

Trading stocks from the palm of your hand; Voleo's DIY app revolutionizes the wealth-management industry

BY PAULA ARAB

A Canadian “fintech” company is revolutionizing the wealth management industry with its patented technology that empowers do-it-yourself investors and targets millennials.

Vancouver-based Voleo's user-friendly mobile app enables investors to build and manage individual portfolios or start an investment club. The company is a regulated broker dealer in the U.S., with membership in both regulators -- the Financial Industry Regulatory Authority and the Securities Exchange Commission -- not an easy feat to achieve. Voleo, (Investor Relations website <https://ir.myvoleo.com/> and B2C site www.myvoleo.com). The company is now preparing to go public as early as March, after an initial public offering was issued in Canada earlier this year.

A fun and collaborative gaming-like app, the technology has led to a revival of investment clubs. Members, who aren't necessarily geographically located in the same place, can digitally connect, propose stocks, vote democratically on stock picks and instantly make the purchase. They can also measure their stock performance through Voleo's patented Definitive Return On Investment Decisions (DROID) technology.

The investor platform is already live in the U.S., operating as a business-to-consumer (B2C) financial services technology company (fintech) targeting retail investors. With only a soft-launch in 2017, Voleo already has thousands of U.S. customers and is growing at a record pace of 20 per cent on average



Voleo CEO, Thomas Beattie, presenting in New York where Voleo was a Best-of-Show winner at Finovate 2017 – a U.S.-based industry conference of 70 competing companies. Voleo converts savers into investors and research find that billions of dollars sit dormant in personal savings accounts. *SUPPLIED*

growth in new users per month, which include individual account holders and members of investment clubs.

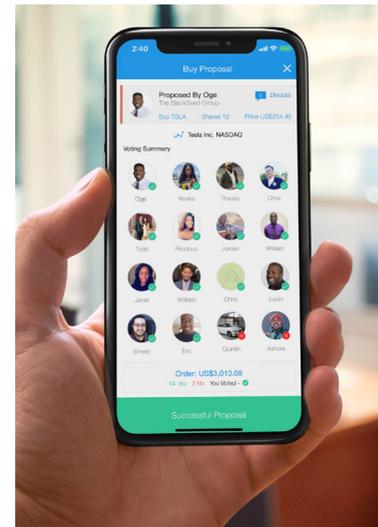
“The scalability of our technology makes it a compelling opportunity, along with the fact that we can greatly increase the number of customers we have in our channels,” says Beattie, a former investment banker who believes Canada's six big banks are missing out on opportunities to increase market share because they have few incentives to innovate.

“Voleo's DROID technology is highly applicable to anything where people are betting on outcomes because it allows us to measure those outcomes,” said Beattie.

The patent has been filed and is awaiting approval, after which it can be leveraged to other industries, including an independent

cryptocurrency platform, which is already in development, and gaming platforms for sports betting, eSports and fantasy sports apps, all of which have been conceptualized. And once the company goes public, it will have raised \$5 million in financing to market and scale the business.

Under the B2C financial model, Voleo charges a \$12 fee per trade and takes 80 per cent of that as gross margin. But the real revenue will come from its B2B model – namely partnerships with banks, such as that announced in December with OP Financial Group, the largest financial services group in Finland. The B2B model is a turnkey, white-label service. Voleo builds the platform, in this case for the European market, and the app will be marketed under OP Financial's name and brand.



A similar partnership should be announced in Canada within the year, said Beattie.

“We've created a digital environment that hasn't existed before, where communities of new or experienced investors can interact, discuss, collaborate and learn from each other, and build confidence in the process,” said Alana Levine, Voleo's marketing director who has an impressive background in B2B business development. “Voleo is an ideal entry point.”

She believes Voleo is ideal suited for financial institutions looking to engage their less active customers – largely millennials but not all.

After the financial meltdown of 2008, many people became disillusioned with the financial markets, distrustful of investment advisers and cynical about the wealth management industry.

A lack of trust in traditional investing, fear of not knowing how to invest and cost are some barriers the app addresses “in a safe place, where investing costs are shared among friends and people you trust, and where you can kick-start your wealth growth by learning directly from others,” she said.

Dawna Willis, a 47-year-old nurse practitioner from West Tennessee, is one investor who found a safe haven in Voleo. She belongs to two investment groups – Stocks and Stilettos, and Ambrose Bailey Investment clubs. The former invited her to join, the latter she founded for her family and named after her grandparents.

“I have gained through Voleo a new-found confidence in investing in the stock market and creating financial goals for myself and my family,” said Willis, the mother of two children, the oldest of whom is in college. “Because of the ease of use with this app, I have invested in courses to learn about more advanced investing techniques, like options and day-trading.”

Beattie, 37, wishes such an app existed when he was starting out. In his 20s, he tried but failed to get his friends to start an investment club, and remembers the “mountains of paperwork” blocking his efforts.

Today, some of his buddies are only now starting to think about retirement.

“Beating the market is less important to your financial future than if you start investing at 21 instead of 41,” said Beattie. “Slightly under-performing or over-performing won't change anyone's life but starting at 21 instead of 41 will.”