Georgia's Fintech Ecosystem – Dynamic Growth and Artful Adaptation

The Fintech Society of The Technology Association of Georgia (TAG) has been tracking the dynamic growth of the fintech industry in our state since 2013. And what a ride it has been. Fintech now boasts 170 companies, an impressive 143% increase over our 2013 count. In turn, Georgia-based employees have increased 55% during the same period driven by unique opportunities across the fintech spectrum. And 2019 revenues of the top 15 public companies now exceeds $111 billion.

Fintech's dramatic expansion in Georgia is evident across all sectors of the financial services community. Large organizations continue to innovate, acquire, and merge while new companies find market opportunities to launch groundbreaking new technologies and services.

Georgia's fintech ecosystem has seen a good bit of exciting activity including the mega acquisitions/mergers including PayPal’s acquisition of Worldpay, Fiserv’s acquisition of First Data, and Global Payments merger with TSYS, all in 2019, and more recently American Express’ planned purchase of Kabbage, Paya’s landing of a robust Series C financing and its announced plans to IPO, and Greenlight Financial’s well-deserved multiple financing rounds.

Social distancing demanded that consumers use online ordering to put food in the pantry and strained supply chain lines and delivery methods. Merchants, in turn, scrambled to implement contactless payments.

Fintech technology that was predicted to be adopted in five years is now on track to be embraced in mere months.

If today is in fact the new normal, the fintech industry, more than ever, is an essential cornerstone of the evolving worldwide digital economy.

Initial worldwide transaction numbers are better than many imagined indicating that the consumers and merchants are adapting and fully embracing the need.

According to Visa, 78 percent of consumers have changed the way they pay to avoid human contact when purchasing goods and services. In turn, 67 percent of small businesses have made changes to their business model and payments acceptance options to keep their businesses on track during COVID-19.

While reported in its 2020 Q3 earnings that U.S. e-commerce sales were up 97%—an increase attributed to more customers shopping online during the pandemic, stockpiling on household supplies and shopping for grocery items online.

Buy online, pick up in-store (BOPS) surged 259% year-over-year in August 2020 due to the coronavirus pandemic, with many shoppers wary about the safety of in-store shopping. This equates to a 59% month-over-month increase in August compared to July (reported by ROI Revolution Blog, September 2020).

The financial impact of the pandemic though will likely take its toll. Juniper Research predicts that the economic disruption caused by the COVID-19 pandemic will lower total digital commerce transaction values from $11.3 trillion in 2019 to $9.7 trillion in 2020, then rise again in 2021. Juniper also estimates that digital commerce spend is expected to recover next year and may exceed 2019’s levels by 4 percent.

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Fintech Academy

Tommy Marshall
Executive Director, Georgia Fintech Academy

Georgia has one of the greatest university systems in the world. 330,000 students show-up to learn in our institutions each morning. The fintech industry is growing massively and the war for talent is real and a strategic priority for these fintech companies. The Georgia Fintech Academy is uniquely positioned to help our fintech ready students to engage in the opportunities the fintech industry has to offer. We also have a highly diverse student population from a gender, race, and ethnic standpoint – 36% of our students are from under-represented groups. The fintech industry (like the entire technology industry) is ready to improve its diversity profile and we can help that happen through the Georgia Fintech Academy.

The Academy is organized around four major areas: Curriculum, Research, Placement, Professional Education. The undergraduate curriculum includes five (5) courses on topics like “Foundations of Fintech”, “Financial Technologies”, “Banking and Fintech”, “Financial Data Analytics”, and “Information Security in Fintech.” Research involves corporations bringing difficult research problems to the Fintech Academy window to be matched with outstanding PhD research teams at Georgia Tech, Georgia State, or University of Georgia. Placement involves helping students identify great jobs and internships at fintech companies. Professional Education includes offering courses to employees and employees to learn more about the ever-changing field of fintech.

The Georgia Fintech Academy has ambitious plans for growth, student engagement, and fintech business connections. In 2020 our goals are to have 900+ students take at least one Georgia Fintech Academy course (we have 454 students enrolled in the spring semester 2020); We want to place over 100 interns and over 200 full-time hires this year. We aim to put 5-7 professional education courses in market. By 2025 we intend to have over 5,000 students placed in full-time roles annually in the fintech industry and we will self-sustain our initiative through revenues from a successful professional education course offering that is vital and relevant. By 2025 we also intend to have a successful student fintech entrepreneurship program launching 10-20 new fintech companies a year that are recent graduate founded and led.

This platform is one of kind in the USA and we should all be proud that initiatives like this one are turning Georgia into the technology capital of the east coast. We hope that any Georgia fintech companies that are not yet engaged with us will get engaged soon.

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Analysts estimate that the economic disruption from the pandemic may last well into 2021.

Nonetheless digital services are better positioned than offline commerce for recovery, as the considerable migration from offline spend to online continues.

As we have noted in prior Fintech Ecosystem Reports, Georgia continues to represent “the last mile” when it comes to bringing new financial technologies to market. In other words, in the worldwide payments space, the mega-Fintech organizations such as PayPal, Fiserv, Global Payments, Moodler and NCR are the juggernauts in the payments sector and if upstart companies want to find their new technology, Georgia's thriving ecosystem is certainly the place to be.

An important element of a mega fintech ecosystem like Georgia is the startup community. Over the last 10 years, 45 Fintech companies have been founded in Georgia, 38 of which were in the

(Continued on the back page)
Georgia's Thriving and Constantly Evolving Fintech Ecosystem  
As of October 2020

Private Companies

SCheckout  
Agora  
AlienPay  
Alogent  
AquaHealth  
Arcanum  
Arkiva Technologies  
Authomate  
Bakkt  
Bank of America Merchant Services  
Bank Shot  
Bearfax  
Benchmark Technology Group  
Birch Creek  
Bitcoin Depot  
BIT4Minutes  
BitBay  
Bluefin Payment Systems  
Bridge2 Solutions  
BroadHead Payments  
CAN Capital  
Capital Stack  
Caviar  
Chosen Payments  
ConnectX  
ControlScan (EchoSat)  
CoreCard Software  
Cyftics  

Conserv  
DataSeers  
Devise + Henderson  
DefenseStorm  
Delta Data Software  
Drum Technologies  
eBanqo  
Ebeats (Cartera)  
Ebox  
Eclick  
eCreditable  
eCredit  
Enterseti  
Esgro  
eVance Processing  
eVestment  
FatMerchant  
Featurespace  
F1 Navigator  
Finextra  
FINSYNQ  
First Performance Global  
FirstView  
FivePoint Payments  
FSS Technologies  
FTRANS  
Funding University  
GoProcure  
Greenlight Financial Technology  
GroundFloor  
Hartland Gerled  
Idology  
Lumen  
InComm  
Ingo Money  
Instant Financial  
IOU Financial  
IPC Systems  
Ivy Lender  
Kebabage  
KoyoGlobal  
Layar  
Lazo  
LBA Ware  
Lending Science  
Lucena Research  
MADEX  
MaxRewards  
Medxoom  
Mercury Exchange  
Mercury International  
MicroBill  
Monitron  
Moniton  
NFNT  
Omnigia  
ParkMobile USA  
Patientco  
PayGo  
Payrailz  
PeakPay  
Pitney Bowes  
PrimeSight  
PrimeTime  
PrimeSource  
ProfitStars  
Purchasing Power  
Quicksell  
Quin Rochester  
Revell Systems  
RoadSync  
Safe Systems  
Safety  
SAPI Global US  
Salary Finance  
SecurePay  
Sonic Mobile  
SmartBill  
Softgiving  
Split  
Stackolio  
Steady  
Strategic Link Consulting  
Synet Global Solutions  
Telrock  
Tempeo  
Thanx  
TransCore  
Trusted Safe  
TrustStamp  
UL Transaction Security  
Uxplanet  
Vanco Payment Solutions  
Vendomate (GH-IO)  
Versady  
Verivox  
Vista  
Vista  
Vsoft  
WorldNet Payments  
WorldWatch  
Yellow Card  
Zurly

Public Companies

AG Worldwide (NASDAQ: ACOW)  
ADP (NASDAQ: ADP)  
Atlanticus Holdings (NASDAQ: ATLC)  
Bottomline Technologies (NASDAQ: BTM)  
Cardlytics (NASDAQ: CDXL)  
Corelogic (NASDAQ: CLSQ)  
Deluxe (NYSE: DX)  
E*Trade (NASDAQ: ETFC)  
Equifax (NYSE: EFX)  
EVO Payments Inc (NASDAQ: EVP)  
FactorTrust (TransUnion, NYSE: TRU)  
FIS (NYSE: FIS) (Includes Worldpay)  
First Data (NASDAQ: FD) (Includes First Data)  
FleetCor Technologies (NASDAQ: FLT)  
Global Payments (NYSE: GP) (Includes TSYS)  
GreenSky Financial (NYSE: GSKY)  
Ingerigo (OTC: INGR)  
Lever (NASDAQ: LVRR)  
MarketAxess Risk Solutions (NYSE: MRAX)  
Merchant eSolutions (CBOE, OTC: CDOX)  
NCR Corporation (NYSE: NCR)  
PayMetrics (Worldpay, NYSE: WP)  
Q2 (NASDAQ Solutions) (NASDAQ: QTWO)  
REPAY (Thunder Bridge, NASDAQ: TBRG)  
Synchrony Financial (NYSE: SYF)  
TAS Global (First Data, NYSE: FDC)  
TransUnion (NYSE: TRU)

Visit tagline.org/societies/fintech/ for the latest updates and company descriptions.

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2020 (as of October 2020)

- Greentree raises $7.5 million in Round funding, valuing it at $12 million
- Repsys acquires CLYDE Payment Systems
- Paytools acquires Galileo Pay.com
- AAR acquires Synovian
- 899 acquires The Payment Group
- Trust Stamp raises $7.7 million in Series A and crowdfunding equity
- EVO Payments raises an additional $150 million in equity capital
- Reuterspace raises $37 million in funding
- Intercontinental Exchange acquires Bridge2Solutions, plans to integrate with ICE’s subsidiary, Bakkt
- RoadSync raises $5.7 million in venture funding
- Bakkt raises $300 million in Series B funding from investors including Microsoft and Boston Consulting Group

2019

- Global Payments merges with TPS in a deal valued at $1.5 billion
- Fiserv acquires Workday for $1.4 billion (includes assumption of debt)
- Fiserv acquires First Data for $18 billion
- Elevate acquires the Sega and Sega Group for $300 million
- FLEETCOR acquires Trivium
- REPAY acquires Trilium Solutions
- Drum Technologies raises $11 million in funding from a group led by Propel Venture Partners (BVBA) and American Express Ventures
- Greenlight Financial Technology raises $14 million in investment capital from Doral Capital, KPCB, Dr. Living and Wells Fargo
- DefenseCore raises $15 million in a funding round led by Georgian Partners
- Incomm acquires American Loyalty
- PayPal acquires $50 million funding led by Blue Star Innovation Partners
- NGC acquires DIN Technology
- Connectivity acquires a Series A funding round of $7 million led by BP Capital
- Incomm acquires Hallmark Business Connections
- Rhapsody merges with NCMG
- DocuSign acquired by GSB for $300 million
- OIA technologies acquired by binance
- Kebabage acquires $1 million in debt financing
- Thunder Bridge acquires REPAY for $463 million
- Reuterspace raises $30 million in venture capital
- FLEETCOR acquires Nipponpay
- PayPal acquires First Billings Services

2018

- Q2 acquires Gro Solutions
- NCR acquires Javelin
- Elevate acquires Electronic Transaction Systems
- Elevate acquires $30 million in venture capital
- FLEETCOR acquires Trivium
- GoodPay acquires $45 million in venture capital
- Elevate acquires Transact and Centurion Direct
- Elevate acquires $40 million in venture capital
- Kebabage acquires Orchard Platform Markets
- Cardlytics acquires $70 million IPO
- Greenlight acquires $150 million in venture capital

2017

- Bitly raises $31 million in venture capital
- Cardlytics acquires $12 million in venture capital
- Elevate acquires Fiserv, LLC, a related company
- Elevate acquires $20 million in venture capital
- EVO Payments acquires Sterling Payment Technologies
- Data acquires Transnet
- First Data acquires AcquiPay, BluePay, and CardConnect
- First Performance Global raises $17.5 million in venture capital
- Fleetcor acquires Cambridge Global Payments
- Fiserv acquires Dovetail, Monitise, FCLender
- GreenSky raises $500 million in venture capital
- Intercontinental Exchange acquires ePayment
- Kebabage acquires $40 million in venture capital and $25 million in debt financing
- Fiserv acquires Galite
- Ugeni raises $20 million in venture capital
- Meridac pays Paytm
- WorldPay acquires Worldpay, adopts the Worldpay name

Visit tagline.org/societies/fintech/ for transactions from 2015 and prior, plus the latest updates.
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Atlanta metro area. Other Fintech companies as well have seen the logic of moving their operations to Georgia to enjoy closer proximity to partners, a robust talent pool, and access to an international customer corridor. A great example of local expansion is Deluxe’s plan to open a customer innovation center in the metro Atlanta area.

### 2020 Venture Funding for Select Georgia Fintechs

<table>
<thead>
<tr>
<th>Company</th>
<th>Funding</th>
</tr>
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<tbody>
<tr>
<td>Bakkt</td>
<td>$300 million</td>
</tr>
<tr>
<td>Greenlight</td>
<td>$250 million</td>
</tr>
<tr>
<td>EVO Payments</td>
<td>$150 million</td>
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<td>Roadsync</td>
<td>$5.7 million</td>
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<tr>
<td>Layr</td>
<td>$5 million</td>
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</tbody>
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Source: Crunchbase, TAG Fintech Society Research

TAG’s Fintech Society will do its best keep pace with documenting the ever-growing Fintech community and its impact on Georgia’s economy. We encourage you to join in and help us keep track of the state of the ecosystem. To learn more about Georgia’s Fintech community, please join us at www.tagonline.org/societies/Fintech.

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