



Financial Services | Toronto, ON | Founded: 2014 | Employees: 27 (June 2018) | <https://www.fundthrough.com/>

PHONE: 1 800-766-0460
BLOOMBERG: <https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapid=285979943>
CRUNCHBASE: <https://www.crunchbase.com/organization/fundthrough/>
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COMPANY OVERVIEW

FundThrough is a Canadian invoice funding company based in Toronto that operates in North America. It supports the invoices between companies in order to reduce cash flows that impact small businesses through an online platform.

SENIOR MANAGEMENT

Steven Utser: Co-Founder and CEO (2014-Present). Also: Founder, Zillidy Inc. (2012-Present); Founder, Elridge Capital Ltd. (2009-Present). Previously: Investment Banker, Centerviews Partner (2006-2009); Investment Banker, UBS Investment Bank (2001-2004). Education: MBA in Entrepreneurship (2006), The Wharton School; B.Com and International Management and Finance (2001), McGill University.

Deepak Ramachandran: Co-Founder and CTO (2014-Present). Previously: Senior Management Associate, Bridgewater Associates (2011-2014); President, Deepak Ramachandran Consulting Inc. (1999-2011); President and owner, Logos BPO Inc. (2004-2010); Executive Advisor, Spencer Trask Collaborative Innovations (2008-2009); Executive Advisor, inno360 LLC (2008-2009); Vice President, News Paradigm / nGenera (2007-2008); Strategy Director, C&D Technologies (2005-2006); Strategy Director, Celestica Power Systems (2001-2005); Engagement Manager, McKinsey & Company (1994-1999). Education: B.Phil (1994), University of Oxford; Bachelor in Philosophy and Chemistry (1991), University of Toronto - Victoria University.

Graham McBride: Co-Founder and Chief of Credit (2014-Present). Previously: Managing General Partner, VenGrowth Capital Partners Inc. (2003-2010); Managing Director, Royal Bank Capital Partners (2000-2001); Principal, McKenna Gale Capital Inc. (1996-2000); Vice President, Penfund Partners Inc. (1992-1996); Senior Account Manager, Central Guaranty Trust Company (1989-1992); Senior Account Manager, TD Bank (1985-1989). Education: Bachelor of Commerce (1985), Queen's University; Society of Management Accountants (1992), CMA.

HISTORY

Steven Utser believes that the fintech market trend in Canada of incoming startups has a huge growth opportunity in financial services by using technology for a secured lending space¹. With his experience as a former investment banker in the alternative lending sector and after founding Elridge Capital in 2009, a traditional asset-based lender company, he found insights to create a new company in late 2014 using technology to help smaller businesses unqualified for regular bank loans². In February 2015, FundThrough officially launched its platform. A partnership was established in 2017 as well with Cortex³. Today, it is possible to import invoices automatically from accounting platforms such as QuickBooks, FreshBooks, and Jobber for example⁴.

¹<https://www.theglobeandmail.com/report-on-business/small-business/sb-money/next-big-sector-to-face-disruption-financial-services/article23025801/> and <http://spendmatters.com/tfmatters/canada-has-a-vacuum-in-marketplace-and-peer-to-peer-lending/>

² <https://business.financialpost.com/news/fp-street/fundthrough-aims-for-faster-and-more-convenient-b2b-lending>

³ <http://www.scfbriefing.com/13284-2/>

⁴<https://www.fundthrough.com/partners/>

FUNDING

FundThrough raised a venture round of \$2.2 million in 2015 from a group of investors led by Real Ventures and 6 other companies to help grow their digital platform. In 2016, the company received \$4.6-million of equity and access to an additional \$20-million in loan capital by investor Scale Up Ventures, backed by private industry including three Canadian banks and a \$25-million commitment from the Ontario government. In 2018, FundThrough secured \$9 million in equity funding (a series A equity round principally led by David Mirvish and ScaleUP Ventures again) and an additional \$25 million credit facility (provided by InterCap Inc., a merchant banking firm based in Toronto).

KEY CORPORATE DEVELOPMENTS

Press releases: <https://www.fundthrough.com/media/>

Feb 24, 2015: [FundThrough Raises \\$2.2 Million for Online Lending Platform to Finance Businesses](#)

Oct 10, 2016: [Small-business lender FundThrough secures \\$24.6-million in financing](#)

June 19, 2018: [FundThrough raises \\$34M in New Funding to Bridge Cash Flow Gaps for Small and Growing Businesses](#)

BUSINESS HIGHLIGHTS

STRATEGY

- **Lending by buying** – FundThrough targets small and medium businesses as well as fast growing start-ups which have no bank loan opportunity. They accept to fund invoices of all amounts (historically, as little as \$15 to as big as \$2million).

PRODUCTS / PRICING

- **Invoice Funding:** Invoices are technically bought by FundThrough, which advances funds directly into the client's bank account. The client's customer in turn pays the original invoice when it's due, and the FundThrough client receives the remaining balance minus fees⁵. On this platform, each lender sets his or her own lending standards, so the credit worthiness required in bank applications is not mandatory here.

TECHNOLOGY

In contrast to venture capital money, FundThrough does not require to give up equity. It is a marketplace loan & P2P lending platform. Advances (up to 95% of your initial invoice) are reimbursed over 12 weeks, paying each week 1/12th of the advance plus a small funding fee calculated at 0.5% of the face value of the invoice⁶.

DISTRIBUTION / LOGISTICS

FundThrough operates in Canada and the U.S only through its digital platform.

MARKETING

Uster confirms in most of his interviews that his firm may look at factors including social media history to authenticate applicant-provided data and to allow a broader base to determine loan eligibility. "There are a lot of things that can make you creditworthy that you might not even know of."⁷

COMPETITORS

Technically, FundThrough is the first online invoice service in Canada for small and fast-growing companies⁸.

Steven Uster claims that his top competitor based has an established model in London, UK and that this model is also growing in the US:

1. **MarketInvoice** – (London, United Kingdom) MarketInvoice is an online platform that offers business loans, invoice financing and cash flow solutions. The UK Government-backed British Business Bank is funding invoices through its platform.⁹
2. **Fundbox** – (San Francisco, USA) Fundbox is a fintech company founded in 2013. The service helps optimize cash flow for small businesses and freelancers with outstanding invoices.¹⁰

⁵<https://www.thestar.com/business/2018/06/19/toronto-based-startup-fundthrough-lands-millions-in-funding-eyes-us-expansion.html>

⁶<https://help.fundthrough.com/getting-started/how-do-i-pay-back-the-advance>

⁷<https://www.thestar.com/business/2018/06/19/toronto-based-startup-fundthrough-lands-millions-in-funding-eyes-us-expansion.html>

⁸<https://www.facebook.com/dx3canada/videos/1362649943797096/>

⁹ <https://www.marketinvoice.com>

¹⁰<https://www.fundbox.com>