

ANONYMOUS v TEVA

Venue for meeting

An anonymous, non-contactable complainant complained about a VAT management in practice meeting at a golf and country club where customers could enjoy a 'well maintained 9-hole golf course'. The meeting was sponsored by, *inter alia*, Teva.

The complainant alleged that this venue was in breach of the Code.

The detailed response from Teva is given below.

The Panel noted that the complainant was anonymous and non contactable. The complainant had the burden of proving their complaint on the balance of probabilities. The Code required that meetings be held at appropriate venues conducive to the main purpose of the event: lavish, extravagant or deluxe venues must not be used, companies must not sponsor or organize entertainment (such as sporting or leisure events) and companies should avoid using venues that were renowned for their entertainment facilities. The impression created by the arrangements must be borne in mind.

The Panel noted Teva's submission that delegates had no access to the golf course. The Panel considered that companies had to be mindful of the impression created by all of the arrangements for a meeting including the venue. A venue which described itself as a country club would have to be carefully checked to ensure that its facilities were appropriate bearing in mind the intended delegates, the nature of the meeting and the venue's reputation both locally and nationally. Teva had submitted that the venue in question was in no way renown for its entertainment facilities. There was no mention of the golf course on the meeting invitations. The Panel considered it would have been preferable if a venue without a small attached golf course had been chosen as such a facility might enhance the local profile of the venue. However on the particular circumstances of this case the Panel considered that the complainant had not established on the balance of probabilities that the venue was inappropriate in relation to the requirements of the Code and no breach was ruled accordingly.

An anonymous, non-contactable complainant alleged that a GP service provider was hosting a number of meetings over 2012 many of which he/she considered to be in breach of the Code. The Authority contacted the service provider which advised, *inter alia*, that Teva UK had agreed to support an event held in May at a country club hotel.

COMPLAINT

The complainant stated that the service provider had hosted its VAT management in practice meeting in May at a golf and country club where customers could enjoy a 'well maintained 9-hole golf course'.

The complainant alleged that this venue was in breach of Clause 19, specifically; 'the venue must be appropriate and conducive to the main purpose of the meeting; lavish, extravagant or deluxe venues must not be used; companies must not sponsor or organise entertainment (such as sporting or leisure events) and companies should avoid using venues renowned for their entertainment facilities'.

Teva was asked to respond in relation to Clause 19.1 of the Code.

RESPONSE

Teva submitted that the venue chosen for this financial management training workshop was entirely appropriate for such a meeting. Teva drew attention to the venue description available on various booking websites which described it as a small 3* hotel, conference and banqueting venue offering an excellent service for corporate or social guests alike. There was free car parking and free WiFi throughout the hotel. It was described as in a rural, tranquil setting but 8 minutes' drive from a main town with excellent roadways.

Teva submitted that the hotel was in no way renowned for its entertainment facilities. The presence of a 9-hole golf course (identified only on the hotel website and not in any material relating to the event), well maintained or otherwise, and a gym, was incidental to the provision of the meeting. Their presence alone did not constitute a lavish or extravagant venue which would be deemed inappropriate under the Code.

Teva confirmed that delegates (who were not customers of the hotel) had no access to, or benefit to access, the golf course as evidenced in a letter from the service provider. Teva pointed out that numerous venues used by the pharmaceutical industry, third party organisers and the NHS with comparable or higher quality facilities had been deemed suitable for such meetings in the past.

Teva submitted that the meeting in question concerned the management of VAT. There was no promotion by Teva, or any other party, of prescription only medicines.

By way of background, Teva explained that it contributed to the financing of such meetings as part of a corporate sponsorship package agreed annually with the service provider. The agreed funding supported marketing and educational events developed and executed by the service provider for its members. The events were organized and run by the service provider and Teva to date had no involvement in the content, venues or delegate invitations. They were arranged at suitable venues, taking into account factors such as proximity to delegates and travel times.

Teva submitted that the meeting in question was no exception, it was part of the service provider's educational programme and Teva's involvement was the provision of a corporate banner stand and the attendance by an account manager to facilitate Teva's corporate relationship with the service provider.

Teva provided a copy of the delegate list for the meeting which it submitted was targeted at primary care practice personnel interested in VAT management. This had been provided with the consent of the service provider, the meeting organisers.

Teva submitted that, in conclusion, should the Panel determine that this meeting fell within the remit of the Code, Teva would strongly argue that the venue used was not in breach of Clause 19.1 and was appropriate and conducive to the main purpose of the meeting.

PANEL RULING

The Panel noted Teva's submission that the events were organized and run by the service provider and Teva had no involvement in the content, venues or delegate invitations. It contributed to a corporate sponsorship package which supported marketing and educational events run by the service provider. The Panel did not accept Teva's inference that the meeting may not fall within the scope of the Code. Teva's funding was used specifically for, *inter alia*, educational events. Teva was therefore obliged to ensure that such events were appropriate meetings to sponsor in relation to the requirements of Clause 19.1 otherwise such sponsorship packages could be used by companies to circumvent the requirements of the Code. The Panel considered that the meeting fell within the scope of the Code.

The Panel noted that the complainant was anonymous and non contactable. The complainant had the burden of proving their complaint on the balance of probabilities.

Clause 19.1 required that meetings be held at appropriate venues conducive to the main purpose of the event. The relevant supplementary information gave more guidance: lavish, extravagant or deluxe venues must not be used, companies must not sponsor or organize entertainment (such as sporting or leisure events) and companies should avoid using venues that were renowned for their entertainment facilities. The impression created by the arrangements must be borne in mind.

The Panel noted that the one day course, attended by 18 delegates including practice managers, dispensing managers, finance administrators and one GP, examined VAT management and how it impacted on general practice. The Panel noted that Teva had submitted a letter from the service provider which explained that in general terms it chose venues that were centrally located to local general practices, had suitable event facilities and were cost efficient. Fixtures and access to sporting facilities were stringently checked. In this regard the Panel noted Teva's submission that in relation to the venue in question delegates were not customers of the hotel and therefore had no access to, or benefit to access, the golf course.

The Panel considered that companies had to be mindful of the impression created by all of the arrangements for a meeting including the venue. A venue such as the one at issue that described itself as a country club would have to be carefully checked to ensure that its facilities were appropriate bearing in mind the intended delegates, the nature of the meeting and the venue's reputation both locally and nationally. Teva had submitted that the venue in question was in no way renowned for its entertainment facilities. There was no mention of the golf course on the invitations for the meeting in question. The Panel considered it would have been preferable if a venue without a small attached golf course had been chosen as such a facility might enhance the local profile of the venue. However, on the particular circumstances of this case the Panel considered that the complainant had not established, on the balance of probabilities, that the venue was inappropriate in relation to the requirements of Clause 19.1 and no breach of that clause was ruled accordingly.

During its consideration of this case the Panel was concerned to note that the invitation to the meeting did not bear a declaration of sponsorship as required by Clause 19.3 which required that such declarations should be sufficiently prominent such that readers were aware of them at the outset. The Panel asked that Teva be made aware of its views in this regard.

Complaint received **6 July 2012**

Case completed **1 August 2012**