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Leading business identity platform Middesk raises $57M Series B co-led by Insight Partners and Canapi Ventures

platform automating business verification and underwriting decisions, announced today that it has raised $57 million in a Series B round. The round was co-led by New York-based private equity and venture capital firm Insight Partners and Canapi Ventures, with additional investments from existing investors Sequoia and Accel, as well as Gaingels. Middesk will use the capital to invest in new and existing products, scale the team, and educate the market about business identity.

Middesk was founded in 2019 to address the downstream effects and resulting challenges of onboarding new business customers. Middesk's infrastructure solution provides the tools, data, and documents needed by banks, insurers, credit card companies, lenders, payment firms, payroll companies, and other service providers to automate onboarding in regulated industries. Its platform provides complete up-to-date data on businesses in the United States and automatically notifies service providers of changes to its customer base, enabling them to make informed decisions during and after onboarding. This allows service providers to quickly and seamlessly form an accurate picture of their customers and offer the critical products their customers need to establish, operate and maintain their businesses.

"We believe that more companies working together is good for the economy," said Kyle Mack, CEO and Co-founder at Middesk. "By accelerating trust between businesses, we can enable more businesses to access the products and services they need to grow and thrive. More successful companies mean more businesses are working together and more jobs are being created."

"As more transactions and business-onboarding move online, financial institutions are facing increasing risk of fraud. Simultaneously, business customers are demanding a frictionless onboarding experience in order to access financial products. Middesk provides financial institutions the breadth and depth of identity data they need to verify their business customers and mitigate fraud without sacrificing the customer experience," said Jeff Horing, co-founder and Managing Director at Insight Partners. "Middesk is building infrastructure to support all identity-questions for all industries. We look forward to partnering with the Middesk team as they continue to grow."

Walker Forehand, Partner at Canapi Ventures, added, "Middesk is the new standard for small business digital identity and trust. The identity product is orders of magnitude better than legacy competitors – stronger data integrity, significantly higher attach and approval rates, and better outcomes for customers. We couldn't be more excited to partner with Kyle, Kurt, and the Middesk team in bringing forward the next generation of trust solutions for small businesses."

In the last 4 months, Middesk doubled its headcount, and it intends to double it again by the end of the year. The company recently launched a comprehensive

APIs right away. Middesk has been a critical partner enabling us to quickly and seamlessly onboard new customers."

For more information, visit the Middesk website or request a demo.

About Middesk

Middesk is the leading business identity platform. With Middesk's identity-as-a-service APIs, businesses can verify, underwrite, and enable their customers to grow their businesses. Middesk's current customers include Plaid, Affirm, Bluevine, and Novo, as well as several large banks and lenders. For more information, visit middesk.com.

About Insight Partners

Insight Partners is a global software investor partnering with high-growth technology, software, and Internet startup and ScaleUp companies that are driving transformative change in their industries. As of February 24, 2022, the closing of the firm's recent fundraise, Fund XII, brings Insight Partners regulatory assets under management to over $90B. Insight Partners has invested in more than 600 companies worldwide and has seen over 55 portfolio companies achieve an IPO. Headquartered in New York City, Insight has offices in London, Tel Aviv, and Palo Alto. Insight's mission is to find, fund, and work successfully with visionary executives, providing them with practical, hands-on software expertise to foster long-term success. Insight Partners meets great software leaders where they are in their growth journey, from their first investment to IPO. For more information on Insight and all its investments, visit insightpartners.com or follow us on Twitter @insightpartners.

About Canapi Ventures

Canapi Ventures is a venture capital firm investing in early to growth-stage fintech companies. Our partners have been at the forefront of financial services innovation as operators, investors, bankers, advisors, and regulators. Our venture capital model connects high-quality fintech companies to our extensive network of banks and strategic partners. Canapi Ventures is advised by CenterHarbor Advisors and Canapi Advisors, LLC, a wholly owned subsidiary of Live Oak Bancshares, Inc. (Nasdaq: LOB). For more information, visit www.canapi.com.

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