

Novartis to pay \$336 mn in US settlements on bribes

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Novartis agreed to pay around \$336 million to settle US bribery charges connected to operations in Greece, Vietnam and other countries

Novartis agreed to pay around \$336 million to settle US charges connected to bribery schemes aimed at increasing sales of its

pharmaceutical products, US authorities announced Thursday.

Novartis Greece, a unit of the Swiss drug giant, admitted to financing travel of employees of state-owned hospitals to the US between 2012 and 2015 "as a means to bribe these officials," the Justice Department said.

Novartis Greece also admitted that in 2009 and 2010 it funneled money to [health care providers](#) as part of an epidemiological study that was "used as a vehicle" for improper payments to increase sales of drugs, the agency said.

The Justice Department case also concerned Alcon, which was owned by Novartis at the time, and admitted to falsifying records to conceal bribes in Vietnam.

To settle these charges brought under the Foreign Corrupt Practices Act (FCPA), Novartis agreed to pay criminal fines of \$225 million and enter into a deferred prosecution agreement.

Alcon also agreed to pay \$8.9 million to settle their case, the Justice Department said.

"Novartis AG's subsidiaries profited from bribes that induced [medical professionals](#), hospitals and clinics to prescribe Novartis-branded pharmaceuticals and use Alcon surgical products, and they falsified their books and records to conceal those bribes," said US Assistant Attorney General Brian Benczkowski.

In a parallel action, Switzerland-based Novartis agreed to pay \$112 million to settle a civil case brought by the US Securities and Exchange Commission in which company affiliates were accused of violating recordkeeping and internal control requirements in Greece, Vietnam,

South Korea and China.

Novartis General Counsel Shannon Thyme Klinger said the company has now closed all outstanding FCPA probes.

"Today's settlements represent another milestone in our commitment to resolving legacy compliance issues and ensuring that Novartis truly lives its values," Klinger said.

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