



worldcompliance

FCPA ARTICLE

SEC and DOJ Investigating Drug Companies for FCPA Violations

According to federal investigators earlier this month, major pharmaceutical firms may be bribing regulatory officials and hospital committees overseas to approve and purchase their products, as well as using sales agents' commissions as a kickback for government-employed doctors. The companies involved are heavy hitters in the industry, including:

- Merck & Co.
- Bristol-Myers Squibb, Co.
- GlaxoSmithKline PLC
- AstraZeneca PLC

The U.S. Department of Justice and the Security Exchange Commission believe that transactions in Latin America, China, Western Europe, Saudi Arabia, and Russia may have violated the Foreign Corrupt Practices Act. These agencies have required that the companies provide voluntary reports of all their FCPA violations. While not guaranteed, these firms hope that complying will gain them leniency if wrongdoing is determined. All of these companies claim to have active compliance systems in place, which should make the process simpler.