

A Global B2B Payment Platform, LICUOS Allows Businesses to Reduce Dependence on Traditional Banking Systems with the Vision of Becoming the Worldwide Netting Standard for Commercial Debts: Accounts Receivable and Payable

**Business Services
B2B payments**

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**Iker de los Ríos
CEO**

BIO: Iker de los Ríos is the Chief Executive Officer of LICUOS. Iker has experience in business banking and management consulting services. Prior to LICUOS, Iker was Executive Director at IDEON Financial Solutions, where he lead consulting projects at different European and American banks including BBVA Compass, Bankia and Banc Sabadell. Iker was also COO of CHOICE Financial Solutions, a startup providing banks with a core enhancer solution allowing them to offer personalized deposits to their

customers. Prior to that, he served at BBVA in the Wholesale and Asset Management area.

Iker graduated from Deusto Business School in 2006 with a bachelor's degree of Business Administration and Economics.

About LICUOS:

LICUOS is a global business-to-business payment platform where businesses can compensate and pay their commercial debts. The platform provides netting, payment and funding services for accounts receivable and payable for businesses, allowing them to reduce their dependence on the traditional banking system alternatives, so that they can significantly improve their working capital and cash flow management. By applying our solution, businesses from all economic sectors and sizes, including public administration and nonprofit, will achieve an important reduction in their funding needs and credit risk exposure.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine**

CEOCFO: Mr. De Los Ríos, would you tell us the vision at LICUOS?

Mr. De Los Ríos: The vision at LICUOS is to become the worldwide netting standard for commercial debts: accounts receivable and payable.

CEOCFO: How is the goal achieving going?

Mr. De Los Ríos: Currently, we are building the solution and the different partnerships that will allow us to deploy it. We have been in development

since early 2012, but we registered the company in December of last year. LICUOS will offer netting, payment and funding services for businesses' accounts receivable and payable, allowing them to reduce their dependence on the traditional banking system alternatives.

CEOCFO: What is the competitive landscape? Why is your service needed today?

Mr. De Los Ríos: There exist some B2B payment platforms, both in the States and in the European Union. However, they are just focused on offering payment services to businesses. They do not offer any netting services for their accounts receivables and payable, which is our core feature, allowing businesses to pay their commercial debts not only with their own cash but also with their accounts receivable.

CEOCFO: Where are you in the development process?

Mr. De Los Ríos: In May we launched our Alpha version demoing it at FinovateSpring 2013 in San Francisco. We are currently developing the beta version looking to launch early next year with some clients in the European Union.

CEOCFO: What has been the biggest challenge in putting together the technology?

Mr. De Los Ríos: Creating and optimizing the algorithms are the biggest challenge. We have a unique and proprietary technology that generates the optimized netting and payment transactions. This is the biggest challenge for the technology

and that is why we have the patent pending on that.

CEO CFO: Is your system compatible with the standard ERP systems?

Mr. De Los Ríos: It is not only compatible with the standard ERP systems but also with some accounting and e-invoicing systems. We are currently building the APIs that allow us to synchronize the Accounts Payable and Receivable details. Apart from that, we are not only compatible with these types of systems, but also with other payment platforms, allowing us to be not only just a payment platform, but also creating an independent netting hub capable of generating netting transactions between the users of the different payment institutions.

CEO CFO: What is your rollout plan? Whom will you be approaching first to? Are there particular industries that you feel are better targets?

Mr. De Los Ríos: In the US we are currently building partnerships with different payment platforms to create the independent netting hub. Separately in the EU, we have already put in place important distribution agreements with consulting firms and financial institutions which allowed us to close our first pilot deployments. The types of enterprises on the road map are businesses from all economic sectors and sizes, including public administration and nonprofit. However, we have seen lot of traction between

retailers and companies in economic sectors with a high Supply Chain integration. This is because one of our main services are the multilateral payments which are truly changing the Supply Chain Finance paradigm. Multilateral payments allow users to reduce the maximum amount of debt in the Supply Chain using the lowest amount of money.

CEO CFO: Has a system like yours been tried before that is so all encompassing or is this really a new area where you are able to do so much with one system?

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- Iker de los Rios

Mr. De Los Ríos: It is really a new and disruptive idea. That is why we are securing a patent on it. Netting services are used by multinationals for intra-group transactions and for interbank payments but creating a B2B netting platform is completely disruptive and new.

CEO CFO: Has your target market been looking for a better solution?

Mr. De Los Ríos: The two main customer problems that we solve are reducing their funding needs and their client’s credit risk exposure. We optimize the working capital and cash management activities. Companies are continuously looking for these

types of new solutions as they are currently very dependent on banks. They are looking to review this type of dependence, not only on the funding side, but on the payment side as well.

CEO CFO: Is LICUOS funded to get all the way to commercialization or will you be seeking funding?

Mr. De Los Ríos: We registered the company last year and we received seed capital from our core investors who are IDEON Financial Solutions, which is a consulting firm and a startup incubator in the FinTech ecosystem in Europe, and AVS, which is a company focused in the science and industry sector in Europe. We are currently looking for more funding for new round, both in Europe and the United States, to accelerate our concept.

CEO CFO: Why should investors and people in the business community be interested in LICUOS?

Mr. De Los Ríos: We are disrupting the B2B payment and cash management worlds. We are providing a new feature with our offering, which is the capability of generating this type of multilateral netting and payment transactions. That will allow companies to improve their working capital and cash flow management activities and reduce some of their dependence from banks.

