



FINTECH ONE-ON-ONE PODCAST NO. 401-EYTAN BENSOUSSAN

Welcome to the Fintech One-on-One podcast, Episode No. 401. This is your host, Peter Renton, Chairman & Co-Founder of Fintech Nexus.

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Before we get started, I want to talk about our flagship event, Fintech Nexus USA, happening in New York City on May 10th and 11th. The world of finance continues to change at a rapid pace, but we will be separating the wheat from the chaff covering only the most important topics for you over two action-packed days. More than 10,000 one-on-one meetings will take place and the biggest names in fintech will be on our keynote stage. You know, you need to be there so go ahead and register at fintechnexus.com and use the discount code "podcast" for 15% off.

Peter Renton: Today on the show, I'm delighted to welcome Eytan Bensoussan, he is the CEO & Founder of NorthOne. Now, NorthOne, all about small business, to describe this as really a small business bank account is not doing it justice because what they've done is really, they have re-thought about the entire relationship that a small business owner has with financial products, with their entire financial business life. And they've re-imagined it to make it much better than what traditional offerings are and really, you know, they have differentiated themselves in doing a lot of heavy lifting when it comes to helping a small business owner manage their finances better.

They've thought deeply about this, they have a lot of connectivity which we'll talk about in some depth and we also talk about what is it that actually small business owners want in a bank account. You know, we also talk about the typical market that NorthOne is focused on, we talk about Open Banking and how this is a key piece of what they're trying to do here, you know, we talk about fundraising in a difficult environment and much more. It was a fascinating discussion, hope you enjoy the show.

Welcome to the podcast, Eytan!

Eytan Bensoussan: Thanks, Peter, thanks for having me.

Peter: My pleasure. So, let's get going by giving the listeners just a little bit of background about yourself. You know, you've had an interesting career to date, why don't you give us some of the highlights.

Eytan: It actually starts with my childhood.

Peter: Okay.

Eytan: I grew up in a family of small business owners, many in my family were professionals who had commercialized their trade and created a small business out of it. In growing up, I saw the way the business ran the family as opposed to the family running the business and that was just a way of life, but it was so universal, aunts, uncles, grandparents, you know, the finance department was on the dinner table at night, it dictated your vacation, your weekends, whatever it was.



Later in life, you know, I ended up working at McKinsey for five or six years and it was at this moment in time when there was a lot of buzz coming out of Europe, specifically around this wave of new financial technology that was opening up new forms of manufacturing and delivery of financial services. And so, in many ways I was kind of past the studying what was emerging there, kind of playing it out for the North American market and I spent some time watching the London scene, Paris, Berlin, Tel Aviv, all these different places seeing this kind of peak explosion of fintech innovation now we call it fintech, it wasn't something they did then, and to me it was like the writing on the wall. I saw what was happening there and I was just so convinced that this was the future. It boiled over time to the point where I quit the job, I was so excited by what this was, I had to be part of it to build it, I don't want to advise anymore around it.

And so, went out, interviewed about a hundred small business owners across North America to kind of acquaint myself with that problem set and to my surprise, the problem had not gone away, you know, 30 odd years later, the problem had moved from paper to desktop. Of course, there were many new software services like accounting software, expense software which had helped with point solutions, but the raw problem was that there was an analog bank account sitting at the center of the financial ecosystem for a small business owner, and it wasn't playing well with anybody, it wasn't meant to do very much. That pain of removing information from there and turning it into a finance department was the greatest source of pain and error and failure for most of these small businesses and, hence, this is the kernel behind what ultimately NorthOne does.

Peter: You weren't going into the small business owners with the idea that you were going to start this business or did it sort of naturally kind of come out of those conversations?

Eytan: That was definitely not my intent (Peter laughs), I thought that was the most ludicrous idea of them all, I thought there would have been, you know, a data science play, maybe some sort of software service layer. It didn't even strike me that neobanking was actually where this ends up. I just thought the inspiration came from seeing what was going on in Europe and it would lead me to some interesting solution, but then over the course of time, it dawned upon me that intellectually the honest answer to what I was hearing was that people didn't need a new or better accounting software, they had great stuff and people didn't need a whole XY&Z.

What they actually needed was a bank account that could empower them all, that could actually club all of these data together around, you know, the transaction ledger and get these businesses to stop having to take screen shots and kind of have context-free transactions. They don't know who did it, the string is illegible, they can't figure out where it's from, all this stuff was kind of creating compounding error. And so, at the end of it I guess if I was really serious about solving this problem that I was seeing, it felt like the arrow straight to the heart of it was through a business banking offering designed specifically to be the foundation of a finance department in a small business as opposed to kind of jamming it onto the side and trying to put an ecosystem of services and tools around it.

Peter: You're Canadian, right, was the idea always, this is a universal problem, it's not just for the Canadian market, it's for the US market.

Eytan: Candidly, I'm definitely Canadian. I knew the American market better than any because that's the one I've always been, you know, the clients that I had at McKinsey were focused on that market.



Peter: Okay.

Eytan: So, I knew the market pretty well and it was always to me, it isn't a universal problem, which was the beauty of it that you solved this well, you can solve it many places and we've seen folks like Revolut take that, you know, that same process of finding many countries where the same need existed. And so, you know, we always wanted to serve the greatest impact for our efforts and so the American market was obviously the one that we saw the loss problem and the timing was just right there where we could actually find a port of call and actually launch and that felt incredible, it was the right time, right place.

Peter: Right. So, when did you launch the business and when did you launch in the US?

Eytan: I was full-time on this, you know, as early as 2016 even, right, but this was me wandering the desert, like I was bumping my way through many very awkward conversations trying to figure out how to solve this problem elegantly for small businesses. But in earnest, the first folks to use the service across America was in the summer of 2019.

Peter: Okay,

Eytan: It was a long planning phase. I was fortunate I had the right time of life, you know, I had just that moment when you can actually take your time with something and it paid off because we really got to know this problem not only just from a technical point of view, but from almost like anthropologically, just spending days with business owners, watching them, seeing every single thing they do, look at their like body language. Are they sweating when they open a bank account, like what's the point of stress, etc. we've gone through so much of that that we were ready to go, we had a really good understanding of how this kind of an offering would be used and what problems are we solving, step one, step two and all the way to the end of it.

Peter: So then, how do you describe your target market: Is it any small business, I mean, how small and how big?

Eytan: The customers that we really strive with are businesses of let's say one to ten employees, typically larger than like a gig economy side business, you know, you have a kind of a weekend hobby or etc. and it's definitely smaller than a mid-market or enterprise company which is making hundreds of millions of dollars a year. These are companies that are, the way I best describe it is if you walk on your way to work, those are our customers that you're seeing in the street and they have typically....the reason that that's the case is that the person suffering the most is typically the business owner. They are the ones who truly doesn't really have a finance department supporting them, maybe they have a bookkeeper, an accountant, but that never takes away the pain. They're also the people most motivated to find a solution and they actually can make the decision so that person is the one that we serve and so those businesses, we understand that pain really, really well.

Peter: You've said you've had lots of conversation here, what is it that they actually want from a bank account?



Eytan: There's two parts to that answer. There's going to be the in-your-face sense and then there's the, you know, I guess what we'd call the magical answer. So, the in-your-face one was these business owners, just tell these banks to get out of my face, get them out of my hair, like why am I wasting time in my day to stand in line at a branch to deposit a check, to authorize a wire, I'm gonna be on hold in the middle of my work day, you know, the list that you have a drill of all these different things in the business. Like this is crazy, especially for business owners in rural communities who said, you know, they shut down the branches here and so I'm traveling an hour every direction to deposit like a thousand dollar check, like it's crazy, it's terrible for my business and so there was this visceral problem they were looking to solve.

And so, us, you know, being able to say we can get all of your operational banking done right from your pocket or your computer without sacrificing, right, so we have wires and ACH, but we also have the ability to deposit checks, but to write checks. So, we have the ability to have a check printed and mailed on your behalf, we have an opportunity for our customers to make cash deposits in classic neobank thinking. Very often people will say, well, what if just all money was online, doesn't it simplify what we're trying to build here, but knowing this customer, you know, 30 something % of their revenues come in the form of cash. And so, our customers can go to a Walmart, a 7/Eleven, an OfficeMax and go to the cashier and deposit cash in their account.

And so, all of a sudden, we were starting to kind of come to them and say, you don't actually have to sacrifice the way you do business to get on with this wave of digitization and banking that you're seeing, you can actually do it all today. And that was a very important moment for them because for most of these businesses, we talk to them, they felt left out, they're like, well my business isn't completely online, and what about cash. You know, we have phone and customer support, you know, this gnawing feeling, what if I need to speak to someone and enough chatter email just didn't feel good enough. We saw very early that was such a critical moment in the decision making journey for them saying, is there a voice, could I ever talk to someone if I needed. Just offering, you know, good, sophisticated people on the other side of the line who can help you out with game changing so that's the first part.

The second one is actually widening or broadening their understanding of what a bank account can do for your business. You know, so many of them had long kind of thought it's like an outlet in the wall, I plug-in, I get my electricity, I don't really care ultimately who the utility is as long as it works when I need it. For them, their bank account had played that role, like got to have it and I guess they're all interchangeable so, you know, sign me up. When we start broadening the proposition saying we can be doing far more than just storing your money, it opens up almost like a part of their mind to something that they'd never even thought was possible. That's actually to me the magical part which is, you know, other part of the value proposition of NorthOne.

Peter: Obviously, you have a digital bank account, what are the other pieces, what are the add-ons that people really want?

Eytan: You start with, you know, this what I call operational transactional banking, right, get everything done, your business can move, store your money, etc., but then you just think of like layer one. So, this is, you know, one of the first things we heard from customers were saying, you know, it is really intimidating to me to look at a balance number and get a sense from that is my business healthy at all.



Many of them don't even use the accounting software or they get, you know, their accounting updated every quarter so it's a terrible situation when they're spending blind. And so, we started building with them with this system called envelopes where they can actually think of their bank account as an omnibus account and then you sequester money for different purpose-driven reasons alongside.

And all of a sudden, it starts removing this fuzziness around what actual money do I have that I can spend because you created a tax envelope and you can move algorithmically 15% of all revenues to get dropped in your tax account. And then you save up for your rent every month, every week you take a quarter of the rent and you push it into the rent account and all of sudden, it starts giving you a truer sense of what actual money you have to spend or not.

That's just one example of how we are taking this raw problem that exists outside of banking, it's actually in the financial back office of the business where they're feeling, you know, blind to what's actually going on and trying to use the vessel of a bank account and a bank platform to start solving. That's just one example, there's many, many more, but it's the flavor of the software layer that we built around banking which is I think, you know, so interesting to these businesses because they're typically not offered anything close to this by their banks, for sure, but even on the market, you know, much of this is geared towards enterprise or least mid-market companies.

Peter: Right, right. And the reality is obviously there's more of the small businesses than there are any other type of businesses, but it strikes me, like this could be a plumber, it could be a restaurant, it could be a dry cleaner, there's a huge variety of types of businesses. How do you reach these people, what do you do to bring them onboard?

Eytan: It's such a foundational question, should it even exist. One, we don't have a sales force, we don't have account managers, you know, it is a self-serve fully inbound model where we have a very sophisticated team inside which uses a quantitative approach to, you know, demand generation and lead generation, but then in the funnel the whole thing is self-serve and happens in minutes. And so, the reason that you can actually start serving tens of thousands of these smaller businesses without actually having negative economics is by having made it such a light touch approach to finding them, to onboarding them, and to actually getting them up and running.

You can actually make some money on it and we know that, you know, from the time they sign up to getting them using the account transactionally, it take us less than a week to get them like signed up, approved in minutes and starting to move all their banking or their money over, they are already using it to transact regularly within a week of signing up. And that's one of the examples of how to make that vacuum really work, it sucks them through the process and makes it meaningful to them. They start using it very, very quickly.

Peter: Right, right. So, we had Brex famously exited the small business market, they say they couldn't justify the economics, they're really focusing more on fast growing startups or enterprise companies. Two-part question, what are the revenue generators for you and how can you profitably serve this market?

Eytan: Both sides of the equation, it's the revenue and the cost base. On the revenue side, you know, our customers pay us \$10 a month, Netflix-style banking, right, do whatever you need, \$10 a month,



it's not going to go up or down which did two really good things for us. On the one hand, there is some sort a buffer against the variability of interchange as a revenue driver, but the other thing is that it's almost a bad signal to businesses where if you're a real business that has real operations, you're like \$10 a month, I could care less, but I'm talking about moving \$100,000, a quarter of a million dollars a month if you can solve the problem, I'll happily pay \$10.

In fact, we have a lot of customers that say, if you solve this for me like you say, I'll pay you ten times as much as you're asking or like get this out of my hair, but it also helps other businesses understand we might not be the right fit for them. You know, if you're just making \$50 a week or a month on an Etsy because you have an interesting passion hobby there are other places you can get a fully free, minimal-use account and that's great, that's a nice part of the market, so what it has done is allowed us to getting highly engaged cohort of meaningful businesses that don't find us for the cost reason, they see the value side of the equation.

Peter: Right, right.

Eytan: On the revenue generation piece, you know, we have, of course, you know, classic fintech interchange, but we have this subscription piece and a couple of other elements to it which helps create a meaningful revenue side of the equation. Now, on the cost side, what we do is we don't have that sales force, you know, people who are knocking on doors, making calls, etc. the whole part for us doesn't exist...but we have the branch network, obviously.

But we use technology as so many others have to kind of completely automate as much of the onboarding process, compliance, fraud process, everything we can do to make it programmatic and then we have a team of very sophisticated professionals on the support and on the compliance side who deal with the hardest cases that we get, the ones that don't really get solved easily by software, but that's actually where you do want to human eyes, to kind of really dig into there and understand what's going on in whatever problems that they have and that's allowed us to stay really agile on the business model side.

Peter: Right, right. And I read somewhere that last year you failed early on actually in the elimination of overdraft and NSF fees, did you miss that income or how did that impact you guys?

Eytan: Yeah. We're so happy to not have that, we never ever had that as income, we would actually just pass on whatever we had to kind of.....

Peter: Right, okay.

Eytan: It was such a losing proposition when so many customers, the moment that they least needed, to get dinged with, you know, a \$20 something charge all of a sudden find that they're even, you know, more in the hole. And so, just removing that whole part of the equation felt philosophically right, but also just generated a whole bunch of customer goodwill and it's becoming more commonplace then now.

But at that time, we really wanted to take the step and say like, you know, you can come to us and not have to worry about that problem which you face in your other banks and it's real, especially in COVID.



It was a real big thing to these businesses which couldn't predict what was going to happen, very often good businesses were hitting rock bottom for a month or two and then things were picking up again. Not having those kind of charges was a big help to them.

Peter: Right, right. So, I want to talk about your bank partner, the Bancorp Bank, which obviously is a partner for many fintechs, it's there on your website as being your partner bank. Tell us a little bit about that relationship and the importance of really having a good bank partner.

Eytan: I mean, they've been great, like it's not always clear to a lot of people walking into the fintech space for the first time is that so much of fintech relies on infrastructure that is banks, that was the very thing that fintech was trying to say that we can do a better version of. But what's so special about the Bancorp model is that in many ways their model is built to support our model as opposed to, you know, I have a classic bank and there's this kind of oddity idea that we have, we're going to bolt a fintech model on to the side of it and try to serve a couple of them.

At one point it does pretty important intentions amongst internally in that bank or some of that, how are we making our money, you know, who's going to get prioritized. Well here, their whole model is aligned around empowering us and other, you know, fintech customers of theirs to grow and to be successful. I think the importance of it is that we co-author a lot of our things together, you know, we work hand-in-hand on everything that comes to compliance, on everything that comes to kind of business model characteristics to make sure that we are always mutually comfortable with the way that we're proceeding and you kind of need to have that same level of trust. They're actually very progressive, they understand the work through my eyes which is really helpful when we're talking to each other, which is not always the case.

Peter: Right, right, got it. So, I want to talk about Open Banking for a second because Plaid has it made fairly commonplace to share your bank credentials and the whole kind of willingness of consumers to share their bank data. How is that on the small business side and how important is the whole concept of Open Banking to what you guys are doing?

Eytan: As a concept, it's foundational. As I started my journey, I actually saw the emergence of fintech in Europe. My first experience here was watching this kind of movement of open banking in the UK, in Germany and see whether that's going to change everything. Right at the core of NorthOne, for example, is this foundational understanding that all these data is meant to be shared at some point. We built all the doors, all the bridges that are ready, you just have to find the counterparty to kind of walk through that bridge with you.

But the real value of Open Banking as a concept was how do we take all this information that's coming from all these sources, your Shopify account, your Square point of sale, your suppliers and use that, connect that whole piece around the data layer of the ledger which is kind of a central report of all comings and goings of a finance department. And so, Open Banking, you can't even complete that sentence without the ideas of Open Banking, you know, being foundational.

Peter: Right.



Eytan: The Plaid piece, for example, has an enormous amount of work in bringing the taste of what Open Banking is across America when it wasn't coming from their bank system itself or the government. Part of what we're doing is a bit changing the equation where our customers from their NorthOne account can actually see into other places, they can actually connect to other tools through NorthOne, as opposed to having to go to all these other tools, and then connect them one at a time back to the bank account. And so, it really allows us to be the central node that is designed to kind of work with Plaid and all the other services to connect all these silos of data around your bank data and that's I think the massive insight they get.

Peter: Can you give us some examples of the, like you're talking accounting data, you're talking like Shopify with e-commerce, who do you connect to?

Eytan: I mean, we connect to a whole host of third parties and I think in many ways we use our customers to tell us who to connect to next.

Peter: Right.

Eytan: We just look statistically where are counterparty deposits are coming from, or who are they sending money to and how do we enrich the experience of doing so. And so, at the basic level it's simply, can you make these transactions be English can you make them not be garbled (Peter laughs), it sounds crazy, but there's a huge amount of folks working simply on making your transactions here actually speak to you.

Peter: Right.

Eytan: An then it gets into, you know, so what are the deposits that are currently waiting to be sent to you in your Shopify account or your Square point of sale. Every one of these is a source of insight on what your business is.....your business' financial health, but if you look at any one of them independently, none of them would know that you have all these other assets and kind of receivables coming in, vice versa, whenever we see invoices coming through, you now can see the payable schedule.

And so, every one of these data points that is relevant to the business, we're trying to get as many of them as possible to start connecting and then we can do the math and net out if you have enough money to pay your bills, do you have, you know, how much money should you be receiving over the next seven days and these are all really important parts of the value proposition. I think we're in the bottom of the first inning on this stuff, there's so much more that you can do once you start getting these foundational blocks in place.

Peter: You said you don't have a sales team, but it sounds like you've probably gone deep in engineering, software engineering, for your team. Give us some sense of the scale you guys are at, like how many businesses, how big is the team, that sort of thing.

Eytan: You know, our team we have right now, I think about 70 or so total, it's a team that's now mostly distributed. You know, people have moved outside of big cities and they're still the best talent that we have and so we kind of adjusted our model. We have engineers and folks essentially around the



country and what that's done for us in such a nice way, is now they're nested in the communities, diverse communities that we serve small businesses in so they can walk to our customers, you know, they can actually see them in action. And that's what's so incredible about the diversity of a distributed model. There's obviously challenges that come of it, but that team we found that they can actually go see the coffee shop that they know could be a NorthOne customer so it's really nice to have that.

Peter: You have a New York City address, right, so there's people in New York in your team?

Eytan: If you were to map it out, we have a cluster in New York, a cluster in San Francisco and a cluster in Toronto.

Peter: Right.

Eytan: And then you have people really distributed in so many places and we try to say, look, when we do in-team events come to the nearest cluster or we find a neutral city where nobody's there, you know, we try to bring people together to create some diversity. That's actually been really powerful, it's actually been pretty game changing to not only be able to hire the best wherever they are, but also to actually have people coming from the communities that you are then looking to serve.

Peter: Right.

Eytan: You know, our customers classically are on Main Street, not, you know, on Sand Hill Road, on Wall Street, they're really embedded into local communities across the country and there's just a different world sometimes that you have to then go experience. I really truly understand why are they making choices like this, and why are they asking us to for these things. Once you truly put yourself in their shoes as an engineer not just as a, you know, a marketer, but as an engineer you're actually able to solve their problem in a really interesting way.

I'll give you one example, Peter, we had an event in Atlanta I think two weeks ago, an educational series, and we brought together a couple of groups that we partner with, Black Connect, Profit First and created an educational, you know, night. And so, we sent some of the folks from our team to go and meet small businesses, some of them were our customers, some of them were not, but just to see the way that, you know, if you're an engineer, or growth manager or even a customer care or compliance officer, seeing these people actually being able to understand the rhythm of how they're thinking about their business was just...it opens up your mind in a way to that, a white paper or, you know, analytics just couldn't.

Peter: That's great, that's great. So, curious about your thoughts around a banking license. Obviously, you said you have a great partnership and Bancorp Bank's really popular, got a lot of fintechs that work with them, but is this something that's on your product road map? Where are you at when it comes to getting your own banking license?

Eytan: I'm really happy that I have people we work with, the folks at the Bancorp who have made a living at being really good at that. It's just such a different DNA from what we're used to that it's actually really helpful to be able to leverage them for the foreseeable future and saying, you know the regulator, you know the world of FDIC and OCC and deposit, let us do the technology, we work with



you on compliance, etc., but adding that other layer, it's just such an apples and oranges equation. I don't spend much time at night thinking about that part of it, there's so many other more practical problems that I want to solve.

Peter: Yeah, right, fair enough, fair enough. So, I want to talk about fundraising because you recently announced a \$67 Million Series B, if I'm not mistaken, and this is not an easy market to raise money in and haven't seen many rounds even over \$50 Million for months, it seems, but what was the process like and how did you kind ofand I presume it wasn't like you raised it nine months ago and just announced it, tell us a little bit about the process.

Eytan: Yeah. I mean, I think the process was very tight to the people that we were doing it with, right. I mean, it was...when we finally found the right investor, a lot of the insanity of trying to fundraise at that time started melting away because you could see their conviction and we felt that these were the right partners and our existing investor base also saw that it quickly kind of found itself together. But the crazy thing that I found was that the world was shifting while I was fundraising.

Peter: Right.

Eytan: You know, you would ask me two/three years ago so what's the strike zone, how do you speak the language of an investor, you're really thinking about things like how fast are you growing. You know, in the neobank space it was often he or she who has the most accounts wins, right, you're trying to capture the market and there's nothing wrong with that. It's just that it was a focus on can you really scale to the full entirety of your vision and that was the world we came from. In real-time as I was having investor conversations..... I could see we're just a body language of where you're getting a really good engagement when we talked about margins and near how it makes sense. You know, I didn't know, I couldn't read where this whole thing was going, but I could certainly tell that people stopped caring about how big your revenue had grown, otherwise, how profitable was it becoming while you're doing that.

And as soon as we unlocked that, I probably revised my pitch tech. maybe 10 to 15 times over the course of a few months (Peter laughs) because you're feeling like this is a tough crowd, why am I not resonating and then you start realizing ah, because I'm talking with the wrong part of the story. Everything else was like a "yes, and..." the real thing they were waiting for us to say, how are you actually going to make money and how are you actually....how are your unit economics stacking out? Get me that first and then I'll care about whether you're growing 3X, 4X, 5X after and just even realizing these subtleties allows you to front-load the thing that really got attention and then in the long tail of your conversations get to all the other important parts of the business which is hey, we actually can grow very quickly, we're good at it, our customers are, you know, strong product market fit. That all came, you know, we had to figure out the order and the way in which we spoke about the business and so it was a real challenge, but the other part of it was the fear, you know, you're seeing you're there.

Sometimes when you're fundraising you know that there's a cohort of other founders doing it at the same time, you kind of....sometimes you bump into each other at an office, other times like, you know, we're writing hey there fundraising, can you intro them to this person and you start seeing people just



getting, you know, dropping, like the terms you got pulled over there, this person, the terms became terrible and they're not sure if they can accept this round anymore .

So, you're watching this happen and that's really where it came to who you're dealing with, you know, with the people on the other side of the table for us were they going to hold the line and they did. We had some terrific partners and we had strong conviction from previous investors who came in again and said, no we get it, we're kind of coming in strong to make sure that we support you and all of those worked in our favor, and most certainly a lot of luck there at the same time.

Peter: Right. Where are you on that pathway towards profitability?

Eytan: It's always been an important part of the equation, but now it is like the most important part of the equation (Peter laughs) as you start, you know, weighting what you're solving for. And so, it is an absolute organizational priority to have line of sights to when we are, you know, OPEX break even, cash flow break even and those things. I mean, we're trying to look at a future that is within our grasp when that actually happens, you know, classically if you talk to someone two/three/four years ago, they're like oh, we took seven years, ten years, and that can work and we saw a lot of people who've done that successfully.

But you've got to read the crowd, you've got to read the economic climate that we're in, that's just not the situation we find ourselves. And so, the chessboard, if you're playing checkers and you're saying let's front load all this work we were going to do on getting to a fully profitable, break even business early and then get to the other parts of it after, it's something that's going to be in the next few years, hopefully.

Peter: Right, right, okay. So, last question then, what are you excited about for next year as we look to 2023, what gets you going when you wake up in the morning?

Eytan: Three things. First is just the incredible team that we put together that is, I'd say, in many ways war-tested, you know, this is not the first time that they're seeing things melt around in the economy and so they're just bringing back the work payment, kind of getting ready and going back, right back in. So, there's just this level of, you know, you look to your left, you look to your right and you know you have people who can go the distance. The second part is the customers and tracking, I really enjoy understanding the tracking needs, especially the volatility of what our customers are facing. How do we then say what are you going to need in the next few months, how do we actually get that to you before it's too late?

And so just watching the resilience of our customers, and then helping elucidate the product roadmap that should come out of where the puck is heading, that's the third one. The last piece of it is I think it will be some time before the world changes back again so really thinking about this new environment that we're in, you know, likely recession, dramatic changes in the venture space and how do we use this moment to truly change the way that every part of the business runs, DNA of the people, the way we think about it. It's just that we have a new game and you're reading the new instructions of the game, there are so many possibilities and how we can evolve in this context and those are really exciting parts of the puzzle right now.



Peter: Well, Eytan, we'll have to leave it there. It's very...got a great business doing a great service for the small businesses of which, you know, I am one. I'm a lifetime small business owner, my father was before me, so got a soft spot for anyone who is trying to address that problem. So, thanks a lot for coming on the show today.

Eytan: Thanks for having me.

Peter: You know, like Eytan, I grew up in a family that was really centered around a small business that my father owned. I'm struck, you know, in my childhood in the 70's and 80's, I would see my Dad and I ended up joining the family business so I got to see it firsthand, there was so much done, everything was done manually for a start. All the financial stuff was done literally on paper ledgers that my father would spend time on, I'm thinking about the amount of effort that it took to run the finances of that business. My Dad was an accountant, he understood finances very, very well and I think about the amount of time and it's probably, I don't know, a third/a quarter of his time was spent just on this administrative task of running the business and that is where today is so different.

And I think with offerings like what NorthOne are doing, rather than spending 25/30% of your time on the administrative financial tasks of running a business, maybe that could be 2 or 3% of your time and then suddenly, you've got all these extra time you can do now to focus on building the business. That is so different from what it was like before and I feel, you know, there's never been a better time to start a small business because the tools that are available today have never been better. And the good news is, they're only going to improve.

Anyway on that note, I will sign off. I very much appreciate your listening and I'll catch you next time, Bye.

(music)