



How Yellow Card crypto exchange serves the underserved

John Buday (Innovation and Exchange)

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Yellow Card CEO Chris Maurice (left) and CTO Justin Poiroux (right) with investor Bob Browning, retired EML Payments non-executive director.

EDITOR'S NOTE: This is the sixth in a series of articles featuring past winners of e-Fest, EIX's undergraduate business plan competition, and their journey since then.

For people in third-world countries without bank accounts, those struggling to manage their money online, or those who simply do not want to deal with physical cash, [Yellow Card](https://www.yellowcard.io/) (<https://www.yellowcard.io/>) provides a secure, easy-to-access platform for managing cryptocurrency.

The company has around 36,000 stores operating in Nigeria alone, which allow depositing, paying or withdrawing cash, and exchanging cash for Bitcoin. Yellow Card seeks a reality of financial inclusion for all, where everyone can experience the financial freedom of using cryptocurrency.

"With 36,000 locations spread across Nigeria, we feel that those 36,000 locations are adequately able to serve a very large population," CEO Chris Maurice said.

He and CTO Justin Poiroux started selling Bitcoin around 2015, but did not begin building their company until 2017. Between 2015 and 2016, Maurice and Poiroux could be found selling Bitcoin out of a Taco Bell in Auburn, Alabama.

"You could find Justin and I sitting at the back corner table, eating a Doritos Locos taco 12-pack, and you could slap a couple hundred dollars on the table," Maurice said. "And we would give you the coin, and that went on for a couple of weeks."

In a three-week period, they managed to set up stations for buying Bitcoin at another six Taco Bells in the eastern US. This, according to Maurice, was their first foray into creating an agent network for cryptocurrency

management.

"We did that for about two and a half months and thought, man, we should probably do something less sketchy with our lives," Maurice said. "So, that's when we started building Yellow Card for scale."

Maurice recalled meeting a Wells Fargo worker some time between late 2017 and early 2018, who was sending \$200 overseas to his family in Nigeria. The bank charged him \$90 to do so.

This inspired Maurice and Poiroux to begin researching these costly obstacles to effective money management. Maurice wants to serve many of the "underserved" parts of the world through his technology, and he argued that Africa was the best place to invest. In terms of market potential, Nigeria boasts 200 million people and Africa's largest GDP.

"All the growth over the next 30 years is going to be coming from Africa," Maurice said. "Growth is very slow in the US and China because it's so large already. Africa has the most room to grow in the world." Maurice added he would consider it "borderline irresponsible" for investors to not to at least consider investing in Africa as a market.

Yellow Card won the 3rd place prize of \$25,000 at the 2017 e-Fest, which Maurice said helped him tremendously in bootstrapping his new business while he was in college.

Since e-Fest, the company has swelled to 36 full-time employees and gained an investment from Binance: the largest cryptocurrency exchange in the world. They also recently announced a \$1.5 million investment from several key crypto currency and general startup funds -- including Andreessen Horowitz, Polychain and Celo.

In a press release at the end of August, it was announced that the Celo Ecosystem Fund, a new Polychain-created fund also supported by Andreessen



Horowitz and Celo, invested the capital in Yellow Card to further its expansion efforts. This came to fruition after Yellow Card's official launch in Nigeria in June of 2019.

What's more, the company just launched their services in Kenya and Cameroon on September 1st, and have announced a new COO in Jason Marshall, former senior director of Walmart payment services. Yellow Card has expanded to South Africa and Botswana, and the company is eyeing further expansion.

"Our goal is to make this technology accessible to anyone, no matter where you live," Maurice said.

The company meets its financial goals through marketing, acquiring new customers and spreading awareness of its service. Customer feedback is also especially valuable for the Yellow Card team, and it has been positive because of its easy-to-use interface.

Here's a look at the company's progress since 2017.

EIX STARTUP SNAPSHOT

The Product:

An easy-to-access platform for managing Bitcoin, tailored to people in third-world countries who lack bank accounts, struggle to manage their money online or simply do not want to deal with physical cash.

Founding University:

Auburn University (2017):

CEO Chris Maurice recalled meeting a Wells Fargo worker some time between late 2017 and early 2018, one who was sending \$200

overseas to his family in Nigeria at a \$90 charge from the bank. This inspired Maurice and his business partner, Yellow Card CTO Justin Poiroux, to begin researching these obstacles to efficient money management.

"That's how we met up with Munachi (Ogueke), who is our partner on the Africa and Nigeria side," Maurice said. "On about two weeks' notice, we bought a ticket for Lagos Nigeria, the first time I'd ever left the United States, and went to go start a company."

During his time in Nigeria, Maurice notably met Twitter CEO Jack Dorsey at a [closed Bitcoin meetup](https://www.forbes.com/sites/billybambrough/2020/08/19/extreme-bitcoin-growth-in-africa-is-sending-crypto-mainstream-binance-backed-exchange-ceo-reveals-alongside-fresh-funding/#2d2c2a0364cb) (<https://www.forbes.com/sites/billybambrough/2020/08/19/extreme-bitcoin-growth-in-africa-is-sending-crypto-mainstream-binance-backed-exchange-ceo-reveals-alongside-fresh-funding/#2d2c2a0364cb>).

The Potential Market:

So far, the company's app has been downloaded by nearly 50 million people in Africa on Google Play alone. The app will also become available for iOS later this year.

Maurice described wanting to serve many of the "underserved" parts of the world in particular through his technology, and he believes Africa as a whole has, "the most room to grow in the world."

“All the growth over the next 30 years is going to be coming from Africa,” he said. “The U.S, China, you know the growth is very slow because it's so large already.”

He considers it “borderline irresponsible” for investors to not to at least consider investing in Africa as a market.

The Minimum Viable Product (MVP):

For African citizens in Nigeria, South Africa, Botswana, and now Kenya and Cameroon, the Yellow Card platform for managing Bitcoin allows them a quick and easy means to make payments, withdrawals, deposits and exchanges. The website describes this financial freedom as a “fundamental human right.”

Stage of Development:

Profits are in progress: the platform has successfully launched in Nigeria, South Africa, Botswana, Kenya and Cameroon thus far, and the company plans to bring it to at least three more African countries.

One example of their reach is the 36,000 Yellow Card stores in

Nigeria, where there has been over \$35 million in transactions.

Monthly Sales:

The company processes nearly \$20 million U.S. dollars a month in exchange volume.

Source of Idea:

Maurice and Poiroux began their venture by selling bitcoin from several Taco Bell restaurants. Their breakthrough came when they met with a Wells Fargo worker who turned their attention towards Nigeria as a place in need of an easier, less costly means to manage finances.

Traction:

The company has grown to 36 full-time employees since e-Fest, and Yellow Card is currently processing roughly \$20 million a month in exchange volume.

Late 2019, the company received an investment from Metal VC, a subset of Metal Pay: a company and platform for sending money instantaneously and receiving rewards in turn. Metal VC primarily targets early-stage banking companies.

In addition to Metal VC, investors include Fenbushi VC, Atlanta Tech Angels, Acuity, and others.

Yellow Card also graduated alongside 12 other projects from the Binance Labs incubation program (season 2) that began in March that year and wrapped up in June 2019.

Biggest Challenge:

CEO Chis Maurice said their biggest challenge was in convincing investors and stakeholders that the target African market could work as a worthy investment.

How they're dealing with the challenge:

Going to Africa, they proved to investors through their initial results that the African market was indeed a viable one.

Teammates:

CEO Chris Maurice, CTO Justin Poiroux, CPO Munachi Ogueke, CMO John Colson, COO Jason Marshall, Head of African Distribution Oparinde Babatunde, Head of South African Operations Bheki Gumede, Full-Stack Developer Lemuel Okoli, Lead Designer Bashir Aminu, Front End Developer Chimereucheya Okereke,

Blockchain Engineer Joseph Peculiar, Back End Developer Uzochukwu Onuegbu, Junior Designer Ajiri Omafokpe, Front End Developer James Falola, Content & Brand Manager Emmanuel Ititim, and SEO Manager Uzoma James, Head of Media Ifeanyi Michael.

Mentors and Advisors:

Auburn University Associate Professor; Dr. LaKami Baker, Retired EML Payments Non-Executive Director; Bob Browning, A.I., Blockchain, and Longevity Consultant at Insilico Medicine; Iraneus, Ogu, Payments Executive, Incomm, Walmart, First Data; Jason Marshall, Metal Pay, Former Head of AML at eBay and Western Union; Alex Christian, and Director of Government Solutions, First Data; Drew Sullivan.

Resources at college that helped:

Auburn University was a great resource that taught Maurice and his partner how to make a pitch deck, deliver a pitch, and understand other basics of marketing and advocating for your business.

Honors and

In addition to

Accolades: winning the 3rd place prize at e-Fest 2017, Yellow Card scored in the Startup Academy Top 100 Startups category at the 2018 Money 20/20 event in Las Vegas, Nevada.

Advice for aspiring Student Entrepreneurs:

advocates finding a starting point first and foremost, and being open to changes along the way.

“We started with the goal of putting a gift card in stores in the U.S. and now we are one of the largest crypto exchanges in Africa,” he said.

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