



Small Business Lender | Montreal, QC | Founded: 2008 | Employees: 45 | <https://www.evolocity.ca/en/>

PHONE: 1-877-781-0148

WIKIPEDIA: none found

BLOOMBERG: <https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=281825284>

LINKEDIN: <https://www.linkedin.com/company/evolocityfg/?originalSubdomain=ca>

COMPANY OVERVIEW

Evolocity is a company that provides alternative financing for small to medium sized businesses. It offers two programs: merchant cash advance that allows businesses to pay a percentage of their sales until their loan is paid back and small business loans which is a loan with a daily fixed payment schedule. Businesses get the advantage of very flexible payment terms, where it is catered to the nature of their business, real-time information on their accounts, and fast and easy online application and approval process.

SENIOR MANAGEMENT

Neil Wechsler: CEO (2013 – Present). Currently: President and CEO of Optimal Group Inc. (2010 – Present) (Optimal Group is a NASDAQ self-checkout and payments company). Education: Civil and Common Law from McGill University

David Souaid: Co-Founder/ President (2008 – Present). Currently: President of Sterling Payment Solutions (2008 – Present). Previously: Senior Vice President of Sales and Marketing of Optimal Payments (1999 – 2008). Education: Political Science and History at Mount Allison University (1995)

Harley Greenspoon: Co-Founder/ Chief Operations and Risk Officer (2008 – Present). Currently: Co-founder of SterlingCard Payment Solutions (2008-Present), Vice President at NorthBridge Capital (2003-2008), Associate at David Polk & Wardwell LLP (1999-2003). Education: Bachelor of Civil Law, LLB from McGill University (1999), HBA at University of Western Ontario (1995)

Cameron Nelson: VP, Credit and Finance (2016 – Present). Previously: Director – Corporate Finance Division at BMO Financial Group (2010 – 2016), Commercial Banking Analyst at TD (1999 – 2003), Partner/CFO at Atlantic Business Consultants (1998 – 1999), Sales at Sounds Fantastic (1995-1997). Education: MBA(Finance) from Dalhousie University (1999), BSc (Biology/Engineering) from Mount Allison University (1995)

HISTORY AND FUNDING

Evolocity 2008 recession by David Souaid and Harley Greenspoon. While small businesses always had a hard time getting loans, approval conditions got tighter. Smaller businesses were getting declined more and more for business loans. David and Harley saw an opportunity to become one of the first companies in Canada to offer alternative financing to small companies.¹In 2016, Evolocity raised \$22.5 million dollars in debt and equity financing from SEER Capital Partners in New York.²

KEY CORPORATE DEVELOPMENTS

Press releases and Blog: <https://www.evolocity.ca/en/our-blog/>

Aug 2, 2016: [Startup Canada and Evolocity partner to launch the Startup Canada Women Founders Fund](#)

May 17, 2016: [Evolocity partners with First Data Canada for their strong payment processing solutions](#)

Sep 13, 2018: [Evolocity increases their senior secured banking facility with BMO; increase funding capacity](#)

BUSINESS HIGHLIGHTS

STRATEGY

Evolocity's main strategy is to use an online lending application to provide small businesses with fast loans that have flexible payment terms. After applying online and being approved in 48 hours, funds are released almost immediately, and terms are flexible. Evolocity looks to partners with different organizations that have lots of connections with small businesses that may need

¹ <https://www.evolocity.ca/en/a-look-back/>

² http://www.iaireview.org/scheda_legal.php?idl=2425

funding, such as Lightspeed Ventures and Salesforce.³ They also have a joint initiative with Startup Canada called Startup Canada Women Founder's Fund, that funds early-stage technology startups run by women. Overall, Evolocity aims to create these partnerships early, to eventually be their financing provide later down the road.

PRODUCTS / PRICING

Evolocity offers small businesses with two financing programs:

- **Merchant Cash Advance:** Evolocity offers this program to help small businesses with a fast method to fill their working capital needs. They offer no fixed payments, no fixed terms, and no specific collateral required. Businesses repay when their cash flow is strong; when they are not doing well, they do not have to pay anything. Evolocity doesn't charge any fees, but rather the retrieval rate; the percentage of sales paid to Evolocity daily until the cash advance is paid back in full.⁴
- **Small Business Loans:** This program offers small business loans to businesses; businesses have to pay daily fixed payments towards their loans. Evolocity makes money off the interest rate and the fees charged.⁵

TECHNOLOGY

Evolocity uses technology through their entire business; they process large numbers of applications from around Canada and have to respond within 48 hours. Their technology allows them to release funds and monitor their client's cash flow status real-time through their payment solutions software, which was outsourced to First Data Canada. Client's are also able to check their accounts and loans with real-time information. Evolocity has done over \$100 million in funding, so their technological capabilities are strong.

DISTRIBUTION / LOGISTICS

Evolocity distributes funds through their online platform; their partnership with Bank of Montreal allows them to have a large funding capability.⁶ Their business is only available to Canadian small to medium sized businesses and they operate through their three offices in Montreal, Vancouver, and Markham. Since the entire process is online, their distribution strategy is simple.

MARKETING

Evolocity uses its partnerships and Startup Canada Women Founder's Fund to attract small top medium sized businesses. Its partnerships, such as Lightspeed, push their small business connections to Evolocity for financing needs. The Women's Founders Funds allows it to reach and connect with early-stage ventures. These ventures may not need financing right now, but will need it later, and Evolocity will have that relationship. To conclude, Evolocity's markets its services through its partnerships.⁷

COMPETITORS

Evolocity was one of the first online alternative financing firms in Canada. As the industry has continued to grow rapidly in the last 6 years, many competitors have shown up and offer similar services. Some of Evolocity's main competitors are:

1. **Thinking Capital**– (Toronto, ON) Thinking Capital was started in 2006 and offers alternative financing to smaller businesses as well. They also offer Merchant Cash Advances, but they rely much more on partnerships with large organizations.⁸
2. **Lendified** – (Toronto, ON) Lendified is one of Canada's fastest growing lenders for small businesses that need capital to grow.⁹

³ <https://www.evolocity.ca/en/partnerships/>

⁴ <https://www.evolocity.ca/en/service/merchant-cash-advance/>

⁵ <https://www.evolocity.ca/en/service/small-business-loans/>

⁶ <https://www.evolocity.ca/en/pr-evolocity-bmo-close-new-relationship/>

⁷ <https://www.evolocity.ca/en/partnerships/>

⁸ <https://www.thinkingcapital.ca/about/>

⁹ <https://www.lendified.com/about-us/>