


Ramp rewrites the corporate cash management playbook with USD Coin (USDC) and Circle Yield*



Ramp was founded on the idea that technology can help companies spend less, grow faster, hire more and pay better. For the last few decades, the B2B payments industry has been building the opposite. Ramp has built a finance automation platform that eliminates outdated software that wastes time and promotes complicated “points programs” that push employees to spend more, not less.

They've dedicated thousands of hours working directly with finance teams to build cutting-edge technology and incredible user experiences that deliver on their goal of improving customers' bottom lines. Ramp's team brings experience from leading financial service companies, like Capital One, Goldman Sachs, Affirm, American Express and Better.

HOW CIRCLE HELPED

-  USDC
-  CIRCLE ACCOUNT
-  CIRCLE YIELD

THE OPPORTUNITY

A forward-thinking treasurer chooses stablecoins

Ramp is a fintech pioneer that was founded in 2019 by Eric Glyman, Karim Atiyeh and Gene Lee on the insight that legacy ways of doing business are no longer good enough. Glyman, Atiyeh and team set out to revamp B2B payments from the ground up, automating a lot of the friction and manual work that can plague legacy systems. They've parlayed this commitment to disrupting the status quo into a multibillion dollar valuation, raising more than \$620 million to fund their product roadmap and expansion plans.

When finalizing their \$300 million Series C capital raise in August 2021, Ramp's treasury team — led by Finance and Capital Markets Head Alex Song — began exploring alternatives to the traditional corporate treasury playbook that could potentially boost returns without exposing the company to outsize risk. With yields on traditional bank and fixed income rates hovering near historic lows, Song was intrigued by the opportunity of putting a portion of Ramp's raise to work in stablecoins — or dollar digital currency — and set out to explore the high-growth asset class in greater depth.

THE JOURNEY

Trust, transparency and collaboration

With more than 10 years on Wall Street, Song understood the importance of thoroughly researching any new type of investment before committing funds. A central question was how different dollar digital currencies work? He began studying Circle's USDC and was impressed by the company's approach to creating and managing a transparent, stable-value digital asset. USDC is fully backed by cash and equivalents and short-duration U.S. Treasuries, so that it is always redeemable 1:1 for U.S. dollars. Each month, Circle publishes attestation reports by Grant Thornton regarding the reserve balances backing USDC.

“Our Circle Account gives incredible confidence and control over our investment in Circle Yield. It is easy to use and provides up-to-the-minute status across all of our USDC investments.”

Alex Song

Head of Finance &
Capital Markets, Ramp

After thoroughly evaluating several options, Song chose to invest a portion of Ramp’s treasury into USDC. “USDC was leaps and bounds better than the alternatives,” Song notes. “From a risk/reward perspective, we thought USDC was managed in a way that’s very conservative and transparent.” Song and his team grew convinced that USDC could enable Ramp to do more with its cash.

“Our next steps were clear,” he recalls. “We put together an exhaustive memo outlining the opportunity, risks and risk mitigants and convinced our board to allocate into USDC.” Ramp’s backers include some of the world’s leading venture capital funds, and they’ve since asked Song to talk about USDC to some of their other portfolio companies.

THE SOLUTION

Above-market returns with a CD-like experience

Ramp allocated their USDC investment into Circle Yield*, which shares structural similarities to CDs and traditional fixed income products. It is built on USDC, is fully secured with bitcoin collateral and offers accredited investors a fixed rate and a choice of terms ranging from 1-12 months. The term flexibility can make it especially attractive for venture-stage companies who are growing rapidly. As of February 2022, the minimum investment amount is \$100,000. Unlike many other yield-generating crypto investments, Circle Yield is also issued within a clear regulatory framework.

Ramp was also won over by the ease of managing Circle Yield through their free Circle Account, which features a clean, intuitive interface that offers customers a UX that is comparable to leading treasury portals. The Circle Account can help securely store digital assets and offers the ability to see balances in real time and easily roll over investments at maturity.

Ramp’s success is causing other corporate treasurers to take notice. “Dozens of my colleagues have reached out to me about stablecoins,” Song says. “Many companies are thinking about ways to overcome the status quo and get their executive team on board. To see Ramp do it for the first time has opened a lot of eyes to the possibility. I love having these conversations because it helps companies who are new to digital assets understand there is no “one-size-fits-all” approach. Widespread adoption of USDC is a good thing to develop this ecosystem and make it healthier.”



At Circle, we’re helping banks and financial firms make the move to digital dollars by removing the complexity, managing the risks, and accelerating the speed to market. For banks that want to join the “money movement” from traditional to digital, it’s the right time to get started.

Visit circle.com or contact us at hello@circle.com