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Plaid co-founder's next venture is a bank to power fintech apps

Kyle Wiggers

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In 2019, William Hockey, the co-founder of fintech business Plaid, announced that he would step down from his position as Plaid's chief technology officer and president. Having helped to grow Plaid into a multibillion-dollar business with fellow co-founder Zach Perret, Hockey



Most companies should be constantly running at least one exec search. Post-product/market fit, the limiting factor to scale generally derives from some version of not having enough great leaders.

— Zachary Perret (@zachperret) [June 18, 2019](#)



Hockey has kept a low profile since, maintaining a seat on Plaid’s board as the company, now valued at \$13.4 billion, builds out its [global finance network](#). But he’s been anything but idle, quietly creating the platform for what he believes is the first bank of its kind: a “financial infrastructure” bank. To rephrase, Hockey founded a bank called [Column](#).

“[Column is] a nationally chartered bank but have built every facet of the technology from scratch,” Hockey told TechCrunch in an email interview. “We are both the bank and the technology provider.”

A developer-focused bank

Column emerges from stealth today to — if Hockey’s pronouncements are to be believed — turn the fintech industry on its head. For years, fintech companies have had to work through middleware vendors (e.g., Modern Treasury, Synctera, Sila Money, etc.) and core processors (FiServ, Jack Henry and FIS) that wrap legacy sponsor banks to deliver products like

the payment system the U.S. Federal Reserve controls — a steep ask for a nonbank. (Robinhood in 2018 ran [afoul](#) of regulators for lacking the proper insurance to offer a checking account.)

There *are* ways around this. Nonbanks can apply to be an industrial loan company, or ILC, which allows them to issue loans and accept federally-insured deposits. Varo in 2020 became the first consumer fintech to be granted a national bank charter. But the process is [often fraught](#), making a partnership with banks an easier pill to swallow for most fintechs.

Unfortunately, the systems between fintechs, vendors and banks can be rigid and expensive. And this can lead to a poor customer experience.

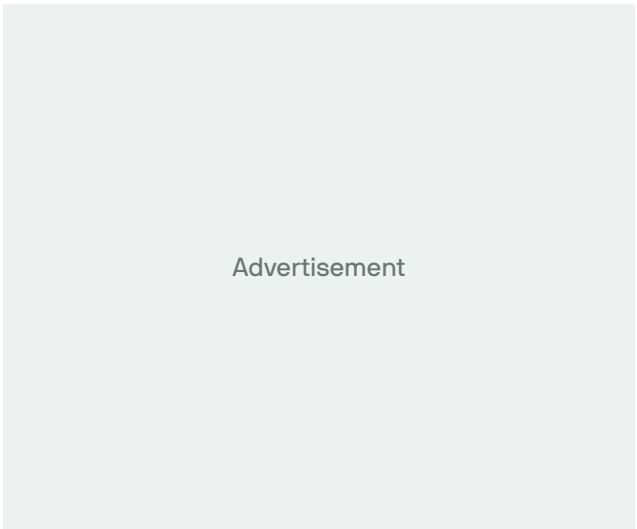


“The largest pain point in building in financial services and fintech is the supply chain it’s built on. There is an unnecessary separation between the chartered regulated bank and the middleware and platform companies that fintechs rely on,” Hockey said. “This leads to unclear responsibility and ownership [and] unnecessary costs.”

By contrast, Column, a nationally chartered bank with a direct connection to the Fed, has an in-house ledger and data model to power various

push money to any bank account, for example, or maintain FDIC-insured checking and savings accounts.

Peeling back the curtains, Column is a rebranded community bank — Northern California National Bank or NorCal — that Hockey purchased for \$50 million last year. A tiny operation, NorCal only has a single physical branch in Chico, California, and the day-to-day operations of the bank remain separate from Column.

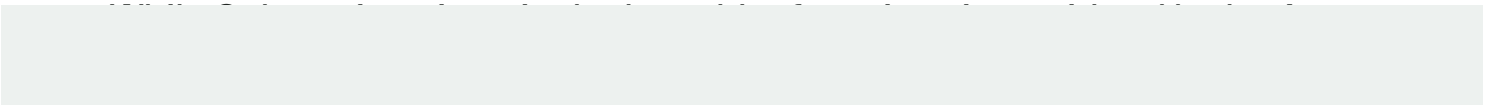


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With Column, a fintech can launch a debit or credit program with any issuer processor. Or they can become an originating partner, offering products for debt financing and loan repurchase.

“I’ve spent time with (literally) thousands of companies building in financial services and it is painfully obvious that the biggest bottleneck to their growth and innovation is the underlying banks they rely on,” Hockey, who serves as co-CEO of Column with his wife, Annie, said. “Financial services needs to be consumer, developer and internet first; however, in order to do this it needs a new backbone. Three years ago we set out to fix this, starting from first principles and building a bank from the ground up.”

A growing fintech trend



running the back ends for billion-dollar fintech firms (think Stripe and Square). Prepaid debit card seller Green Dot handles the banking for Uber and Stash. Mobile-friendly bank Chime works with The Bancorp Bank to offer savings and debit cards. And Cross River Bank, which [recently](#) raised \$620 million in funding at a valuation north of \$3 billion, backs products from Coinbase as well as fintechs like Affirm, Rocket Loans, Best Egg and Checkout.com.

But Hockey highlights what he believes to be Column's differentiators, like its ownership structure. The startup — whose customers include Plaid, business credit card provider Brex, and mobile banks Oxygen and Nearside — is owned entirely by its founders and roughly-60-person workforce, he claims, and funded with its own money and profits. (Column charges fees for services like wire transfers on a per-transaction and monthly basis.)

Bootstrapping is perhaps wise at a time when fintech funding is taking a [tumble](#). While [some](#) \$18.2 billion in financing flowed to fintech companies in the first month and a half of 2022, late February and early March [showed](#) a precipitous decline.

“If something goes wrong, we take 100% of the risk ... If we add more stakeholders into that mix, incentives may get perverse and we can't do the best job,” wrote Hockey, perhaps taking a jab at VC-backed Cross River, in a blog post shared with TechCrunch. “This will mean that we may not grow as fast as we possibly could or maybe investors will get FOMO and go fund a competitor! However, we think these tradeoffs are worth it. We are in it to build a loved and long-term company and our cap table and funding should show that.”

Hockey declined to say what the future might hold for Column, but customer acquisition is presumably near the top of the list. As of today, Column is open to all developers who wish to build on its platform.

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Kyle Wiggers was TechCrunch's AI Editor until June 2025. His writing has appeared in VentureBeat and Digital Trends, as well as a range of gadget blogs including Android Police, Android Authorit...

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