

# China fines UK's GSK record \$489 mn for bribing doctors

BEIJING: British pharmaceutical giant GlaxoSmith-Kline (GSK) was on Friday fined \$489 million, the biggest-ever penalty given by a Chinese court, for bribing doctors in China to boost sales.

The Changsha Intermediate People's Court in central China's Hunan Province imposed a fine of 3 billion yuan (\$489 million) on the Chinese branch of GSK while sentencing its manager, a British national, to three years in prison.

Following Friday's closed-door trial of the bribery case involving GSK China, the court ruled the firm was guilty of bribing personnel in the business and imposed the fine, the biggest-ever penalty given by a Chinese court, state-run Xinhua news agency reported.

GSK China, 'resorted to bribery to boost sales of its medical products and sought benefits in an unfair manner,' the court said in a statement.

'(The firm) bribed, in various forms, people working in medical institutions across the country, and the amount of money involved was huge. Five senior executives actively organised, pushed forward and implemented sales with bribery,' it said. Among the five, Mark Reilly, a British national and former



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manager of GSK China, has been given three years with a four-year reprieve and will be expelled from China. Another three, namely, former human resources director Zhang Guowei, former vice president and operation manager Liang Hong and former legal affairs director Zhao Hongyan, were given two to three years with reprieves ranging from two to three years.

Former business development manager Huang Hong received three years in jail with a four-year reprieve for bribing and receiving bribes.

According to the court, sentences regarding the five were reduced since

they confessed the facts truthfully and were consid-

ered to have given themselves up.

GSK reported one of China's major sex and corruption scandals in recent years. Last month a British corporate investigator Peter Humphrey and his American wife of Chinese-origin, Yu Yingzeng hired by GSK as investigators were sentenced by a Chinese court for two and half years and two years respectively for illegally obtaining private information on Chinese citizens.

Besides the sentences, the Shanghai No 1 Intermediate People's Court which heard their case also fined Humphrey 200,000 yuan (\$34000) Yu 150,000 yuan (\$25000) for illegally obtaining private information on Chinese citizens. PTI

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