

UK drugs giant GSK invests £275m despite Brexit (Update)

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Drugmaker GlaxoSmithKline on Wednesday revealed plans to invest £275 million into three of its British manufacturing sites, shrugging off Brexit worries.

The investment—worth \$361 million or 328 million euros—will be ploughed into facilities in Barnard Castle in northeastern England, Ware in the southeast, and Montrose in Scotland, GSK said in a statement.

The move will "boost production and support delivery of its latest innovative respiratory and large molecule biological medicines", it said, adding that the "vast majority" of products will be exported globally.

GSK, which already employs 6,000 staff across its nine manufacturing plants in Britain, also noted that the investment would provide new job opportunities.

"Today's announcement reflects further investment to support our pharmaceutical pipeline and meet growing demand for our innovative portfolio of newly launched products," said chief executive Andrew Witty, who had backed the unsuccessful 'Remain' campaign in Britain's June 23 EU membership vote.

"It is testament to our skilled UK workforce and the country's leading position in life sciences that we are making these investments in advanced manufacturing here," added Witty.

"From their manufacture in the UK, many of these medicines will be sent to patients around the world."

GSK said it regards Britain as an "attractive" location because of its skilled workforce, technological and scientific capabilities and infrastructure—and its "competitive" corporate tax system.

Separately on Wednesday, GSK announced that it sank into a net loss in the second quarter of 2016.

The group made a loss after taxation of £435 million in the three months to June. That contrasted with a net profit of £149 million for the same period a year earlier.

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