Leveraging the Sandbox Community to Accelerate Development

FinTech Sandbox Case Study on Data Simply

Michelle Bonat, CEO of Palo Alto based Data Simply, first recognized the need for an application that streamlined the derivation of insight from unstructured data while working as a banker (an "Excel jockey," she says) at First Chicago (now Chase) and at BMO.

After banking, Michelle moved to Oracle, where she was responsible for financial web applications – both product and engineering – globally, in 25 languages and across 30 countries. "As a financial professional, I always felt that if you give me a stack of spreadsheets I'll get to the essence right away. But give me a 500 page document of words and I feel like I'm missing something. I knew that I wanted to solve that problem at scale," says Michelle. To realize this vision, Michelle co-founded Data Simply with John Sawer as CTO. John had been the first technical hire and then architect at online brokerage company TradeKing. His extensive experience building robust enterprise applications to scale would be key to realizing Data Simply's product vision. Michelle met John while she was honing her skills as a full-stack developer. John served as her mentor. The experience allowed them to collaborated seamlessly in the development of Data Simply's initial machine learning platform.

Mining SEC Documents

Data Simply's software proactively machine-reads SEC filings as a financial analyst would, leading to smarter decision-making and lower risk by keeping investors ahead of the markets. Their application mines text and returns positive and negative signals to its users, leading to actionable insights for financial professionals. Michelle and John introduced Data Simply to the enterprise market by highlighting the capability to address the workflow challenges of financial advisors, asset managers and investment bankers alike.

The software can be used to help financial advisors take a more proactive approach with clients, to show asset managers and analysts where to focus their time and effort, and to help investment bankers get to know their clients, prospects, and M&A targets faster. Data Simply's machine learning capabilities can be applied across many verticals in financial services, enabling users to reduce risk, improve compliance, and drive revenue.

Googling for Data

By early 2015, Michelle and John had developed an application prototype, but they lacked efficient, affordable access to high-quality data. The data their prototype was using proved challenging to scale and was suboptimal for a machine-learning application.

A Google search provided Data Simply with an alternative. FinTech Sandbox offered a six-months-free data access program for startups. The committed Sandbox community of investors, influencers, mentors, and beta testers were there to help FinTech startups build great products. Data Simply's acceptance and participation in the FinTech Sandbox program proved pivotal to the team's ability to test and refine their product, building a cutting-edge technology with direct market application.

Once accepted as Sandbox residents, the Data Simply team explored datasets made available by numerous Sandbox data partners, including: Thomson Reuters, Associated Press, Intrinio, Morningstar, Six, and others. The flexibility to trial different datasets without having to commit capital enabled Data Simply to develop a targeted development approach without placing stress on their early-stage budget.

"Often, you have to write code in order to incorporate new data in your particular solution. The typical trial period offered by data providers (outside of the Sandbox) is short, if they offer one at all. If you have to build a connector and evaluate the data all with two weeks, it's not enough time. FinTech Sandbox solved this problem for us."
   - Michelle Bonat, CEO of Data Simply

Leveraging the Sandbox community, Michelle and John learned how to be smarter in their use of data. The Sandbox GitHub repository of shared non-proprietary code and APIs helped Data Simply identify the most useful datasets for their product and integrate them more efficiently. Later, Michelle and John contributed their own widely-popular code to the repository to ease access to data for future Sandbox residents. In addition, the connections Michelle and John developed during their residency informed their data integration process.

"What we did a fair bit of was getting to know people and sharing information with the community. To have a conversation with a startup that had just been through an implementation with a data partner – we found those conversations to be really helpful. It allowed us to shave literally weeks off the process."
    - Michelle Bonat, CEO of Data Simply

Michelle and John presented a free version of the Data Simply application at the inaugural FinTech Sandbox Demo Day in October, 2015. Michelle describes, "What happened was really fantastic. A number of top financial institutions not only looked at our solution, they came in and used it. We very quickly had senior financial services executives actually on our app and providing feedback."

The Data Simply team engaged these beta users with their technology and gained invaluable feedback on the features they needed to build out in the second, paid iteration of the application, which they launched six months later. They began generating revenue within days of rolling out the paid version, and have since embarked on engagements with multiple name-brand financial services firms.

Giving Back

FinTech Sandbox does not require equity from participating startups. Instead, it asks that they engage with the greater Sandbox community. Data Simply has been deeply involved in the broader ecosystem: making introductions, engaging with current residents and contributing to Project Sandcastle. Michelle and John's participation in Sandbox events and contributions to the GitHub repository of shared non-proprietary code have proved

"For us, participation in the community was extremely beneficial. Access to the data was key in the beginning but as the journey unfolded, being part of the community was even more useful."
    - Michelle Bonat, CEO of Data Simply

About Data Simply

Data Simply is redefining the way financial professionals gain insights from unstructured data. Our financial search platform proactively mines text as an analyst would, and turning it into signals, so you can track what you care about most. We continue to mine the SEC database where companies legally disclose material events, so you can track the bad and good things happening with companies you follow. We have expanded our underlying technology with incredible potential to reduce risk, improve compliance, and drive revenue. Learn more at www.DataSimply.com

About Fintech Sandbox

The financial services industry relies to a great extent on FinTech startups to tackle difficult technological challenges, create new paradigms, and drive innovation. But FinTech entrepreneurs have a unique problem, which is the high cost of data they need to build applications.

FinTech Sandbox is a Boston-based nonprofit fostering innovation by providing free, streamlined access to critical data and resources to FinTech entrepreneurs and startups around the globe. Founding sponsors include Fidelity Investments, Devonshire Investors, Thomson Reuters, Silicon Valley Bank, Amazon Web Services, Intel, SIX Financial Information, Goodwin Procter, and .406 Ventures.

"As FinTech entrepreneurs and investors we started FinTech Sandbox because we saw that access to data was a large barrier to innovation. By providing free data and infrastructure for FinTech entrepreneurs, we can fuel the development of important new technologies to the benefit of the entire industry."

- David Jegen, Co-Founder and Board Member of FinTech Sandbox

For more information please visit www.fintechsandbox.org