



Case Study

How a Leading SaaS Provider Transformed Sanctions Compliance with sanctions.io

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Introduction

How a leading SaaS provider partnered with sanctions.io on sanctions compliance.

With rising geopolitical tensions and increasing advancements in technology and AI, organizations face an immense challenge in staying compliant. Complying with sanctions regulations is a critical aspect of risk management, but has become more challenging than ever with sanctions lists being frequently changed, and new geopolitics tensions arising often.

This case study explores how a leading data-driven supply chain visibility platform, partners with sanctions.io on its sanctions screening.

With over 1,200 commercial counterparties across the globe in various markets, the company serves as a critical data infrastructure provider for some highly recognized names in logistics, transportation, and enterprise retail.

As part of their obligations, it is critical to ensure that the customers they engage with are legally eligible to transact under U.S. and international sanctions. The post 2022 sanctions landscape saw rapid expansions in scope and complexity, leaving the company requiring a streamlined, cost-effective and automated solution.

We will delve into the specific challenges faced by the company, the solutions provided by sanctions.io, and its positive impact on the company's compliance processes.

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“sanctions.io is a solution that addresses 100% of the sanctions screening problem in an automated, cost-effective way.”

Chief Compliance Officer

Through this case study, we aim to provide insights into the importance of effective sanctions compliance and the role of technology in streamlining and enhancing screening processes considering the specific challenges for companies working in SaaS.

The Challenge

The company faced challenges in their sanctions screening due to a shift in global compliance, and the utilization of fragmented screening tools and labor-intensive manual workflows. This led to high false positive rates and unsustainable costs.

Rapidly Evolving Sanctions Landscape

Although basic sanctions screening had been a long-standing compliance requirement, challenges brought about the strains of their compliance workflow in the wake of the 2022 Ukraine invasion. Overnight, the volume and scope of global sanctions lists surged - new regulatory regimes emerged across various jurisdictions, updates occurred more frequently and unpredictably and manual monitoring became unsustainable. While adherence to OFAC and UK sanctions lists covered the majority of risk previously, this would no longer be the case. The compliance team recognized that it needed coverage of a broader global landscape, and a system that would keep up without daily manual effort.

Screening System Fragmentation

Before implementing sanctions.io, the compliance team had been using a broader third-party risk management suite which included a basic outsourced sanctions screening module. However, it did not meet the needs of the company as the module was designed for comprehensive vendor due diligence, not high-volume customer screening.

The previous system came with various challenges, including:

- Limited accuracy through poor fuzzy logic and entity recognition.
- Monthly manual uploads required to screen new customers.
- High rates of irrelevant false positives.
- High costs outweigh the value for the specific screening need.

This setup required the legal team to spend unnecessary time managing outdated workflows and reconciling inaccurate matches and false positives.

Manual Workflows & Limited Data

The previous legacy process required the company to manually export customer names from internal sales reports, create spreadsheets for monthly submission and often re-review repeated false positives.

This often meant the Chief Compliance Officer would spend 5+ hours a month on rote tasks, there was a lack of real-time monitoring, only monthly batch checks, and flagging delays were common with low confidence in accuracy.

The Solution

sanctions.io was chosen as their compliance partner after evaluating multiple providers and selecting them for their advanced technological capabilities and cost-effective scalability, tailored to their needs.

API-Based Automated Monitoring

sanctions.io was integrated directly with the company's NetSuite environment using a simple, two-API connection. This enabled automatic daily syncing of the full customer base, continuous, real-time monitoring without human input and auto-updates of screened data upon new customer creation. With this, the need for monthly batch exports and manual submissions was eliminated.

Advanced Entity Matching with Smart Fuzzy Logic

Using advanced fuzzy logic and Natural Language Processing (NLP), sanctions.io screens the clients full customer database with increased precision. This brought about a significant reduction in noise from irrelevant matches and provided calibration controls in matching sensitivity to balance the right accuracy with risk tolerance. A reduction of **95%** in false positives was achieved, eliminating common pitfalls including generic name matches against sanctions and incomplete business identifiers.

Fully Managed Exception-Based Compliance

The company emphasized the need to handle compliance as a "manage-by-exception" risk. Their ideal system would therefore require no day-to-day user involvement, and run silently in the background, triggering alerts in the event of a potential match. sanctions.io's system provides this, creating a hands-off system

Cost-Conscious Scalability

Most KYC and third-party due diligence platforms have expensive enterprise pricing tiers, often exceeding \$250,000 annually depending on the needs. These plans often come with additional products which are not always required. As a non-financial SaaS provider, the company did not require a one-size-fits-all solution. They required a precise, fast and affordable solution. sanctions.io provided a solution that is transparent in its pricing and affordable compared to competitors, at only a fraction of the price of competitors.

The Outcomes

The partnership with sanctions.io led to outstanding results in reducing false positives, time and cost savings and a reliable compliance workflow.

False Positive Reductions

With improved entity recognition, cleaner source data and adjustable fuzzy logic, the compliance team now trusts the output with minimal oversight.

- *Before* sanctions.io: **25-30** false positives per month
- *After* sanctions.io: **1-2** per month..

Time & Cost Savings

- *Time*: From **5+** hours/month to under **1 hour**/month.
- *Cost*: **75%** reduction in software spend from legacy tool
- *Repetition eliminated*: No more recurring false positives cycles.

Enhanced Scalability

The API-to-API structure aligns with broader automation and AI-driven operations strategy needs. The result is a system with no lift at high volumes.

- APIs connect to create a seamless compliance workflow
- Integration with HubSpot and Salesforce CRM

Confidence in Compliance

With a robust system and process in place, the company has:

- Access to full audit trails via sanctions.io's interface
- Coverage across all major sanctions regimes
- A defensible compliance program for regulator

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“This is how these tools should work: automated, efficient and managed by exception. Anything else is a waste of time.”

Chief Compliance Officer

Conclusion

Through their partnership with sanctions.io, the company is better equipped to navigate global sanctions compliance. Their compliance workflow has transformed from a fragmented, manual and costly workflow to an automated, accurate and scalable screening solution. By focusing on sanctions screening exceptionally well, sanctions.io has strengthened compliance, enabling the company to:

- Eliminate operational inefficiencies
- Strengthen compliance operations
- Redirect legal resources to higher-value work

Looking ahead, the company aims to explore additional integration and functionality. With sanctions.io 's new integration capabilities into both Salesforce and HubSpot CRMs, companies would be able to screen their clients directly in the CRM, enabling more efficient workflow whilst maintaining high data privacy standards.

Get started now and schedule
a call with our Customer
Success Team.

[Schedule Call](#)