LendIt Fintech

the fintech startups podcast PitchIt

PITCHIT FINTECH STARTUPS PODCAST NO. 45-ANDREW STEELE

Welcome to PitchIt, the fintech startups podcast, one founder, one startup, one investor at a time. I'm your host, Todd Anderson, Chief Product Officer, LendIt Fintech.

(music)

Todd Anderson: On Episode 45, I talk with Andrew Steele of Activant Capital. Activant is a global investment firm that partners with high growth companies that transform commerce. You know, I wanted to bring a growth investor to bring a different perspective for founders that might tune into the show. The core focus of the podcast is really early stage companies, early stage investors, but I wanted to take a look at what is that next phase on the growth curve and so it's fascinating to hear first, about the evolution of Activant.

They started out as a $75 Million growth fund which is a bit strange, a bit small, they wrote a handful of checks somewhere in the $50 Million range, but they have since transformed to have four funds with over $2.1 Billion in assets on their management today. Andrew and I talk through how Activant evaluates in investing companies, why they focus on infrastructure themes, why investing is more than just writing a sizable check, how their investment thesis has evolved since Fund One, valuations, what's next in fintech and much, much more.

So, without further ado, I present Andrew Steele of Activant Capital. I hope you all enjoy the show.

(music)

Welcome to the podcast, Andrew, how are you?

Andrew Steele: Very well, thanks for having me, Todd.

Todd: Of course. So, you know, I'd like to start with just a little bit of an introduction so if you could tell the audience a little bit about yourself and how did you come to work for Activant Capital which is your current world.

Andrew: So, I'm Andrew, I am the investor at Activant Capital, we're a growth equity fund based in the New York area. As you can probably hear, I am from Ireland originally, I first moved over to the US to study at Harvard as an undergrad, sort of during my time and then after my time there was really focused on building companies so generally think of myself as an investor, really specialized in the seed.

I was building an education-type business prior to joining Activant, we were focused on developing curriculums for students in a sort of programmatic way that would help with non-test crap works so really critical thinking, speaking, writing, things like that and we are teaching it online. It's a real journey, the education industry and edtech is a challenging space for a variety of reasons, but I learned a lot, learned what B2B2C meant, learned what it meant to work and partner with bigger companies than yourself, went through the whole journey of pulling out a team.

I joined Activant in 2016 so during it's first run was a smaller firm at that time, actually we were a $75 Million growth fund which I don't think I fully understood (both laugh), joining and what that meant. I just sort of thought this was a really interesting opportunity to be part of building a firm from scratch so Activant itself and also being very close to startups in a way that was more than just investing, but more operationally focused.

Naturally, when you write checks in a fund of that size you're writing very few and that meant a lot of time with each portfolio company that we invested in and that was really the reason I joined, there was more time to spend with companies. And, you know, fast forward to I guess almost six years now, I've realized that I do like the investing part and, frankly, took me a couple of years really comprehend that I was an investor rather than sort of just partnering with real businesses. So, yeah, going in lots of directions, but the Activant journey has been a fun one and we've learned a lot since then.

Todd: So, you know, picking up on the $75 Million growth fund, is that a handful of $15 Million checks?

Andrew: Correct.

Todd: Got you.

Andrew: So, as you can imagine, the risk profile is slightly different than your average firm. I think most funds, when they get started, they start smaller checks, they follow, they get sort of a couple good, big-name logos to takeoff and from there, they build a reputation. For us, it was hard, right, like we didn't have the brand and we would have to turn up and be like hey, we would like to lead your round, we would like to be on your board and that was something that required adding a lot of value right away, otherwise, you would never have a seat at the table.

It also required being really focused on core verticals because, otherwise, you would be taking risks that you just couldn't take if you were trying to take a sort of more generalist venture capital style approach with that size of firm. You know, fast forward, we're at $2.5 Billion AUM at the moment, we're continuing to grow really quickly as a firm, we're not the firm we were back then, but I do think it's a big part of the DNA of how we think about investing, how we liked the part of what companies and, frankly, just my time there.

Todd: So, what is the thesis today with investing, types of companies you target and if you can name-drop a handful that the audience might know in the fintech space so they can get a sense of the types of companies you've already invested in.

Andrew: We got started around a thesis in commerce infrastructure, essentially, any platform that can help make, move and sell things more efficiently. The first few deals of the firm were really focused on what we call omnichannel retail bridging the gap between online and offline e-commerce and physical stores, whether that's data, whether that's payments, lots of different approaches to that, but that was really the core thesis. I think as we've evolved, we keep that as really the centerpiece of what we do, but we've extended it. So, I would say how do you make, move and sell a T-shirt then it became how do you make, move and sell a financial product, an insurance product, a loan and even as we look into the future it's adding NFTs or crypto products or whatever it might be at the core, how we think about the world. We like to invest in infrastructure software that is really enabling that commerce infrastructure layer.

Some of the companies we have backed over the years and really taken sort of very large meaningful positions include Bolt which is the checkout company, they are a payments checkout, everything, that sort of fintech, Brookeside Phoenix, Truework, Settle which is sort of B2B lending and maybe software and a number of other companies in sort of payments so Cardless, GR4vy and a variety of businesses there. Truework is a fun one, it's an identity infrastructure platform, they do sort of verification of income employment and then as you can expect, a lot of companies that touch fintech, but are not necessarily fintech so that's really the core of what we look at.

Todd: So, most of the startups and the investors that typically come on the podcast are a bit more early stage, you know, in terms of their focus. You know, I know that you guys have probably done a handful of early stage investments, but considering your growth, what do you look for in companies that are kind of beginning that growth, you know, Series B and above. What do you look for when you're looking at investments that maybe a fintech founder might be listening and say alright, you know, this is kind of where we need to strive for or something that we keep in mind as we continue to grow and scale.

Andrew: First thing I would say is that even though we're, you know, the five or six years I've been here, the market has changed, the world has changed so the down mission of growth has by, for a few, changed. I think, you know, we're typically leading Series B runs, Series C and I would say that the things that we're really looking for are similar to what an earlier stage firm would look for. You want a great team, you want a big market with really clear opportunities to sort of build big businesses, that all holds true. Where we start to play, where maybe an earlier stage firm wouldn't is we're looking for indications of stickiness, indications of the business model really working in the sort of unit economics, right, do we see a clear path to paying back your cap, do you have a clear path to sort of keeping customers around and growing them over time and can we see that in the data.

You know, rewind five years growth investing, you would have typically had a business that was $10 Million, maybe $15 Million in ARR reveue (both laugh), you have years of customer data that you could look at and you could get a feel for, how sticky is it. So, what I would say is the frameworks remain like we still think about investing in that way, but we have to take on more risk, we're moving some of those things earlier in the life cycle like where you can get an indication that customers really, really love the product and that's showing up in growth of revenue, but also in this other metrics we talked about.

And I would say the last thing is, where possible, we really like businesses that have some kind of distinct infrastructural advantage and is not always the case. There are times you can build a great business when you're in a very competitive market, but if you do have that and you can see that in product metrics, whether that's some kind of network being built or whatever it might be, that is also a very good indicator for us so the opportunity to build a very big business that is very hard to catch if you were able to breakaway with growth funding and later stage venture.

Todd: So, you've mentioned the infrastructure a couple of time, obviously, there's an infrastructure theme even through just looking at the companies on your website, in your portfolio, I feel like there's this dynamic going on with infrastructure. There's the banking and the fintech space that have kind of gotten to where it's gotten to today, there's obviously been a lot of advancements and a lot of innovation there, but then you have this other Web3 crypto dynamic.

It feels like it's catching up and then all of a sudden it's like crypto has jumped way ahead and there's this dynamic of how are these two worlds going to come together and what do... some of these firms have spent a lot of money, resources, you know, blood and sweat as a term on getting to this point and then they say oh man, we have to redo this again for crypto or Web3 infrastructure. I mean, do you see some of that dynamic playing out, how do you account some companies solve something like that

Andrew: If I knew the answer to that question (both laugh) we would be in a great spot. There's a few things to think about that point. I think the first is that the alternative of Web3, in the sense that like the way that we can think about this there being another state of affairs, another way the world could operate, creates a new sort of like fork in the road or stake in the ground let's say where we can anchor to and we can say, that's the way the world could be and that pushes things further, right. I think that makes it, in my mind, not easier, but it greases the wheels for fintechs that are working with more legacy players to say like look, this is where the world is moving, we offer you something that is really tangible, that can work today, you need to work with us and I think that's something we're seeing a little bit of this.

Web3 is driving adoption of fintech because it is actually showing everyone right there that there is this alternative world that is becoming a reality, although it will be able to take time and by virtue it really drives fintech and opens the door for fintech, in my mind, even more than it was before. So, I think that's actually a net positive for the fintech space broadly, especially those companies that want to partner with more incumbent players or we think markets that were to vary traditionally, sluggish and slow moving in adoption on their point to run how should a fintech company think of like Web3 and changing their product roadmap or adopt into this space. The window of time is still there to both watch observe, learn and take your point where you feel the product has really got an actual sort of use case and can really be brought to market in a tangible way, right.

I think there’s opportunity is to partner still, I think we're seeing a lot of cool examples of that, whether it's in more sort of like fintech identity platforms or Banking-as-a-Service platforms. You could connect to someone who is offering crypto-specific infrastructure that provides distribution for both parties as a really sort of mutually beneficial thing. We saw that, right, like we saw that during the pandemic where some of these bigger consumer fintechs, whether it was CashUp or whether it was Robinhood or whoever it was, they're pulling crypto into their platforms and I think we're going to see that manifest more in this sort of B2B DeFi use cases and more sort of like traditional B2B fintech in the next few years and that’s an area I'm particularly excited about. So, like how could we use DeFi, for example, to support modern fintech lenders, make them more programmatic in the way that they think about accessing capital, distributing capital, that there's a lot of infrastructure that can always be built to enable that future.

Todd: You last couple of years, obviously, there's a lot that's changed in the world and I think it's helped reinforce some of what fintech and innovators were already starting, but maybe didn't have this clear example of hey, this is how the world is going to be and then the world shut down and hey, this is how the world's going to be. Has it shifted your view in any way the last couple of years and how you think that new world is coming together just reinforced it? I mean, what are some of the lessons over the last couple of years that you've seen from either portfolio companies or just in the market that you can really say wow, you know, this is where it's going or hey, I thought it was going here, but maybe it's going here?

Andrew: So, we talked about one big trend that the Web3 trend that’s ongoing and you're right, you realign even a year and a half, two years and we had another very significant changer, the pandemic and work from home, and distributed everything. Both of those are, in my opinion, massive accelerants of technology adoption. We have heard these terms and definitely not the first to say it felt like tech adoption cycles being squeezed from a decade into a couple of years. I think, in general, that became a reality for a lot of industries and the areas we spend time in.

I think one of the most noticeable ones was really B2B, it's still early innings on B2b e-commerce, but I think when you watch some of these industries, whether it's the construction space or the wholesale marketplaces or whatever it is and how businesses really need to move online and seeing this behavior change like that’s where things actually have been able to really power that entire generation because banks and other folks just couldn't adopt fast enough.

They were working in a distributed world and new marketplaces were growing at rates that we've never seen before because there was no alternative. I think that we have another force of that magnitude with Web3 so we’ve got probably two very, very significant moments in time happening within a five-year window which, in my opinion, is driving the need and the opportunity for this business. We have a (inaudible) about today at a rate we've never seen. In general, this push forward of trends were kind of already, not inevitable, but happening which is much more slowly, it's really there and then the creative side of Web3, there’s so much to think about and talk about there that we're still unpacking.

Todd: I want to shift a little bit, more back to the investment side. Obviously, valuations went crazy for a little while there, it seemed like COVID hit, there was this thinking of alright, investors are going to hoard cash then it was, you know, maybe a couple of months later it was alright, we're paid to invest, that's what we need to do, it was kind of that couple of months window of weirdness, but it seems like valuations have started to normalize a little bit.

I mean, do you see that and what do you see in the investment landscape in how companies are, you know, some of the exit options, some of what's happened with like market like SPACS, how do think that's played into maybe what we've seen with some valuations and just how stuff is valued these days.

Andrew: To go right to today, I think you're right, we're starting to see a little bit of a return to normality in valuations or, at least, in sort of expectations around fundraising. There has been, for the last few years, a little bit of a disconnect between valuations on paper and like actual tangible exit opportunities or value creation.

Todd: Just quickly on that, like do tell a portfolio company like if you can hoard cash and get it. The periods obviously don't last for that long and it'll be better if they have that money on their balance sheet than not.

Andrew: I think you're right. At the time of uncertainty that we have at the moment in sort of the broader world, both in, you know, macroeconomics and markets, but also in politics and everything, the uncertainty is such that it definitely is advantageous to have additional capital on the balance sheet right now. I think that, you know, one of the things we've seen is the by-product of the capital and the tightening of the market has been on the labor side, right. It's been very, very hard for businesses to hire, wages companies have to offer have really exploded and it's been extremely competitive. So, if you do have additional capital on your balance sheet at the moment it does give you the advantage of being able to sort of weather out the storm and really have the money you need to hire great talent when folks become available if the market does change in terms of, you know, the competitiveness of the talent market.

I think, yes, in general, we would advise our companies, where possible, to take on additional capital as long as it makes sense. There are times where it doesn't make sense for a variety of reasons, maybe the business is just exploding and, in my opinion, I think most investors at the growth stage will probably have a similar opinion. The best companies are still going to have access to capital, the best companies are still going to be able to command strong valuations.

The challenge is going to become in sort of companies that struggle because the risk may be fairly substantial, but very highly valued early on and then have a lot of growth to do to get into those valuations. That's where the tough times may come, but I do think that fundamentally it's similar advice, it’s folks building the best team. being patient, picking the right opportunities in really sustainable unit economics and sustainable growth. But, yes, it is in entrusting in difficult times to sort of fully understand where the growth is .

Todd: You mentioned earlier, I think it was in your intro, about taking board seats. You know, I'm always curious, do you think founders put enough emphasis and really think about the board seats and who they want on it, the make up of their board, this is my company, this is what I want the board to look like.

Do you think they put a high enough emphasis on that versus hey, this is a really, really good logo that can open up five doors, but maybe it's not the perfect fit like I assume that happens a lot in founders' minds and in their close circle. Should they put a bigger emphasis on this is the board make up, no matter what, this is the make up, not matter what, this is the make up regardless of if a big check walks in the door, we have to stick to this make up.

Andrew: There are multiple components to it. I think, yes, is the short answer, having a board that is productive, aligned, capable of actually saying the hard things at the right times is also really important, right, because this is an industry where there has been a lot of capital in the market and there has been a lot of momentum broadly, I think sometimes even the reluctance to say the hard things.

So, I think having people around the table who are willing to be there, support within all times, both good and the bad, and be the kind of person you would like to tell you both great things congratulations, this is amazing and hey, we got to work on this or like this isn't good enough. Those are the relationships you want. Now, the challenge I think is in part founders have had a hard time as well because the speed and the velocity of these fundraises, especially in the last few years, has increased like I think in an unprecedented rate......

Todd: Yeah.

Andrew: ...like a term sheet could be dropped the day after you think about fundraising. Then it's a difficult position to be in because you've got, especially when we had this market uncertainty we're talking about, right, like you've got cash that you could put in your bank that could meaningfully change the way your business operates, the longevity of the entire company and it gets hard to not want to take that money and what then, right. Even if you did delay it for three weeks, is three weeks enough to really know like all the people around the table and whether they will be the right board member for you.

Todd: That's a good point I hadn't thought of as much. You barely get enough time to know someone with how fast things move today that you might not have any clue until a year later that this is a bad match.

Andrew: Exactly. And I think that's why I personally feel very fortunate to get to know fundraise in fintech early, right, sometimes we're not a good fit for that round, but we stay in touch and we really spend time together over a year, two years. That used to be a lot more sort of obvious, I think most people would have said that three, four, five years ago, but today that is different. And like I think your point on logo, the great funds are great funds for a reason, right, some of the great investors and the great firms have experience on boards, they can bring experience from like other boards, boards are public companies, businesses that have gone through all types of ups and downs.

It's really by finding the relationship with the person, the partner that you want to work with, the logo can be a good leading indicator, but it doesn't always necessarily mean that that's going to really, really actually drive change for you and look, I think some great companies, they're very careful who they select. They have like funds that have great logos that can be low touch and really helpful in certain ways and then funds that are really, really active in others, I mean, that's I think where Tiger has done a great job, right, they have entered the market and they have forged end user paradigm in the way that they want to invest and they are clear about what they do, I think it's done really well.

Todd: You know, at the same time these days, you have a more intense scrutiny probably than ever before for companies. You have social media, you have platforms that encourage reviews, you have firms like LendIt where it's not only in-person, large scale events, but podcasts like these and we do daily news coverage with our editorial team.

How do you counsel companies when it comes to good news or bad news and to not either let it get too negative or pop them up too much because oh, they're the greatest company in the world now. I mean, how do you counsel companies when it comes to this coverage, this constant echo chamber which seems to get louder and louder with so many different things coming in their direction?

Andrew: The press is a big part of most startups' journeys today, more so than it was before and I think it's important for a variety reasons. It's important for startups to be able to explain their vision and articulate why they are going in this direction and what makes them special. It allows them to go out and hire people behind that vision that they may have not otherwise been able to get access to or work with it, whatever it is. There are lots of ups and downs and I think that the reality of managing through any press cycle, both positive and negative, is really focusing on the core of the business, what is the defensible long term mode for the company, what is the core reason that team members are joining, staying, sticking around like working incredibly hard, incredibly long hours.

We talked about this before with the talent market, especially when the market is so tight and so hot. It is critical that employees are really focused and centered around the mission of the business and like where they can go from here. I think like even as we think about valuations too, this is another hard part about valuations getting really inflated. Is it the incentive structures, being able to build long term, sustainable economic growth opportunities for employees who join later, it's also hard, right?

So, it's I think generally, as we think about this, it's like what are the core defensible products that this business is building and hire the team really motivated to run the mission of what it is and the press is a big part of explaining that mission, sharing that mission and navigating and just really focusing in on what is that core, what are we out here to build. That's just what we try to do, but it is, you know, there's no perfect answer.

Todd: We've talked about obviously what you guys invest in which is a lot of infrastructure, we've talked a bit about the crypto Web3 DeFi space which are obviously two areas that you're clearly excited about and focused on, are there any other areas in fintech that are exciting or that you think are kind of next to kind of burst on the scene outside of those two?

Andrew: The hard part of that question, Todd, is that I feel like there's a lot of branches under each of those.

Todd: Yeah, that's true.

Andrew: So, I would say in general we focus on a lot of different areas in fintech over the years. We've covered payments, lending, identity, infrastructure were produced into Web3. I think it's really a combination of all the different parts that is becoming more interesting. You're seeing different use cases of these combinations in different markets in different ways.

I would say one area that I'm particularly interested and I hinted that earlier is this idea of unlocking B2B e-commerce and that really is how could we take something like a Bolt, for example, and use it in the B2B world where transactions are much more complicated. You have lending, involves the terms, whatever it is, involved in almost every transaction and that's decidedly more difficult than a sort of buy now, pay later scenario for consumers so I think that's an interesting area as it ties to the sort of more headless commerce experience and more B2B in general.

Todd: Is that term becoming something now because it's like the third time in the last three or four weeks I've heard the term "headless."

Andrew: (laughs) I think it is, I know. It's one of those words which starts to get throw around, but I do think headless is a particularly interesting concept in commerce because we are seeing more and more and more points of excellence in the stack, whether it's your content, system, your logistics, your fulfillment platform, your check out, your payments, whatever it might be and each company will have some really high spike in what they're good at, right, whether it's like articulating their vision and visual identity or the actual physical product under the hood. Headless commerce enables businesses to interact with all the best solutions in the market and be very nimble and driven to different directions that they otherwise would have been more sort of constrained if they were in a traditional e-commerce platform.

You know, one other one I would highlight, which I'm particularly interested in at the moment, is this idea of B2B neobanking with a Web3 angle. So, we invested in a really interesting company called eco, eco.com, they are focused on consumers so they're providing a solution that sort of obstructs the way a lot of the complexity of accessing the crypto world, it gives you a lot of the benefits of it in a consumer sort of neobank-like experience. So, think, you know, higher yield on your money and access to lots of really interesting rewards and like a reduction in some of the constraints of the traditional sort of think tech world. I think there's going to be a really interesting opportunity for businesses to build in that space, I haven't seen all that many yet where companies, whether they're small businesses, medium size businesses or large, are going to be holding more sort of crypto and traditional fiat whether it's in USD or in multiple currencies.

They're going to be paying folks around the world and the ability to have all that in one single account where you can access and hold crypto tokens, move money around, get access to DeFi, but do it in a way that is …it's obstructing away some of that complexity, all the restrictions and requirements are in custody and wallets and all of that. I think that's going to be an interesting opportunity set, especially as we think about the explosive growth within B2B card Spend, Brexis and Rose of the world. All those guys will have an opportunity to access DeFi and I think it's going to be interesting to watch that emerge. So, that's one area, but plenty of them, as you can imagine. (both laugh)

Todd: I want to shift our conversation a little bit. What's the best piece of advice you've received from either a fellow investor or a founder?

Andrew: So, from an investor, I think, it's actually from one of my colleagues, he joined the firm about 18 months ago, he had invested in a bunch of very, very successful consumer fintechs and had applied this framework of SaaS-like retention in consumer, I thought that was very interesting. He was pointing out that there are certain businesses that if you are able to have enough data or run their retention, you can see how their retention curves, like most consumer companies will drop initially, but they will plateau quite early and then they actually start to lift back up. What that is an indicator of is what obviously high stickiness, high value customers, but a product that is really, really, really resonating and provides SaaS-like retention, but it provides the upside and the explosive growth potential of consumer businesses and I think that's a really interesting angle.

Todd: Interesting.

Andrew: To give you a sense of the manifestation of that, one of our more recent investments is a company called Joker which, as you may know, they're in New York and around the world sort of this 15 mini grocery space which is a space that's also been in the press a lot for, you know, a variety of reasons, but I think what really got us excited about that business is just the ability for the company to really change the way consumers behave, how they interact in your day-to-day with wine, food and groceries and things like that and you can see it in the way that the customers stick around, the retention data.

Having numbers like that are really exciting because you can have the opportunity for this explosive growth profile. That was an interesting thought that I did not have having done a lot more B2B style investing before. I tried to apply some of that in these businesses that have crossed over between B2B2C.

Todd: How do you stay on top of what's going on? I mean, I find it incredibly difficult, you know, you guys are obviously investors and you want to stay ahead of the curve, you want to invest in great companies, obviously have big successes, but I mean, what do you do to ensure that you guys are staying on trend or, at least, not falling behind with how fast and rapid fintech is moving these days?

Andrew: The first thought is that it actually requires coming other things, you have to be disciplined and I think it goes back to the point of sort of the DNA of the firm, the beginning (inaudible-siren in background), this is driven in order to be focused on our core verticals and to understand them well and be sort of be at the cutting edge or on the pulse, we have to not be doing other things. So, for us, we try to be quite disciplined around where we're really focused, what VCs we care about and then really spending and dedicating the time to map an industry and know really who are the key players, who are he key people, the key decision makers.

We also use an internal sort of software tool that we developed to help us with that, I know some other firms do this as well, but we have really designed it to be oriented around our VCs, the things that we are most excited about and we pull in different pieces of data, you can imagine, lots of third party data out there today, but also the newest, the soft of different data science that can be a leading indicator for where the world is moving and that helps us be a little faster, but at the same time in our space, you just need to be speaking with the best companies, you need to be speaking with them early.

Todd: You know, investment process-wise obviously, you know, we all went remote, are you guys still using Zoom as kind of a ....you know, it feels like there's a lot of firms that are, but not all, are doing it that way where it's kind of, at least, those initial pitches you just do on Zoom so many that you can get through so quickly and then maybe you meet in person after that. How has it impacted the investment process and what does that look like today for you guys?

Andrew: I think the impact has been to speed up every process that we talked about it before. So, as a funder you can be three, four times the number of investors you could have met if folks were coming to visit you or you're getting on a plane to go visit them. It also opens up the international markets in a very really exciting way, right, it provides greater accessibility to capital for great companies in different regions, whether it’s Latin America or Southeast Asia, I think that's been a very noticeable impact.

We, as a firm, tend to skew towards seeing people in person when we possibly can, it's always how we've operated. I think it again goes back to the point that we were writing to your larger checks and when we did we wanted to know people and feel like they knew us and that was an important part of what we are investing, I think it's still an important thing. You know, this year, I've probably taken close to 20 flights so it gets a little tiring, but it is exciting and a core part of what makes me love my work is meeting really incredible people face-to-face and hearing their pitches and meeting their teams and understanding why they are building what they’re building.

Todd: Zoom replaces a good amount, but ultimately, it doesn't replace being in the room with someone, seeing their body language, seeing their comfort level like you very much can create this app, but if you're on Zoom as if you're the most polished, perfect set-up, all the stuff. You meet them in person and they can be completely different so I think it's an interesting dynamic that investment firms are still kind of grappling with I think.

So, we have just a couple of minutes left here and I like a end a little bit lighter. Do you have a favorite book and the last book that you read?

Andrew: I do. I haven't read it in a while, but I think my favorite book is (inaudible) Before by (inaudible), I really love that book. One of the last books I read was actually a very difficult book for me to read, it was pretty impactful, it's called "Say Nothing," it's a book about Northern Ireland, where I'm from, and about some of the violence over the years there that has a title that’s very fitting.

Unfortunately, I learned a lot about the history of my country years later in another continent reading about it. It was particularly impactful for me just because it was very close to home and maybe paraphrasing this and I also have heard this or made it up, but I read something from one of the Collison brothers who said that...something along the lines of, it's better to read than to not read and if you're halfway through the book and you want to put it down and pick another one up, do it. So, I'm a very strong subscriber to that, maybe it's just me giving myself an easy way out for having read three quarters of about a hundred books, but that's going to be (inaudible).

Todd: I would agree. I mean, reading is better than not reading so I would say even if you read two pages, it's better than not reading those two pages.

Andrew: Exactly, yeah.

Todd: Do you have a favorite sport or sports teams that you root for?

Andrew: Yes. I'm a big Manchester United fan, that is another connection to Northern Ireland with George Best, our best player playing for Manchester United. I grew up playing rugby so I support the Irish National team on that front and I'm also a big Rory McIlroy fan so you have to stay close to home as much as you can.

Todd: (laughs) And then final question, biggest inspiration in life?

Andrew: I think my mother. I saw my mother for being just a complete rock and a very open-minded person in a country that isn't always open-minded. I don't think I would have had the desire to come and live here and explore everything over here without her and yeah, she inspires me so every day.

Todd: Well, Andrew, we're going to have to leave it there. Thank you very much for coming on the show, how can the listeners find you and find Activant Capital?

Andrew: Thank you, Todd. You can find us at activantcapital.com, please feel free to email me, it's just andrew@activantcapital.com or find me on Twitter or LinkedIn.

Todd: Alright, thank you very much for giving me a few minutes, continued success with the firm, maybe we'll get you back sometime in the future and enjoy the rest of your day.

Andrew: Thank you, Todd.

Todd: Yeah, thank you.

(music)

Thank you for listening to the latest episode of PitchIt, the fintech startups podcast. I encourage you to take a few minutes to write a review or rate the episode. Ratings and reviews both help us to improve the show for future episodes. If you're interested in learning more or would like to be considered for a future episode, please reach out anytime to Todd, T O D D @lendit.com and until next time.

(music)