

# A NEW BREED OF FINTECH GROWTH LAB

INTERVIEW BY ERICA LECLERCO



© Photo - Marion Dessard

**Pascal Bouvier, Fintech pioneer and Managing Partner at MiddleGame Ventures, tells us more about the NadiFin Acceleration Program which was created earlier this year in collaboration with Farvest.**

## Why NadiFin? Where does the name come from?

«Nadi» is sanskrit for «flow, channel, or stream». We thought this was appropriate for the enabling benefits of new technology in financial services. Adding “fin” created a unique name for a Fintech growth lab that accurately describes our program.

## Why run an accelerator program as a venture capital company?

The three of us (Pascal Bouvier, Michael Meyer and Patrick Pinschmidt) are focused on finding the best early-stage start-ups in Europe and North America. We believe that we bring a differentiated mix of operational, regulatory and technology experience to the financial services sector. We are lead investors and take an active role in helping our portfolio companies grow and scale their operations.

We at MGv have been involved with accelerators for years, and financial services is a very difficult ecosystem for early stage companies to navigate. We have seen what works and what doesn't, including failures to connect with incumbents and with experienced investors. Therefore, we created a unique program that combines a growth-oriented curriculum with the facilitation of real world venture capitalists. The combination creates a better problem statement, a better cohort, and a better program for the ecosystem.

BEAST MAGAZINE #15

Everything we do is directly tied to the challenges that entrepreneurs face in scaling their business and providing the product solutions incumbents seek.

## Why did you choose the cities of Luxembourg and Dublin?

We believe that these vibrant, smaller markets are the perfect balance of EU regulation, high quality talent, and lower operating costs. The countries both actively support Fintech and want to create the best places to launch for continental growth. We find that the larger cities in Europe can be insular and may not always be accommodating to startups. For a startup seeking to grow and to expand across Europe (and eventually the US with our assistance), Luxembourg and Dublin are ideal launch pads. We've spent a good amount of time in Luxembourg and Ireland over the past year, and see two ecosystems that mirror many of our key investment themes.

## What is special about NadiFin? Why is it different from any other Fintech accelerator programs?

As noted above, a VC-led acceleration program is new and unique. For incumbents and the ecosystem, NadiFin focuses on more later-stage companies (post Seed to Series B) than one generally finds in an incubator or accelerator. Series A startups, NadiFin's target, will typically have a working product/service, at least one reference customer, and a proven product-market fit. This level of maturity opens up the opportunity for testing with major incumbents, something that a very early stage firm could never do. Therefore, the program is highly attractive to both mature startups and a broader incumbent ecosystem (including peer VCs whom we welcome). Our long-term goal is to create a best in class program that features the 10-12 leading Series A Fintech firms in Europe. We believe our success with this cohort is a great harbinger for the future. We think we have several potential world-class financial services innovators in the program that will make a name for themselves over the next decade and beyond.

## What were your main drivers to select the cohort?

We typically build a problem statement that is topical for MGv and for incumbents. «FinData», Regulatory & Compliance, or «decentralized finance» are a high level examples of themes that we have used to build the actual problem statement in collaboration with our partners.

## What will the selected startups take away from this program?

Each team has the opportunity to meet with over 100 mentors, customers and investors during the program which will dramatically expand their networks and understanding of how incumbents and investors view their solution. Additionally, spending nearly 100 hours working directly with a VC provides a far deeper and richer feedback loop than the standard initial interaction with a VC (startup pitch to VC, VC says yes or no to additional dialogue). Most startups are not able to get detailed feedback about their pitches, their value proposition, or their target markets.

## Is it a one-year program or will it be renewed and if so, when and where?

NadiFin will be a long term endeavor assuming the ecosystem values the program. At a minimum, we will offer NadiFin once a year, and may expand depending upon market interest.

## What are your views on the future of Fintech?

We are in the early stages of a complete re-architecting of financial services. Most incumbents continue to operate with people, paper and places. As digital technologies unfold, products, services and business models will be recreated to take advantage of end-to-end digital processes (all centered around data). The first Fintech wave attacked the front-end (digital wallets, p2p marketplaces, remittances, mobile/digital challenger banks etc). The next wave is happening now, Ai/ML & distributed ledger systems attacking the middle layers of financial services (business process automation, digital identities, tokenized assets etc).

## MIDDLEGAME VENTURES BACKGROUND

MiddleGame Ventures is a Venture Capital firm focused exclusively on early-stage financial services innovation. MGv partners have invested approximately \$300 mm in nearly 30 financial services firms. The MGv team has significant investment and operational experience in the broader financial services sector, as well as deep experience working with entrepreneurs, incumbent financial institutions, and regulators.

KAMEL AMROUNE  
CEO, Farvest

«Our ambition is to accelerate the development of startups at the European level. The program built in collaboration with the talented MiddleGame Ventures team, and notably with Fintech pioneers Pascal Bouvier, Michael Meyer and Patrick Pinschmit, aims at achieving high standards and at allowing the growth of the selected startups, and not just through the 100 000 cash prize offered via NadiFin, but also to help them become key players and disruptors.

Gene Murphy, who's based in Dublin, and Erica Leclercq, our Head of Operations and Strategy, made sure this first edition met with great success. Erica keeps on pushing us, at Farvest, to develop such initiatives. When it comes to NadiFin, we are targeting several capital cities in Europe to further develop the project, but Luxembourg will stay at the heart of the acceleration program, in partnership with the LHOFT».

ERICA LECLERCQ  
Head of Operations & Strategy, Farvest

«Startup initiatives are increasing all over but NadiFin is clearly cut from a different cloth: it has been an exciting journey driving it with the team. The program differentiates itself not only by the fact that it is driven by an experienced Fintech VC team but also by a solid curriculum dedicated to helping Fintechs grow and creating a peer-to-peer environment of leading teams built on learnings and relationships gained during the program».

GENE MURPHY  
Program M.D., NadiFin Acceleration Program

«The step change needed from raising seed investment to Series A/B requires a big change for companies. The benefit of working hand in hand with MiddleGame Ventures, key mentors and industry experts to get ready for this task is what I feel is the exciting and much needed result of the NadiFin Fintech accelerator and why it exists».

BEAST MAGAZINE #15