

GSK to close its neuroscience R&D center in China

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According to reports, GSK China has planned to pull down shutters on its neuroscience R&D center located in Shanghai. The lab led the firm's research efforts in neurological diseases including Parkinson's, multiple sclerosis, and Alzheimer's.

"Following a portfolio review and prioritization, we have decided to close our neuroscience R&D center in Shanghai and move key programs to our global R&D hub in Upper Providence [Pa.] in the U.S., where they will benefit from colocation with other pipeline R&D programs," said the company in a statement.

Earlier in 2007, GSK had announced grand plans to build the Shanghai center, that it hoped, would be one of the largest facility in the world. The center many scientists under the guidance of Jingwu Zang, a leading multiple sclerosis researcher. In 2013, GSK fired Zang as after a paper he coauthored and published in Nature Medicine was found to contain mislabeled data.

Following this, GSK had a very tough 2014 in China where it nearly paid nearly \$500 million as fine the Chinese government for bribing doctors to prescribe the company's drugs.

Now with the new CEO, Emma Walmsey, GSK is undergoing a major pipeline revamp and has set new priorities, by announcing plans to stop 30 pre-clinical and clinical programs. The company plans to allocate 80% of capital to priority assets in two current (Respiratory and HIV/infectious diseases) and two potential (Oncology and Immuno-inflammation) therapy areas.

GSK assured that, drug R&D will go on in China. "The China R&D development organization will continue to be based in Shanghai and is set to expand over the next two years to accelerate the development of new medicines," the firm says. "We remain committed to China and will focus our R&D efforts in China on the needs of China, at both our Shanghai site and our Institute for Infectious Diseases & Public Health in Beijing."