

Executive Summary

Dilly Labs is building the operating system for vendor discovery, procurement, and ongoing vendor oversight for regulated financial institutions, starting with credit unions. We address a critical but structurally broken function: how financial institutions identify, evaluate, commit to, and manage the vendors that underpin their risk, compliance, and operational infrastructure.

Today, vendor decisions are made through fragmented processes, inconsistent evaluation standards, and opaque post-purchase performance tracking. The result is buyer regret, financial leakage, weakened negotiation leverage, and governance risk.

Dilly Labs unifies the full vendor lifecycle into a structured decision and intelligence platform; enabling institutions to move from reactive procurement to disciplined, auditable, and data-informed decision-making.

The more institutions route decisions through Dilly, the less optional the platform becomes. Over time, it evolves from a decision aid into the default operating layer through which regulated institutions justify, defend, and govern vendor strategy.

Team: Operators Who Have Lived This Pain

At the pre-seed stage, execution risk is the central variable. Dilly Labs is led by a founding team with direct, hands-on experience managing the vendor complexity this platform is built to solve.

- [Kanishka Khanna](#) (CEO) - Former risk and product leader at BlueVine and Stenn, Kanishka led multi-vendor decision engine implementations, launched regulated financial products, and managed risk teams accountable for millions in exposure. He understands where vendor decisions fail because he has personally borne their operational and financial consequences.
- [Adam Liu](#) (COO) - Led product and operations at SeedFi, including the launch of a Credit Builder product used by 350K+ users and oversight of operational tooling supporting over 500K loans. Adam brings process discipline and execution rigor required to operationalize complex procurement decisions at scale.
- [Vinay Venkatesh](#) (CTO) - Spent nearly a decade at Apple, most recently as Senior Engineering Manager on Apple Pay, and currently serves as VP Engineering at Pomelo. Vinay provides the technical rigor, security mindset, and enterprise-grade infrastructure experience required to build trusted systems for regulated institutions.

This is not a theoretical founding team. It is a team that has already operated inside these dysfunctions - and is now building the tool they wish had existed.

The Structural Challenge Facing Credit Unions

Credit unions increasingly rely on complex vendor ecosystems across core banking, risk, compliance, digital channels, and AI-enabled services. While technological adoption has accelerated, procurement rigor and governance discipline have failed to scale in parallel.

This results in four compounding failure points:

1. **Fragmented Procurement** - Vendor decisions are driven by referrals, bundling, and partial information. RFP processes are inconsistent and poorly structured, leading to weak selection decisions and long cycle times.
2. **Financial Misalignment** - Contracts are signed on flawed projections. Institutions either pay for unused capacity or incur invisible overages. In many cases, vendor usage and invoicing discrepancies go unverified.
3. **Renewal by Inertia** - Renewals occur without structured performance review, weakening negotiating power and reinforcing long-term inefficiency.
4. **Governance Exposure** - Institutions struggle to demonstrate auditable decision-making, creating regulatory risk and board-level scrutiny.

This is not a tooling problem alone - it is a structural operating failure with financial and regulatory implications.

Dilly Labs: Structured Procurement + Disciplined Oversight

Dilly Labs uniquely spans both ends of the vendor lifecycle:

1. Procurement Intelligence (What Exists Today)
2. Governance & Oversight (What Expands With Scale)

Procurement Capabilities (Current Core)

- Structured vendor discovery environment
- Standardized RFP and evaluation workflows
- Comparable vendor scoring and decision rationale
- Pricing signal intelligence and buyer leverage insights

This reduces buyer uncertainty, improves selection quality, and creates defensible decisions.

Governance Expansion Layer

- Contract and spend transparency dashboards
- Independent usage verification via observability layer
- Variance detection and renewal intelligence
- Board-ready reporting and audit traceability

The outcome is disciplined decision-making before purchase and sustained accountability after.

Competitive Landscape

Dilly operates between fragmented categories:

- **Legacy Procurement Systems (Coupa, Ariba, Traditional CLMs)** Generic enterprise procurement tools that lack fintech-specific intelligence, are heavy to deploy, and poorly aligned with regulated environments.
- **Spend Optimization & Negotiation Tools (Vendr, Tropic, SRM)** Focused on cost reduction, not decision quality or discovery workflows.
- **Vendor Directories & Informational Marketplaces** Provide surface-level discovery without process structure or institutional memory.

Dilly's Advantage: Purpose-built for regulated financial institutions, unifying:

- Discovery + Procurement
- Decision Rigor
- Ongoing Oversight

Dilly augments - not replaces - existing procurement teams and CLM tools, introducing intelligence and structure where none exists today.

Unfair Advantage

Dilly's position is structurally difficult to replicate, even for well-capitalized competitors, because it compounds across three dimensions simultaneously:

1. **Decision Data Exhaust** - Every procurement process flowing through Dilly generates proprietary intelligence on pricing, tradeoffs, vendor behavior, and institutional decision logic. This creates a dataset competitors cannot reproduce without embed-level access to buyer workflows.
2. **Cross-Side Dependency** - Dilly sits between buyers and vendors at the moment of commitment. Over time, both sides optimize toward its signals, turning Dilly into a coordination layer the ecosystem passively or explicitly relies on.

3. **Regulated Context Entrenchment** - Procurement decisions in regulated environments cannot be casually migrated. Once Dilly becomes the audit trail and rationale source, replacing it creates governance risk - a cost no institution willingly absorbs.

Competitors can build procurement tools. They cannot easily recreate compounded decision intelligence, behavioral reliance, and regulatory anchoring.

Go-To-Market Strategy

Dilly follows a trust-led, ecosystem-distributed growth model aligned with institutional adoption patterns:

Primary Channels

- Credit Union & CUSO partnerships
- Founder-led direct sales to innovation, risk, and operations leadership
- Thought leadership through "What's the Dilly-O" and industry networks

Growth Flywheel

1. Structured procurement engagement
2. Improved decision quality and cost clarity
3. Embedded workflow dependency
4. Repeat vendor usage and governance expansion

Defensibility is created through process entrenchment - not brand alone.

Business Model

- Take-rate on successful vendor engagements
- Subscription for vendor governance and spend intelligence
- Tiered institutional pricing based on vendor footprint

This creates dual revenue streams across both procurement and post-purchase lifecycle stages.

Traction to Date

Dilly Labs' traction is grounded in real procurement activity - not conceptual validation. Over the last year, we have proven that structured procurement works in practice:

Core Proof Points

- **\$1M GMV across six procurement pilots** validating structured discovery for risk, compliance, and fraud vendors
- **500+ vendors cataloged** across the fintech and banking ecosystem
- **Four active design partners on the financial institution side** shaping the platform's evolution

Design Partner Engagements

- **Payoneer** - Ran a full decision-engine RFP through Dilly Labs (8 vendors evaluated → successful POC with Oscilar). Demonstrated Dilly's ability to manage structured evaluations at enterprise scale.
- **Cashco Financial** - Leveraged Dilly Labs to run KYC + OCR RFPs and consolidate fragmented verification providers into a unified vendor strategy.
- **Baselane** - Replaced a high-cost decision engine via structured evaluation using Dilly Labs' procurement framework, strengthening both cost efficiency and decision confidence.
- **Rivet** - De-novo cryptolending program that self-served through the platform to evaluate and procure IDV providers, validating Dilly's usability and standardization capability.

These design partners span a wide maturity spectrum - from global payment platforms to specialized lenders - demonstrating Dilly Labs' ability to standardize vendor discovery and extend naturally into long-term governance of complex vendor ecosystems.

This traction confirms that Dilly Labs operates not as an experimental layer, but as an active procurement infrastructure shaping real financial decisions.

Why Dilly Becomes the Default Layer

Dilly is not building a feature. It is shaping the decision operating layer that institutions will structurally depend on.

Structural Inevitability Dynamics

1. **Decision Memory Compounding** - Every procurement event increases the platform's institutional intelligence. Over time, it becomes impossible to justify vendor decisions without historical context and comparative insight.
2. **Behavioral Lock-In** - Once an institution routes decisions through Dilly, leaving creates process regression, knowledge loss, and audit vulnerability. The switching cost is not contractual - it is operational dependency.
3. **Pricing Signal Power** - Dilly accumulates market-wide pricing insights unavailable to any single institution or vendor. This creates asymmetric knowledge leverage and pricing authority.

4. **Compliance Gravity** - As governance requirements intensify, institutions will need defensible audit trails for procurement decisions. Dilly becomes the source-of-truth layer that regulators quietly expect.

This transforms Dilly from a tool into infrastructure - and infrastructure becomes standard.

Investment Use of Proceeds

The \$2M pre-seed round will fund:

- Core engineering and observability infrastructure
- Procurement intelligence enhancements
- Credit union pilot expansion
- Vendor intelligence expansion
- Regulatory and security infrastructure

This capital enables 12–18 months of runway and positions Dilly for a strong Seed milestone.

Why Now

Vendor complexity is increasing, regulatory scrutiny is intensifying, and institutions are under pressure to optimize spend without sacrificing compliance. The market is primed for a unified operating layer that formalizes this function.

Dilly is positioned at the exact moment when vendor chaos intersects with governance pressure.

Vision

Dilly Labs will become the default decision intelligence layer for financial institutions - the trusted operating system governing vendor strategy, financial exposure, and operational risk across the entire lifecycle.