

# Imagine free card payment acceptance, meet Lopay

As part of our quick founder questions series - or QFQs - we spoke to Richard Carter, CEO and founder of Lopay about building a low cost alternative payment app, the power of advocacy and a future where all payments are free.

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I was running the UK's leading pay-at-table solution OrderPay and was shocked both at how much some smaller businesses were paying to take card payments, and on how long they were waiting to get paid. And as a frequent user of black cabs I was also surprised about how often I was asked to "not use that one in the back mate" for payments. I was continually being presented with a Zettle or SumUp machine through the hatch. I only understood why when I found out they were often paying over 3% for the terminals in the back. Since I knew we could be less than half the price of the already very successful Zettle, SumUp and Square I thought there was a clear opportunity to launch a better payments app.

Tell me about the business – what it is, what it aims to achieve, who you work

# with, how you reach customers and so on?

Lopay is a better, faster, lower cost competitor to Zettle, SumUp and Square. We are proud of being the lowest cost and highest rated payment app in the UK – potentially the world. We are shaking up the small business payment acceptance market much like Ryanair, SouthWest Airlines and EasyJet did to the airline industry with the first truly low cost alternative. We have the benefit of last mover advantage, taking inspiration from the best bits of all the current solutions on the market sprinkled with our own bit of magic. An awesome POS, instant payouts and an expense and reward card that allows merchants to get free payment processing.

Our aim is to make card payment acceptance free. We are not content with being the lowest cost, so we have launched the Lopay Rewards Account that offers the prospect of free payment processing.

## How has the business evolved since its launch?

Back in January 2022 we started focusing on the taxi trade mainly because they were the most poorly served by the current offering. However it turned out that we had inadvertently recruited some of the best advocates for our solution we possibly could have done! The power of advocacy and referrals is huge for our business. We incentivise all of our customers to refer us for a mutual reward, an incentive which has seen us spread across Health & Beauty, Pet Care, Wellness covering over 30,000 merchants in just two years.

In February this year, we launched an awesome new android stand-alone payment terminal that means that we can offer POS, Payment and payment linked loyalty in one sleek device

## Tell us about the working culture at Lopay

We are a relatively small team who had all worked together on another start up previously. It may sound cheesy but we are all here because we really believe in the vision of net free payments and a best in-class experience. I have never worked in a business where everyone is so focused and knows how to both work and play hard in equal measure! We often have hackathons and hire cool

places to think about our next killer feature.

## How are you funded?

We have a number of prominent fintech investors and recently secured Seed funding from BackedVC, Portage and the The Venture Collective.

## What has been your biggest challenge so far and how have you overcome this?

Aside from raising for a Seed round in 2022/23 for a fintech business? Getting access to the UK faster payment network at a reasonable rate to support instant payouts to our customers. Thankfully we resolved this eventually but was tough at the beginning!

## How does Lopay answer an unmet need?

We deliver instant payouts and merchants can choose if they would like to pay no fees by using our expense and reward card.

## What's in store for the future?

Free payments for all and world domination ☐

## What one piece of advice would you give other founders or future founders?

Surround yourself with the best, most talented folks you can. If you are UK based and there are two or more of you founding the business think about holding less than 30% and making a nominal investment under EIS and pay no CGT when you make it big. Entrepreneurs' relief is worse than investors' relief and that does not seem right. You will likely own less than 30% in the end anyway.

## And finally, a more personal question!

# What's your daily routine and the rules you're living by at the moment?

0400 gym, ice bath, breath work, protein shake and then tell everyone about it of course...

Richard Carter is the CEO and founder of Lopay.

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