

CASE STUDY

International due diligence: A Case Study with MicroPort CRM

MicroPort CRM, a pioneering company in the field of Cardiac Rhythm Management (CRM), with headquarters in Clamart, France, relies on Ethixbase360's due diligence services as a part of its robust compliance program. Following a consolidation in 2018, MicroPort CRM partnered with Ethixbase360 to conduct due diligence on its new third party relationships as well as legacy supply chain partners. MicroPort CRM previously worked with a different vendor but chose to transition to Ethixbase360 for its unmatched value and efficient approach to third party due diligence.

MicroPort CRM initially worked with Ethixbase360 to complete due diligence on approximately 80 sales agents and distributors primarily located in Eastern Europe, North Africa, Asia Pacific and Latin America. With its unparalleled customer service, analysis that

supports deal decision-making, and multilingual capabilities, Ethixbase360 quickly established itself as a key partner in MicroPort CRM's third party risk management process.

The majority of MicroPort CRM's due diligence during the onboarding process with Ethixbase360 was conducted through Tcertification™, a heavily benchmarked and comprehensive due diligence review, analysis and approval process based on the highest international standards. Tcertification™ is suitable for medium- to high-risk relationships. For third parties considered lower-risk, MicroPort CRM used Tcheck, which offers a faster turnaround time than Tcertification™ while still providing detailed information. MicroPort CRM also customized reports in situations that required a more tailored approach.

WORKFLOW AND DECISION-MAKING PROCESS

MicroPort CRM's workflow for third party relationship management comprises three phases involving its sales, compliance and legal departments.

- **Phase I:** MicroPort CRM's sales department initiates the due diligence process by demonstrating a legitimate need for the contract.
- **Phase II:** The compliance team conducts preliminary research on the intermediary, including a sanctions database check, and decides whether or not to proceed with the process.
- **Phase III:** MicroPort CRM orders Tcertification™, Tcheck or a custom report to screen the intermediary. The compliance team remains in communication with Ethixbase360 throughout the due diligence process and may enlist the internal sales personnel in charge of the relationship for follow-up if necessary.
- **Phase IV:** Upon receiving the due diligence report from Ethixbase360, MicroPort CRM's compliance team assigns one of the following categories to the intermediary.
 - › A **green** intermediary is considered relatively low-risk depending on the contents of its due diligence report and the risk associated with the industry. These intermediaries are required to renew due diligence every three years.
 - › A **yellow** intermediary is considered medium-risk based on its geographic risk profile, its history and the contents of its due diligence report. These intermediaries are required to renew due diligence every one to two years, depending on these factors.
 - › A **red** intermediary is considered high-risk. MicroPort CRM does not proceed with these business relationships.

If the compliance department decides to proceed with the relationship, it assigns a risk level, and the legal department completes the agreement.

THE VALUE OF COLLABORATIVE DUE DILIGENCE

In addition to its efficiency and value, Ethixbase360's approach to due diligence is precise, comprehensive and includes exceptional customer support beyond what most vendors offer.

Additionally, while some vendors solicit questionnaire responses from internal sales personnel instead of directly from, or in addition to, intermediaries, Ethixbase360's methodology has proven to yield more accurate results. Internal sales personnel do not always have a full view of the intermediary and are unable to completely respond to every question. To further complicate matters, some intermediaries see the dual questionnaires as a "test" to confirm that their responses are truthful. Because Ethixbase360 handles communication with intermediaries and MicroPort CRM does not directly drive the questionnaire process, third parties may be inclined to be more forthcoming in the absence of added pressure.

During the onboarding process, Ethixbase360 due diligence analysts supported MicroPort CRM by addressing common obstacles—including communicating with intermediaries that were unfamiliar with the process or were unresponsive due to varied

internet access and other circumstances. Due to Ethixbase360's experience working directly with third parties, these issues were quickly resolved.

Ethixbase360 specialists continue to provide thorough analysis to support MicroPort CRM's compliance team in reviewing and resolving red flags, helping to differentiate minor misunderstandings and miscommunications from potentially serious issues.

Additionally, Tcertified entities are required to complete global anti-bribery training, adopt a code of conduct, and disclose true beneficial ownership and compliance policies. Reports include media and litigation searches, key information about ties to government and more. Tcertified entities are screened daily against international sanctions and enforcement lists, providing valuable continuous monitoring and added assurance.

Working with Ethixbase360 has helped MicroPort CRM make improvements to its due diligence program while saving time and internal resources. As many vendors have shifted their focus to automation, Ethixbase360's hands-on approach—coupled with its exceptional customer service—is a major differentiator.



Ethixbase360's multilingual in-house due diligence team has conducted over 500,000 reviews worldwide, and our analysts are often recognized for their unparalleled thoroughness and responsiveness. Through our proven methodology for conducting due diligence, we are able to deliver more accurate and comprehensive reports in a short timeframe.

Learn more at www.ethixbase360.com



To learn more about the capabilities of Ethixbase360's third-party risk management solutions, [get in touch](#) with Ethixbase360 or [request a demo](#).



[Website](#) | [LinkedIn](#) | [Twitter](#)



www.ethixbase360.com

About Ethixbase360

Ethixbase360 is a value-chain sustainability solutions business that delivers robust technology and data analytics to assist corporations and third parties in creating and maintaining sustainable business practices. We create the most intuitive, robust, and configurable platform to help firms globally elevate their third-party supply chain in the areas of anti-corruption, human rights, environment, and labor. [Contact us today for more information](#).