service companies in heavy industries to quickly integrate machine learning into their operations. With Arundo’s software, our customers can drive business value from operating data in days or weeks, rather than months or years. This resonates with both our customers and our investors.”

Several leading investors joined in this round, including Sundt AS, Stokke Industri, Horizon, Canica, Strømstangen and Arctic Fund Management. Existing investors also participated, including Stanford-StartX Fund and Northgate Partners.

While companies in sectors such as consumer Internet use the latest machine learning techniques to improve business outcomes, many heavy industrial companies are unable to capitalize on their data. This is due to a combination of legacy assets and challenging operating conditions. As a result, operational data often sits unused. Arundo Analytics solves this challenge with cloud-based, edge-enabled software purpose-built for deep industrial data science and advanced analytics, as well as machine learning applications in areas such as equipment monitoring and sensor anomaly detection.

“Our heritage is rooted in the maritime industry and we understand the challenges and opportunities presented by advanced analytics in such heavy industrial settings,” said Leiv Askvig, CEO of Sundt AS. “We are excited by the team, products and market opportunity of Arundo.”

Arundo plans to use the funds to expand sales and marketing efforts in asset-heavy industries, including the oil & gas, maritime, mining, chemicals, power and manufacturing sectors, as well as to continue to build on its team of world-class software engineers and data scientists in Houston, Oslo and Palo Alto. The company recently added personnel to support global customers in Lausanne, Switzerland and London, UK. It continues to grow its presence in major industrial markets around the world.

https://www.businesswire.com/news/home/20180125005126/en/Arundo-Analytics-Raises-25M-Series-Funding-Bring

Snowflake lands massive $263 million investment on unicorn valuation

Data & Analytics / IoT

1/25/18

Snowflake, the cloud-based data warehouse service, announced an enormous investment round today, pulling in a whopping $263 million on a unicorn valuation of $1.5 billion.

The round was led by a trio of big-name Silicon Valley VC firms including existing investors Iconiq Capital and Altimeter Capital and new investor Sequoia Capital. Today's announcement comes on top of the $100 million round last spring and brings the total raised to $473 million, according to the company.

CEO Bob Muglia said that this is probably the final round before a possible IPO. As you would expect though, Muglia wasn't making any commitments in terms of a timeline. "We have put ourselves on the path to IPO. That's our mid- to long-term plan. This funding allows us to go directly to IPO and gives us sufficient capital, that if we choose, IPO would be our next funding step," he said.

As for that unicorn valuation, he did say it's something the company needs to grow into in terms of revenue, but he firmly believes it's a reachable goal. "It's a realistic number, one we will grow into. When we look at our revenue and ultimately generate earnings, we believe this is realistic and we will be able to grow upon this over time," he said.

While Muglia wouldn't discuss specific revenue numbers, he did say Snowflake has been tripling or better year over year and that growth was part of what attracted investors. He says that the company has over 1000 customers, up from 450 in April. What's more, they are continuing to add new names and expect to double in the next year. Current customers include Capital One, Adobe, Nielsen and Rent the Runway. Muglia says that the market is accelerating as companies become more comfortable with moving massive data stores to the cloud.

Muglia, who was a Juniper Networks and Microsoft executive before joining Snowflake as employee #34, acknowledged the enormity of the size of the round, but he says they are competing against some of the biggest names in the tech world and that requires massive amounts of capital.

"The money gives us the ability to compete against the alternatives that customers are looking at and these are the richest companies in the world: Amazon, Microsoft Oracle and Google," he explained.

Muglia believes the company's data lake technology is a foundation for a much broader vision that provides a platform for building data applications. This could be for data sharing between customers or to sell that data. He foresees companies building businesses on top of the data stored in the Snowflake data warehouse much like companies have built businesses on top of the Salesforce platform. In fact, that's a big part of his long-term vision for the company.

For now, the company has 330 employees, up from 175 during the $100 million round in April. He expects that to rise to 600 within the year.

He's confident because he has led the company through tremendous growth and he believes they are just reaching a point of broader acceptance in the marketplace that can really drive that growth further. "One of the biggest questions from customers has been, 'what is your future.' It became a lot easier to answer that after the last round and this round will put that question to rest," he said.

https://techcrunch.com/2018/01/25/snowflake-lands-263-million-investment-on-unicorn-valuation/

Dremio raises $25 million in Series B financing

Data & Analytics / IoT

1/23/18

Dremio, the self-service data company, today announced that the company has closed $25 million in Series B funding. The round was led by new investor Norwest Venture Partners with participation from existing investors Lightspeed Venture Partners and Redpoint Ventures. With this investment, Dremio will continue to disrupt the data analytics market by further expanding its engineering and sales teams and increasing its international reach. Dremio has raised a total of $40 million. Founded in 2015, Dremio's customers include leading organizations in the US, Europe, Asia and Australia, such as Daimler, OVH, Quantium and TransUnion.

"For more than thirty years, companies have built software to unlock the value of data, but millions of data consumers remain unable to access the data they need to do their jobs," said Rama Sekhar, partner, Norwest Venture Partners. "With a stellar team of big data and open source veterans from companies including Hortonworks, MongoDB and MapR, Dremio is the first company to solve this challenge by empowering data consumers—business analysts and data scientists—to be independent and self-directed in their use of data, from any source and at any scale, using their favorite tools. In addition, Dremio allows companies to seamlessly govern and secure this self-directed use with a true platform approach that is open source and designed for cloud, on-prem and hybrid deployment strategies."

A New Tier in Data Analytics: Self-Service Data

Dremio was built on the idea that companies need to change the dynamic between the data consumers and IT. Dremio simplifies and governs the process of achieving interactive speed on data from any source, at any scale, at any time, through a self-service model delivered on an open source platform. Dremio empowers data consumers to discover, curate, accelerate and share data for their specific needs, without burdening IT.

Dremio provides a future-proof strategy for data, allowing companies to choose the best tools for analysts, and the right database technologies for applications, without compromising on the ability to leverage data to power the business. Designed for modern on-premises and cloud infrastructure, Dremio takes advantage of elastic compute resources as well as object storage such as Amazon S3 for its Data Reflection Store.

"Business analysts and data scientists are entirely dependent on IT to get interactive access to the data they need and they are underutilized as a result, representing hundreds of billions of dollars of unrealized value every year," said Tomer Shiran, co-founder and CEO, Dremio. "Dremio makes data self-service for data consumers in the same way that AWS makes infrastructure self-service for developers, but it benefits more than 10 times as many individuals. We are thrilled about the support and confidence we have received from our customers and investors, and we look forward to continuing to change the way data is harnessed by all companies."

The Data Challenge

Data consumers rely on having data that is easy to access and fast to use. The challenge is that data is massive, siloed across many systems, and in different formats and technologies; making governance, security and performance insurmountable challenges for companies today. Moving all data into a single system via ETL and data prep tools is no longer practical. Modern data architectures including microservices, NoSQL databases and cloud services generate data that is fundamentally incompatible with existing analytical infrastructure. As a result, IT is tasked with perpetual data engineering projects to copy, reshape and optimize data for access, while data consumers remain underutilized and dependent on IT to get their jobs done.

Customer Applications

Technology providers including Microsoft, Tableau, Qlik and open source communities including Python and R are collaborating with Dremio to reimagine how users of these tools work with data. Dremio estimates its total addressable market to be $75B+ by 2020 according to industry analysts.

Dremio can be run as an elastic service in the cloud and on-premises, allowing customers to easily meet their needs at any scale. Popular use cases include BI and Data Science on Modern Data, like Elasticsearch, S3, Hadoop and MongoDB; Data Acceleration, making even the largest datasets interactive in speed; Self-Service Data, making data consumers more independent and less reliant on IT; and Data Lineage, tracking the full lineage of data through all analytical jobs across tools and users.

The Power of Apache Arrow

Data scientists need tools and technologies that allow systems to efficiently interoperate and allow business analysts and data scientists to use data, despite the fact that it exists in many different systems. Apache Arrow was created by Dremio to provide the core data building block for heterogeneous data infrastructures and tools, including Spark, Python, R, BI, RDBMS, NoSQL, and file systems. Arrow is now the de-facto standard for in-memory analytics, with more than 100,000 downloads a month and adoption across a diverse range of projects. The benefit of Arrow is that it enables different systems to talk to each other with almost no overhead because they all use the same in-memory representation.

https://www.businesswire.com/news/home/20180123005219/en/Dremio-Raises-25-Million-Series-Financing

OTHERS

Former Ripple exec invests $57.5 million in Uphold

Others

1/25/18

Digital money platform Uphold today announced it has received a $57.5 million investment from former Fed Reserve senior analyst and Ripple chief risk officer Greg Kidd.

Kidd, who will join Uphold's board of directors, will also help fund the creation of a research and development arm, to be called Uphold Labs, through his investment vehicle Hard Yaka. Kidd has previously invested in Coinbase, Square and Twitter.

In a statement, the investor praised Uphold's scalability, as well as its compliance practices.
In addition to forming Uphold Labs, the investment will help fill Uphold's loss assurance to roughly 20 percent of its crypto holdings, protecting its users from potential losses due to cryptocurrency volatility or other issues.

Kidd told CoinDesk:"Because of the strength of Uphold's compliance and controls, I'm willing to pledge a certain amount of my balance sheet, or the balance sheet of my venture company ... as a reserve. That means that if there was some adverse effect at Uphold that might put it otherwise in a position of operating as a fractional reserve, this is like an insurance program that will make sure that user balances are protected."

A spokesperson for Uphold said the licensing revenue and development wing will receive 20 percent of the funding, which will be used to add more cryptocurrencies to increase the firm's connectivity to financial systems, as well as for use in Ripple-related projects.

Then, 45 percent will go to equity, and the remaining 35 percent will be shifted to its reserve balance sheet.

The partnership will help Uphold provide "unprecedented asset protection," said chief executive Adrian Steckel.

Formerly called Bitreserve, before its rebrand in 2015, Uphold offers foreign exchange and international remittances in bitcoin and fiat currencies. It also provides e-commerce services.

https://www.coindesk.com/former-ripple-exec-invests-57-5-million-in-digital-money-platform-uphold/

Juvo receives investment from Samsung to boost smartphone usage among underbanked

Others

1/23/18

Mobile identity company Juvo has received an investment from Samsung NEXT, an off-shoot of Samsung that launched in 2013 to create new software and foster a startup culture at Samsung. The amount of the investment was undisclosed and adds to the San Francisco-based company's $54 million in equity funding. The bigger story here is that the investment is a strategic one. Samsung will bring Juvo access to billions of underbanked prepaid users across the globe. This will help Juvo enable MNOs to increase smartphone adoption among prepaid mobile subscribers.

Juvo was founded in 2014 with a mission to "establish financial identities for the billions of people worldwide who are creditworthy, yet financially excluded." The company's tag-line sums this up as, "access for all."

In today's press release, Steve Polsky, founder and CEO of Juvo, explained that the investment and alignment with Samsung NEXT is important because it allows Juvo "to further realize our vision by being among the first to integrate financial identity into a hardware device and, with it, offer unprecedented access to greater financial services." He added, "Samsung opens a critical piece of the ecosystem for Juvo, and its world class organization, market expertise, and reach will accelerate the Juvo mission, putting sophisticated technology in the hands of unbanked people and provide financial access to those who need it most."

"At Samsung NEXT, we're focused on working with entrepreneurs and startups that are creating truly impactful software and services–software and services that will transform the way we, as humans, interact with our devices, each other and the world," said Patrick Chang, Principal at Samsung NEXT Ventures. "Juvo's impressive traction from mobile operators and consumers offers an opportunity for us to tap into the next billion customers through more comprehensive financial inclusion and accessibility."

Polsky demoed Juvo's Identity Scoring at FinovateFall 2016. The company empowers underbanked consumers by offering them a single identity with which to access financial services across the globe. Juvo also incentivizes financially underserved consumers to build credit and access financial services by extending microloans.

Since launch, the company has attained a reach of more than 500 million subscribers across four continents and is deployed in 25 countries. Last fall, Juvo partnered with Malaysian mobile virtual network operator, Tune Talk.

http://finovate.com/juvo-receives-investment-from-samsung-to-boost-smartphone-usage-among-underbanked/

Facebook acquires biometric ID verification startup Confirm.io

Others

1/23/18

Facebook has confirmed to TechCrunch that it's acquired… Confirm.io. The startup offered an API that let other companies quickly verify someone's government-issued identification card, like a driver's license, was authentic. The Boston-based startup will shut down as both its team and technology are rolled into Facebook, where it could help users who are locked out of their accounts.

Confirm.io had raised at least $4 million from investors, including Cava Capital, since launching three years ago. The 2015 seed round funded advanced forensics used to pull information from an ID card, as well as mobile biometrics and facial recognition to confirm a person's identity before the startup deleted the personal data.

Clients could quickly integrate the tech, which expedited on-demand startup staff onboarding. Food delivery service Doordash used Confirm.io to verify its drivers, while Notarize used it to authenticate the identity of customers looking to file documents.

The startup writes, "When we launched Confirm, our mission was to become the market's trusted identity origination platform for which other multifactor verification services can build upon. Now, we're ready to take the next step on our journey with Facebook. However, in the meantime this means all of our current digital ID authentication software offerings will be wound down."

Facebook tells TechCrunch, "We are excited to welcome the Confirm team to Facebook. Their technology and expertise will support our ongoing efforts to keep our community safe."

Facebook could potentially use the technology to have people confirm their identities if they're locked out of their accounts after being hacked or losing their password. Back in September we spotted Facebook testing a feature that let you unlock your account using a selfie. And since at least 2013, Facebook has let people mail in a copy of their photo ID or other identity verification materials in order to regain access to their account.

Because this is a full acquisition, not just an acqui-hire, Confirm.io's team and tech could help Facebook strengthen and streamline these options. And one day, perhaps Facebook could even serve as your ID card in some situations. Face ID on the iPhone X could eventually be opened to third parties to power more biometric security across apps. With our keys and payment cards becoming digitized and part of our phone, the ID card is really the last reason you have to carry an old-school wallet.

https://techcrunch.com/2018/01/23/facebook-confirm-io/