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Nesta Press Release:

Open Up Challenge: The Ten Fintechs that could shape the future of small business banking
Nesta, the innovation foundation, has today announced the ten organisations*selected as prize winners at the conclusion of Stage 1 of the Open Up Challenge.

The Open Up Challenge is a £5m prize fund to inspire the creation of next-generation services, apps and tools designed for the UK's 5 million small businesses. It was announced by Nesta in February in a global search for organisations seeking to use new open banking technology to transform the way small businesses discover, access and use financial services.

The Challenge builds on the UK's leading position in open banking, fintech, digital technology and social innovation.

The ten teams, who were selected by an independent judging panel, each receive a £100,000 cash award for developing products assessed as most likely to have a positive impact on UK small businesses in 2018 and beyond. The teams represent a mix of established and early stage fintechs adopting data-driven approaches to solving real problems faced by small businesses – including automating burdensome processes, making access to finance radically simpler, democratising financial advice, and increasing choice and transparency in financial services.

Twenty teams have participated in Stage 1 of the Open Up Challenge, each receiving a £50,000 development grant and exclusive access to the Open Up Data Sandbox, containing one of the largest anonymised UK banking transaction datasets ever made available for open innovation. The participants have accessed expert support provided by leading practitioners – covering legal and regulatory considerations, user experience and investment readiness – to help them prepare for the launch of open banking in 2018.

Nesta is a pioneer in the use of challenge prizes to accelerate innovation for public good. The Open Up Challenge brings this model to accelerate data-driven innovation for small businesses, building on Nesta's extensive experience at the cutting edge of innovative finance, technology and data.

Featured in

- Nesta: [Open Up Challenge: The Ten Fintechs that could shape the future of small business banking](#)
- Wired: [Open Banking is a month away. Here's a big clue what it will do](#)
- Forbes: [10 British Businesses set to Change the Face of SME Banking](#)
- City AM: [Open Banking's a step closer with these 20 fintech startups, but the clock is ticking on the CMA's deadline](#)
- Finextra: [Open Up Challenge prize winners share the spoils](#)

About Fractal Labs

As a collective of entrepreneurs, advisors and investors we know first hand the challenge of managing cash flow and capital requirements - so we built a platform that works for us, small businesses and their financial partners.

Learn more: <https://www.askfractal.com>

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Chris Gorst, Challenge Prize Lead at Nesta, commented:

"We would like to congratulate all the teams that participated so far in the Open Up Challenge.

"The ten teams awarded a prize in Stage 1 demonstrated to the judging panel that they are using new technologies to solve real small business problems and have the potential to achieve impact at scale in 2018 and beyond.

"Useful innovation has been slow to come in small business banking, imposing real costs on the entrepreneurial economy and hitting small business productivity. But the UK is perfectly placed to make rapid progress, as a global leader in fintech and open data innovation. Open banking could radically reduce barriers for new players and models to emerge and this is good news for small businesses.

"The quality of propositions emerging from the Challenge demonstrates that there is a groundswell of pent-up innovation ready to come to market. We are excited to be deploying Nesta's expertise in challenge prizes to accelerate innovation in this vital area for the UK economy."

Charlotte Crosswell, CEO, Innovate Finance, said:

"We would like to congratulate all the finalists of this important challenge, and delighted to see so many of our members in the final list. Together these companies represent the blueprint for the future of finance and what open banking can do to help small businesses deliver better services to consumers."

Mike Cherry, National Chairman of the Federation of Small Businesses, said:

"Access to affordable finance is crucial if the UK's ambitious entrepreneurs are to be able to invest, grow and enrich the economy.

"The Nesta Open Up Challenge is an innovative and exciting way of stimulating and supporting fresh ideas to help small businesses harness the benefits of open banking.

"These new digital tools have the potential to save small firms both time and money, helping them to find much more easily a greater choice and quality of financial products."

For more information about the Open Up Challenge visit <http://openup.challenges.org>