

Zero Data Hero Customer Spotlight - Brex



Brex building the next generation of B2B financial services

Our Zero Data Hero Customer Spotlight series highlights the stories of VGS customers who have joined our Zero Data mission to protect the world's information.

Today's Zero Data Hero is Henrique Dubugras, CEO and Co-Founder of Brex, Inc. Henrique is an engineer who previously co-founded Pagar.me, one of the largest payment processors in Brazil reaching over \$1.5 billion in GMV in its first three years. His new startup, Brex, is backed by Ribbit Capital, Y Combinator, Greenoaks, DST, and fintech insiders including Max Levchin and Peter Thiel (PayPal), and Carl Pascarella (former CEO of Visa).



Q - Tell us about Brex?

Henrique - We're a fintech company focused on rebuilding B2B financial products. Our initial focus is offering new innovative corporate cards to segments like venture-backed startups, and e-commerce companies. Because we built our technology from scratch and without the restrictions of legacy systems, our cards offer a 10x better experience. We offer instant onboarding, overall higher credit limits, and a rewards program that startups love. Additionally, we make expense

management, accounting and budgeting easy. Our customers spend on average 50% less time on expense reporting. Our latest offering is an e-commerce card that we launched just 2 months ago. It gives our customers a 60-day, interest-free credit line, with limits that are three to five times higher than traditional corporate cards.

At our core, we are built on the principle of empowering entrepreneurship and allowing companies to focus on what they do best. As we add new products we keep this principle very much in mind.

Q - How did Brex approach the challenge of PCI compliance?

Henrique - To answer that question I really need to give you some background, back to my first startup, Pagar.me. I co-founded this company when I was just 16 years old. Pagar.me ultimately became one of the largest payment processors in Brazil. We raised \$30 million and hired over 100 employees. One of the biggest lessons I learned was how much effort was involved in achieving PCI compliance. It took us more than a year, countless man-hours, and a significant amount of pain. So when we began formulating the idea for Brex we strategized how to build a fintech company, with best-in-class security, but without having to spend months to reach PCI compliance.

Q - What does Zero Data mean to you?

Henrique - The Zero Data concept is the reason we became your customer. The idea of reducing compliance scope, and not having to directly hold sensitive data really aligns with our philosophy. Going back to my Pagar.me days, I know that more scope equals more time to market. Brex has an ambitious roadmap, and it's reassuring to know that with each new product, compliance does not have to be our primary concern.

Q - How has VGS helped Brex?

Henrique - From the beginning, Brex has had aggressive plans, and we knew that to achieve our goals we needed to build quickly. Offloading the bulk of our PCI and security responsibility to VGS has really enabled us to move faster. It's incredible to think but Brex was founded in late 2017, and we only launched our first card in June 2018. Without VGS we would not have been able to grow as quickly as we have since then.

Q - How do you see the relationship evolving over time?

Henrique - VGS will continue to be a key partner for us. As we move into new segments and offer new products, security and compliance will only increase in importance. For example, the California Consumer Privacy Act (CCPA) goes into effect next year. Many companies are still trying to figure out its likely impact and how they will comply. For us, with VGS as a trusted technology and thought partner, we are less worried.

Q - How do you quantify the benefit of VGS?

Henrique - I don't have figures for you but the real benefit for us again is speed to market. We're able to issue our cards without having to achieve PCI compliance directly. Compliance is becoming more and more onerous, and we prefer to focus on our core competency, building financial infrastructure, and work with external partners on PCI compliance. Another benefit that I haven't mentioned is that using VGS gives us the ability to connect to multiple payment processors, so we always have options and don't have to worry about vendor lock-in.

Q - Any advice for other startups who are beginning their PCI journey?

Henrique - Avoid dealing with sensitive and regulated data whenever possible. It will delay your core objective. Thankfully, the technology now exists that allows companies to receive all the benefits of interacting with sensitive data but without any of the associated disadvantages of its possession.

Q - Who is your favorite superhero and why?

Henrique - I would have to say Cometa since he is Brazilian. He came from an alternate dimension and he could use his superpowers to control gravity.



Q - How can people sign up with Brex?

Henrique -If you work at a US-based startup, or an e-commerce company with a minimum of \$50,000 in monthly sales, we'd love to talk with you to see if we can help your company.

About Brex

For startups, Brex delivers corporate cards quickly, easily, and with higher limits than traditional corporate cards, instantly and with no personal guarantee. Founded in 2017 by the founders of Brazilian payments processor Pagar.me, Brex is backed by Y Combinator Continuity, Ribbit Capital, Greenoaks, DST Global, Peter Thiel and Max Levchin and has raised a total of \$215M in funding. Brex participated in the Y Combinator Winter '17 batch. The company's headquarters are in San Francisco. For more information, visit www.brex.com.