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For West Virginia, FinTech is the Next Frontier



Lee Farabaugh
Core10

Lee Farabaugh is the co-founder and President of Core10, a provider of API integration and SaaS implementation solutions serving the banking, fintech, and financial services industries. She is responsible for revenue generation, stewarding company culture, and creating partnerships with industry and non-profit partners. Farabaugh currently leads the Banking and Financial Solutions business line, where she oversees operations, services delivery, community relations, business development, sales, strategic account management, and marketing.

Core10 began with one simple but salient observation – talent exists in equal measure everywhere, but opportunity does not. West Virginians are all too familiar with this scarcity, desiring to put their skills to use in their hometowns but lacking the job opportunities that larger metropolitan areas offer.

For years, residents faced mass layoffs and employment shortages after the coal mining industry left West Virginia due to low coal prices in the '80s, and manufacturers relocated to countries with lower production costs. Several factors facilitated this shift, including mechanization and automation outside the U.S., globalization and free-trade acts, such as NAFTA.

As manufacturing declined, service-producing industries, which include professional, health, and hospitality, became more prevalent in the U.S. Some economists call this economic shift “The New Economy.” Unfortunately, many communities throughout the state missed this opportunity due to attractive offers from larger U.S. metros. However, today, West Virginians are forging their own path ahead with a new industry: financial technology, or fintech. With an annual growth rate of about 25 percent globally, West Virginia is primed to reap the benefits of this fast-growing industry with its population full of skilled, talented individuals who are ready to move into the next chapter of economic growth, both personally and on behalf of their community.

Hereshore and the New Economy

Core10 was founded as a company that would be able to strengthen the local community, not deplete it. Knowing that fintech had great potential for attracting talent, my team and I



began exploring ways to make that a reality. This thinking became the catalyst for our Hereshore® model.

Our Hereshore model establishes a new type of talent sourcing in which companies recruit talent in smaller communities across the U.S. One of our earliest supporters and investors, Joe Maxwell, is a native of Huntington, West Virginia, which became our first Hereshore office.

Huntington itself presented us with a unique opportunity. The area, whose peak population was 83,000 in 1950, is now home to about 46,000 residents, many of whom were left underemployed due to the decline of industry. We focused on creating jobs, building lasting careers in Huntington, and bringing top-notch technology solutions to community financial institutions and fintechs. Seven years later, our team has grown to more than 75 employees across the U.S., 22 of which are in West Virginia.

Local Legislation

Core10 isn't the only fintech in the state, thanks to state-supported legislation such as the West Virginia Regulatory FinTech Sandbox policy, which is helping to establish West Virginia's new tech economy. The policy intends to attract fintech start-ups and entrepreneurs to West Virginia by waiving the license requirements that new companies typically need.

Sarah Biller, Executive Director of Vantage Ventures, co-writer of the West Virginia Regulatory FinTech Sandbox policy, and

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member of Core10’s board, created this policy to help transform the West Virginia economy through community-based innovation.



She stated, “West Virginia’s legislature unanimously passed the FinTech Sandbox regulatory framework in January 2020, which provides a framework for lending, credit, and financial literacy for Main Street businesses. As the fourth state to do so, FinTech Sandbox has put West Virginia on the map to attract and retain fintech entrepreneurs, introduce new technology, and bring innovative ideas to the state.”

Billers’ advocacy and legislative support is a true win for West Virginia communities. It establishes an opportunity to build new fintech products in the U.S. for an affordable cost, growing the local communities where these businesses are located.

Educational Resilience

Outside of legislation, education and professional training programs are cornerstones of resilient communities and the new economy.

For this reason, Core10 has helped spearhead coding bootcamp NewForce, a six-month, tuition-free software development training program based in Huntington and born out of a partnership between Generation West Virginia and Mountwest Community and Technical College. The program trains West Virginians, many of whom are local and were under-employed, in valuable technical skills as fintechs and other tech companies flock to the state. While similar coding programs can take five years to reach job placement rates above 80 percent, NewForce accomplished this in its first year and currently has an 86 percent placement rate.



Some NewForce grads enter the program without secondary education beyond a high school diploma or associate degree. However, participation encouraged program grads to continue their educational journey: many have decided to complete the additional credits needed to earn their associate degree. Furthermore, Core10 is a proud supporter of the Generation West Virginia (GWV) Fellows, a leadership program for young professionals in the state. We have hired several GWV

Fellows from the program since 2018 and, as of 2023, we continue to invest in the program.



Economic Impact

Since implementing Hereshore and NewForce, the West Virginia Department of Commerce found that for every 20 jobs we bring to the state, we generate \$1.6 million in employee earnings, create seven additional jobs in other ancillary sectors, and contribute over \$50,000 to the tax base. To date, we have hired 66 West Virginia residents, and 71 percent of our team is in Hereshore locations.

The New Economy presents a real possibility to turn hardships into opportunities. With a clear strategy, Hereshore can provide high-quality solutions to financial institutions and fintech companies at a competitive cost by training and educating local talent, resulting in new careers and opportunities for those in underserved areas. As an entrepreneur and honorary West Virginian, I’m thrilled to help establish fintech as the next frontier for West Virginia. 