

# China shuts travel agency in GSK bribery case

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China has shut down a travel agency which served as a conduit for bribes allegedly given by staff of British drug firm GlaxoSmithKline (GSK), the government and state media said.

Chinese authorities say GSK employees bribed government officials, pharmaceutical industry groups, hospitals and doctors to promote sales.

The Shanghai Linjiang International Travel Agency was ordered to halt business over "illegal activities" including fake billing, the Shanghai tourism administration said in a statement.

Police also detained the agency's chief representative Weng Jianyong, the Shanghai Daily newspaper reported on Friday.

GSK employees gave the bribes directly and through [travel agencies](#) and project sponsorship, police said last week.

A police official estimated GSK funnelled nearly \$500 million in suspected [bribes](#) through travel agencies and consultants over several years.

Media reports say more than 20 people have been detained in the case, including pharmaceutical and travel industry personnel.

Police have held four top executives of GSK China and prevented another, the firm's British finance director, from leaving the country

though he has not been formally detained.

Weng, who as Linjiang's "legal representative" is responsible for the company's activities under Chinese law, told state television that his agency arranged cash payments of 40,000 yuan to 500,000 yuan (\$6,500 to \$81,000) for GSK.

"Company (GSK) regulations only allowed gifts of a hundred or two hundred yuan which definitely wouldn't do," he said in an interview aired this week.

GSK executives also took kickbacks from travel agencies in return for organising conferences, some of which did not exist, police say.

In a statement earlier this week GSK said it was "deeply concerned" about allegations of fraud by individuals at the company and third-party agencies and would cooperate with the investigation.

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