

Plaid Case Study

Columbia University FinTech Bootcamp

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Highlights:

Employees:
400

Last Deal Details:
\$250M - Later Stage VC (12/03/2018)

Total Raised to Date:
\$310M

Fundraising Round:
Series C

Post Funding Valuation:
\$2.65B

Valuation Set-up:
10.67x

General Information:

Entity Types	Private Company	Year Founded	2013
Website	www.plaid.com	Universe	Venture Capital
Also Known As	Plaid	Primary Industry	Software Development
Legal Name	Plaid Inc.	Other Industries	Financial Software
Business Status	Generating Revenue	Verticals	FinTech, SaaS, TMT
Ownership Status	Privately Held (Backed)	Employees	400
Financing Status	Venture Capital-Backed		

Overview:

- **What is Plaid?**

Plaid develops technology platforms, which enables applications to connect with users' bank accounts. Plaid focuses on enabling consumers and businesses to interact with their bank accounts, check balances, and make payments through financial technology applications. Plaid is focused on democratizing financial services through technology.

- **How did the idea for the company come about?**

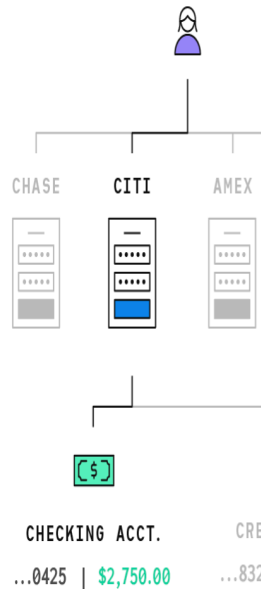
Plaid was originally intended to be a personal financial management and tracking tool for consumers, previously operating under the name "Silver" and then "Rambler". When confronted with difficulties in connecting bank accounts required for these tools, Plaid pivoted its core business focus to a unified banking API.

- **How is the company funded? How much funding have they received?**

Plaid has raised a total of \$310 million in three round from various institutional investors as well as venture capitalist. Some investors include, but are not limited too: Spark Capital, Google Ventures, New Enterprise Associates, Goldman Sachs, American Express, and Citibank.

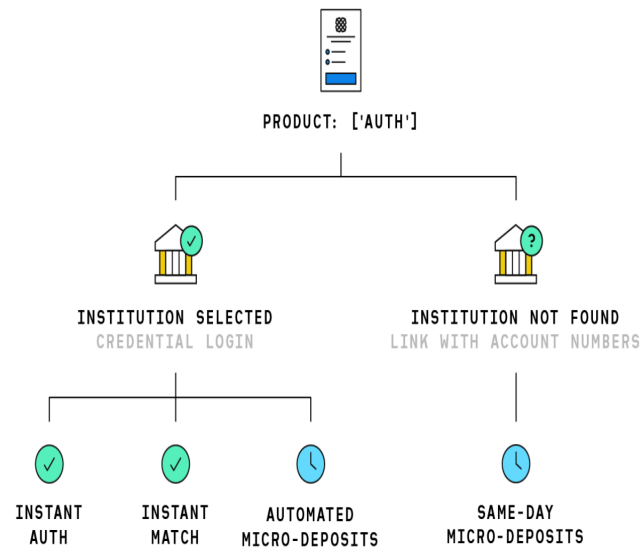
How Plaid Works: :

Your user can have multiple Items, or sets of credentials



Each Item can have many associated accounts, which hold information such as balance, name, and account type

Auth

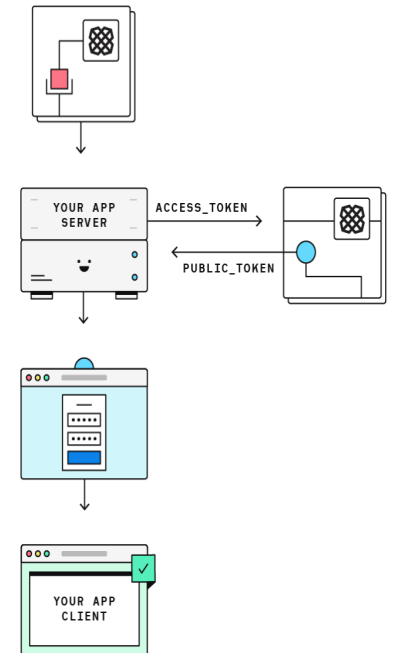


1 Plaid sends an Item error webhook to your app server

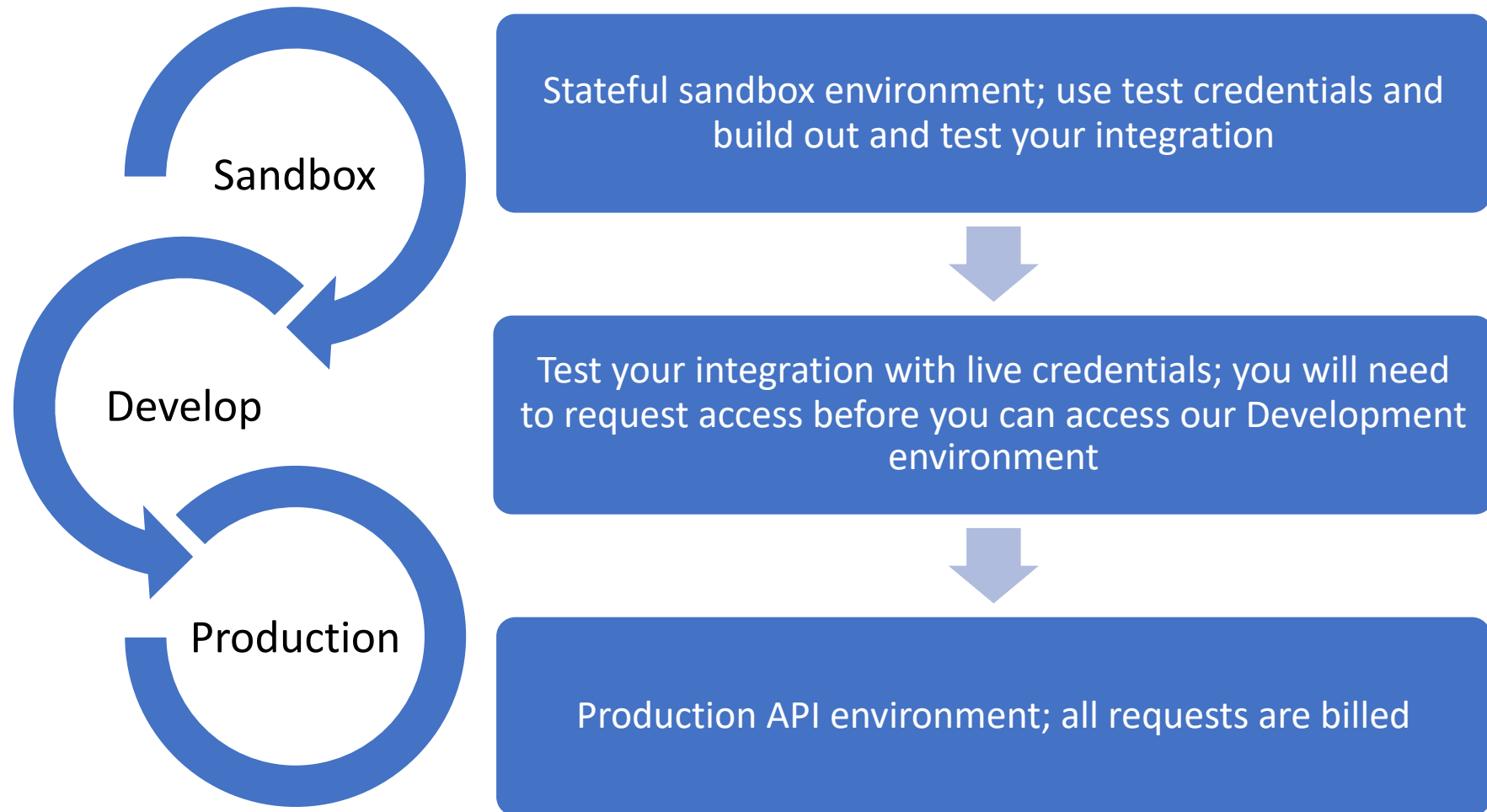
2 You make a request with an access_token to create a temporary public_token

3 You send the public_token to your client and have the user re-authenticate with Plaid

4 The onSuccess callback will indicate that the user has successfully re-authenticated



API Environments:



Products:

Products:	Description:
Authentication	Retrieve account and routing numbers for ACH* authentication.
Transaction	Clear transaction data going back as far as 24 months. Transaction data may include contexts such as geolocation, merchant, and category information.
Identity	Identity information on file with the bank. Reduce fraud by comparing user-submitted data to validate identity.
Balance	Check balances in real time to prevent non-sufficient funds fee.
Income	Verify employment and income information.
Assets	Streamline borrower experiences by verifying assets, including account balances, transaction histories and account holder identity information.
Investments	Gain insight into a user's investment accounts, including account balances, holdings, and transactions.
Liabilities	Access liabilities data for student loans and credit cards.

Competitive Landscape:

	Plaid	TrueLayer	Scivantage	InvestCloud
Description	Developer of an application programming interface designed to offer financial and banking services.	Developer of API platforms intended for individuals to share or aggregate their financial information from different providers.	Developer of an enterprise platform intended to transform complex information and processes into intuitive user experiences.	Developer of digital financial services platform designed to offer knowledge about investment options to the users.
HQ Location	San Francisco, CA	London, United Kingdom	Jersey City, NJ	Los Angeles, CA
Employees	400/2019	40/2019	167/2019	300/2019
Total Raised	\$310M	\$46.95M	\$49.5M	\$133.15M
Post Valuation	\$2.65B - 12/03/2018	\$122.35M - 06/04/2019	N/A	\$445M - 12/27/2017
Year Founded	2013	2016	2000	2010

Works Consulted:

1. "Quickstart." *Plaid*, plaid.com/docs/quickstart/.
2. "Docs." *Plaid*, plaid.com/docs/.
3. "Institution-overview." *Plaid* plaid.com/docs/#institution-overview
4. Pruitt, Jeff. "6 Fintechs Disrupting The Industry." *Inc.com*, Inc., 26 Jan. 2017, www.inc.com/jeff-pruitt/6-fintechs-disrupting-the-industry.html
5. "Plaid: Fintech's Happy Plumbers." *Forbes*, Forbes Magazine, www.forbes.com/plaid-fintech/#6145e4ad67f9.
6. Data, Pitchbook: "Plaid:Pitchbook." *Pitchbook_plaid.Pdf*, 14 Nov. 2019.