

# EX-EMPLOYEE v GEDEON RICHTER

## Sponsorship to attend an international meeting

**An ex-employee complained about the sponsorship of UK health professionals to attend the International Federation of Gynaecology and Obstetrics (FIGO) conference in Rome, October 2012.**

**The complainant stated that Preglem had invited doctors from all over Europe including the UK. The complainant noted that Preglem sponsored a very large number of UK clinicians to go to the FIGO conference and queried how this was certified at this expense.**

**The detailed response from Gedeon Richter is given below.**

**The Panel noted that Gedeon Richter had sponsored 33 UK health professionals to attend FIGO in Italy in October 2012.**

**The Panel examined the information provided by Gedeon Richter UK. The cost per person to include flight, accommodation and dinners on five nights ranged from around £1,866 for a health professional who stayed 6 nights, to around £771 for a health professional staying 2 nights. The hotel cost at £196 per night seemed high, however it noted that the conference was held in Rome. The costs for dinners were, in the main, reasonable. One evening had cost around £63 on average and this was considered to be on the high side bearing in mind the requirements of the Code. On balance, the Panel did not consider that the costs for travel, accommodation and subsistence overall were unacceptable as alleged and no breach of the Code was ruled.**

An ex-employee of Preglem UK (a wholly owned subsidiary of Gedeon Richter) complained about the sponsorship of UK health professionals to attend the International Federation of Gynaecology and Obstetrics (FIGO) conference in Rome, 7-12 October 2012.

### COMPLAINT

The complainant stated that Preglem had invited doctors from all over Europe including the UK.

The complainant submitted that Preglem sponsored a very large number of UK clinicians to go to the FIGO conference and queried how this was certified at this expense.

When writing to Gideon Richter the Panel asked it to respond in relation to Clause 19.1 of the Code.

### RESPONSE

Gedeon Richter (UK) Ltd explained that Preglem SA, based in Geneva, was a wholly owned subsidiary of Gedeon Richter whose headquarters were in Budapest.

The arrangements relating to the invitation and attendance of UK health professionals at the conference were subject to full review and approval by the UK company in line with the requirements of the Code.

Gedeon Richter noted that the complainant described the number of UK clinicians sponsored by the company to attend the conference as 'very large' and implied that the expense associated with such sponsorship was in some way unreasonable.

FIGO was a highly prestigious international meeting which occurred every three years. It was 5 days of lectures and posters and a unique opportunity for those working in obstetrics and gynaecology to network and update themselves with international opinion and clinical research. In 2012 more than 8,000 delegates from around the world attended the meeting in Rome.

In the UK there were 3,672 physicians (consultants and registrars) in the field of obstetrics and gynaecology, according to the Royal College of Obstetricians and Gynaecologists. Of this group the UK company invited 33 consultants/professors to attend FIGO 2012. Some delegates attended for the full 5 days of the meeting and some for less according to available study leave. All travel to the congress was by economy and mostly via budget airlines. Accommodation was arranged in a business style 4 star hotel some 40 minutes from the congress venue. All restaurants selected were in the lower mid-range of those available in Rome and gave reasonable levels of subsistence commensurate with that which the company would have selected in the UK for a congress dinner. The company provided a spreadsheet.

The average cost per UK delegate including accommodation, flight and subsistence was £1,402.05 (range £793.69 to £1,865.59 depending on length of stay). All other incidental costs were settled by the delegates as stated in the invitation letter (copy provided).

Gedeon Richter did not consider that the number of UK delegates invited to attend the meeting nor the costs associated with their attendance were unreasonable or inconsistent with the requirements of the Code.

In conclusion, Gedeon Richter strongly refuted any suggestion that any of the arrangements by the UK company to sponsor UK health professionals to attend the FIGO meeting in Rome in October of 2012 were in any way inconsistent with the requirements of the Code.

## PANEL RULING

The Panel noted that Gedeon Richter had sponsored 33 UK health professionals to attend FIGO in Italy in October 2012.

The Panel reviewed relevant requirements of the Code in relation to meetings, hospitality and sponsorship and Gedeon Richter UK's responsibility.

Clause 19.1 stated that meetings must be held in appropriate venues conducive to the main purpose of the event. Hospitality must be strictly limited to the main purpose of the event and must be secondary to the purpose of the meeting ie subsistence only. The level of subsistence offered must be appropriate and not out of proportion to the occasion. The costs involved must not exceed that level which the recipients would normally adopt when paying for themselves. The supplementary information to Clause 19.1 made it clear that the provision of hospitality was limited to refreshments/ subsistence, accommodation, genuine registration fees and the payment of reasonable travel costs which a company might provide to sponsor a delegate to attend a meeting. The venue must not be lavish, extravagant or deluxe and companies must not sponsor or organise entertainment such as sporting or leisure events. In determining whether a meeting was acceptable or not consideration needed to be given to the educational programme, overall cost, facilities offered by the venue, nature of the audience, subsistence provided and the like. It

should be the programme that attracted delegates and not the associated hospitality or venue. The supplementary information also stated that a useful criterion in determining whether the arrangements for any meeting were acceptable was to apply the question 'would you and your company be willing to have these arrangements generally known?' The impression that was created by the arrangements for any meeting must always be kept in mind.

The Panel examined the information provided by Gedeon Richter UK. The cost per person to include flight, accommodation and dinners on five nights ranged from around £1,866 for a health professional who stayed 6 nights, to around £771 for a health professional staying 2 nights. The hotel cost at £196 per night seemed high, however it noted that the conference was held in Rome.

The costs for dinners were, in the main, reasonable. One evening had cost around £63 on average and this was considered to be on the high side bearing in mind the requirements of Clause 19. On balance, the Panel did not consider that the costs for travel, accommodation and subsistence overall were unacceptable as alleged and no breach of Clause 19.1 was ruled.

<b>Complaint received</b>	<b>25 January 2013</b>
<b>Case completed</b>	<b>22 April 2013</b>