



Instant POS lending | Toronto, ON | Founded: 2009 | Employees: 11-50 | Website: <https://paybright.com/>

PHONE: 877.276.2780

LINKEDIN: <https://www.linkedin.com/company/health-smart-financial-services/?originalSubdomain=ca>

COMPANY OVERVIEW

PayBright is a Toronto based fintech company that enables instant payment at the point of sale in retail shops. By offering consumers a fast option to pay with installments, they can get the product instantly. PayBright will pay the consumer funds to the merchant upfront and the monthly payments consequently go directly to PayBright, which carries all the credit risk. Consumers can individually and separately apply for a payment plan online or in-store through a merchant. Thus, PayBright operates within B2B and B2C.¹

SENIOR MANAGEMENT

Wayne Pommen: President and CEO (2015-Present). Previously: Associate/Vice President/Principal, TorQuest Partners (2009-2015); Consultant, Bain & Company (2006-2009). Education: Directors Education Program (2012-2013), University Of Toronto; PhD (2006), University Of Cambridge; BA (1998-2002), Harvard University.

Vassil Chalashkanov: Senior Vice President and Marketing & Business Development (2015-Present). Previously: Vice President – Business & Product Development, Flexiti Financial (2013-2015); Divisional Vice President - Retail Banking, Sears Canada (2011-2013). Education: MBA, General Management (2003-2005), Indiana University – Kelley School of Business; BA, Philosophy Political Science (1991-1995) Belmont Abbey College.

Finbarr Smith: Vice President and Finance (2016-Present). Previously: Vice President/Controller, Public Mobile (2008-2014); Controller - Central Canada, Bell Aliant (2006-2008). Education: Institute of Chartered Accountants in Ireland (1988-1991).

Alex Thomson: Vice President and Operation & Credit (2009-Present). Previously: Senior Credit Manager & Director of Credit Adjudication Canada, Citi (2001-2008); Credit Manager, Avco Financial Services (1987-2000). Education: Diploma, Business Administration (1987-1990), Georgian College.

Gurpreet Dhadda: Vice President and Technology (2015-Present). Previously: Software Developer, U Weight Loss Clinics (2012-2015); Tools Developer, BlackBerry (2011-2011). Education: MS, Computer Science (2010-2012), University Of Ottawa; B. Eng., Computer Science (2005-2009), Punjab Technical University.

HISTORY

Founded in the financing department of a healthcare clinic as HealthSmart Financial Services in 2009 by Dr James Hyssen,^{2,3} the initial business was payment methods for only health products and services. However, with Pommen and other executives onboard, a company was formed that saw business opportunities for flexible payments outside the healthcare sector. On January 3 in 2017, the brand PayBright was launched⁴ and the retail launch was official. Later that year, PayBright became the first Canadian company to offer consumer financing on e-commerce platforms.⁵

FUNDING

PayBright is funded by CWB Financial Group and iA Financial Group. The two still remain the main equity holders in the company.⁶ PayBright is a private company and the latest funding round came from current equity holders in September 6 2016. PayBright uses the hybrid lending model and its main debtholder is CWB.⁷

¹ <http://techcompanynews.com/paybrights-new-payment-method-enables-canadian-customers-pay-e-commerce-purchases-installment-financing/>

² <https://static1.squarespace.com/static/58992d6320099e826d2aade8/t/59a08d71e58c62501fa7acd9/1503694355974/Maricann+IR+Presentation+Aug2017.pdf> ,

³ Phone correspondence with CEO, Wayne Pommen (Oct 4th 2018)

⁴ <https://www.trademarkia.com/ca/trademark-1816455.htm>

⁵ <https://www.retail-insider.com/retail-insider/2018/4/paybright-expands-its-e-commerce-financing-solution-in-canada>

⁶ <https://markets.businessinsider.com/news/stocks/paybright-launches-a-new-way-for-canadians-to-pay-for-online-purchases-closing-a-gap-with-the-u-s-and-europe-1009667487>

⁷ <https://www.crunchbase.com/organization/health-smart-financial-services#section-overview>

KEY CORPORATE DEVELOPMENTS

Nov 27, 2017: [PayBright launches a new way for Canadians to pay for online purchases, closing a gap with the U.S. and Europe](#)

Apr 24, 2018: [PayBright announces the first e-commerce financing integration for Salesforce Commerce Cloud in Canada](#)

BUSINESS HIGHLIGHTS

STRATEGY

PayBright uses technology to make point of sale financing more flexible and easier, both for retailers and consumers. By partnering up with big retailers and e-commerce, PayBright can reach the end consumer by selling the payment option to merchant middle-players. By offering the payment program that can boost sales, the merchants will pay a fee for the payment service rather than using discount promotion on products. This will eventually result in a 0% interest fee for the end consumer. PayBright also offers interest options on financing options to merchants, resulting in a monthly interest expense for consumers.⁸

PRODUCTS / PRICING

PayBright does not charge customers for retroactive interest, hidden fees, prepayment penalties or compounding interest. Nor do they ask customers to sign up for credit cards. This transparent process consequently affects their products. If a merchant uses PayBright's payment plans, it can either choose a free payment plan that will charge customers through interest rates (starting from 7.95%) or a promotional option with a 0% interest rate for end consumers. The latter will require a fee to the merchant. Consumers either apply for a payment plan in the final checkout process in an e-store, online on PayBright's website or in store. The applicable APR varies with the personal credit profile, the transaction amount and the product. For instance; a 3-month payment plan of a C\$4000 purchase will result in a monthly payment of 1358\$. This includes a 7.95% interest rate and a monthly processing fee of C\$6.95.⁹

TECHNOLOGY

Technology allows approved installment loans in seconds, instant credit fraud detection and instant delivery of loan documents. It is a fully automated loan process that can be done through object-oriented programming, and AI fraud detection that is outsourced by a third party.¹⁰

DISTRIBUTION / LOGISTICS

PayBright has partnered up with over 3000 merchants all over Canada and is fully integrated with well-known e-commerce platforms such as Shopify, Magento, IBM and many more.¹¹ Through this omni network, PayBright can reach customers both directly but also with merchants as middlemen. PayBright is fully back end integrated with retailers such as Wayfair to simplify refunds etc.

MARKETING

PayBright provides its products mainly through merchants. This reduces the costs associated with B2C marketing. However, still being a B2C actor, the company does put effort into marketing, especially online advertisement.

COMPETITORS

PayBright was the first Canadian e-commerce player in the POS lending industry. Direct competitors are international firms such as Swedish Klarna and Australian AfterPay. There are few direct domestic competitors, however one is:

- [Flexiti Financial](#) (Toronto, ON) FlexitiFinancial targets merchant customers by offering them payment solutions on private labeled credit cards. Consumers can apply for credit and be approved within minutes, both online and in-store.

⁸ <http://techcompanynews.com/paybrights-new-payment-method-enables-canadian-customers-pay-e-commerce-purchases-installment-financing/>

⁹ <https://paybright.com/for-customers/>

¹⁰ Phone correspondence with CEO, Wayne Pommen (Oct 4th 2018)

¹¹ <https://paybright.com/for-businesses/>