

## Bristol-Myers Squibb

**Case ID:**

ST-426

**Case Cluster :**

Bristol-Myers Squibb

**Jurisdiction of Settlement:**

United States

**Jurisdiction of Settlement / Enforcement Agency:**

Securities and Exchange Commission

**Jurisdiction of Foreign Public Official(s) :**

China

**Year of Settlement:**

2015

**Month/Day of Settlement (or Notes):**

10/5

**Other Jurisdictions of Settlement:**

Unknown

**Settlement with Individual or Legal Person?:**

Legal Person

**Type of Settlement:**

Civil

**Legal Form of Settlement:**

Cease and Desist Order

**Monetary Sanctions (Types):**

Disgorgement of Profits, Prejudgment interest, Civil Fine

**Total Monetary Sanctions (US\$):**

\$14,650,000

**Civil Disgorgement of Profits (US\$) :**

\$11,400,000

**Civil Prejudgment Interest (US\$) :**

\$500,000

**Civil Fine / Penalty (US\$):**

\$2,750,000

**Monetary Sanctions Returned / Ordered Returned (US\$):**

\$0

**Monetary Sanctions Returned / Ordered Returned (Explanation):**

NA

**UNCAC Articles(s) Implicated:**

Art.16

**OECD Anti-Bribery Convention Articles Implicated:**

Art. 1, Art. 2, Art. 8

**Offenses - Alleged:**

Internal controls violations and Recordkeeping

**Offenses - Settled:**

No admission or denial of alleged offenses

**Public Procurement Contract / SOE Involved?:**

Yes

**Summary:**

According to the US Securities and Exchange Commission's "order instituting settled administrative proceedings, Bristol-Myers Squibb lacked effective internal controls over interactions with health care providers at BMS China, its majority-owned joint venture. Between 2009 and 2014, BMS China sales representatives sought to secure and increase business by providing health care providers in China with cash, jewelry and other gifts, meals, travel, entertainment, and sponsorships for conferences and meetings. BMS China inaccurately recorded the spending as legitimate business expenses in its books and records, which were then consolidated into the books and records of Bristol-Myers Squibb. [ ] The SEC's order finds that Bristol-Myers Squibb violated the FCPA's internal controls and recordkeeping provisions. Without admitting or denying the findings, Bristol-Myers Squibb consented to the order and agreed to return \$11.4 million of profits plus prejudgment interest of \$500,000 and pay a civil penalty of \$2.75 million. Bristol-Myers Squibb also agreed to report to the SEC for a two-year period on the status of its remediation and implementation of FCPA and anti-corruption compliance measures." (Source: US SEC Press Release, "SEC Charges Bristol-Myers Squibb With FCPA Violations," October 5, 2015.)

**Sources :**

US SEC Press Release, "SEC Charges Bristol-Myers Squibb With FCPA Violations," October 5, 2015, at <https://www.sec.gov/news/pressrelease/2015-229.html>