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GLAXOSMITHKLINE vs. China

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Introduction: Case Study



GlaxoSmithKline is a science-led global healthcare company that researches and develops a broad range of innovative medicines and brands. The British pharmaceutical company GlaxoSmithKline (GSK), is being accused of bribing doctors with cash and sexual favors in return for prescribing its drugs by china.

Step 2

Plaintiff

- "We found that bribery is a core part of the activities of the company. To boost their share prices and sales, the company performed illegal actions." Gao Feng, the head of China's fraud unit (original allegation)
- "There is always a big boss in criminal organizations, and in this case GSK is the big boss. In order to win the favor of GSK, some travel agencies don't just offer money to their executives but also sexual bribes." (from Gao)
- "This is a very serious violation and a high-profile case," he said. "We are wondering why we have not received any information. As for the chief of the China business, you had better ask him yourself why he has left China and is not willing to return so far." (in response to chief executive Andrew Witty if you are deeply concerned then why aren't you cooperating)

Defendant

- [] GSK said it was "deeply concerned and disappointed" by the allegations (in response to the original allegations)
- "We are deeply concerned and disappointed by these serious allegations of fraudulent behavior and ethical misconduct by certain individuals at the company and third-party agencies. Such behavior would be a clear breach of GSK's systems, governance procedures, values and standards. GSK has zero tolerance for any behavior of this nature." (Responding to Gao to show concern)
- "Certain senior executives of GSK China who know our systems well appear to have acted outside of our processes and controls which breaches Chinese law". (Abbas Hussain, President Europe Japan, admitting that someone in the company broke the law)

Conclusion

Bribery is a very broad issue; it does not happen on one side of the globe. People in business still perceive it differently, some think it is essential to business and some think it is illegal. However, it is most like consider as unethical, illegal. Many countries and companies are developing acts, and introducing programs to reduce this type of corruption.