

# BANK BORN PRODUCTS

The Emerging Trend of Bank Born Products -  
What are They and Why are They so Successful?



[FIFINTECH.COM/NEWSROOM](https://fifintech.com/newsroom)

# CHAPTER 1

## → WHAT IS A BANK BORN PRODUCT ← AND WHY ARE THEY SO SUCCESSFUL?

A Bank Born Product is Financial Technology (FinTech) that is founded and developed by a Community Banker out of a need to reduce costs and/or increase revenue, but more importantly is also an advocate for Community Banks and believes the creation of their product will also help other Bankers.

Let's think about nCino from Live Oak Bank. When a bank builds, Bankers win. Bankers win when they use trusted Bank Born Products.

Now let's talk about three new Bank Born Products. Like any great story, you need to hear it from the source. How did it happen? What drove them to do this? Why did they share it with other Bankers? Keep reading to find out.

Oh and if you're wondering, yep, they will be on the Bank Born Products Panel at The Roundup sharing their stories to help other Bankers.



**TEXAS HAS EMERGED AS A LEADER IN INNOVATION. ALL 3 BANK BORN PRODUCTS ARE MEMBERS OF IBAT.**

[IBAT.ORG](http://IBAT.ORG)

# CHAPTER 2



**BRAD WOMACK**  
**CO-FOUNDER, FINTX**  
**PRESIDENT & CXO, KLEBERG BANK**

FINTX is a Rewards platform unlike any Rewards Checking platform currently on the market. It's designed to allow each FI to develop customized Rewards Campaigns that fit their individual market strategies.

[WWW.FINTX.NET](http://WWW.FINTX.NET)

# THE FINTX STORY BY BRAD WOMACK

We were overpaying for our rewards checking platform and decided that with a little help, we could build our own. We suspected that many other banks were in the same boat, overpaying for rewards. After attending The FedFis Roundup, we confirmed that our suspicions were true.

We sought the guidance of the Fintech Cowboys who helped gather talent to aid in our quest. It went so well that we decided to take our product to market! It was a journey that included our great friends at IBAT to help get the ball rolling. We attended the first FedFis Roundup as regular bankers, looking to learn. We came back the next year and were invited to present on what we were working on and the power of Bank Born Products.

Coming full circle, this November we will be all three, a banker, a vendor, and a sponsor and wow – what an experience! It's been quite an adventure. We are so excited to share more of our story on the Panel for Bank Born Products at [The Roundup](#). We want to change the narrative between banks and software companies. It is special for us as bankers to be able to help other bankers. That is what this is all about, Bankers Helping Bankers!



# CHAPTER 3



## MARCO PEREZ

**CO-FOUNDER, BANCREACH  
SVP COMMERCIAL LENDING,  
FIRST COMMUNITY BANK**

A first of its kind Lead Generation Platform. Community banks no longer have to let legal lending limits, collateral concentrations, location and the size of their bank prevent them from growing customer relationships.

[WWW.BANCREACH.COM](http://WWW.BANCREACH.COM)

# → THE BANCREACH STORY ←

## BY MARCO PEREZ

One of the biggest frustrations as a commercial lender at a community bank is having your customer outgrow your bank. Prior to the pandemic, a customer of mine was outgrowing our bank, so I reached out to a competitor in our market for help. I've always believed that community banks should always stick together and help each other out. About three weeks later, as I'm just about to take my first morning sip of coffee, I received a payoff on my customer for the entire relationship of \$7.5 million dollars. My competitor had called my customer behind my back and offered him a deal to lure him away from my bank. The fact that my customer took the deal didn't bother me. What bothered me was that I was trying to help another community bank and they turned around and stole my customer.

It was at that moment that I knew this was only the beginning of a bigger problem and the idea of BANCreach was born. BANCreach is a first-of-its-kind, Lead Generation Platform that will change the way community bankers generate leads, market loan participations, refer loans to other bankers, and simply connect with one another. It began our journey of innovation.

We're not located in a big tech capital like San Francisco, Austin, or New York. We're from an isolated market in deep South Texas, so we knew we needed to extend our reach past our market if we were going to put BANCreach in other bankers hands. That's when I met Mike Fernandez, CEO & President of Texas National Bank and Cofounder of Bankers Lender, another first of its kind. Mike

introduced me to Dave and Tanner Mayo, Founders of Bankers Helping Bankers (BHB), a banker's only network that promotes community banking and innovation through banking technology. In just the first few weeks of being introduced to Bankers Helping Bankers and the Mayo's, otherwise referred to as The FinTech Cowboys, they had done more for BANCreach than we had done in the two years since starting our journey. BHB helped us to fully understand that there are other bankers like us, who are trying to innovate through technology. They showed us how to share knowledge among peer financial institutions. We were not alone.

What I've learned so far from this experience is that even though community banks may be slightly behind in today's tech world, there are still a lot of passionate people working hard to change that.

I'm grateful to have met so many great people along the way, like Dave and Tanner Mayo, and I'm excited to see what the future holds for BANCreach. We will be at The FedFis Roundup presenting on the Bank Born Products Panel. We know this is going to be big, now we have found the path to other bankers that are innovators. We are really excited about the next step on our innovation journey, we WANT to help other bankers. Bankers can extend their reach (BANCreach, you caught that right?) when they solve bank problems for other bankers.



# CHAPTER 4



## MIKE FERNANDEZ CO-FOUNDER, BANKERS LENDER PRESIDENT & CEO, TEXAS NATIONAL BANK

Bankers Lender is the first direct digital bank offered exclusively to professionals employed in the banking industry. Bankers Lender was born out of a desire to provide the same high level of service to you, our industry cohort, as we all provide to the customers we serve everyday from our various institutions.

[WWW.BANKERSLENDER.BANK](http://WWW.BANKERSLENDER.BANK)

# THE BANKERS LENDER STORY

## BY MIKE FERNANDEZ

Well, they saved me for last, I hope I don't disappoint. Here is our fantastic story.

Texas National Bank loyally serves the small communities in the rolling plains region of West-Central Texas, an area that is mostly rural and relatively slow growing. Okay, seriously slow growing.

Texas National Bank was chartered in 1995, and for the last 27 years we've watched fellow banks in the state leave the industry for reasons such as rising compliance costs, declining margins, and regulatory burden. At Texas National Bank's inception, there were 900 banks chartered in the state. Today there are fewer than 400 banks and it's not uncommon to hear of at least one M&A transaction each month. Another charter lost. Another community left without a local bank.

This grim story, coupled with the competition for funding and loans with the private equity backed FinTech industry, should have every banker in the country looking for a way to compete, stay relevant, and fight for their future. To continue doing things the way they've always been done is a sure way to end up as another statistic.

We learned a lot during PPP, as did many banks, and one thing our team took away is that the digitization of banking had been thrust upon us. We were forced to quickly adopt processes for providing our services to our local customers in a digital fashion, and we discovered we weren't half bad at it.

At this early point in our journey, Bankers Helping Bankers (BHB) was still a seedling being quietly nurtured behind closed doors by Dave and Tanner Mayo of FedFis and Christopher Williston of the

Independent Bankers Association of Texas (IBAT). When we called looking for help, the trio generously listened to our story and idea, and they educated us on the strategy of a direct digital bank driven by a side-car core.

They explained the idea as a way to leverage technology to expand our reach without expanding our footprint, and to do it at a much lower cost than branching or buying into new geographic markets. An added benefit of working with BHB was that they were already acquainted with our tech stack, and they knew that a new partner would be needed to successfully execute our direct digital bank because of our unique needs. Being familiar with the vendor landscape, BHB was also able to recommend the most suitable solution to help us implement our strategy and bring our product to market.

While still debating and researching the concept, we received an invitation to attend the FedFis Roundup in 2021 which served as the tipping point in our journey. It was at The Roundup that we were introduced to other bankers from across the country and the technology providers helping drive innovation and industry change. Our eyes were truly opened to the possibilities of the direct digital bank concept, and we returned home energized and certain that we needed to act.

Fast forward, Bankers Lender officially went live the week of June 20, 2022, and we couldn't be more pleased with our early results and the praise, support, and words of encouragement we have received. We began the journey toward a direct digital bank to improve our own outlook. Along the way, we've learned that our efforts haven't been for our benefits



# THE BANKERS LENDER STORY BY MIKE FERNANDEZ

alone, but also for the benefit of our communities and for the banking industry as a whole. The success of our actions will improve our ability to serve our geographic markets while also serving as an example to other banks that none of us are predestined to being another consolidation statistic. Our message for other banks is that of encouragement. There is still time to act, there are still ways to improve and expand, and Bankers Helping Bankers is ready to help you embark on your own course and to provide support all along the way. Oh, my total bill from BHB, zero, zip, nadda. It really is Bankers Helping Bankers. They are able to do all of this because of sponsors from the top technology and payment companies in our industry that have stepped up to save community banking. I think we really are all in this together and we are thrilled to offer Bankers Lender to banks all across the country.

