



## The anti-bribery standard BS 10500 is boosting the credentials of a Midlands manufacturer, underpinning its plans for growth

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**Yan Phoenix,**  
Co-founder and Technical Director,  
Digital Advanced Control

### Customer objectives

- Comply with legislation and regulations
- Demonstrate professionalism and integrity
- Build trusted business relationships
- Underpin future growth

### Customer benefits

- Clear legal compliance
- Visible commitment to ethics and best practice
- Customer and supplier confidence
- Employee reassurance
- Improved business performance

### Customer background

Digital Advanced Control Ltd (DAC) is a leading supplier of electronic control equipment for lifts and escalators. Based in Daventry, the company is a classic 'engine' of the UK economy, a growing SME that employs 25 staff, with a turnover of about £2.7m.

Between 2010 and 2012 DAC achieved certification to three key management standards: ISO 9001 (quality), ISO 14001 (environmental), and BS OHSAS 18001 (occupational health and safety). Most recently, in October 2013, the company became the first in its industry to achieve certification to the new anti-bribery management standard BS 10500.

### Why certification?

Despite its relatively small size, DAC is 'thinking big', looking to expand at home and, in future, to export into new overseas markets. It has recognized the value of management system standards as a way of underpinning its ambitions.

DAC's co-founder and Technical Director, Yan Phoenix, explains, "We believe in the future growth of the company and we need certification to management standards to demonstrate our commitment to high quality manufacturing that is safe and environmentally aware. It's so easy for us to say it, but now we can actually prove it."

Phoenix sees achieving certification to BS 10500 as a natural addition to its existing standards because DAC places great value on professionalism and integrity when dealing with its employees, customers and suppliers. In addition to its ethical stance, the company is naturally anxious to act at all times within the legal and regulatory requirements of all markets in which it operates. With this in mind, a key catalyst for seeking certification to BS 10500 has been the UK Bribery Act 2010, which makes it a crime for commercial organizations to fail to prevent people associated with them from committing bribery on their behalf.

"We needed to show that we comply with the Bribery Act, but we also recognized that an effective anti-bribery policy and procedures is simply good business practice," says Phoenix.

### Benefits

BS 10500 supports DAC's anti-bribery stance, ensuring as far as is within its control that the company, its employees, representatives and any third party are not involved in any cash or non-cash advantages or facilitation payments with either suppliers or clients.

Certification to BS 10500 provides a clear demonstration of compliance with the UK Bribery Act, but Phoenix sees benefits that go far beyond this. "I really believe in our certification to BS 10500 because it makes us so open and transparent," he says. "In the past, there have been occasions when we've won contracts because customers liked our product, but a few people have cast aspersions that we must have done something underhand to win the business. We can't be accused of that now."

Phoenix also sees benefits to customers from the standard, giving them confidence that they are dealing with an ethical, well-governed supplier. Putting it bluntly, he says, with the standard in place customers' purchasing staff "wouldn't approach us for a bribe in the first place".

As for DAC's employees, "They've embraced it because it acts as a deterrent and makes life easier for them," says Phoenix, pointing to the theoretical example of suppliers trying to offer inducements to DAC's staff to sell their parts into DAC's manufacturing systems. "They're less tempted to try it and more likely to get found out if they do!" he says.

### Implementation

When it came to implementing BS 10500, DAC adopted a series of management measures, including strengthening and communicating its anti-bribery policy, briefing and training employees, undertaking risk assessment and due diligence, controlling gifts and hospitality, implementing effective commercial and financial controls, and instituting reporting and investigation procedures.

Paul Stafford, DAC's Compliance Manager, says the biggest challenge was to really understand the requirements of the standard. "As it's new, we made some mistakes in our initial interpretation, but we learned from them," he says.

"After that, implementation wasn't too bad at all," he says. "The standard offers good guidance as to what procedures and documentation is required. We held briefings with all staff and made it clear that the company has an anti-bribery policy, that we intend to pursue it rigorously, that there is a manual to document it and controls to enforce it. They were expected to be aware of the dangers and know who to ask if they were unsure of anything. They are each also now required to make an anti-bribery declaration."

Stafford is confident that DAC's thorough approach to implementation means that ongoing maintenance of BS 10500 will not be too onerous or expensive. "Once you've got it, it's pretty low-cost. You just need someone in my role ensuring it evolves with the growth of the company through timely preventive and corrective actions. And, there's an annual independent audit."

### BSI's role

BSI has played a helpful role in supporting DAC's successful implementation of BS 10500. Initially, Stafford attended BSI seminars to familiarize himself with the standard. Then BSI carried out an initial 'gap analysis' to identify areas in the company's anti-bribery controls that did not meet the requirements of the standard.

When it came to the first and second stage audits, says Stafford, BSI's assessors were "strict, but very fair, and constructive in their comments, without telling us what we should do."

Yan Phoenix says the cost of making DAC's anti-bribery management system compliant with BS 10500 is minimal when compared to the financial loss and damage to its reputation that could be suffered by an incidence of corruption. He sums up, "People don't yet know enough about BS 10500. I think that eventually customers will require it and both large and small firms will have to have it. But we're the first in our industry and we're enjoying this advantage."



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