

Fintech Execs talk COVID-19

We have compiled a list of quotations and interview segments that we've obtained from Fintech executives over the last three months related to the effects of COVID-19 on their strategic planning.

Many of the companies we have interviewed have postponed or adjusted their funding timelines, while others have raised capital during the pandemic and seem to be thriving despite these unrepresented times.

We have done our best to break our content into sections by date, topic, industry, sector, and geography. You will find statements related to payments, openbanking, lending, insurtech, wealthtech, healthtech, blockchain, the remote workforce, LatAm, the PPP and more.

Please enjoy this report (below) and click on the company, news, or exec quote links to access each article in its entirety.

Sincerely,

Fintech Horizons Media

Payments

[AeroPay](#), a Chicago-based bank transfer payments company, is waiting until the COVID-19 dust settles before moving forward with capital raise plans, said Daniel Muller, CEO. The fall is a reasonable timeframe for when AeroPay may begin its next raise, but that is assuming the world has calmed down from the current crisis, Muller said. – May 1, 2020.

[Veem](#), a San Francisco, California-based global payments platform, is in the midst of its Series C raise, said Marwan Forzley, CEO and co-founder. Veem will likely close the raise in Q2 or Q3 this year, he said. The process has slowed somewhat due to COVID-19 as investors are waiting to see how the market stabilizes. Additionally, investors are focused on their current portfolios as opposed to looking for new opportunities. – May 5, 2020.

[GoCardless](#), a London-based bill payment fintech, seeks strategic partners to fuel US growth, said Andrew Gilboy, general manager North America. The COVID-19 crisis puts GoCardless in an interesting market position as its digital payment solutions become even more relevant during difficult economic conditions, he said. As companies struggle to make B2B payments, GoCardless enables customers to align payments and transactions to occur when the funds are available in their accounts. Instead of friction between B2Bs due to insufficient funds or failed payments, GoCardless offers customers a seamless payment process. – April 28, 2020.

[DailyPay](#), a NYC-based employee payments provider, plans to look at another funding round but timing is uncertain due to COVID-19, said Jeannie Mullen, CMO. Mullen said the timing of its next round has not been determined given the current state of the markets. Additionally, DailyPay has not decided if it would like to raise a new round of funding or an extension of its last round. – April 2, 2020.

[FlexxPay](#), a Dubai-based fintech that enables employees to receive salary and commission advances, is in the midst of SAFE raise, said Michael Trüschler, CEO and founder. The company has not seen a significant slowdown in transaction volume due to the COVID-19, Trüschler said. Consumers need access to income now more than ever to stock up on supplies, which is a positive for FlexxPay. However, onboarding new B2B customers or entering into partnerships are more difficult as there are no face-to-face meetings with new customers. Additionally, many companies are in survival mode and are not looking to add new services to their portfolio at this time.

Doxo's next raise depends on market conditions; interested in strategic partnerships now, CEO says—April 24, 2020

Ninety days ago, Doxo CEO Steve Shivers would have said that the Seattle, Washington-based online bill pay startup, would likely start its next round, but now he said Doxo is shifting its strategy to wait and see.

["The COVID-19 crisis has created market uncertainty, and it remains to be seen how the fundraising environments will be affected. While Doxo has no aversion to a raise now, the company wants to make sure the terms and timing are a fit and benefit Doxo."](#)

LatAm

Founder Insights- A Q&A with Atrato's CEO Rogelio Rea. – March 23, 2020

Based in Mexico City, Atrato lets merchants offer installment loans as a payment option to their customers. Rea said:

["Since COVID-19 directly impacts our customers and merchants, we are working with them closely to navigate this crisis. We also expect our fundraising closings to move to the second half of the year."](#)

[Albo](#), a Mexico-based challenger bank, will likely begin its Series B raise in 9 to 12 months, said Ángel Sahagún, CEO and founder. COVID-19 will impact fintech companies as people are making less transactions due to job losses and stay at home orders, he said. But Albo still has an advantage even in a down economy because Albo is 100% digital, which allows customers the ability to continue bank via mobile phones without leaving their homes, but incumbents with physical branch locations will likely suffer and will see a more significant loss during the crisis. – April 20, 2020.

Klar likely to seek its Series A later this year, CEO says—May 11, 2020

Klar, a Mexico City-based challenger bank, is likely to raise its Series A later this year, said Stefan Moller, CEO and co-founder.

["The current COVID-19 crisis has delayed its funding plans slightly due to stay-at-home challenges and travel restrictions, which make it difficult to meet with investors and engage in face-to-face conversations. However, once the pandemic passes and all clear signs are given, hopefully this quarter or in Q3, Klar is ready to continue capital raise discussions with potential investors. Ideally, the company will close the round this year."](#)

Founder Insights-a Q&A with Ubank's Mijael Feldman—April 1,2020

Feldman is the CEO and co-founder of Übank, a Mexico City-based provider of white-label or co-branded mobile savings apps for banks. Regarding how its

growth strategy has changed as a result of the pandemic, he told this news service:

“...some of our plans have changed. Today, we are working with 10 clients and those clients have operations in Mexico, Panama, Colombia, Ecuador, and Chile. So far our focus is to care for our contracts and improve the product to support banks and their customers. In these times of great uncertainty, it is important to continue to remain focused on designing better ways for people to improve their financial health.”

Founder Insights-a Q&A with Inverkids’ Mariana Garza Villalobos—April 15, 2020

Garza Villalobos is the CEO and founder of Inverkids, a startup based in Mexico that is creating an app to help children and young adults develop better financial habits.

“This is a difficult situation, but we also think it presents an opportunity. The crisis has magnified the need for digital solutions. At the moment, many parents are at home with their children for most, if not all of the day. Parents now more than ever are attached to technology, and seek activities they can do together with their children in the home, which our app facilitates.”

The Remote Workforce

Tehama, an Ottawa, Canada-based SaaS company that provides virtual environments to support remote workers, is seeing an uptick in business amid COVID-19 and is poised for an acceleration in growth following its recent capital raise, Gene Villeneuve, chief revenue officer, told this news service. COVID-19 seems to be increasing demand as Tehama’s sales pipeline has grown 4 fold of what it was in January, he said, adding that usage of its platform by its existing users has also increased 100% since January 1st. – May 8, 2020.

Startup Lending/PPP

[Boss Insights](#), a Toronto-based startup focused on streamlining SMB and commercial lending processes is amid a seed round, CEO and co-founder Keren Moynihan told this news service. As a result of COVID-19, the company converted its platform within days to help support the Payroll Protection Program/CARES Act, Moynihan said. The company addresses qualification and forgiveness, she said. – April 13, 2020.

[“Oracle inks deal with Boss Insights for PPP lending tech” – bank innovation, April 22, 2020](#)

Founder Insights a Q&A with BitX Funding’s Todd Rowe. – June 5, 2020

Based in Fairfield, Connecticut-based BitX is a startup that has created an online marketplace matching small-business owners with non-bank lenders. Rowe said:

[“Lenders are contracting, and the federal government has stepped in to be the lender of last resort. It is just a band-aid, however, and soon the government funding will also run out.”](#)

HealthTech

[Pareto Intelligence](#), a Chicago-based healthcare analytics company, is exploring strategic partnerships and acquisitions to fuel growth, said Jason Montrie, president. COVID-19 will also create acquisition opportunities as the market remains challenging, he noted. Well run companies that help Pareto go deeper into its existing markets to more broadly serve its customers would be interesting to Pareto.

[Picwell](#), a Philadelphia, Pennsylvania-based employee benefits healthtech, is evaluating sale and capital raise options, said Matthew Sydney, CEO. The company, which has raised \$11m in funding, could pursue a company sale or its Series C raise, he said. Sydney expects to have a conversation with its board of directors at the end of Q2 regarding the company’s next steps. – April 14, 2020.

[Ellipsis Health](#), a San Francisco-based behavioral health technology startup, will probably look to raise its Series A later this year, a source familiar with the company said. The company’s app helps clinicians identify those at risk of anxiety and depression and also provides ongoing support to help providers

understand a patient's condition over time. The market will determine Series A size and valuation, the source explained. – April 10, 2020.

[DeepScribe](#), a company using AI and natural language processing to reduce time spent on electronic health record (EHR) documentation, could be in a position to open its A round towards the end of 2020, COO and cofounder Matthew Ko said. – March 4, 2020.

[CompanionMx](#), a Boston-based digital health company specializing in communication analysis for mental health monitoring, will be seeking strategic partnerships, acting CEO Victoria Smith said. – March 3, 2020.

[QRfertile](#), a Farmington, Connecticut-based company developing a home use men's fertility test and an accompanying telemedicine application, is amid a seed round, CEO and co-founder Reza Amin said.---March 2, 2020.

Other HealthTech stories published by this news service recently include **MDI Health**, **MyDoc**, and **Clearstep** - click [here](#), [here](#), and [here](#), respectively.

WealthTech

[WealthConductor](#), a Hartford, Connecticut-based retirement income management platform provider, is seeking its next round of capital, said Sheryl O'Connor, CEO and co-founder. It initially targeted a Q2 close, but due to COVID-19, the process slowed as investors remained focused on their existing portfolio investments instead of seeking new ones. But it still expects to close the round by the end of Q3. Existing investors may also participate in the round, she noted. – May 28, 2020.

Personal Finance

[Pinkaloo Technologies](#), a Baltimore, Maryland-based charitable giving platform, may raise its Series A later this year depending on COVID-19, said Gideon Taub, founder and CEO. The company, which has raised \$1.8m in seed funding, is interested in investor approaches from both financial and strategic investors that can add value and help with its expansion and growth plans, said Taub. Strategics such as credit unions, banking vendors or investors in the fintech market would be a fit. – May 26, 2020.

BankTech

Founder Insights- A Q&A with KlariVis's Kim Snyder—March 18, 2020

Kim Snyder is the CEO of KlariVis, the Roanoke, Virginia-based creator of a cloud-based analytics platform used by community banks and other FIs. KlariVis was founded in February 2019 and launched commercially in January 2020. On March 9, the company announced that it already had six financial institutions using its analytics platform and more than 80 others that are evaluating the platform. Regarding the pandemic's effect on the startup, Snyder told Fintech Horizons:

[“In response to COVID-19, we moved to a remote workforce on Friday, March 13 and that is working well for us. We are anticipating a slow-down in our sales process as banks become internally focused and depending on how long that lasts, it could very well have a negative impact on our business. To mitigate that risk, we have moved up some of the items on our development roadmap that will assist our bank clients in navigating this crisis. This is exactly why they need a solution like KlariVis – so they can easily slice and dice their portfolios and quickly understand where their risks are so they can become proactive in reaching out to their customers. We will be rolling out these new visuals quickly to assist our current clients and we believe these items will underscore the need for our solution.”](#)

[LemonadeLXP](#), located in Ottawa, Ontario, sees strong growth from financial institutions for its game-based training platform and the potential exists to spin off the unit from its parent, said John Findlay, CEO and founding partner. Since

April, the company has also offered the platform for free to new FIs, an offer that goes until the end of June. It also has created a digital academy that includes a PPP loan walkthrough, the CEO noted. The goal of the free offer and the PPP-related content was to let FIs use LemonadeLXP without cost to train staff to better serve customers during this challenging time. – May, 23, 2020.

Mortgage Lending

Mojo Mortgages planning Series B in early 2021, CEO says—April 23, 2020

Mojo Mortgages is a UK-based online mortgage broker. Mojo remains in a “reasonably strong” position despite the COVID-19 crisis, CEO Richard Hayes said.

["Consumers still are able to obtain mortgages and remortgages during this time. Additionally, mortgages are needed even in a recession and while it may slow down, the sector will rebound. Lenders learned hard lessons of what is and is not acceptable during the 2007-08 recession and housing crisis."](#)

InsurTech

Getsafe likely to pursue Series B this year once investor interest returns, CEO says—March 27, 2020

Getsafe, a Heidelberg, Germany-based digital insurer, is likely to raise its Series B round this year, once investor interest returns, CEO Christian Wiens told this news service.

["Conditions may be stabilizing a bit as investors see governments stepping in to create a safety net, but there is still a lot of worry and uncertainty. In time, the situation will improve and people will want to invest again. At that point, VCs will be interested in companies with meaningful traction and tried and true models."](#)

ChainThat to start capital raise in 9 to 12 months, CEO says—April 21, 2020

ChainThat, a London, UK-based insurance blockchain solutions provider, will begin its next capital raise in 9 to 12 months, said David Edwards, founder and CEO.

[“The COVID-19 crisis may have a positive impact on insurtech for the long-term. The reinsurance industry is largely not digital, and in these times where employees are forced to work remotely, insurance platforms need to be digital to better serve customers. This may be the catalyst needed for insurance innovation to catch up with the fintech market.”](#)

Cover Genius ready to raise Series C; engages Goldman Sachs to assist, CEO says—May 12, 2020

Cover Genius, which integrates insurance policies into the point of sale for e-commerce companies, is working with Goldman Sachs to assist with its “significant capital raise,” CEO and co-founder Angus McDonald said. The CEO told FHM:

[“While the COVID-19 has affected some customers, Cover Genius is diversified enough so that the company is still growing. For example, the travel industry has slowed in terms of booking volumes, but other ecommerce customers are seeing a tailwind as people are doing more online shopping during the stay-at-home orders.”](#)

[Arturo](#), a Chicago-based geospatial insurtech, is in process of follow-on raise, said John-Isaac Clark, CEO. Arturo uses AI analytics and aerial imagery to assess risk for residential and commercial properties. Arturo is focused on the property and casualty insurance market, but it sees value in expanding to other areas such as lending and real estate. COVID-19 has created an increased demand for Arturo’s product offering into these areas as foreclosures ramp up. Additionally, as social distancing remains in place, Arturo’s software allows insurance carriers, real estate and lending companies to obtain property data without physically inspecting properties. This follow-on raise will fuel growth of its US and Asia Pacific expansion plans. Singapore is a market of interest to Arturo, which it plans to enter on its own, without the help of a strategic partner. – May 4, 2020.

Insly in capital raise discussions with potential investors, CEO says—April 15, 2020

Insly is a London, UK-based insurance software provider. Regarding the effects of the pandemic on its growth plans, Insly CEO Risto Rossar told Fintech Horizons:

[“This is a challenging time for companies in this ever-changing environment. While venture capital investors are still interested in investing, it remains to be seen how the economy will change in the next six months. Companies should watch their run rates carefully and hold tight during these unknown times. This gives companies like Insly a significant advantage, as it is able to deliver a cloud-based remote and state of the art working solution for insurance businesses.”](#)

[Breathe Life](#), a Montreal, Canada-based insurtech, is in process of raising its Series A round, said Ian Jeffrey, co-founder and CEO. The company, which raised C\$4.7m seed funding in 2019, is in the midst of raising a \$10m A round to assist with product and expansion. – April 8, 2020.

[Bsurance](#), a Vienna-based insurtech MGA, embeds insurance products for its customer's products and services at the point of sale. Bsurance originally planned to go out for its next round at the end of the year, but due to the current COVID-19 market crisis, Bsurance has shifted its timeline to Q1 or Q2 next year. The company still has sufficient capital to fund the company until its next round, the CEO and co-founder Lorenz Graeff said. Pre-COVID-19, Bsurance was engaging in productive capital raise conversations, and while some discussions slowed, Bsurance is still interested in approaches from investors. For the next three or four months, the company will probably “hunker down” until conditions return back to semi-normal. – May 19, 2020.

Health Payments

[OODA](#), the SF health care payments provider, remains busy despite the turbulent times of COVID-19, Seth Cohen, co-founder, and Co-CEO. said. There is still new interest in its products because OODA helps providers receive payments for care. It has nine or ten potential insurance carriers in its pipeline that OODA hopes to add as customers by year-end. Additionally, OODA is

doubling down on its existing customers by rolling out OODA's platform as its payer customers expand. – May 18, 2020.

News from April – June

There seems to be an uptick in mental health startup funding announcements amid COVID-19. In early April, two mental health-focused startups snagged big raises. Denver-based **Sondermind** [inked \\$27m](#) in Series B funding for its mental health accessibility platform, while Boston-based **SilverCloud Health** [secured \\$16m](#) in Series B funding for its own remote mental health platform. In early May, **Limbix**, a Palo Alto-based startup developing digital therapeutics for the treatment of adolescent mental health disorders, announced a [\\$9m Series A](#) raise, led by GSR Ventures and joined by other existing investors, including Sequoia Capital, Storm Ventures, NextGen Venture Partners, and BIXINK Therapeutics, and later in May, **Mindstrong**, a Mountain View, California-based mental health company innovating virtual care models and digital measurement, [drew](#) \$100m in Series C funding with General Catalyst, ARCH Venture Partners, Foresite Capital, 8VC, Optum Ventures, and What If Ventures, among others taking part.

Biometrics and Identity-focused startups appear to be getting a boost from COVID-19, with significant amounts of new venture funding flowing into the segment. Around the time of the April 18 newsletter there were three big raises took place. **BioCatch**, a Tel Aviv-based startup building a behavioral biometrics offering, [inked \\$145m](#) in Series C funding led by Bain Capital Tech Opportunities, and **Onfido**, the London-based creator of biometrics technology used to verify the authenticity of government-issued IDs, [nabbed \\$100m](#) in new capital led by TPG Growth. Additionally, **Beyond Identity**, a New York-based startup aiming to eliminate passwords, [launched out of stealth mode](#) with \$30m in Series A funding from Koch Disruptive Technologies and NEA.

Insurtech startups are tightening their belts. In early April, San Francisco-based **Metromile** [furloughed and parted ways](#) with around 100 employees or about one-third of its staff. In late March, **Cover**, an insurtech startup also headquartered in San Francisco, [let go of 40% of its workforce](#) from two of offices, after failing to secure a Series C round, according to a report from *Coverager*, citing sources.

May 11

New York-based **OnDeck Capital**, a small business lender, is being shopped by Evercore, according to a *Forbes* [report](#) that cited a person close to the matter for the information.

The likes of **Kabbage**, **TransferWise**, **Next** and **Personal Capital** could be potential fintech targets amid the coronavirus crisis, according to a speculative list of 12 target names published in the same report, which cited a number of dealmakers, entrepreneurs and professors. **Paypal**, **Visa**, **Mastercard** and large technology firms were seen as logical acquirers.

May 20

COVID-19 [could put](#) the credit scoring system into crisis given the record number of Americans potentially facing credit downgrades, according to a *American Banker* podcast that appears to be behind a firewall.

May 31

A slow economic recovery [could be especially painful](#) for small and non-bank lenders, many of whom will likely need to raise capital to cover loans that could go bad because of the pandemic, the *Wall Street Journal* reported.

June 1

Western Union [has made an offer](#) to acquire **MoneyGram**, *Bloomberg* reported, citing a person familiar with the matter who said that no decision had yet been made in regards to a potential deal. *PYMNTS.com* [looks](#) at how such a possible tie-up could make sense for MoneyGram if it were to happen, which it notes has been hit hard during the pandemic due to its large footprint of physical locations.

June 2

Lemonade CEO Daniel Schreiber said on an insurance podcast [that it is better](#) for companies to go public when they are younger than to wait too long where they become propped up by private money.

June 3

[Betterview](#), a San Francisco-based startup that helps insurers more effectively monitor properties and property damage, raised \$7.5m in new funding led by ManchesterStory with participation from Nationwide, EMC Insurance Companies, MaidenRe, Compound, Winklevoss Capital, and Chestnut Street Ventures and Guidewire Software.