



Stakana response to mitigate financial impacts of COVID-19

Hello All,

We find ourselves in uncharted waters. The COVID-19 virus that caused playful “high-elbows” at conferences over the past month has spread aggressively, becoming pervasive in many places, threatening to significantly impact the livelihoods of the families and small businesses in our respective communities for the next several months. As a young fintech startup in the heart of it all, in Seattle, the menace of this virus looms large from both a health and financial perspective. In these uncertain times, however, we’re compelled to act unusually.

Stakana has decided to temporarily pause sales and marketing efforts related to our core machine learning products and services. Instead, we are extending an open offer of collaboration to community banks to determine if and how we might be able to deploy our expertise (data infrastructure, reporting, and analytics) to help your institution persevere during the immediate financial stress and set up structures to mitigate the impacts of any potential longer-term financial downturn.

For those interested, Stakana is proposing a free phone or video conference to you and your teams to discuss any and all matters of data, from back office data infrastructure to descriptive statistics to better understand changing exposure across products to the utilization of advanced predictive analytics to allow for proactive measures to mitigate economic loss. If you do end up calling on us to work with you, we are committing to substantially lower than normal analytics professional services rates.

Some of the quick-win analyses we’re thinking of, and that has been fed back to us from surveying current partners, can be found below. Should you, however, have priorities that would be more useful to your organization, we want to hear about it. At heart, our strength is finding stories in chaotic data – no matter the theme or topic.

- **Retail** – through transactions and other available data sets (i.e. demographic), determine which customers are in better shape than others to focus the bank’s attention on their most at-risk; help determine which products would serve them best.
- **Business** – chart risk/exposure by vertical and other demographics, determination of which qualify for specific kinds of assistance (forbearance, line of credit extensions, etc.).
- **Mortgage** portfolio analytics – customer demographics, delinquency, static pool analysis (tracking trends in defaults and/or delinquencies by cohort).
- **Mortgage** portfolio product – we’re exploring how to get third party data to connect with bank transaction and demographic information to proactively offer refinancing in instances where it will help customers save or otherwise offer cash to last the stressed period.

Stakana is a fintech born out of a group of individuals who believe to their core in the purpose and mission of community-based financial institutions, and believes deeply that our community banks, with their deep roots and personal customer connections, are the most capable of leading their respective communities through this crisis. We have great expectations for our current partners and the sector as a whole and look forward to the many, many stories to come of how community banks worked with families and small businesses to endure through difficult times and emerge in position to thrive once the clouds have passed.

Stakana previously set up a closed LinkedIn group where community bank leadership are exchanging best practices and shared experiences, called **Marketing Analytics for Community Banks**. Connect with me directly for an invitation if you are interested in following or participating in the discussion. We look forward to speaking with you and exploring partnerships, where desired and appropriate.

Best regards,

Paul