

British drugs firm GSK settles US drug disputes for \$3.0 bln

3 November 2011

GlaxoSmithKline said on Thursday it had agreed to pay \$3.0 billion (2.2 billion euros) to settle long-running disputes with the US government over how the British pharmaceuticals group marketed and developed drugs.

GlaxoSmithKline said in a statement that it had "reached an agreement in principle with the US government to conclude the company's most significant ongoing Federal government investigations."

The investigations included the probing of GSK's sales and [marketing practices](#), begun by the US Attorney's office of Colorado in 2004 and later taken over by the US Attorney's Office of Massachusetts.

And they also referred to the Department of Justice's probe into the development and marketing of its former blockbuster [diabetes drug](#) Avandia.

[GSK](#) said that it had already set aside sufficient cash funds to pay the legal costs, although some terms still needed to be agreed.

GSK chief executive Andrew Witty said the \$3.0 billion deal was "a significant step toward resolving difficult, long-standing matters which do not reflect the company that we are today."

He added in a statement: "In recent years, we have fundamentally changed our procedures for compliance, marketing and selling in the US to ensure that we operate with high standards of integrity and that we conduct our business openly and transparently."

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APA citation: British drugs firm GSK settles US drug disputes for \$3.0 bln (2011, November 3) retrieved 2 May 2021 from <https://medicalxpress.com/news/2011-11-british-drugs-firm-gsk-drug.html>

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