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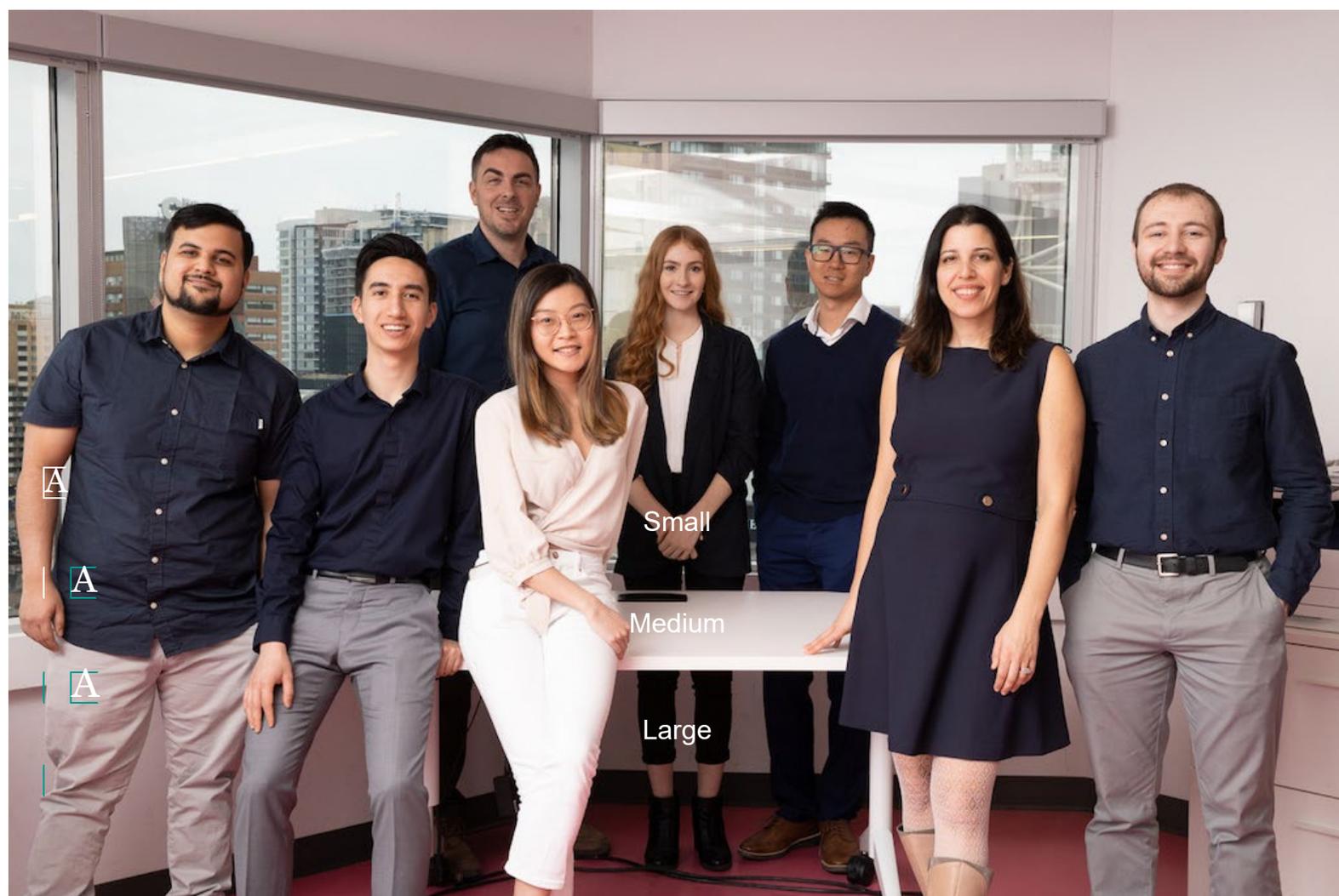
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News

# Canadian fintechs hope U.S. pandemic partnerships will set an example at home





Boss Insights CEO Keren Moynihan (second from right) and the rest of her team.  
Keren Moynihan

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By [Fatima Syed](#)

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When the COVID-19 pandemic hit North America in March, the first thing Toronto-based fintech Boss Insights did was guarantee all of its employees six months' pay. The second thing it did was offer its technology for free to any financial institution providing relief programs to help businesses.

By April, the three-year-old startup had adapted its lending and insights API with “bank-level security” into a platform that could

automate the processing of COVID-19 loan applications “from months to minutes.” It’s working with six U.S. community banks and counting, but has no partners in Canada. CEO Keren Moynihan hopes Canadian banks are watching to learn “how the U.S. has risen to the challenge to work with fintechs.”

## Talking Point

Toronto-based fintech Boss Insights has forged a number of partnerships with U.S. community banks to help automate the delivery of US\$349 billion in government-backed Paycheck Protection Program loans. CEO Keren Moynihan is hoping Canadian banks are taking note, predicting that the pandemic will make way for more digital partnerships in the country’s financial sector “to provide agility.” But the Canadian Bankers Association points to the big banks’ \$100 billion in spending on technology as an argument in favour of “proven institutions.”

The pandemic has pushed the American banking ecosystem to look to fintechs “to provide agility,” Moynihan said. In Canada that hasn’t happened, with fintechs largely kept out of the delivery of COVID-19 relief programs. *The Logic* [reported](#) last month that the federal government had rejected multiple proposals from Canadian fintechs offering to assist, including the Canadian Lenders Association, PayPal and Wave.

Sue Britton, CEO of the advisory firm FinTech Growth Syndicate, said such partnerships would have “categorically” made relief delivery more efficient for Canadian businesses and banks alike. While other countries like the U.S., U.K. and Australia have turned to digital upstarts to help transform their banking systems

during the pandemic, Canada has not responded in kind because of “a worrying lack of political will to create a competitive and open and risk-based financial system,” she said.

Asked why Canada’s banks were bucking the trend, Aaron Boles, a spokesperson for the Canadian Bankers Association, told *The Logic* the country’s largest banks had invested over \$100 billion in technology since the 2008 financial crisis, positioning them as the best means to manage COVID-19 financial relief programs.

“You got this perfect situation where the pandemic hit. Suddenly there was a need for automation and capability, and that spend was already in place. The technology was resilient and it was tested,” he said.

In contrast, Boles said the fintech sector lacked both the scale and brand recognition that was needed to deliver the relief. “[The federal government] needed trusted fast, ready solutions from established institutions that Canadians have over centuries come to know and trust,” he said, “and in these urgent circumstances trusted and proven institutions like Canada’s banking sector was the choice the government made.”

Corey Gross, CEO of Sensibill, a Toronto fintech that uses AI to digitize financial management that works with hundreds of financial institutions in the U.K and U.S., sees the pandemic forcing banks to reallocate budgets to innovation, and pushing them to look to fintechs “to bolster the customer experience” that address needs beyond banking.

In June, Sensibill [announced](#) a partnership with Chase to provide digital receipt management to its 38 million active mobile users—

about equivalent to the population of Canada. The deal had been in the works for a long time, but indicated a larger shift for Gross: that banks want to “find cost-effective and time-effective ways of delivering relief and more.”

“There is going to be a look towards fintechs to help people that are particularly susceptible to cash flow issues as a result of the pandemic,” Gross said. “I think everybody wants to know how solutions that are available are tailored to solve their problem.... We shouldn’t wait for the pandemic end to hasten our delivery of innovative solutions to customers, because now is when they’re going to need it.”

Boss Insights’ platform, [Boss CARES](#), is powered by Oracle cloud technology and was created in the span of four days. Moynihan said her company is seeing continued interest from lenders across the United States dealing with the unprecedented logistical challenge of [delivering](#) US\$349 billion in government-backed Paycheck Protection Program (PPP) loans for small businesses.

The banks told Moynihan they were used to lending money based on financial statements, not payroll, and were concerned about processing what U.S. Treasury Secretary Steve Mnuchin [called](#) “more than 14 years’ worth of loans in less than 14 days,” each with complex calculation requirements.

A former commercial banker and stock-exchange employee, Moynihan told *The Logic* she saw the writing on the wall early on: “If the world was going to stop and businesses were going to exist in a leveraged environment, there was going to be a heightened need for finance.”

The result has surpassed her expectations. Boss Insights has seen a 20 per cent revenue increase and a 70 per cent increase in inbound calls about its technology, she said. At the height of the U.S. PPP program, the startup fielded calls from a dozen banks in three days who “needed [fintech technology] so badly.” The company, which is self-funded and owned by Moynihan and her husband, Luke, is looking to raise a \$2-million seed round. It secured debt financing from Business Development Bank of Canada in June, 30 per cent of which is currently subscribed.

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Moynihan maintains the pandemic has shown the future of banking includes more digital partnerships such as those she has forged in the U.S., which she “cheers” for actively bridging the gap between fintechs and banks, recognizing that they each had something to offer.

“Our platform is a hub of over 800 APIs. We had the key to simply fix that one problem that no one had envisioned in February,” Moynihan said. “If you asked anyone if they were going to need a PPP forgiveness tool, they would say, ‘What are you talking about?’ And then they needed that adopted by June. We had it ready for April.

“Digitization is going to be part of business continuity going forward, including in banking. In 2020, it’s a need to have, not a nice to have.” 

[#Boss Insights](#) [#fintechs](#) [#Oracle](#) [#PPP](#) [#Sensibill](#)

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By Zane Schwartz

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