

GlaxoSmithKline Found Guilty of Bribery and Hit with Record Fines in China

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A Chinese intermediate court found GSK's China subsidiary guilty of commercial bribery and fined the company a record RMB 3 billion (USD 490 million). Five of GSK China's top managers, including Mark Reilly, the China CEO, were convicted of bribery-related charges and received suspended prison sentences. Notably, the court's finding of commercial bribery suggests that Chinese authorities do not consider the healthcare professionals who received the bribery payments to be government officials. This, however, does not preclude potential FCPA liability under the same facts.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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