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Visa Repositions Itself for Open Banking with Plaid

21 January 2020 By: Krista Tedder, Mark Schwanhausser

Visa's acquisition of Plaid stirs up questions that span the retail financial world — from banking and payments to investing and lending.

For Visa and the startup valued at half its \$5.3 billion acquisition price just a year ago, it is a giddy, spray-the-champagne story. The purchase puts the world's top card network in a better position to open global markets, expand its payment capabilities and services, and gain access to thousands of innovative startups that it might want to incubate or buy. For the startup founded in 2013, Visa's backing provides instant credibility and the resources Plaid needs to take on security issues and expand beyond its current markets in the United States, Canada, and Europe.

It's not entirely a joke to say that the roles these two companies play in collecting, mining, and profiting from consumers' intimate financial details could justify Visa to tweak its slogan to read, "Visa is everywhere it wants to be."

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javelinstrategy.com

inquiry@javelinstrategy.com

925.225.9100