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by Ben Brown 7 October 2025

Executive Interview with Itai Damti, Co-Founder & CEO, Unit: Powering the Fintech 3.0 Revolution

Flagship Advisory Partners' Executive Interview Series provides readers with exclusive insights from thought leaders in the payments and fintech industry.

This edition spotlights Unit, an embedded finance platform that enables software companies to launch capital, banking, bill pay   card products. Flagship spoke with Itai Damti, Co-founder & CEO, about Unit's founding vision, the evolution of embedded finance, and how the company is redefining financial infrastructure for the next generation of SaaS platforms.

Image: Itai Damti, Co-Founder & CEO, Unit

What was the founding insight behind Unit? And how has your vision evolved since launch?

Unit is the second company I co-founded with my co-founder & CTO, Doron Somech. We've been close friends for 21 years.

In 2019, we noticed that more software companies were starting to offer financial services to their customers: Gusto launched wallets for employees; Uber and Lyft paid drivers instantly into cards they issued; Toast was starting to roll out its capital product. These companies had the right to win thanks to their powerful flywheel: distribution, trust, data, and existing money flows.

We could clearly see a world where 1,000 more software companies would offer financial services. But it was hard to build these embedded financial services, so we launched Unit to solve this. Today we process more than $50 billion annually for 2 million end-customers through more than 100 companies including Wix, Honeybook, Invoice2Go (part of Bill.com), and more.

We still believe that the merging of software and financial services will be the most important shift in the next few decades. But the new (and future) buyers are seeking more plug-and-play solutions, so this year we started offering a second implementation path: ready-to-launch. Companies can offer capital, banking, and bill pay - in one line of code. This path helps them launch embedded finance without less build, support, fraud, or economic risk.

Those statistics you shared (100 SaaS companies, 2 million end-users, $50 billion of money movement) are very impressive. Unit has clearly been successful. At the same time, other embedded finance platforms have shut down or been acquired. What have been the main drivers of your success in this market?

When we started Unit, we were experienced fintech founders, but we were complete outsiders to the complexity of building accounts, cards, money movement or lending in the US. This "industry ignorance" allowed us to think about our product from first principles, not within old boxes or definitions. It also gave us the confidence to build Unit as an irrationally "wide" system, a little like what Rippling did in HR software. We wanted to help tech companies and their bank partners with all elements of launching programs together: identity, security, payments, ledgering, card issuing, reconciliation, fraud, and more.

We were of course fortunate to have key people on our early team from compliance and regulatory circles, like Amanda Swoverland (Chief Compliance Officer) and Alex Acree (Chief Legal Officer). They helped us instill a culture of building things in the right way.

When we scaled, we thought again from first principles, and decided to make Unit a "deep" system - getting close to the metal. We developed our payment systems and certified them to interface with the Federal Reserve and card networks directly, on behalf of 6 bank customers.

Today, 100% of the payments we process run on these rails. We also developed end-user interfaces, so you can think of Unit as a native core system for banks - one system from the end-user interface to the Federal Reserve. This stack isn't something we've seen others building in financial infrastructure.

We can't ignore that we got lucky with the funding market we had access to. We capitalized the company with more than $150 million raised between 2019-2022, which was a very favorable VC funding environment. Today, Unit has tens of millions in revenue, we're growing our revenue at a very healthy clip, and we're tracking to profitability on a very large cash balance. The only thing we can claim credit for is adopting a "PE mindset" after raising funds: we insisted on staying a very lean team, knowing that we're building something that will compound over many years. We insisted on what we called "an irrationally long runway." I'm now glad we made that choice, even though the constraints we imposed on ourselves were – and still are – uncomfortable.

How have platforms like Unit made it easier for SaaS companies to embed financial services? How much easier is it today than it was five or ten years ago?

Before we started, launching any embedded finance capability required a budget of $1-2 million, 10-20 team members, 1-2 years, and 20 vendors. The first version of Unit, in 2020, improved all these numbers by 80-90%.

Today, Unit only requires a single line of code, so I'd call this "extremely simple". This new reality lets software companies be much more ambitious about becoming the all-in-one financial hub for their customers. Anyone can match the broad product suite of companies like Shopify, and they can do it quickly.

By simplifying the technical and operational issues, companies can now focus on the strategic questions that matter most:

1. What solution do I launch first - capital, banking, or bill pay?
2. How do I really get user adoption for my first solution?
3. How can I layer more solutions over time?
4. If it's so easy for me, it must be easy for my competitors. How can I differentiate?

In any industry there are natural trade-offs in relying on a partner vs. building things in-house. I'm sure you see your clients work through this decision all the time when they think about working with Unit. What should SaaS companies consider when choosing between partnerships vs. owning the full stack in areas like fraud, onboarding, ledgering, funding, etc.?

I think that there's a false dichotomy between building and buying. Every financial application I've seen in my career is a combination of the two. So, we should reframe the question to: what specific capabilities does it make sense to buy? What does it make sense to build? I think about this in a 2x2 matrix:

1. Easy-to-build vs hard-to-build
2. Differentiator vs non-differentiator: does it make your product better than the competition, and deliver

Companies should avoid building elements in one quadrant: hard-to-build + non-differentiator. Not just in embedded finance, but in software more broadly.

Let's take an example: a company provides point-of-sale solutions to 25,000 restaurants and wants to launch a money hub that includes capital and banking.

- They should not build ledgers, statement generation, or audit logs.
- They should build a special feature to disburse tips to staff. You can call it easy + differentiator.
- They should maybe build a capital underwriting engine that is built specifically to maximize approval rates and loan amounts for restaurants. You can call it hard + differentiator, so maybe they should do it later in their journey, not right away.

This point about building a loan underwriting engine, but only later, is important. We believe that companies will build these things over time, because they care about maximizing their success. But we designed our platform to give them access to loan underwriting engines right away, because early on they care about accelerating time-to-market. They can decide when they might want to own more.

As SaaS companies add more products to their financial services suite, do you think they will look for one partner to enable everything or will they work with specialists for each product?

We have a strong view that companies will favor one partner in the long term. It's not obvious yet: not many companies have made multiple buying decisions (3-4 embedded finance solutions). But we believe that most software companies will have a full roadmap

of embedded financial services. We've seen our early customers expanding their use of Unit over time in order to build richer products. For example, most of our top-10 customers now use credit accounts and wallet accounts (FBOs) to offer charge cards and bill pay functionality.

When you use multiple partners to enable embedded finance, how do you create a user experience that feels cohesive and rewarding? How do you avoid annoyances like multiple sign-ups, account linking and data entry? What embedded finance solution is the "source of truth" for authorized users? These are hard problems, and companies won't want to navigate them if someone can make it easy for them. Today, Unit is the only all-in-one embedded finance solution of this kind.

It's clear embedded finance platforms have made it much simpler to embed financial services. There seems to be just as much promise for artificial intelligence to change the way payments and fintech companies run. Where are you seeing AI make an impact within Unit or your clients?

I admit that my first reaction to AI hype was to be suspicious. I could see how it could help financial institutions cut costs, but it will also open a huge surface area for fraud. I didn't see much impact beyond that.

I'm starting to change my mind. In the last 6 months, I've started noticing two big trends at the intersection of money and AI.

One trend is companies exposing intuitive interfaces for insights and money questions. For example, Highbeam has built an incredibly valuable layer of reporting that gives meaning to money. Sellers can see their income from Amazon, Shopify and Etsy - all organized clearly. AI enables sellers to ask free-form questions like: how much money have I spent on inventory recently? Do I need to take a loan to make it to the next payroll cycle? Should I invest more in marketing campaigns? I've seen the product in action and was amazed at the power it brings to users.

The other trend is more groundbreaking, but earlier. Today, AI agents don't have the ability to manage budgets and move money but, in 3-4 years, they will. Once that happens, AI agents will move billions of dollars on behalf of the companies and people they serve. The use cases will start revealing themselves with the availability of infrastructure that handles identity, security, payment mechanisms and more. I'm curious to see where agentic transactions are in 5-10 years.

What do your most forward-looking customers want today that they didn't ask for 2-3 years ago? Are there new use cases gaining traction?

Our most forward-looking customers are asking to start with ready-to-launch solutions and quickly make API calls to interact with them: pull and push information. Companies like getting started with one line of code, but the magic happens when an embedded finance suite isn't just a black box. It gives meaning to the specific vertical software that it lives within.

For example, a company that serves property managers recently worked with us to launch bill pay. There are many ways to pay bills but since this company already has knowledge of the payables of the property managers, they can automatically populate the payable invoices by simply making an API call to Unit. It just makes the property manager's life easier.

We've also enabled an accounting software company to launch banking. By embedding that in their software, the data makes it possible for customers to reconcile their books automatically. Improvements like that give business owners more time to focus on things that matter, like growing their business.

The political and regulatory environment has clearly changed in 2025 under the new administration. What will the next few years look like for embedded finance platforms? Are we entering a consolidation phase, a moment for really creative innovation, or just time to go heads-down and execute on growth?

I'd like to believe that my thinking doesn't change with the weather. The long-term market is as big as financial services themselves, if not bigger - in the same way that Uber changed the size of the transportation market, not just addressed it. I tell our team: "when the fintech market is hot, cool yourself down. When it's down, realize that we're building within one of the largest industries on earth." Embedded finance is still at 1% of the ultimate size it could achieve. People need better money solutions. If we build them, and do it sustainably, we'll get rewarded long term.

Please do not hesitate to contact Ben Brown at Ben@FlagshipAP.com with comments or questions.