



**Ecommerce | Toronto, ON | Founded: 2005 | Employees: 219 | <https://www.ethoca.com>**

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WIKIPEDIA: N/A

BLOOMBERG: <https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=51753002>

LINKEDIN: <https://www.linkedin.com/company/ethoca-limited/?originalSubdomain=ca>

## COMPANY OVERVIEW

Ethoca is an ecommerce technology company that provides a collaborative platform between card issuers and merchants to eliminate fraud. The Ethoca network offers a suite of solutions including Eliminator, Ethoca Alerts and Enhanced Representments. These functions allow issuer agents to communicate with merchants in real-time, receive notifications regarding fraudulent activities and streamlines the representment process to prevent revenue loss.

## SENIOR MANAGEMENT

**Andre Edelbrock:** Co-Founder, CEO (2005-Present). Previously: Director, CryptoLogic (2001 – 2005), Manager, Procuron (2000 – 2002); Senior Consultant, Deloitte Consulting (1998 – 2000). Education: Hon BSc, Systems Engineering (1998), University of Waterloo.

**Trevor Clarke:** Co-Founder, EVP Business Development (2005 – Present). Previously: Director, Cryptologic/Davisville Game Studio (2004 – 2005); Manager; IBM Business Consulting Services (2003 – 2004); Consultant, Telstra (2002 – 2003); Manager; Deloitte Consulting (1998 – 2003). Education: B.ASc, Systems Design Engineering, University of Waterloo.

**Darryl Green:** Co-Founder, CGO, EVP, Corp. Dev & Strategic Relationships (2005 – Present). Previously: Innovation and Research, TucoWS (1999 – 2005); Articling Student; Davies Ward Phillips & Vineberg LLP (1999). Education: B.Esc, LLB & MBA (1999), The University of Western Ontario.

## HISTORY

In 2005, Andre Edelbrock initiated the idea behind Ethoca, whom in his previous position as the Head of Payments at CryptoLogic wanted to create data network on fraudsters in the online gambling industry<sup>1</sup>. The company's flagship product – Ethoca Alerts, a notification system launched in 2010 to help merchants quickly rectify a consumer's dispute<sup>2</sup>. In 2013, Ethoca established a strategic partnership with Visa to utilize real-time information on fraud<sup>3</sup>. Most recently, in February 2018, Ethoca launched a full suite of fraud mitigation solutions.<sup>4</sup>

## FUNDING

Ethoca secured Series A funding in November, 2012 of CA\$978.4K from Difference Capital, a Toronto based Venture Capital firm<sup>5</sup>. In July 2015, Spectrum Equity lead a growth private equity investment of USD\$45M<sup>6</sup>.

## KEY CORPORATE DEVELOPMENTS

**Press releases:** <https://www.ethoca.com/press-releases>

**Jun 13, 2013:** [Visa and Ethoca Collaborate to Help eCommerce Merchants Reduce Fraud](#)

**Oct 6, 2014:** [Ethoca Launches Customer Dispute Alerts at 2014 MRC Platinum Meeting](#)

<sup>1</sup> <https://business.financialpost.com/entrepreneur/third-time-lucky-ethoca-hits-on-right-e-commerce-fraud-fighting-business-model>

<sup>2</sup> <https://www.pymnts.com/fraud-prevention/2018/ethoca-launches-integrated-solution-suite-to-eradicate-90-percent-of-chargebacks/>

<sup>3</sup> <https://www.ethoca.com/press-releases/visa-and-ethoca-collaborate-to-help-e-commerce-merchants-reduce-fraud>

<sup>4</sup> <https://www.ethoca.com/press-releases/ethocas-integrated-solution-suite>

<sup>5</sup> [https://www.crunchbase.com/funding\\_round/ethoca-series-a--53d3f202](https://www.crunchbase.com/funding_round/ethoca-series-a--53d3f202)

<sup>6</sup> <https://www.businesswire.com/news/home/20150716005230/en/Ethoca-Secures-USD-45-Million-Growth-Equity>

Jan 18, 2017: [Ethoca & FICO Partner to Improve End-to-End CNP Fraud Management Capabilities for Card Issuers](#)  
Mar 15, 2018: [Ethoca's Integrated Solution Suite Aims to Eradicate 90% of Chargebacks Through Proven Industry Collaboration](#)

## BUSINESS HIGHLIGHTS

### STRATEGY

Ethoca targets the two key segments to solve the problem of e-commerce fraud and minimize the frictions of online shopping experienced by consumers:

- **Issuers** – Card issuers and service providers such as banks are protected against fraud, chargebacks and false declines through the collaborative network facilitated by Ethoca's technology to allow fast and accurate flow of information amongst the payment ecosystem.
- **Merchants** – Online retailers spanning across various industries such as travel, financial services, media, telecom can utilize Ethoca's platform to receive data from issuers and strategic partners (Visa) to efficiently prevent fraud and reduce the costs associated with processing those claims.

### PRODUCTS / PRICING

- **Ethoca Eliminator:** This product acts as the first line of defence to prevent legitimate cardholder transactions to be incorrectly flagged as fraud by helping consumers to verify transaction details. This portal grants the card issuer access to merchant intelligence which reduces unnecessary chargebacks incurred to the merchants.
- **Ethoca Alerts:** This second line of defence exists for when a cardholder continues to dispute the transaction. Issuers part of the Ethoca network are able to create a real-time confirmation alert to the merchants, allowing them to stop fulfilment of goods or services purchased and process a refund instead of a chargeback.
- **Enhanced Representments:** The final line of defence is a solution for merchants to recover their losses in a cost-effective and efficient manner. Ethoca processes the chargeback reversal after evaluating evidence provided by merchants to minimize manual involvement from the individual online retailers.

### TECHNOLOGY

Ethoca leverages API, advanced reporting and analytics technology to support its collaborative cloud platform for merchants and card issuers. Parties involved are able to log into an online network portal to access real-time data and functionalities.

### DISTRIBUTION / LOGISTICS

Ethoca's agnostic model allows its fraud management solutions to be distributed easily throughout the world, where any merchant and issuer is able to join its network. Currently, Ethoca services 580+ card issuers and 5,400+ merchants in more than 40 countries<sup>7</sup>.

### MARKETING

Ethoca's marketing mix includes digital sales communication through product brochures and participation in global fintech events to market its services.

## COMPETITORS

1. [Verifi](#) – (Los Angeles, California) Verifi is a Software as a Service (SaaS) company that provides end-to-end payment protection services for businesses.
2. [Accertify](#) – (Itasca, Illinois) Accertify is a fraud prevention company that offers online fraud support tools for merchants.

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<sup>7</sup> <https://www.ethoca.com/our-network>