



## **PODCAST TRANSCRIPTION SESSION NO. 194 / LENDIT FINTECH USA 2019 PREVIEW SHOW (WITH TODD ANDERSON AND RYAN LICHTENWALD)**

Welcome to the Lend Academy Podcast, Episode No. 194. This is your host, Peter Renton, Founder of Lend Academy and Co-Founder of the LendIt Fintech Conference.

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Today's episode is sponsored by LendIt Fintech USA 2019, the world's leading event in financial services innovation. It's going to be happening April 8th thru 9th, at Moscone West in San Francisco. We're going to be covering digital banking, Blockchain, financial health and, of course, online lending, as well as other areas of fintech. There will be over 5,000 attendees, over 250 sponsors and registration is now open. Just go to [lendit.com](http://lendit.com) to register.

**Peter Renton:** We're doing something a little bit different on the show today, this is annual LendIt Fintech USA Preview Show. I'm bringing on by colleagues, Todd Anderson and Ryan Lichtenwald. these are the people who also bring you LendIt News.

The three of us are focusing on producing the agenda for LendIt, we also write news articles and features on [lendacademy.com](http://lendacademy.com), but today, we are talking all about LendIt where we're going to firstly start with the trends in the industry and then go through how to get the most out of the show, what are some of the features of the show so if you're coming to LendIt, this will make your experience much more efficient by getting a good flavor for the show to help you navigate what is really a whirlwind couple of days. I hope you enjoy the show.

Welcome back to the podcast, Todd and Ryan.

**Todd Anderson:** Thanks for having us, Peter.

**Ryan Lichtenwald:** Thanks, Peter.

**Peter:** Okay, of course. So this is a LendIt Preview episode, but before we get right into the nitty-gritty of the event, I wanted to take a step back and maybe talk about what are some of the trends we're seeing in the broader fintech space today. Maybe I'll start off with you, Todd, what are you seeing?

**Todd:** Thanks, Peter, I think, overall, I'd say the biggest trend has to do with the banking market in a couple of different areas. So I think, first, when you look at bank partnership thinking of just a few short years ago, there was a lot of talk amongst banks and fintechns as if they were competitors with one another and I think that's really been the biggest shift. Now you talk to banks and fintechns and both see each other as partners and so I think really that shift that's happened the last couple of years has really changed the market.

So you're seeing bank partnership deals for lending, bank partnership deals for investing, bank partnership deals for other areas in fintech; for AI in conversational bots or potentially fraud-related technologies to help catch anti-money laundering or have to comply with the Bank



Secrecy Act. So I think, overall, bank partnerships have really shifted into this place where it's a bigger, better, safer environment where banks and fintechs are really playing with each other, you know, pretty much consistently and there's a lot less talk about animosity.

The one area, though, where there's still, I'd say, a bit of competition moving to that second big area of banking is the growth of these digital banks. First, you've seen a big growth in some of the firms in Europe like OakNorth who just raised a significant round, hundreds of millions of dollars. You have Monzo, N26 who's soon going to be launching in the US as well as Revolut, who's launched internationally is looking at the US. So I think where there's still that competitive juices flowing is probably more in digital banking so the fintechs are trying to become banks or alternative to banks with either cross-border payments that are very cheap or checking or current accounts as many people are calling them these days.

And so I think those offerings put a little of that competitive edge to a limit, but I think when you look at banking overall, the market really shifted in the last couple of years to see a lot more collaboration and a lot more deals getting done between banks and fintechs than you might have seen a few years ago.

And then one more area, I'd say, is Blockchain. While there's been a lot of talk of the crypto space, especially going from where it was in the end of 2017 to where it is now, I think the big thing you've seen recently is that financial firms are really starting to put some of these projects into production. Firms like Fidelity are coming up with COFTI solutions so I think you're really started to see banks, in particular big multinational banks, look at Blockchain solutions so they can see how they can save money and also deal with many of the different parties such as the supply chain finance or syndicated lending that it's easier to handle those types of transactions when you're on the Blockchain. So I think you're seeing a few different trends and so I think it's been an interesting, I'd say, 18 months and those are just some of the things that I've seen.

**Peter:** Right, right. Okay then, so what about you, Ryan, what are you seeing, what sticks out for you these days?

**Ryan:** I think the number one thing to me is just the amount of capital coming into fintech so coming into 2019, you know, everyone was reflecting on 2018 and it ended up being the largest year for fintech funding. And so coming into 2019, only just a few months in here now, but, collectively as a team have noticed all these fintech funding rounds, massive funding rounds and I think that's one of the big trends today.

We created this pulse and decided to start tracking some of these large funding rounds and I was just looking back and we're just focused on rounds that are \$10 Million plus globally. Now just looking at our list and as we're recording this on March 28th, we almost have 50 firms that have raised over \$10 Million, many names that folks are familiar with. Some of these are large rounds for, I guess, you can call them later stage fintechs, still some new names in there. For me, that's the number one trend that I've been seeing.



**Peter:** Right, right and it's fascinating to see, particularly in the digital banking space that Todd was talking about, I mean, some of the rounds are monstrously large. It almost feels to me....like we go back to early 2015 in the lending space where there was just capital being thrown around. I wouldn't say willy-nilly, but if you had a half decent idea and a half decent team you got money thrown at you. I don't know if it's quite the same, but, boy, in the digital banking space we are really....just that there's so much capital being attracted because there's plenty of good companies in the US, in Europe and all over the place actually that are attracting these amounts of capital.

I don't want to neglect the lending space because I feel like the lending space is no longer the flavor of the month that's been so for some time, but there's still good companies as to attracting capital and there's plenty of innovation that's happening. I think you really are seeing, particularly on the underwriting side, fraud detection, there's a lot happening in the lending space when it comes to bringing a better user experience to the customers. You've got companies that are now adding multiple products into their offerings and we are certainly seeing some interesting innovations happening there as well.

So anyway, let's talk about the event itself. We're recording this 11 days before we kick it off. Maybe, Todd, I can start with you, just tell us a little bit about the structure of the event, what people can expect.

**Todd:** Sure, so what you'll see this year at the Moscone West Center in San Francisco is the event, from the majority, takes place on Level 1 and Level 2. So if you look at Level 1, you have the Expo Floor. On the Expo Floor, you'll have food and beverage, you'll have all of our sponsors, who without them we probably could not do this event, and so the Expo Floor is where a lot of the commotion will be going on, a lot of meetings, you'll have the Brella networking area, you'll have food and beverage so the first floor will be very, very exciting and a lot happening during the course of the event.

When you look at the second floor, that's what we call the Content Floor. On the second floor, we'll have our Keynote Hall, as well as our six simultaneous tracks that will occur after the Keynote Hall and we'll also have some private lunch areas, but really, the second level you're looking at it and it's all content.

The third level, which we still have part of this year, is really focused on some private parties, some meeting rooms, but really, when you're coming to the event, you're looking at Level 1 and Level 2, that's where the event is going to be happening this year so Expo Hall Level 1, Content Level 2.

Moving on to the Awards Show which is something that we're going to have for the 3rd year in a row, the Awards Show is going to be on the night of April 9th and this is our 3rd Annual LendIt Fintech Awards. It's going to be taking place at the Julia Morgan Ballroom, and this is also in San Francisco. The Awards Show brings together over 400 fintech influencers and innovators and they're celebrating more than 20 awards of the biggest names in fintech. So this year we'll



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be very excited to have the Awards Show again and so when coming to the event, think Expo Hall, Content and Awards Show or three of the most important things to know when coming to LendIt Fintech USA.

**Peter:** Unfortunately, the Awards are sold out so if you're listening to this and you haven't got a ticket, I'm sorry, you can find out what happened after the event. Okay, so let's move on to some of the other things that we have going on. Ryan, why don't you tell us about some of the things that you're focusing on.

**Ryan:** Sure, happy to. So if you've already been to LendIt before, you're familiar with our On-Floor Theater in the middle of the Expo Hall. This is the Innovation Zone and there's a few types of content taking place here right in the middle of the Expo Floor, kind of all around the sponsors, all of the networking so we'll have a few different companies presenting company demos. These are short, 10-minute demos that will take place on Day 1 for companies to really showcase all the things that they're working on, some interesting innovations, etc.

Moving into the afternoons on both days, we're actually going to feature some podcasts, including the Lend Academy podcast that you can listen to Peter record a couple of shows live. We also have the rebank podcast as well as the Wharton Fintech podcast, which I'm really excited to have them.

And taking place on Day 2, we will have our annual PitchIt competition so this is where startups compete and we'll have VC's judging them and so excited to see what happens there on our PitchIt at LendIt stage.

Moving on to more on the networking side of things, so last year we had two mobile apps, this year we are moving to just one to avoid some confusion and kind of streamline the networking process at LendIt so everyone who is attending to download Brella. Within Brella, you'll get a join code that will have them e-mailed to you, you can join Brella and this basically will give you all the information that you need about the event so this includes the agenda and more importantly, our one-to-one meeting tool and so you can view all the attendees, what types of folks you may want to be meeting with and set up short meetings with them right on the Expo Floor, there's an area dedicated to that.

**Peter:** Okay, okay. I want to highlight the Women in Fintech initiative that we have. This is the 3rd year we've really focused on this and we'll have a 3rd Annual Women in Fintech luncheon sponsored by Deloitte on April 8th. New this year, we have a Speed Networking Program, we have Women in Fintech Mentoring Program and also culminates in the Fintech Women of the Year which will be announced at the Awards Show on the evening of April 9th, as mentioned.

I want to just re-emphasize that at the Expo Hall we have over 200 exhibitors down there and I highly recommend everybody spend a little bit of time down there. We've got some of the leading companies in the industry providing all kinds of different services and I encourage everybody to at least spend a little bit of time wandering around getting to know what are the



latest offerings in the fintech space. I often find that I'm like a kid in a candy store when I'm walking through the Expo Hall.

Of course, like we have every year, we also have plenty of media there, there will be some of the media that will be actually interviewing different speakers. There'll also be plenty of media there just covering the event and I highly recommend you basically find out what's going on and you should all check it out.

So then let's move on to the nitty-gritty here, let's move on to the agenda itself and just so everybody knows, Todd, Ryan and myself put together pretty much the entire agenda and we've all taken various different pieces. Maybe, Todd, I can start with you and you can talk through some of the structure of the agenda.

**Todd:** Sure, so as we talked about before, there is content mainly on Level 2, but there is a piece on Level 1 so in coming to the event the content is structured really in a couple of different ways.

First and foremost is our Keynote Hall, this is going to be on Level 2, it's our biggest stage that features the biggest names and so each day, both on April 8th and April 9th, we start off at the Keynote Hall and nothing, no other content goes against it. So these are the biggest names in fintech who get the stage to themselves, talk about the hottest topics, fireside chats, presentations so this is really where the highlight of our content starts.

After each Keynote Hall session ends in the morning that's where we move to our tracks. So our tracks, there's six simultaneous rooms, it's right across the hall from the Keynote Hall so you can't miss it. We put most of the content on Level 2 to make it easy to transition from the Keynote to the tracks and so after the Keynote Hall ends in the morning, you can go ahead to the tracks.

Additionally, down on the Expo Floor, as Ryan was talking about, we have our Innovation Zone. This will feature podcasts, this will feature demos and on Day 2 will also feature PitchIt. So in total, when looking at the structure of the agenda, there's eight simultaneous tracks or rooms; Keynotes which will kick off each day and they go, first and foremost, by themselves, then we'll go to tracks and Innovation Zone, then we go to lunch.

Coming back from lunch, the structure stays the same; we do keynotes by themselves and then move on to the tracks in the Innovation Zone. So the majority of the content starts on Level 2 with the Innovation Zone on Level 1 supplementing it, but, overall, that's how the content is structured at LendIt.

**Peter:** Okay, great. And then, of course, we have all the different tracks. We're covering.....I can't remember how many topics we're covering, I don't know whether you guys remember that at the top of your head, but there's a lot of different topics.



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Certainly where we are strongest and where we will continue to really lead the industry is in the lending content and we have a dedicated consumer lending track, small business lending track, we have a track focused just on financial inclusion again, we're covering policy and regulation and a lot more, but that's part of what I've been focusing on developing personally over the last like six months. Ryan, why don't you tell us about some of the things that you've been focusing on?

**Ryan:** Sure, so first off, we have the paperless mortgages and real estate innovations sessions. This really focuses on both the bank partnership angle with mortgages, we're going to talk about, you know, making home purchases and selling. There's some really interesting platforms that have huge traction here. We're going to talk about bank connectivity and how that improves the mortgage process, tokenized real estate, non-bank lending and, of course, the hillock (?).

We also have the credit and underwriting track, here we'll talk about some of our topics around customer acquisition, automated loan underwriting, kind of go into depth on identity and sort of those topics, including AI, some of the benefits there and also dig into kind of what the credit market is looking like today.

And then, finally, the session, the last track that I worked on was niche lending and here we're just covering a wide variety of verticals so we're going to cover the gig economy, we're going to cover some of the opportunities in the Hispanic market and some of the lenders there; we're going to talk about auto finance and we're also going to cover patient lending. So those are some of the topics that we're covering in that track.

**Peter:** Okay, Todd, what have you been working on?

**Todd:** So to go back to some of the stuff I was mentioning in our top stories, I've really been focused on bank partnerships, digital banking and, you know, one thing that you'll see this year, before getting into some of the specifics of the tracks I worked on, is you'll see more banks on the agenda than you've ever seen before.

There'll be banks in not only the digital banking and community banks and credit union tracks, but you'll also see banks in our lending track, you'll see banks on our international track, you'll see banks on our credit track, our real estate track so really what we've seen the shift has been that banks are working with fintechs a lot more. And so we're covering bank partnerships on our digital banking innovation and partnership tracks, we're covering bank partnerships from a couple of different angles, how companies can launch products quickly, how there's various bank partnerships from chat, to AI, to lending so we're really taking a look at how banks and fintech are really working together in a really in-depth way.

For the first time this year, we're also going to be featuring a track of community banks and credit unions. The main difference between those two tracks is community banks and credit unions, they have to operate differently, they're not able to do proof of concepts that cost billions of dollars; they need to be smart, they need to be strategic so we're covering that angle for those types of banks and credit unions that come to the show.



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So if you're a little bit bigger of a bank, you would go the digital banking and innovation partnership track, if you're on the smaller scale or if you're a credit union, you would go to the community banking credit union track. So we're really trying to specify different types of content for the different attendees that join us.

We'll also be covering Blockchain, as we have the last few years, and we put a little bit of a different spin on this year. We have really focused on Blockchain for financial services so what we like to call Enterprise Blockchain. Talking about payments, talking about supply chain...is Blockchain really ready to move to production in terms of scale in financial services.

We'll be talking about providences, Blockchain from Figure Technologies and so we're really looking at Blockchain from the enterprise side and then, last but not least, of course, is the international track where we cover different markets around the world; Latin America, the Middle East, China so we really want to hit on various different areas of the world and that's something that has always been core to LendIt is that this is our global event.

**Peter:** Right, right, and I also do want to mention a couple of other topics that we will be covering. You know, there's been a bit of a merging of the sort of the payment space and the lending space with payment providers going to the lending space and lending providers going to the payment space so we are going to be covering some payments innovation and, of course, as we do every year, we have an investing track which is focused on all the investors in the space, whether you're a VC investor or a debt investor or hedge fund, what have you, we've got a whole range of different topics focused just on that audience.

Anyway, I want to move on and talk about keynotes because that's...obviously we've got some really big names on the stage this year, many new names to LendIt and wanted to just talk about that briefly. Maybe, Todd, start with you and talk about who are the keynotes that you're most interested in this year.

**Todd:** Sure, there were a few that really caught my eye. I'd say first is having Sallie Krawcheck join us this year. Sallie's, obviously, well known in the banking community, she also started her firm, Ellevest, and she's going to be talking about how financial services firms, banks or fintechs, are really missing out on a potential opportunity of not targeting women investors. These, by some estimates, over 700 billion on the sidelines that could be put into different parts of the financial system, if financial firms were just more targeted towards products that would be speaking to women investors. So she's going to be talking about that which I think will be a fascinating discussion as well as Green Dot and Stash.

This is the first year that we have Green Dot on the agenda. The partnership between them and Stash is very interesting, they just recently released more information about the partnership so I think what you'll see is that the Keynote Stage features some innovation in a variety of different ways and those are just two of the many keynotes that really stood out to me.

**Peter:** Ryan, what about you, what stood out for you?



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**Ryan:** Yeah, so I'm really excited to hear from Boe Hartman, who's the Head of Consumer Technology and a Co-CIO at Goldman Sachs Bank. You know, my perspective is Marcus has really moved from kind of being a new entrant to being kind of one of the leaders in consumer finance so very interested to hear what they have to say and some of the things that they're working on.

Secondly, I would have to say Mike Cagney from Figure. I think getting beyond all the capital that they raised, this is a company that is still relatively new, but is originating all of their home equity lines of credit on the Blockchain and they've done so at incredible speed and it's just....really impressive to me is that they've gone from idea to execution. I've already received a mailer from them which is kind of funny, but, yeah, I just think it's going to be very interesting to hear what Mike has to say. They're really differentiated from a lot of other players in the space.

**Peter:** Right, right, for sure. Well there are so many great ones here. I want to give a plug to our Opening Keynote which is ...we have the CEO of Discover, Roger Hochschild, and Douglas Merrill, CEO of Zest Finance. I think this has been a really important partnership that was announced just a couple of weeks ago and we will have them on stage together talking about how...you know how a pretty significant bank is using machine learning to really totally revamp how they are sort of expanding their credit box and I think it's going to be fascinating to see and hear what they talk about.

Of course, we have some of the lending leaders; we've got Max Levchin from Affirm, Ron Frohwein from Kabbage, you know, Renaud Laplanche from Upgrade, all giving keynotes.

We have Karen Mills talking about small business lending, in fact, she has just written a book. I'll be interviewing her on stage and she obviously was a guest on the podcast just pretty recently.

We've got FICO and Experian on stage together for the first time at LendIt talking about consumer permission data and we've got Yihan Fang from Yirendai. I'm fascinated to hear what she has to say, there's a lot going on in China right now and it will be interesting to hear her thoughts about what's going on there.

I'm really excited about the keynote program, I think we've got a fantastic line-up and I'm just as excited as anybody else to hear what they will have to say. So we're just about running out of time here, but before we sign off, let's talk about something that I think most people come to these events to do and that is to network and I think it is extremely important and maybe, Ryan, you can tell us a little bit about how people can network, how people can get the most out of the event when it comes to networking.

**Ryan:** Yeah, so if you haven't already and you're coming to LendIt, I highly recommend you get on your phone right now and go to the App Store and download Brella. As I mentioned earlier, that's our app for one-on-one meetings and it is sponsored by Marqeta this year.



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What they've done is they've created this very simplistic way of scheduling one-on-one meetings with folks who have joined Brella and so you can schedule it with your calendar and just set-up the short little meetings which tend to be great. The way it works is you're assigned a table and there's an area at our Expo Floor that has numbers on them so you know where to meet. It makes the networking process extremely easy and efficient so you kind of get the most out of networking at LendIt so highly recommend that.

In addition, I will also just mention that on our website we also have our company list and attendee list so you can always view that to see some of the folks that are attending. And then moving on to some of our networking events so we have our Art of Innovation Happy Hour that's taking place on April 8th at the end of the first day.

We also have our Wine Tour which unfortunately now is sold out, but that's the first time doing that this year so kind of interested to hear how that works and some of the more unique opportunities. And then, of course, we also have outside parties that are organized by other sponsors or companies that are kind of having an event outside of LendIt to draw kind of all the folks coming to LendIt Fintech.

**Peter:** Okay, well we're pretty much out of time so maybe...we've been working very hard for the past several months and let's just finish off by sharing, what are your guys planning on doing right after LendIt.

**Todd:** I would say, I probably would sleep a little bit, but, overall, I do have a 5-month old so I will be spending plenty of time with him and if the weather gets nice, maybe I'll begin to play some golf. I know I'll be watching the Masters since it's the week after LendIt or just at the end of the week that LendIt happens. So those are just the couple of things I'll be doing once we finish.

**Peter:** Yes, that has been great news for the last two years. I have not been able to watch much of the Masters because it's been on the weekend before LendIt and we've been working so hard so I'm very much looking forward to seeing that and watching the Masters as well. Anyway, Ryan, what about you, what are you up to?

**Ryan:** Yeah, so I'm actually coming back for a few days back to Wisconsin and then we head out to Puerto Rico to seek warmer climate and kind of relax after LendIt. So that's our plan.

**Peter:** Good for you. Well, I'm actually staying in the Bay Area, I'm heading down to Half Moon Bay. My wife is coming out and I will be closing my laptop and sort of enjoying just all the natural beauty of that part of the world. Anyway, so I think it's going to be a fantastic show, this is our 7th annual and I think it's going to be the best one we've ever had. So really want to thank you guys for coming on and giving everybody some help with the LendIt Preview Show, thanks very much, guys.

**Todd:** Thanks, Peter.



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**Ryan:** Thanks for having me.

**Peter:** Okay, see you.

Well there you have it. I hope to see many Lend Academy podcast listeners at the show. If you do listen to the show, please come up and say hi, I'd love to have a quick chat, and if you are still on the fence, time is running out, but if you're still on the fence as you're listening to this, tickets will be available right up to the morning of April 8th so you will be able to buy tickets at the door and I hope to see many of you in San Francisco.

We will be off next week, I'm taking the week off. There will be no podcast next week, we'll be back in two weeks and hope you have a great show. Thanks, bye.

Today's episode was sponsored by LendIt Fintech USA 2019, the world's leading event in financial services innovation. It's happening April 8th thru 9th, at Moscone West in San Francisco. It's going to be the largest fintech event held in the Bay Area in 2019. We'll be covering online lending, Blockchain, digital banking and much more. You can find out all about it and register at [lendit.com](http://lendit.com).

(closing music)