

GSK slashes its growth forecasts

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Singapore: GSK lacerated its growth forecasts as its CEO, Sir Andrew Witty expressed concern over falling sales. Sir Witty said that bribery allegations were haunting the firm's performance in China, even as sales in the country have reduced by 20 percent. While releasing the companies second quarter results, he declared that sales for the entire group had declined by 4 percent due to falling sales of its key lung drugs in the US.

The pharma gaint, which has been embroiled in scandals, has been charged with bribery by Chinese officials and was also hit by a sex tape featuring its former head of Pharma division in China, Mark Reilly. Increased competition from generic drugs and the China crackdown resulted in an average 10 percent fall in sales for the firm.

Sales of its best-selling asthma treatment Advair fell by 12 percent in the second quarter, having fallen by 15 percent in the first. Sir Witty said that GSK had taken serious action against offenders and would not tolerate unethical behavior. Thirty staff had been sacked in China amid allegations that doctors were bribed to use GSK's products.

He further said that GSK was committed to China and added that the firm expected growth in sales in the country in the next quarter. Meanwhile, GSK is betting high on its new products launched in to the market.

The firm is also applying for regulatory approval for the world's first vaccine against malaria, designed for use in children in Africa.

The company spokesperson said that the maiden vaccine for use, alongside other precautionary measures such as bed nets and anti-malarial medicines would represent an advance in malaria control.