Barefoot Innovation Podcast with Jane Barratt, Chief Advocacy Officer and the Global Head Of Policy at MX

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Jo Ann Barefoot: I am so excited about today's show. I am in New York at Finovate, and my guest is the amazing Jane Barratt, who is the Chief Advocacy Officer and the Global Head Of Policy at MX. Jane, it is so great to be here with you.

Jane Barratt: Thank you, Jo Ann. I am so excited to be here, long-time listener and big fan.

Jo Ann Barefoot: Oh, thank you so much. Well, we've been trying to find a good time to have you on the show for ages here, and really so excited to talk, and you're the woman of the hour.

Jane Barratt: Oi-

Jo Ann Barefoot: I think-

Jane Barratt: ... it's a lot of pressure.

Jo Ann Barefoot: ... because we're going to talk about data. And for our listeners outside the US, we're going to be talking about a little something that we call 1033, which is a provision of the Dodd-Frank Act. I'm going to ask you to explain to everybody what that context is in a moment. But before we do, tell us about yourself. What was the journey that brought you to MX, and what does MX do?

Jane Barratt: Fantastic. Well, I'll start with your last question. So MX, we've been around for about 14 years. We work with financial institutions and FinTechs, and we provide data services, so data aggregation, data connectivity, data enhancement, as well as software solutions like digital money management tools, insights tools, and then analytics for mostly banks and credit unions. We were founded on the mission of empowering the world to be financially strong. So we are a B2B2C company, working again with institutions and their customers, to give them data access as well as software tools to help them manage their money.

So a big part of my role as the Chief Advocacy Officer is how do we bring that mission to life with our customers, with the ecosystem, with regulators and policy makers? And being a data company, and given that data is very much a core focus right now in DC, in The States, frankly around the world, with the rise of open banking, it has been a very, let's just say tumultuous journey, but a very rich and challenging journey for the ecosystem to get us to where we are today. And I know we'll be getting into that.

I should do full disclosure, I'm also on the board of the financial Data Exchange, FDX. We are the interoperable standard for data-sharing in North America, but I came to MX, I was actually a FinTech founder. I had built a business that again was data-driven insights. It was a very early advisory platform, so investing for beginners, where MX was my data provider. So show us what you shop, we'll build your portfolio, a lot of education, and just getting people started on that journey of how they could invest their money and grow their money. So I think part of my journey was having to become SEC-registered, become FINRA-registered, both myself personally, as well as the company. I had come from technology, and I was quite bewildered, as I'm sure a lot of FinTech founders are.

It was like, "Well, I'm going to be a data company. Why do I have to get all these licenses and registrations, and may take a fiduciary oath, and things like that?" And then as I actually took on that role as a founder, very much externally-facing, understanding what I could and couldn't say, what I could and couldn't do with clients, it was actually incredibly formative in terms of what the role of data is in someone's financial life, and how it can be used for great outcomes for them.

I think that the third part of my journey, my first career was in very much in the digital world and the data world, have spent time on Madison Avenue, have seen firsthand the rise of Adtech and just how much data exhaust is out there in the world, how we're bought and sold on the second, on the minute, every day for our whole lives. Really looking to how can data be used for something other than just selling people more crap? Because that's generally what it has been used for over the years. So that overuse of data in the ad-world was very incentivizing, and very motivating to move into something that was more proactive and more beneficial for the world.

So I think the last thing, I've lived and worked in six countries. I am Australian for anyone wondering, and the US, is by far the most complicated. So regulatory ecosystem, obviously it's giant economy, it is very dependent on data for things to just work. And to date, there really hasn't been a whole lot of guardrails.

Jo Ann Barefoot: Yeah, what was your background in technology?

Jane Barratt: So from the earliest days of the internet, I actually started in data-driven marketing, and we were the bottom of the totem pole in the marketing world. It was like, "Oh, this internet thing, it's not that big a deal, these data people will figure it out."

Jo Ann Barefoot: Wow.

Jane Barratt: So the early days where we could charge a million dollars to build a website, was pretty great.

Jo Ann Barefoot: Wow.

Jane Barratt: But I'm glad that you asked, because I had a lot of financial services clients. Again, early, even when they were just landing pages, and marketing campaigns that were, again, it was used more as a billboard, the early days of tech, but we had to figure a lot of things out. I think it feels like data is today where the internet was in 2007, '05, maybe.

Jo Ann Barefoot: Wow.

Jane Barratt: It feels very circuitous and full circle.

Jo Ann Barefoot: Wow. Before we go on, let me say, we are on the sidelines of Finovate, as I mentioned, and we have just ducked into an empty meeting room. And if we end up being evicted from it, it won't be the first time on the podcast show that that has happened, but [inaudible 00:06:01]-

Jane Barratt: We'll get pictures of us getting thrown out, yeah.

Jo Ann Barefoot: It has been known to happen, but every now and then people may be able to hear folks trying to [inaudible 00:06:10], yeah.

Jane Barratt: Trying to crash in. Exactly.

Jo Ann Barefoot: So tell us about what's happening, and again, the Dodd-Frank Act passed in 2010 in trying to address the problems that arose from the Great Recession and the financial crisis, and here we are in 2024, finally moving forward on one of the really big provisions that was in it. So tell us what's going on?

Jane Barratt: So from a historical perspective, I think the people who drafted the rule probably could not have foreseen in 2009 when they were drafting this multi-node world that we're living in now, right? They were still very much living in a world where the majority of your financial relationships were usually with one or two institutions, versus five to seven now. So the intent from the very early days, as you said, was coming off the back of the financial crisis. There was, anyone who has seen The Big Short, there was considerable pressure in the mortgage market, where there was mortgages being bought and sold and bought and sold, and people not really having insight into where their mortgage was, how much they owed, what was their interest rate. It was extremely messy. So again, I've been told this from anecdotal evidence, I don't know if it's 100% true, but it makes a lot of sense, that these 72 words that made up Dodd-Frank 1033 were really around the intent for people to be able to access their financial data and share it.

Jo Ann Barefoot: What does it say exactly? I mean, not word for word, but ...

Jane Barratt: Yeah. But it is about access and sharing data. When it was described, it was more almost around downloading. There was this preconception that, "I need to download my data, take it next door to a new institution, and then I can start a relationship there."

Jo Ann Barefoot: And I should have a right to do that?

Jane Barratt: And it gives you the right to access and share your data. Exactly.

Jo Ann Barefoot: Okay. And so what's happening now at last?

Jane Barratt: So again, just going back a couple of years, we, it was right before COVID, a symposium was stood up, the ecosystem got together. Before that, the industry, like FDX, had actually been active since 2017, in terms of standing up an interoperable standard for access and sharing data. So we've got this parallel path of what's been happening in the regulatory world with 1033, and then what's been happening just out in the ecosystem in terms of data actually being shared. Over the past couple of years, there was a lot of engagement from the CFPB, and a draft rule came out last October, October, 2023. It was a 12-week comment period. It was a race to the end of the year. So those 72 words turned into 300 pages of a draft rule, and those 300 pages turned into 11,000 comments.

Jo Ann Barefoot: Wow.

Jane Barratt: So it was a very high degree of participation in terms of the public comments, and it was comments from across the ecosystem. So players like MX, where we support the ecosystem, a lot of financial institutions and their associations had submitted comments. The consumer advocacy groups were actually very active in terms of putting comments in, and pushing for things like SNAP benefits, or like food stamps, electronic benefits to be included in the scope of the rule. So there was a lot of different vested interests weighing in through these 11,000 comments.

Since the end of last year, again, there's been a lot of engagement with the CFPB, and we expect a draft rule to be landing next month. Director Chopra has been very clear that October is the time that it will be coming. From, again, a historical perspective, the US, to date, has been, again, quite industry-led. If you look at jurisdictions like Australia or the UK, even Canada, they've been much more regulatory-led. So the adoption has been more of the regulatory-stick, whereas the US has been more of a competitive-carrot, if that makes sense?

Jo Ann Barefoot: Interesting.

Jane Barratt: And I mean, I'd love to ask you the question, we think it's unprecedented collaboration, but you have a very rich history in the regulatory space. What's your point of view on just how much the CFPB has engaged through this process?

Jo Ann Barefoot: I hadn't thought of it quite the way that you're describing it, but I agree it's definitely been very collaborative. I think our listeners know that the CFPB is the Consumer Financial Protection Bureau, which was created by Dodd-Frank actually. So yeah, as you say, it's been a moving target, hasn't it? The thing that they've been trying to address has been morphing while they've been working on it. Maybe that's another thing, is that I think the US has been very late among countries in dealing with privacy and data rights and so on. So the longer we've waited, the more complicated probably the questions [inaudible 00:11:41]-

Jane Barratt: And I think we started as the most complicated. I think you've got over 10,000 covered institutions, I think over 10,000 FinTechs. It is not apples to apples when you have five banks in Australia, or nine in the UK. I think it is a very different ecosystem that needs to be managed.

Jo Ann Barefoot: Yeah, so what are the important features of the rule that we're expecting, what are we confident it will do? What are the outstanding issues, maybe that it's not clear yet?

Jane Barratt: Yeah, again, it's all conjecture at this point, but I think what we can expect, and when I say, "We," I'm speaking on behalf of MX, not the royal, "We," for the whole industry, but I think if I break it down into two areas, like intent and issues. So the intent of the rule, we don't see much deviation from the core intents. I think the six core areas, from an intent perspective, it's number one, we talked about, which is just enabling access. But there was also a very strong technology intent, which is to move away from screen-scraping, which is where people share their banking credentials, and whatever a human sees on their screen is then scraped by a machine, and that data is grabbed and put to work somewhere. So moving away from screen-scraping, and moving into these much more secure APIs. Very clear intent that again, the industry agrees with, screen-scraping is not a great technology.

Within that, the intent to increase privacy and reduce fraud, right? It is one of the largest issues in the whole ecosystem, and it doesn't go away quickly. But the more tools that we have that increase privacy, reduce data exhaust, and help to bring down fraud, I think, this is, again, one of the core intents.

We will talk about it in a bit, but a core intent is the reasonably, necessary use of data. And going back to data is just being used to sell people more stuff. Is that a reasonably necessary use of data? Especially if the data is moved to fourth party, fifth party, eighth party, who knows where the data goes? So that is a very big element of Dodd-Frank 1033, is just what is the reasonably necessary use of data?

Another core intent is, given Director Chopra came from the FTC, the Federal Trade Commission, very focused on competition. So enabling consumer choice and competition. So reducing barriers to exit, no, yes, reducing barriers to exit, to leave one relationship, making it easier to open new relationships where there's more consumer choice. I think the last intent was to establish standards across the industry. So what are the standards that will need to be complied with moving forward?

So I think your question around what should we expect? We don't expect a giant deviation from the intent of these core areas of the rule. I think where there may be some flex, and some of it may be wishful thinking, but there's a lot of key issues baked into the rule, which we expect maybe some wiggle room. But again, from an MX perspective, we are assuming that it will be close to the draft rule, but we are planning for what provisions were in the draft rule, and not assuming that something is going to magically change in the final. And if it does to the benefit of our customers and their customers, great. And if it doesn't, we're prepared for it. But I think one of the first main things that we do expect, is just real clarity on just scope.

Because the draft rule is quite narrow in scope. It's really just core retail. So from a regulatory perspective, it's regulation E, Regulation Z, /Z for everyone else. So checkings accounts, savings accounts, credit cards, digital wallets, it's pretty basic. It doesn't include loan accounts, it doesn't include mortgage, it doesn't include investment accounts.

So just the scope within this first rule, we expect either guidance on where it will expand to in subsequent rounds of rulemaking, or potentially going back to the EBT, the SNAP benefits, that potentially could be brought forward. There's been talk of payroll being included in subsequent rounds. So accessing your payroll data, there's been talk of investment data, but then the jurisdiction starts to change, because it's different agencies. So we expect that there will be multiple rounds of rulemaking. We think, we understand that secondary data use, remember that reasonable data use, that will be a core issue. There's just been a lot of discussion within the industry around how there's so many limitations that really do go into the normal cost of business, versus, yes, we're all trying to minimize predatory use cases, but at the same time not minimize the beneficial use cases that might cause consumer harm.

Jo Ann Barefoot: Can you give an example of a secondary use case, or one that might be on the borderline, that people are arguing would be beneficial to the consumer for the company to be able to use it?

Jane Barratt: Yeah, it goes back to the intent. So if the intent is to increase choice in competition, if you are currently serving a customer with maybe a higher interest rate loan, but you don't have a full 360 degree view of their finances, and realize they are actually a prime lender or a prime borrower, then you could give your customer a better rate. But, at the moment, that data, if they've shared it for, say, a budgeting app, you can't necessarily use it to do credit scoring. So that's a great example of like, "Oh, I know this about my customer, but I can't do anything with it."

Some of that would even go into generally when people are asked, "Do you consent to marketing messages," or you do, even with opt-in, you do get a lot of people that are like, "Well, if it's going to be good for me, sure." So there is a big behavioral change around, we saw it with GDPR in Europe, where it just was, "Accept all." The behavior change just was like, "Here's the cookie page. I need to move forward, I'm just going to accept it." And I hope we've learned from that, just in terms of what disclosures, and just how much friction gets put into a sign-up flow, that we are not putting people off things that would actually be beneficial to them.

So one of the other things for just expectation on the timing, and I think, again, around alongside secondary use, the issue of timing has been a really big one. So the way that the CFPB is looking at the industry, is by size. So if you are the largest of players, so if you have 500 billion and above in assets as a covered institution, or 10 billion and above, in terms of any other data providers, so think the larger FinTechs, like the Paypals of the world, they only have six months to comply, post the rule being published. So we're looking at summer next year, spring to summer next year as the first compliance window, which is minutes in the banking world, as you know.

Then it goes down from there with the smallest of institutions having four years. But that pushback has come very loud from many industry associations, that it's just not enough time to comply. Remember I talked about the competitive-carrot?

Jo Ann Barefoot: Oh, yeah.

Jane Barratt: The issue there is, the longer that a data provider waits to share data out, and if their competitors have implemented APIs, so they've got a better customer experience, there's a competitive-mode being built over time. So if it's just a regulatory compliance issue, check a box, that's whole issue is being missed, that your customers are being serviced elsewhere, very well. Remember the five to seven accounts that people have? Given the industry has been working ahead, I think not many people even in North America know this, but almost half of the DDA accounts in the US are already available through these secure APIs.

So you go in and you've got lightning class access, you can toggle things on and off, you can move data, you can revoke your access. There's a lot of things that you can do already. It is, I think, as of March, it was 73 million credential pairs have been deleted, and it just keeps on accelerating. So we need to do another survey to get an updated number. But timing is an issue if data providers are just sitting on their hands, waiting for their compliance window.

Jo Ann Barefoot: Mm-hmm, has there been learning for US policy makers from some of the experiences in other countries? I think of GDPR in particular, or PSD. The way that I hear, I'm not anywhere near as deep in this as you are, but I know that there's been some, and those are broader than financial data, GDPR is, some concern that by protecting privacy, an advantage ensued for the large tech-

Jane Barratt: The incumbents?

Jo Ann Barefoot: ... companies that already had all the data, yeah, the large incumbents. This is trying to push in the other direction in a way, as you say, and promote competition. Are there learnings that have been distilled so far, that you know of?

Jane Barratt: I mean, I think there's been insights that have informed a lot of the discussions to date. But again, I think the US market especially is so different from other markets. I mean, I always sound very parochial as an Australian, but Australia was by far the most ambitious, well, alongside India, with UPI. But Australia went for a data ownership right. The consumer data right, which means you have legal ownership over your data. In the US and in most markets you have a legal right to access your data, but it still technically belongs to the data provider. So I think that was one of the most interesting and ambitious approaches. We saw in Australia that it was implemented for financial services, they then rolled it out to the energy industry, then rolled it out to telecommunications. So there's learnings from almost a portability perspective, but it also got deeply politicized, which it's a shame, because consumer protection and improving outcomes, if that's not a bipartisan issue, I don't know what is.

Jo Ann Barefoot: Yeah. So let me ask you, I want to hear your thoughts on what these changes are going to mean for the players in the industry, but before we do that, how do you think that when this is highly implemented, it's going to change the lives of consumers?

Jane Barratt: So right now, again, I don't know how you manage your money, but I know there is many of us that still rely on Excel, right? When you want to get full transparency across all of your different accounts, it's still really challenging. The ideal, even right now, just to get a 360 degree view. I know where I am today, I know where I'm going to be at the end of the month, that is a pretty profound shift, especially for the majority of people that live paycheck to paycheck. So just to be able to plan your life better. That shouldn't be, with all the tech and the data we have now, that shouldn't be aspirational, but it's still, we're still all moving towards that. Moving beyond, when you've really had data ubiquity, and data is flowing and it's secure and it's private and people aren't snatching it just to sell you, we can start to move into a world of more automation.

Again, just speaking personally, the amount of mental load that people carry with just remembering what bills to pay, figuring out where you are this month, do we need to push that to the next month? It is deeply stressful. It is a massive drain on productivity and just mental health. So if we can move, use this data to move tools that can automate more of your financial life, and not just the basics of bill pay, but much more predictive, then that is the promise of open-banking, where you can switch to better offers more seamlessly, where you can have the lower cognitive load taken care of. Then you can focus more on, "Okay, how do I grow my money? How do I move to this next stage of my life and meet my goals?" So that is the promise of data moving more freely.

Jo Ann Barefoot: Great answer. And how about for the players in the industry ecosystem? What should they understand about what's coming, and be getting ready for?

Jane Barratt: So it's always good to ask yourself, "Are you adding value or extracting value," right? I think the value extractors are going to be a lot more challenged if they're not providing consumer benefit back. Why would someone opt in to make this hedge fund more money when they're not getting anything back for it? That is something to be very, I think, aware of from what happens when you have better permission data. That's more on the [inaudible 00:26:34].

On the value-add side, though, there's more and better data for fraud-signaling, more and better data for credit risk. Which hopefully will also include more and better data for more inclusion for thin-file, no-file customers, but they've got endless rental receipts and bills paid on time and things that actually show that they are a highly responsible financial citizen, but they just don't have a credit score. So all of these future benefits, and it should actually promote a world, where it isn't the spray-and-pray marketing approach where we are going to have to extract all of this data and sell it in order to advertise to a ton of people, that hopefully a few will buy.

It's like, "Well, we should know from data who can buy this and can't buy it." So there are a lot of outcomes that the world can be thinking through, from this perspective. But in terms of expectation, that was your question, I think in the shorter term, we should still expect some gray areas, especially around compliance and who has oversight. Obviously, this is a CFPB-rule, but there's a lot of interest from other agencies as well. There's other draft rules coming out, could impact this. Maybe one day we'll get a federal privacy law, who knows? But there is a lot of interest in this. So I think anyone who's expecting a, "Okay, Dodd-Frank, 1033 is out in October, now we can look at it and go back to business as usual," it's not going to be a business as usual.

Jo Ann Barefoot: Yeah. What else should our listeners be thinking about, or understanding?

Jane Barratt: I think there is this core issue of how do we identify and reduce predatory use cases while not limiting beneficial use cases? It has been, I know we've had this conversation before, Jo Ann, around just how do you look at business models through a regulatory lens. Because you can comply with the rule, but still have a very shonky business model. I don't know if, "Shonky," is word here. You know what I mean. So that's one big one. And I think this idea of data exhaust, like this free flow of data all this time, I think it's starting to plan for that to be reduced. But at the same time, we are accelerating towards almost like a data ubiquity, a world of data ubiquity where, both as a consumer and as a business, you have to assume that data will be available, but it's going to be available in a lot less all-you-can-eat buffet-style, and much more of à la carte, "This is what you're going to get from this particular use case."

I think where you look at the success, in US Today, they said there was the 73 million potential pairs deleted, but what we're seeing from an MX-perspective, is just a giant increase in participation. When you give people great tools, they will show you more data. When you give people great tools, they'll add accounts and they'll spend more time. So that's been our biggest observation, is migrating from a more traditional PFM-approach into more insights-driven engagement that is very personal to you.

We see sometimes double or triple the number of accounts added, to be able to get better insights. So if you are a data provider and a service provider, and you're incentivizing your customers to share more of their outside data in, we've always lived in this world of a primary financial institution is where your salary goes, maybe it's where your data goes? That has been a big surprise for many, when you start watching all of your outbound flow of data, and realize that 80% of it is going to external lending cases. It's like, "Oh, maybe we need better lending products." So using data to really inform your business strategy and your product strategy.

I think the last thing would be this is a very complex ecosystem. I'm putting my Financial Data Exchange-hat on now. For anyone in the US that is listening, there is enormous number of opportunities to collaborate with the ecosystem, and we really do need all the voices heard. So even if tiny community bank, or a non-profit advocacy group, there is a lot of room for input, because this will only continue to expand. We believe that 1033 is the first big test of the data economy. Like the CFPB is the first group to try and put their arms around what has been an enormous value-driver for shareholders, but not necessarily for humans. So how do we get more voices involved now to inform what that looks like moving forward? So financialdataexchange.org, or mx.com, we have plenty of content on that too.

Jo Ann Barefoot: That would be a good note to end on. But I'm going to ask you two more-

Jane Barratt: Okay.

Jo Ann Barefoot: ... questions that you have inspired, and you don't have to answer them. One is, do you think that this will have a major impact for positive or negative on very small banks and credit unions, many of which today don't have good access to their-

Jane Barratt: Yeah, exactly.

Jo Ann Barefoot: ... own data about their customers? Is this going to level the playing field, or stack it more against them in your judgment?

Jane Barratt: I think there's a short-term and a long-term answer. We have seen some smaller institutions like the University of Wisconsin's Credit Union stand up these open-banking APIs. Of course they're a university credit union, so we assume that their students had been Venmo-ing and using all these tools. So they proactively stood up an API long before they had to from a regulatory perspective. As years go by, it will be interesting to see what happens to these institutions that were early movers.

Not having access to your own data and relying on core providers, I think the core providers have been a lot more active over the last couple of years. Which is great, because that's where these institutions are looking towards. I think an even bigger gap is actually in the FinTech space, where if you've been previously unregulated, and now you are responsible to gather consent, to store consent, you've got record retention and deletion-protocols that need to be followed, there is regulation coming for everyone in some shape or form, even if it's second generation. But there is a lot that needs to be looked out for. The intent is to raise competition. The reality in the short-term is the companies with the APIs now are learning and testing and getting the benefits of all of this data. They see what their customers are doing. They can course-correct, maybe going back to that lending use case, and they can engage in a way that the people who don't have APIs cannot. So the competitive mode increases the longer this goes on.

Jo Ann Barefoot: Interesting. Last question, you touched on the ability of the consumer to use a tool better than Excel for managing our financial lives. I've got a theory that we maybe could move toward, I don't know what the business model would be, but toward equipping consumers with AI agents to help them manage their financial lives, and you touched on some of this and what you were saying. When it comes to data-sharing, the thing that's always hung me up, is that it's a nice theory that we should be able to make choices about how people use our data, but as you said, the mental load of that, understanding primary, secondary uses and all of that, nobody's got the time or sophistication to do that. I wonder whether it seems possible that consumer Agentive AI-tools might emerge that would enable us to set, "Here's where I want to live on the privacy versus openness to offers-spectrum, and let the AI, let our robot do it for us." You have any thoughts on that?

Jane Barratt: Have you driven in a driverless car yet?

Jo Ann Barefoot: I have. Yes, I've driven in one and I've sort of driven one.

Jane Barratt: Okay.

Jo Ann Barefoot: Yeah.

Jane Barratt: So just apply that to your money. And I think the day is coming that there will be more self-driving money. One of the things we don't talk enough about, is that it's really hard to solve for income, right? If you've got a salary every two weeks and bills every month, you can automate that, right? Again, the majority of people in the US are now either intermittent income, gig workers, multiple income streams. It is a lot harder to set the top line for the bottom line to follow.

So it will need better technology than a classic budgeting app, or an Excel spreadsheet to be able to manage that. So I haven't seen anything yet that even comes close to the promise of this, but could we have imagined getting in a car without a driver 10 years ago? That's when, Dodd-Frank was 14 years ago, and that was the equivalent then. So we have to assume that is coming. Again, solving for income will be the hardest part of all of this, especially for people living paycheck to paycheck, and/or intermittent and/or below poverty line. But the cost of financial services for that group is insane, and if we can apply AI tools to reduce the cost of just financial living, that would be a huge win for the industry.

Jo Ann Barefoot: Yeah, as the saying goes, it's expensive to be poor in the financial realm.

Jane Barratt: It's very expensive to be poor here, yeah.

Jo Ann Barefoot: So I said that was the last one, but I got one more you inspired.

Jane Barratt: No, let's go, we can keep going.

Jo Ann Barefoot: Could you imagine that if we brought an AI-capability into this, that we could realize the concept of people being able to be compensated for their data if they wanted to?

Jane Barratt: Yeah, I remember talking about this in maybe 2018 around the idea of data as currency.

Jo Ann Barefoot: Yes, it's been around a long time.

Jane Barratt: It's been a very long time. I'm concerned that the long-term use case will be polluted by a short-term use case. That shorter term use case is, again, opacity, "Give me access to all your data and you'll get, [inaudible 00:37:49]." "Sounds great. Where did my data go? What's it actually being used for? Is it going to be used against me one day? Is it training AI-models that are going to inflict biased decisions on the rest of the population?" There's a lot of ethical concerns around just some of these models and your data going into those models.

But I absolutely want to live in a world where I don't have to spend all of the time and all of the money, and still have to pay the highest price. If I'm sharing my data and I'm doing the work, I would like a discount for that. I've given this example from many years of flying my family of five to Australia every year. And every year Google gets paid and Expedia gets paid, I'm sure Facebook, everyone gets paid, and yet I have loyalty programs with all of them. They know I fly the same week every year. It's like, why aren't they coming to me now in September and saying, "We've saved these five seats for you, and you get a 20% discount, because we're not paying Expedia and we're not paying your credit card. We're not paying any of these players." So that is a use of data that it doesn't necessarily have to be, "I'm going to get money back." But it's a much smarter use of data. It's, instead of B2C, it's C2B, consumer to business, and that model can't come soon enough.

Jo Ann Barefoot: Great. You already said it, but I'm going to ask again, where can people get more information?

Jane Barratt: Great. Well, we have a number of white papers and blog posts on mx.com. The financialdataexchange.org has a lot of information around the interoperable standard in the industry generally. The CFPB is constantly putting out, whether it's notifications like their rule, there's a lot of things posted out there. But it is a very complex realm, as hopefully, I tried to simplify it somewhat today, but it is a pretty complex realm for a very complex issue. The more that can be read through the lens of exactly your questions, "What does it mean for people? What does it mean for the industry? What should we be expecting?" Versus trying to break down 300 pages of a draft rule. That's a lot. But we do appreciate the CFPB. I did want to call, I mean, you said it was great collaboration. They have been fantastic in terms of just understanding the breadth and depth of the technology, of consumer behavior, of what's going on in the ecosystem.

Jo Ann Barefoot: They've done a tremendous amount of work over the years.

Jane Barratt: Yeah, they really have.

Jo Ann Barefoot: People say, "It took so long," but it's not like they weren't paying attention.

Jane Barratt: Yeah, and it's multiple administrations,

Jo Ann Barefoot: Yes, that's true.

Jane Barratt: Which makes me very positive that it will continue regardless of what happens in an election year.

Jo Ann Barefoot: Yeah, that's very well taken. Jane Barratt, I cannot thank you enough for joining me today. It's been fantastic.

Jane Barratt: Thank you, Jo Ann. It's always a pleasure to talk to you.