

# Cinkciarz.pl sets sights on Polish migrants to expand abroad

- Cinkciarz.pl is dominant Polish online FX exchange service
- Plans to enter cash transfer market
- To start offering services in U.S. in early 2016
- Sees 2015 revenue at \$2.5-2.75 bln

**WARSAW, Dec 7** Having come to dominate its local online currency market, Poland's Cinkciarz.pl plans to take advantage of the number of Polish migrants living in the United States and western Europe to gain a foothold in the international remittance sector.

„We plan to launch our services for U.S. citizens in the first quarter of 2016,” Piotr Kicinski, deputy chief executive of Cinkciarz.pl, whose name is slightly derogatory in Polish and refers to the crafty street traders who commonly exchanged currencies in the Communist era, told Reuters.

The company and its Conotoxia foreign arm signed a sponsorship deal with U.S. NBA team the Chicago Bulls, seeking to raise their profile before entering the money transfer and payment services markets in the United States.

It is already a sponsor of the Polish national soccer team and has obtained an EU passport to offer payment services around Europe.

Cinkciarz.pl, which employs about 120 people and whose turnover rose 20 percent to 8.4 billion zlotys (\$2.1 billion) last year, is based in Poland's western city of Zielona Gora. Kicinski said the company expects its revenue to grow by about 25 percent in 2015 to reach between 10 and 11 billion zlotys.

While its expansion is rapid, it faces larger rivals in the money transfer market, where major players are Western Union and MoneyGram International. U.S. firm Xoom, taken over by Paypal for \$890 million in July, is already offering online cash transfers to Poland.

Analysts believe that in order to successfully expand abroad over the longer term, firms like Cinkciarz.pl, whose owner Marcin Piore started with several currency exchange booths before moving into web-based services, need to gain clients outside their specific niches.

„These players (who are limited to their niches) are fundamentally disadvantaged because they cannot run a lot of volume,” said Brett Horn, an analyst at Morningstar.

A Polish client base however gives the company a springboard. „The diaspora of Poles is helping us, because our brands are well known among them,” Kicinski said. „This is more than 10 million people, but we do not want to limit ourselves to this group.” (\$1 = 3.9527 zlotys)