

The logo for K&L GATES, featuring the text in white on an orange rectangular background.

K&L GATES

A blurred background image showing vertical columns of light, likely representing data or server activity, with colors ranging from blue to yellow.

# The Impact of FinTech on Financial Services Businesses

Tom Wallace, Partner, London



# Banks and FinTech - Integration



## DRIVERS OF FINTEGRATION

- **FinTech:** Odds, Time, Scale, Grow up
- **Banks:** Death by a thousand cuts, low fees/margins, category killers, slow development

## IS THERE A DEAL TO BE DONE?

- **FinTech Want:** Customers, Trust, Finance, Compliance/Risk Management
- **Banks Want:** Technology, Innovation, Efficiency

**STRENGTHS**

Innovative culture

Appeal to millennials

Agile and mobile technology

Single product excellence

**OPPORTUNITIES**

Integration

Reduce costs

Brand building

**WEAKNESSES**

Regulatory compliance

Data security

Financial controls

**THREATS**

Culture clash & loss of key staff

Brand contamination

## MANAGING RISKS IN PARTNERSHIP/M&A

- IP/IT DD and Integration Planning
- Preserve innovative culture
- ...while making compliance and regulatory integration and early priority...
- Data security
- Data integration
- Merger of systems

K&L GATES