**Michael:**

Hello, and welcome. I'm here today with Carl Wagner, who is the CEO of Contour. Carl will be speaking at Consortio 21, which is taking place next month in London, at the offices of Norton Rose Fulbright. And that's the 19th and 20th of October. Carl, you're very welcome.

Carl, I'd like to start off by asking you, well, make a statement, Contour are officially, no longer a consortium, you're now a separate legal entity. Does that matter in terms of how you operate? And how you, you know, operated before that took place? And how you've operated since? I mean, are you essentially doing the same thing? And also, Could you just tell us a little bit about how you differ from, let's say, the the higher profile, or highest profile consortiums that say, Marco Polo, and we.trade? How do you differ between those consortiums?

**Carl:**

Yeah, okay, thanks for the time. So I think that the first thing is correct. And so we started out as a consortium as a project a few years ago. And the banks that were participants decided to invest in and make us a real company. So we set up as a company established in Singapore in December 2019. And, and started our development work to go into production. We did go into production in, toward the end of 2020, despite the pandemic and all that, and went live in October 2020, with our first product, which is Letters of Credit. So, you know, our focus is being in production. And now establishing a larger and larger network of members and the members are banks, and the members are corporates that are using the system in and using live, doing live transactions every day. So I think that the question you said about the differences, you know, our focus is being in production, and focusing on Letters of Credit as our first product. And I think that maybe that's why we're slightly different than maybe some of the other consortiums or companies out there.

**Michael:**

But I did read somewhere that you're also moving into the open account space as well, which Marco Polo seems to be focusing on? Is that the case?

**Carl:**

Yeah, we're continuing; we're... we start our goal, similar to Amazon, is that we're starting out with a fixed product, right. So Amazon didn't start selling everything. No one dared to buy anything on Amazon. In 1995, books were a simple skill. So books, were, either a hardback, or a paperback. And they built the network. We're using Letters of Credit, which are a standard product. Everyone does them the same way under EUCP and UCP. And we're starting to build the... we're building the network that way. We have... we also announced a few months ago an Innovation Lab in Singapore. And the Innovation Lab will be an opportunity for us to work with FIs, and corporates, to look at the new products and offerings that we'll be adding to our network. And so some of that will be open accounts, some of that are also working with other partners. It could be working with, you know, post trade platforms. It could be re-shipping other platforms to. Again, looking at as the customer, as the corporate, as the centre of interoperability, what systems, what networks does the customer want us to connect to, to allow them to have that easy flow of data from the begining of a transaction through the financial part, which is what we do, to the shipment, you know, from the ordering all the way to the shipment and the finance in between?

**Michael:**

But how do you see things panning up between the, let's say, the major consortiums, you've mentioned interoperability there, but do you foresee interoperability between the consortiums. Do you see that engaging and happening as we move forward with this whole sector?

**Carl:**

Again, it depends what you mean by interoperability as there's not going to be one ecosystem or network that can do everything, right? There's, there's, you know, there's expertise that's needed for different areas, whether it's shipping, whether it's container booking, whether it's ESG, whether it's green finance, no one's going to be able to do everything, you know, carbon tracking and all that. I think that the different networks will have to figure out how to work together. And the way we're working, we're talking to over 150 partners now. We're focused on about 20. And the 20 are where we have a few things and again, focus where we have customers in common, right? So a customer says, 'Yes, I work with Contour and X, I want you to work with them.' So that's it. Second that, that partner is live and in production, right? Because we are a production system. And third, where there's an overlap of enough data fields, where it's useful to, through API's, to move information between our two systems for that, to benefit the customer experience.

**Michael:**

So there will be some overlap. But do you see the, I keep referring to Marco Polo, we.trade, and yourselves Contour, but of course, there are other consortiums that have set up but let's talk about those three for the moment. Do you see each of those three having their various specialisms? Or do you think there will be more and more of an overlap taking place, and hence, effectively, competition between you?

**Carl:**

I mean, there's going to be competition as any platform, I'm not going to talk about, you know, any, I don't know, the roadmaps of the other companies, just ours, right? We'll be following what our customers want. But obviously, there is going to be, given when we talk about customers, or partners, you sort of look at, say, if we have 100 fields, and you know, we have 100 fields that we manage, and they have 100 fields that they manage, if there's a partner who comes to us and says, I really want to work with you. And we say, Great, how much do we overlap? And they say, well, we don't have any fields that overlap. Well, there's really nothing to talk about. Right? If it's 20 fields that overlap out of the, you know, out of the 100, then that's a, you know, potentially good partnership. If 90 out of 100 overlap, we're probably competitors. Right? And so we'll be working with, again, focus on on what our customers, whom our customers want us to work with, to collaborate with, to move that information. But I think, you know, each system is going to have their specialty. Each ecosystem will have their area of expertise.

**Michael:**

And moving on a bit. The pandemic - how has this affected the whole development of the consortiums and the networks? Do you think it speeded things up? Or do you think it slowed things down? Or is it had no effect at all? I mean, a lot of people have been speaking about the pandemic helping the digitalization process generally, in terms of technology and banking, etc. Where do you see the pandemic's impact on this particular space?

**Carl:**

Now, obviously, it's, you know, the fact that pandemic, the fact that moving physical paper has become more difficult, you know, obviously, that has accelerated the focus on digitalization. That's certainly for sure, right? And I said before, right, I mean, even before the pandemic, but you know, even now, you know, as we're coming through the pandemic, and it's not, you know, we're not over it yet. You know, if a company doesn't have a digitalization strategy, right, they're probably not going to be around in a few years. Right. So if you're the CFO or CTO, you better have a strategy to figure out how to digitalize, how to keep up, how to manage, you know, some of these, you know, pandemic or other challenges in the future, because this is the, this future is going to be digital. So I think everyone has to have a strategy, whether it's, you know, we're going to get to a certain timeframe, by 2025, we're going to be all digital or, or whatever it is, but having a digital strategy is absolutely essential for almost any company who's in international trade as they look at their supply chain, as they look at their finances. So I think the pandemic has helped that focus there. I don't know whether, you know, whether for consortia anything has changed but it's it's definitely focused buyers and sellers and financial institutions. And as well as the other partners to think about how they interact digitally.

**Michael:**

Right. So if nothing else, it has raised the profile and raised the interest in the sector. And what about standardisation? I mean, the DSI have been operating now for a couple of years, I mean, where are we in terms of making progress with that?

**Carl:**

I think standardisation is fantastic. It's a goal that we're interested in working with any standards that are out there at the same and, you know, in fact that we work on Letters of Credit. Letters of Credit are a standard that's been around for, you know, UCP and EUCP for probably 100 years or so. So standards allow multiple parties to communicate. I think the standardisation initiatives are fantastic. We're looking forward to working with them once they start rolling out. Right? And I think the challenge of standards is to get everyone on the same standard. Right? So a lot of issues out there. As soon as our customers ask us to connect to one standard or follow one standard to another, we're absolutely on top of that, looking forward to working with them and DSI is obviously one that we're working with closely.

**Michael:**

And just looking ahead of it. Well, I say a bit we, I'm not sure, and I want to ask you what your views on this, but you're looking for, what you're trying to achieve here, as I can see, is a new global standard for the way trade finance is conducted and maybe trade receivables finance. When do you see that happening? When do you see the point where you can say right, we are now the centre? We are now the standard for these type of transactions for global trade, international trade, for corporates and banks.

**Carl:**

I mean, yeah, and it's hard to say I mean, we're developing the network, as, you know, as we go, we're adding one to two new corporates every day right now. So where the ecosystem is growing quite rapidly. So we're going to follow our customers, right, so what our customers want us to do in terms of new products, new services, new partners, we will be following along with their partner. So it's hard to say, you know, at what point there will be a tipping point, you know, one way or another. Right now, I mean, scaling is a challenge and quite an exciting challenge.

**Michael:**

But let's say you reach what we could describe as a critical mass in five years, would you be pleased or disappointed with that level of progress?

**Carl:**

I guess yeah, probably in five years to be a, you know, yeah, in five years to be managing a significant component percentage of international trade. That would be quite good.

**Michael:**

And Carl, just going back to the event next month, we have you speaking on a panel and we have Rob Barnes of Marco Polo and Mark Cutten of we.trade, Andrew Raymond of Bolero, David Rutter of R3 and yourself. So we've got some of the top guys there talking together. What do you see is the benefit of these kind of sessions where we're getting the top people involved in the sector to interact and to discuss, and ask each other questions? What do you see is the value, let's say for you, in joining a session like that?

**Carl:**

Well, again, pretty much everyone there is old friend and worked with or, you know, worked for, or you know, for and collaborated with for many years. Right? So it's sort of a gathering of old friends, which is fantastic. Whenever we get these, and even with companies that are competitive, could be competitors, or in parallel spaces. You know, whenever we have these conferences, you know, obviously, we have some differences, but I think the amount of areas we agree on, are much more than we disagree on. Right? Because I think we're all trying to get to that point of building a digitalising international trade. Right, we're all trying to make that happen. We're approaching it differently. But I think the opportunity for, you know, for a session like that is especially, you know, asking questions, right? The audience are asking questions and asking some of the new answers of, you know, how you approach differently than the others? You know, what are your focuses? You know, what are your short term, you know, medium term, long term focus, that sort of stuff like that. But you'll find it on the big strokes. Everyone pretty much agrees, right? We're all trying to make this happen. We may be approaching it differently. But the questions from the audience are sometimes really the fun part, because then everyone gets the answer, you know, with their specific, you know, area of expertise or focus.

**Michael:**

Well, the last time we held this event, which was two years ago, there was a lot of interaction from the audience. So we're certainly hoping for that again. And I kind of perhaps hope that you maybe not agree on everything between yourselves on the panel. So there is a little bit of disagreement always makes a little bit more interesting - the sessions.

**Carl:**

Absolutely, absolutely. Now, there's always, it's always good to have a little bit of pushback and nudging a little bit, you know, sharpen the elbows a little bit. And that's always good as well. But it's amazing how much we're all trying to get to that same goal. But yeah, and hopefully the questions from the audience, ask them some hard questions that we all can answer.

**Michael:**

We'll call we're very much looking forward to seeing you at Consortia 21 next month and thank you very much for joining us today. It's been a pleasure to speak to you. Thank you.

**Carl:**

Thank you. Thank you.