**Independent Banker**

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**Portfolio**

**[column tag] Innovation Station**

**[hed] Tales from the Fall Trade Show Season**

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This year, ICBA had much to get excited about, including October’s launch of ThinkTech Accelerator, which gives community banks direct access to fintechs that are creating innovative solutions for their specific needs. This exciting investment in our future is a triple win for community banks, fintech providers and, most importantly, consumers. Learn more at icba.org/fintech

Next month, I’ll look ahead to community banks’ bright future. But first, I’ll reflect on my prognostications from earlier this year to see how I fared as we prepare to ring in 2019.

**Prediction: Partnerships between fintechs and banks will accelerate significantly.**

**Reality:** This one is just starting to hit its stride and will get a significant boost with the ThinkTech Accelerator. Expect to see more partnerships as this trend grows.

**Prediction: We’ll finally see an actual blockchain use case in production.**

**Reality:** I was a bit off on this one. While there remains lots of talk about blockchain, there aren’t any meaningful use cases in production yet. We will have to wait for 2019.

**Prediction: The cryptocurrency bubble will break.**

**Reality:** I think I can check this one off. Bitcoin, or BTC, is down more than 50 percent since the beginning of 2018, as of this writing. The hype has certainly waned, at least for now.

**Prediction: The transformation of the bank branch will continue.**

**Reality:** This trend is continuing but starting to moderate. Net branches declined 1.3 percent, with a smaller number of banks responsible for most of that. New branches are smaller and have a high-tech look and fewer, more well-rounded staff.

**Prediction: Talent wars will spike.**

**Reality:** This trend is evident today and will continue for years to come. As technologies like AI, machine learning and data analytics are refined, and use cases are developed and gain traction, there will be a greater need for people who can make this happen. Community banks will need to be more competitive in getting the right folks on board to help with these areas.

**Prediction: Open-source banking will threaten “the establishment.”**

**Reality:** No major threats in 2018, but the battle lines are being drawn as challenger banks make their way across the pond from Europe and the largest banks roll out digital-only brands and offerings. Fintech accelerators are all the rage as investors and other stakeholders look to quicken the pace of growth of their investments and refine their solution offerings.

My crystal ball worked pretty well in 2018. There doesn’t appear to be any slowdown on the innovation and fintech front. Community banks of all sizes are continuing to embrace innovation and putting their stamp on high-tech, high-touch relationship banking that will guide them to success in the future.  
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