Meet Luc Meurant, CEO of Neterium

Neterium is an innovative API-native company reinventing Financial Crime Prevention and responding to the explosion of market demand for highly performant, scalable and efficient watchlist screening.

Neterium's ultimate goal is to allow clients and partners to achieve excellence in compliance while delivering frictionless customer service.

Built and developed by senior industry experts and top-notch technology specialists, Neterium's team is unique.

80% of international banking transactions worldwide are screened today by solutions that the Neterium founding team had previously developed.

To spotlight the best insights of Neterium's excellence, we ask a few questions to the inspiring crew behind it.

> **As part of a new series, Behind The Insider, today we're speaking to Luc Meurant, CEO of Neterium.**

Hello Luc, can you tell us a little about yourself and your company Neterium?

Yes, of course. Neterium was founded in 2017 by a team having a combined 85-year expertise in Financial Crime Compliance Technology. Since its inception, it has had a narrow yet bold objective: designing and operating the most advanced technology solutions for watchlist screening.

Our exclusive focus is to help banks, Fintechs, and digital platforms perform watchlist screening through our real-time Application Programming Interface (API).

We cover essentially two use cases:
1. Know-Your-Counterparty (i.e., onboarding and continuous monitoring of clients, suppliers, partners, etc.)
2. Transaction screening (e.g. payments, securities, trade).

I joined Neterium as CEO in late 2020. I'm a civil engineer in Computer Sciences, and I previously worked at JP Morgan, McKinsey and SWIFT before joining Neterium. I believe fighting financial crime, tackling terrorism financing, money laundering, and human trafficking are of paramount importance. And - like everyone at Neterium – I'm committed to making a significant and long-term contribution to fighting financial crime.

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Financial Crime Compliance is a massive challenge. Financial Services firms spend over $180.9 billion per year on Financial Crime compliance. Yet less than 1% of global illicit financial flows are prevented and a lot of friction is created for the customers. Do you believe this issue can be solved quickly and easily thanks to technology and automated processes?

Financial Crime Compliance is indeed a massive challenge. It would be a utopia to think the issue can be solved quickly. I always look at Financial Crime Compliance technology along 3 axes:
1. **Effectiveness:** Can we stop the transactions and the parties we should be blocking, and can we adapt quickly to changes in regulations? This is the licence to play in this industry.

2. **Efficiency:** How much friction do we create in the process, i.e. how many false positives do we trigger to achieve the required level of effectiveness? This is key in terms of customer experience and costs.

3. **Technical performance:** How well do we scale? So how many transactions/names can we process per second (i.e. throughput), and how long does it take to process one name/transaction (latency)? This is very important to enable new payment instruments like instant payments or support platforms with hundreds of millions of clients.

That being said, massive improvements can be made. This can happen through a combination of:
- New technologies like Cloud Computing, Artificial intelligence and Application Programming Interfaces (APIs)
- Leveraging people with deep on-the-job experience of running such technologies and being able to design innovative approaches
- And finally, standardization and collaboration between key stakeholders. A good example is the new ISO20022 standards for payments which allow for richer and more structured data. You can learn more about transitioning screening to ISO20022 via our Neterium dedicated video.

Neterium seems to have a very different business approach than traditional players. Can you elaborate on this?

Our business approach is indeed very different from most players. We believe in ecosystems and extreme focus:
- **Ecosystems:** We think that the traditional watchlist screening solutions offering a one-shop approach (with a screening engine, a user interface for alert reviews, watchlist data, integration interfaces, etc.), and often installed on-premise, are now outdated and cannot deliver on the new expectations in terms of effectiveness, efficiency and technical performance. At Neterium, we embrace the ecosystem model by which our clients and partners can pick and choose the best components and assemble those through APIs to get the best solution for their specific context.
- **Extreme focus:** You can't excel at everything. We focus exclusively on watchlist screening (not AML or fraud for instance). And in screening, we further focus on providing exclusively the engine (i.e., we do not provide a graphical user interface for alert reviews, we do not offer watchlist data ourselves). And in our area of focus, we aim to offer the best screening engine in terms of effectiveness, efficiency, scalability, analytics, flexibility and explainability.

This ecosystem and focused approach make us very partner and platform friendly. Our ambition is to be embedded in our partners' and clients' platforms, and we integrate happily (through APIs) with other providers offering complementary services.

Neterium has built two solutions known as JETSCAN and JETFLOW. Can you briefly explain each solution?

Neterium has two different solutions, both powered by the same core engine and exclusively offered through real-time API. They address two specific needs:

- **Jestcan** is our counterparty screening solution. It addresses the onboarding and continuous monitoring of clients or counterparties to comply with sanctions, anti-money laundering and anti-corruption laws as part of the "Know-Your-Customer" process. Jetscan can screen names against sanctions, politically exposed people, adverse media or private lists.
- **Jetflow** is our transaction screening solution. It supports clients and partners in screening payments (or other financial transactions like securities or trade transactions) against international Sanctions & Embargo lists, as required by law to fight against terrorism financing and money laundering. Jetflow can screen transactions against sanctions or private lists.

Jetscan and Jetflow have been specifically designed to address the largest and most demanding clients with the following differentiating factors:

- **Infinite scalability**: Our cloud-native solution can handle huge volumes of transactions or customer profiles. Recent benchmarks demonstrate our API can screen 250 million client records in 8 minutes or over 60,000 payments/second (10x better than legacy solutions). Even at that speed, our detection engine compares names in many languages and alphabets, uses precise geolocation to pinpoint cities, ports and regions, and allows users to define their own scoring rules.
- **Extreme efficiency:** Being fast is good, but only if the results are accurate. It is critical to drastically reduce "false positives" (matches that are not accurate alerts) in screening. Our API achieves an extremely low noise level by combining our unique experience in the field with a new holistic matching approach and by leveraging artificial intelligence to select the best detection strategy dynamically.
- **Rich data analytics:** Nowadays, we believe that a screening engine should provide much more than "hit/no hit" information. Our API, therefore, returns a rich set of analytics that our clients and partners can leverage to build their Machine Learning models or enhance their automated workflows. Moreover, as regulators increasingly expect full transparency, the engine can provide a detailed explanation on why an alert was (or was not) raised.
- **Quick integration, no maintenance:** Our solution is optimised out-of-the-box, and we take care of updating the watchlists from our partners: there is no need for cumbersome configuration and tuning, and clients can start using the solution right away.

BEHIND THE INSIDER

By neterium.io

Before Neterium, you were a member of the Executive Committee of SWIFT and previously the Head of their Financial Crime Compliance Services division. You jumped from corporate life to Entrepreneurial life. What did you learn in your career within large corporations that is valuable today at Neterium?

For me, it has been a privilege to work at companies like JPMorgan, McKinsey & Company and SWIFT. You can learn so much in such environments that are very relevant for a Regtech like Neterium. I will mention a few:

- **Mission-critical mindset:** Watchlist screening is a mission-critical service, and it comes with high expectations regarding service availability, security and resiliency. To be good at this, you need to embrace the mission-critical mindset: always pro-actively think of what could go wrong, how you can anticipate and plan to cope with possible problems. This means embedding a risk-management mindset everywhere in the company. Sometimes, people think risk management and start-up mindsets are somehow conflicting – well, I think risk management cannot be an after-thought for a company like Neterium and the earlier you embed it in your product design, the easier it is.
- **Strive for excellence:** You do not take any pride nor get any energy for doing an average job or making an average contribution. On the other hand, you can rally the best talents and achieve incredible things if your only aim is to excel at what you do and be driven by impact. This also explains the extreme focus approach we have at Neterium.
- **Think Globally:** All the companies I have worked for were global. Of course, as a start-up, you should first demonstrate that you can succeed in a specific market, and you typically start with a minimum viable product. But Financial Crime Compliance is a global market, and our clients and partners are international. We are very much aware of this, and our screening engine is designed to address any need globally.

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