

Israeli drugmaker Teva fined \$519 mn in US for foreign bribes

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Israeli generic drug giant Teva will pay \$519 million to settle charges that it paid bribes to foreign officials to win business in Russia, Ukraine and Mexico, US officials announced Thursday.

Teva, the world's biggest [generic drug](#) company, promised to enhance its compliance program after its Russia subsidiary pleaded guilty to one count of the Foreign Corrupt Practices Act and it signed off on a deferred prosecution agreement, the Justice Department said.

"Teva and its subsidiaries paid millions of dollars in bribes to government officials in various countries, and intentionally failed to implement a system of internal controls that would prevent bribery," said assistant attorney general Leslie Caldwell.

The case included bribes by Teva Pharmaceutical Industries to a "high-ranking Russian government" official who used his authority to boost sales of the Teva multiple sclerosis drug Copaxone, resulting in more than \$200 million in profits for Teva and about \$65 million for the Russian official between 2010 and 2012, the Justice Department said.

In Ukraine, Teva also admitted to paying bribes to a senior government official, who agreed to promote Teva drugs. The Ukraine payments to the [government official](#) are from 2001 and 2011.

In Mexico, Teva's subsidiary paid [bribes](#) to doctors employed by the Mexican government since at least 2005, according to the Justice

Department.

Teva said it commenced a probe of bribery after learning of problems from employees and US government and employees in early 2012. None of the employees involved in the wrongdoing are still at the company, it said.

"While the conduct that resulted in this investigation ended several years ago, it is both regrettable and unacceptable, and we are pleased to finally put this matter behind us," said Teva chief executive Erez Vigodman. "The Teva of today is a fundamentally different company."

Teva will pay a criminal penalty of \$283 to the Department of Justice. It also agreed to pay \$236 million in disgorgement to the Securities and Exchange Commission in a parallel case.

Shares of Teva rose 2.2 percent in late-morning trade to \$37.18.

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