

MintzTech Innovator Profiles - YieldStreet & ChyronHego

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YieldStreet

Our client [YieldStreet](#) is revolutionizing the FinTech ecosystem through its online investment marketplace, connecting accredited investors to curated opportunities that were previously only open to the investing elite, such as hedge funds and high net-worth individuals. Founded in 2014, the company was born out of frustration with the current investing landscape: high-yielding opportunities were scarce and required a hefty investment minimum.

With its [innovative crowdfunding marketplace](#), YieldStreet is democratizing the specialty finance industry and transforming it into a transparent global exchange equally available to all worthy investors. With little to no correlation to the stock market, these ventures are designed to provide diversification for individual investor portfolios. For the first time, investors have access to offerings with attractive yields in legal finance, SMB loans, and residential/commercial real estate. The recent Quest Livery Leasing offering is just one example of how attractive these deals are. Quest is a lease-to-own livery company that raised \$600K of its growth capital through YieldStreet. The offering was secured by 29 livery vehicles with an aggregate value greater than the loan.

YieldStreet's own development illustrates the recent shifts in the dynamic FinTech arena. The catalyst for the company's formation was the 2012 Jumpstart Our Business Startups (JOBS) Act, which opened the door to general solicitation and crowdfunding online under the [new Rule 506](#). YieldStreet's online platform embraces the newest technology from around the industry to facilitate both sides of each transaction. Borrowers enjoy a strong platform that guides them through comprehensive but efficient due diligence, evaluation, and presentation of their offerings. For investors, YieldStreet's system facilitates a user-friendly portfolio dashboard with e-sign and bank integration capabilities. Advancing its commitment to a more open marketplace of ideas as well as investment options, the company has launched YieldStreet University to aid the worldwide audience of investors in better understanding alternate investments as a viable asset class. "We strongly believe in educating our investor base, as many are not familiar with asset classes or loan evaluation," says co-founder Milind Mehre.

Recognizing YieldStreet's potential to upend the specialty finance industry, *Business Insider* named YieldStreet one of the "[20 Startups Out to Create a New World Order on Wall Street](#)" (July 25, 2015), joining the likes of Stripe and TransferWise. Mintz worked with YieldStreet from the ground up and continued on as counsel during its rapid rise. We expect more innovations soon for this young company as it evolves along with the newest technological and regulatory developments in order to [reshape the financing industry](#).

ChyronHego and Tracab Expansion

This month, we're featuring our client [ChyronHego](#) — a true innovator in the realm of broadcast graphics creation, layout, and real-time data virtualization technologies. The company is a recognized global leader in these areas, offering a wide range of products and services for live television, news, and sports production. ChyronHego was formed in 2013 with the merger of Chyron and Hego Group, two companies with more than 80 years of combined industry expertise and a plethora of award-winning solutions — such as the TRACAB™ player tracking system and the end-to-end BlueNet™ graphics workflow — that are now sold under the collective ChyronHego brand. Headquartered in Melville, New York, the company also has offices in the Czech Republic, Denmark, Finland, Germany, Mexico, Norway, Singapore, Slovak Republic, Sweden, and the United Kingdom.

Graphics for sports broadcasting is one area in which ChyronHego is gaining major market share throughout the world. An example is TRACAB, which has been installed in well over 100 arenas around the globe. In short, the TRACAB solution leverages an array of portable optical cameras installed at the pitch and advanced image processing technology to build a digital record of the action. At up to 25 times

a second, the system captures the precise movement and speed of players, officials, and sometimes even the ball or puck.

The resultant data offers keen insight into club and player performance such as distance run, speeds, stamina, team formations, set-plays, and other factors. Broadcasters can use the data to tell a better story through graphically enhanced replays or even fully virtual replays in which 3D animations recreate player movements. On-air pundits and expert analysts can better explain the dynamics of how games have been won or lost, and use the data to empirically support their hunches. In addition to powering TV graphics and second screen experiences, sports organizations are taking control of this new content source and extracting performance metrics for the sport, helping to explain the game and its tactics as well as highlighting the remarkable performances of athletes.

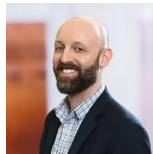
In 2014, Mintz Levin served as ChyronHego's legal advisor when Vector Capital acquired all of the outstanding shares of ChyronHego common stock for \$2.82 per share in cash. With this strong capital backing, the company is well-positioned to capitalize on exciting trends in the sports, news, and live television markets and take advantage of the significant long-term opportunities in broadcast graphics creation, play-out, and real-time data visualization.

Authors



Daniel I. DeWolf, Member / Chair, Technology Practice; Co-chair, Venture Capital & Emerging Companies Practice

Daniel I. DeWolf is an authority on growth companies and serves as Chair of Mintz's Technology Practice Group and Co-chair of the firm's Venture Capital & Emerging Companies Practice. He has worked on pioneering online capital-raising methods. He also teaches venture capital law at NYU Law School.



Samuel Asher Effron, Member / Co-chair, Venture Capital & Emerging Companies Practice

Samuel Asher Effron assists Mintz clients with venture capital and private equity transactions, helping start-ups with legal and business matters. He has clients in a variety of technology sectors, including video gaming, music, virtual and augmented reality, and consumer electronics.

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