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Founder & Chairman

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BUILDING AN OPEN FINTECH INNOVATION  
ECOSYSTEM FOR INCLUSIVE FINANCIAL SERVICES

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COVER STORY

# FUSION\$

## BUILDING AN OPEN FINTECH INNOVATION ECOSYSTEM FOR INCLUSIVE FINANCIAL SERVICES

By Khyati Dubal

The rise of FinTech has been so rapid that it took many financial institutions by surprise. While Taiwan's financial sector was undergoing nascent transformation into FinTech, Dr. Ko-Yang Wang was at the vanguard of the development of Taiwan's FinTech industry. Wang saw a huge potential in FinTech, the fusion of the financial industry and technology that could act as the catalyst for cross-industry and cross-domain integration, new business model innovations, new rules for competition, and a new data-driven economy. As key influencers of the FinTech revolution in Taiwan, Wang and Dr. Grace Lin founded Fusion\$360 (fusions360.com) to develop a FinTech innovation ecosystem to cost-effectively address the unfulfilled financial service needs of individuals, home and small and midsize businesses (SMBs). Wang and Lin were a rare breed of IBM leaders who were both technical leaders (IBM Distinguished Engineers) and business leaders. They led various IBM advanced solutions including

# 360



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Enterprise Solution Architecture, SOA, BPM, Knowledge Management, Extended Supply Chain Management, Sense and Respond Value Network, etc. which won major global awards (INFORMS Franz Edelman Award, WARIA Excellence in Workflow Awards, Giga Excellence Awards in Knowledge Management) and contributed to IBM's bottom lines. Combining their unique western and eastern corporate business management, business and IT fusion, global and local services experiences, and successful big data analytics, cloud computing, enterprise architecture and industrial solutions technology-driven business transformation and process optimization track records, they formed a formidable team for driving disruptive innovations.

Fusion\$360 is committed to lowering the barriers for innovators in FinTech startups and financial institutions by creating high-value FinTech solutions and services based on Fusion\$360 innovation platform and 360° analytics services. An Open API FinTech ecosystem has been built with the goals of creating mutual benefits between complimentary partners, providing them support in data, analytics, adaptive processes, and connections, through application programming interfaces (APIs), and jointly creating high value services. "Through this FinTech ecosystem, we stipulate disruptive innovation, share fruits of the innovation, create benign competition, collaborate with other industries, and improve capabilities and competitiveness of the FinTech industry," explains Wang, Founder & Chairman of Fusion\$360.

In addition to its FinTech ecosystem, Fusion\$360 also focuses on AI and Blockchain technologies. It offers a customizable blockchain-based payment system with smart contracts known as Fusion\$ CityCoin. Fusion\$ CityCoin is designed to help a city government to streamline its operations, improve its efficiency and the citizen's experiences. "Fusion\$360 is focusing on fusing AI, blockchain, token economy and API Economy to enable innovators and traditional business to increase their contributions to their value networks collaboratively."

#### **BUILDING THE FUTURE OF FINANCIAL SERVICES, TODAY ON THE POWER OF MUTUAL VALUE CREATION**

Wang's brainchild focuses on fortifying startups, data providers, IT and financial firms with tools and applications that create digital banking services through its FinteXchange and Eagle Eyes. Given the fact that companies across the globe are embracing FinTech by building new solutions, it is almost impossible for a single company to fully have the knowledge, capabilities, and technologies to develop products or services. Wang strongly believes in the power of integration, mutual value creation and collaborative thinking to withstand the tests of future market competition.

This is the reason Fusion\$360 created an API management platform FinteXchange, empowering partners to develop their own services rapidly on top of APIs provided by Fusion\$360 and other partners using advanced API fabric and API Economy services. It provides comprehensive data collection, sorting, cleansing, retrieval and analysis services, supporting the rapid innovation of global business financial management and personal financial management solutions. "We are working with our global partners such as Dun & Bradstreet, Strands.com, Credit Research Initiative(CRI) and local partners such as TEJ, InfoTimes, Blockchain and FinTech startups to incrementally enable cloud-based open banking services on the FinteXchange API sharing platform" states Wang.



Blockchain and associated Crypto-Economy provide the perfect catalysts to produce the momentum required for overcoming the friction of resistance and starting the snowball effects for the open symbiotic FinTech ecosystem

FinteXchange further supports the collection, management, experimentation and assembly of various types of analytical models, making it the world's first comprehensive cross-enterprise platform for data, analysis, processes, solution sandbox and operation support. Furthermore, FinteXchange is an open platform that allows partners to leverage others' APIs or launch their own APIs for value-adds. It is a collaborative symbiotic ecosystem where a partner could find valuable data, knowledge, tools or experiences and shorten time to value. The platform offers comprehensive services including DevOps, Sandbox, Open API Management, Adaptive Process Integration and Automation, Authentication & Identity management. Besides, it also offers clients rich data sets where the data is further unified into a big data lake to provide always available, easy to analyze and affordable data APIs for worldwide users to consume. "We are the world's leading open symbiotic FinTech ecosystem platform provider, enabling decentralization, autonomy and intelligence through sharing data, analytics services, and profits among all stakeholders," adds Wang.

FinteXchange also supports massive APIs deployment, horizontal expansion and rolling upgrade. FinteXchange enables rapid integration of APIs to form new processes based on existing assets, this allows the financial institutes to quickly add new functions to or customize their existing process or solutions to provide new services.

#### **ANALYTICS AS SHARP AS 'EAGLE EYES'**

Understanding the importance of business credit rating that acts as the foundation for many FinTech services, Fusion\$360 offers a business credit report generator—Eagle Eyes. As a 360-degree analytics platform, Eagle Eyes is equipped with AI learning capabilities. Based on the Fusion\$360's database of finance, economics, news and social network, the Eagle Eyes platform uses advanced analytics for structured and unstructured data to provide sophisticated credit rating reports that are more comprehensive than the traditional reports that are based just on the financial transactions. The platform carries out analysis of businesses with advanced text mining/Natural Language Processing and Machine Learning to integrate and analyze structured and unstructured/open and private data. It collects data from published materials related to finance, patents, lawsuits, news and social media to provide probably the most comprehensive database in Taiwan. Eagle Eyes then uses Stochastic Risk Analysis to provide a credit rating solution for SMEs. Eagle Eyes' integral credit rating analysis offers insights into a business' current situation and prospects. "Eagle Eyes is a handy tool for financial institutes and startups to develop new services like P2P Loans, supply chain finance, crowdfunding and financial insurance," quips Wang.

Wang illustrates the effectiveness of Fusion\$360 solutions through an ongoing project with Asia University and other partners. Together, they have drawn a FinTech blueprint for a bank in the Pacific islands as well as a major IC company in Taiwan. These companies have also started to use FinTech APIs and applying data in non-traditional ways to improve business performance. More than 50 credit rating methodologies have been tested and classified. With the help of new credit analysis technology, multiple variables and parameters are evaluated to simulate, analyze, and predict customer behavior and match their needs with new services. This analysis is also being extended to include market conditions and supply chain information for small and medium enterprises and will form the basis of supply chain finance. We aim to develop a credit analysis system that makes a 360-degree view of a client and develops uniquely rich customer profiles by connecting the dots between basic information, transaction history, repayment capacity, as well as external information," adds Wang.

#### **INDUSTRIAL INNOVATION BASED ON BLOCKCHAIN AND CRYPTO ECONOMY**

Blockchain, crypto economy enabled by the Initial Coin Offering (ICO) has set off a firestorm of innovation in finance and other industries. Blockchain technology is still at its early stage of industrial applications but ICOs have already disrupted the venture capital industry. The Fusion\$360 team developed the world's first distributed crowd-funding and private-funding services, called Fusion\$ LastMile and Fusion\$ FirstMile. The platform offers know your customer, due diligence and anti-fraud supports to make both meet compliance requirements. Fusion\$360 has collected and analyzed over 4,000 ICOs using Fusion\$ Eagle Eyes solutions. Fusion\$ LastMile supports ICO teams that are at the last leg of their fund-raising efforts and to prevent "bad money drives out good money." Fusion\$ FirstMile aims to help startups to get their early stage funding, and to help investors with simplified processes to drastically shorten the time to get investment returns. Wang believes that ICO has been instrumental in addressing existing fundraising and investment issues as compared to traditional IPO (Initial Public Offerings) and that the emerging ICO 2.0 model with comprehensive Security Tokens Offering (STO) will be long lasting.

Fusion\$360 has formed a strong blockchain international service team to provide enterprise blockchain consulting services as a strategic means to explore and master blockchain solutions and has engaged with a number of clients. The company also leads the Taiwan FinTech Association and Taiwan Blockchain & Crypto Currency Self Regulating Organization. A network of partnership has been formed to collaboratively expand regional market to the world.

Serving the market for only two years now, the company is standing on a strong foundation. The company's culture strongly advocates continuous learning and collaboration to stay up to date with all new technologies. Moving forward, Wang envisions expanding to US, China and other parts of South East Asia. They are expanding FirstMile and LastMile into a versatile distributed exchange to enable safe and trustable exchanges of crypto currencies, stocks, securities in the over the counter environment which lacks trust. The company itself is currently in the process of starting serial A fund raising while they are helping other innovators raising funds through its own private network. **ACG**

