



## BUSINESS INTEGRITY INITIATIVE CASE STUDY



# DOING BUSINESS WITH INTEGRITY: MLM BRASIL

THE UK GOVERNMENT ENCOURAGES BUSINESSES OPERATING IN EMERGING MARKETS TO PREPARE FOR BRIBERY AND CORRUPTION RISKS, AS WELL AS POTENTIAL HUMAN RIGHTS ABUSES. THE DEPARTMENT FOR INTERNATIONAL DEVELOPMENT HAS LAUNCHED **THE BUSINESS INTEGRITY HUB** TO HELP BUSINESSES DO THIS. MLM GROUP TALKS ABOUT THE BENEFITS OF OPERATING A BUSINESS WITH INTEGRITY IN NEW MARKETS.

### COMPANY OVERVIEW:

In 2010, [MLM Group](#) was a UK-based, mid-sized engineering consultancy with big ambitions, looking to Brazil to develop their expertise, increase revenues, and provide diverse projects for their employees.

Eight years later, in partnership with Brazilian management consultancy [NBS Consulting Group](#), MLM has pioneered UK buildings sustainability certifications in Brazil. [MLM Brasil](#)'s projects include the [SEBRAE Sustainability Centre](#), the first building in Latin America to hold the Building Research Establishment's BREEAM Excellent rating for 'Buildings in Use'. The project won the 2018 BREEAM Award for the Americas, being described by the judges as "a beacon of sustainability in the region."

### DRIVERS OF BUSINESS INTEGRITY:

Chris Neeves, Managing Director of MLM Group Building Services Division and MLM Brasil's Director of Technical Operations, explains that business integrity was key to navigating a market known for complex regulation, protectionism, and corruption:

*"Without the right partner it's highly likely we would have made costly mistakes and inadvertently exposed ourselves to corruption. Ultimately, if we hadn't identified a business partner sharing our values and approach, we wouldn't have progressed with business in Brazil."*



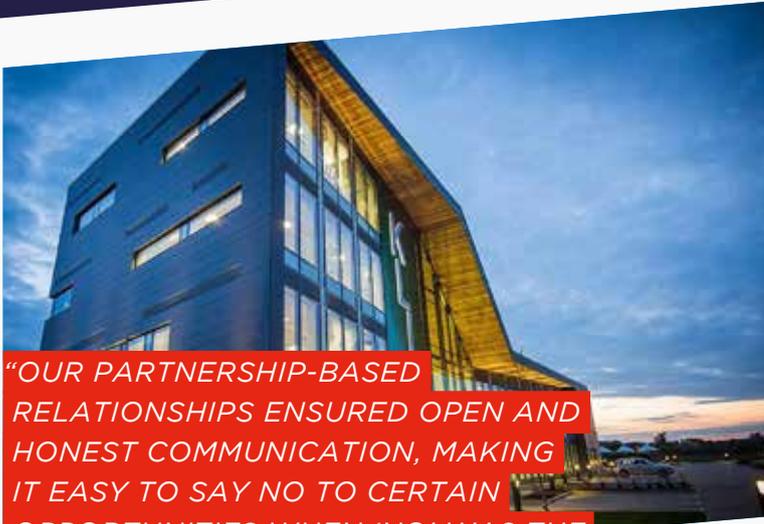
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**Chris Neeves, Managing Director of MLM Group Building Services Division**

### BENEFITS OF BUSINESS INTEGRITY:

MLM's experience confirmed that the UK's reputation for integrity means that British companies are generally thought to be reliable. They were able to leverage this perception by demonstrating willingness to learn. Alessandro Santiago, Marketing and Commercial Director of NBS and MLM Brasil's Commercial Director, explains:

*"From 2008, Brazil's economic success attracted medium-sized foreign companies with little experience in international trade. They were perceived as being unwilling to learn about Brazilian customs and gave up at the first sign of difficulties. MLM demonstrated a willingness to learn about the complex tax and regulatory system and made long journeys to different Brazilian cities, where cultures vary significantly. This earned our trust."*



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**Chris Neeves**, Managing Director of MLM Group  
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## APPROACH TO DOING BUSINESS WITH INTEGRITY:

- **Finding the Right Local Partner:** MLM recommends the [Department for International Trade](#) as a facilitator for business to business dialogue and a supporter in finding the right local partner. MLM first visited Brazil on a UKTI Trade Mission, gaining valuable market insights and quickly building a local network. During this Mission, MLM met NBS’s Directors.
- **Adding Value with the UK Bribery Act:** MLM feared the Bribery Act could trigger difficult conversations, but NBS welcomed the commitment to business integrity. An anti-bribery clause was included in the joint-venture agreement and NBS adopted MLM’s anti-bribery policies. Alessandro Santiago recommends that implementation of anti-bribery policies in partner organisations is linked to company values:

*“At first, some employees understood bribery as solely a legal issue. The way it was treated at NBS was to explain that while bribery is an external problem, we should help fight it in order to comply with our own values.”*

- **Selecting Opportunities:** MLM heeded off-the-record advice and avoided opportunities which were considered by the local business community to be at risk of corruption. Instead, they focused on NBS’ existing clients - private companies with a proven record of integrity. This ruled out high-profile work, but also eliminated common costs of corruption, such as bids lost due to potentially corrupt tender processes. According to Chris Neeves, this strategy paid dividends:

*“Whilst corruption does exist, our position in the market means that we’ve never been directly exposed, nor had a difficult conversation with a client or our local partner. Our partnership-based relationships ensured open and honest communication, making it easy to say no to certain opportunities when ‘no’ was the correct response.”*

## BUSINESS INTEGRITY, A KEY TO SUCCESS:

MLM’s example shows that corruption concerns should not deter SMEs from export opportunities. Integrity-based partnerships hold the key to success. MLM’s achievement in Brazil has given them confidence to explore other markets, and bolstered their reputation as a bold and capable organisation, leading to new opportunities and growth. MLM has doubled in size in under a decade and now employs over 450 people in 13 offices across the UK and Ireland.