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## **BlytzPay in seed round as it levels the field for cash-paying customers - exec**

*by Bill Langbein*

**BlytzPay**, based in Lehi, Utah, wants to raise between \$2m and \$7m in a seed round to scale up its platform to serve purchasers who use cash more frequently than credit, said CTO Jason Fletcher.

The 2-year-old company previously raised \$2.5m from angel investors and family funds.

BlytzPay's platform permits customers to communicate and pay via text interactions. The current system operates on a TEXT-PAY-DONE basis, said Fletcher. The customer's mobile phone and bank funds are linked to a network of retailers. After the customer makes a purchase, the retailer is paid by clicking the pay button, and then receives a done message.

While many smart phones offer the same type of service, or a scan, not all customers own smart phones now. Many consumers, usually with a lower income, still use mobile phones that are not smart phones.

While the BlytzPay platform is designed to reach those consumers, Fletcher expects the real growth from BlytzPay will come when the company finishes extending its platform for cash payments. Fletcher noted one-third of all customer purchases in 2018 were paid in cash.

Paying in cash is inefficient for the customer and the merchant, but with one-third of the transactions in cash the payments are not going to end overnight, explained Fletcher. In addition, Philadelphia and San Francisco this year passed ordinances that banned retailers from accepting only credit payment, recognizing many customers would be prevented from shopping at selected stores.

Fletcher described the cash payment platform as personally interactive. For example, a customer could be shopping at Wal-Mart, which would encourage repeat visits to Wal-Mart. The customer needs to make a \$500 monthly payment

for a car loan. The customer would hand the \$500 cash to a clerk, and the clerk would transfer the funds to the lender. A text message would be sent to the customer affirming the payment to the lender.

Fletcher said BlytzPay seeks to move the cash-pay system into the market in 6 to 12 months. Some of the seed capital raise will be applied to the rollout of the cash-pay system, he added.

BlytzPay counts 700 current users and has 17 employees. The company claims its mobile point-of-sale system can reach the top 1% of income, the bottom 1% and consumers of all ages.

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