



BY FACSIMILE

May 16, 2007

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Subject: Solicitation Number E60PV-07PERT/A
GlaxoSmithKline Inc. (File No. PR-2007-016)

The Canadian International Trade Tribunal (the Tribunal) (Presiding Member: Ellen Fry) has reviewed the complaint submitted on behalf of GlaxoSmithKline Inc. (GSK) on May 9, 2007, and has decided not to initiate an inquiry into the complaint.

According to the complaint, the Department of Public Works and Government Services (PWGSC) awarded a contract for items 001, 002 and 003 of the subject solicitation to a company that is alleged to have sold the same products to PWGSC at excessive prices from 2002 to 2007. GSK alleged that the other bidder either used the excessive profits that it earned during this period to subsidize its unreasonably low bid in the current solicitation or purposely submitted an unreasonably low bid in anticipation of an order from the Patented Medicine Prices Review Board requiring it to market its product at an artificially low price to offset these excessive profits.

Paragraph 7(1)(c) of the *Canadian International Trade Tribunal Procurement Inquiry Regulations* requires that the Tribunal determine whether the information provided by the complainant discloses a reasonable indication that the procurement has not been carried out in accordance with whichever of Chapter Ten of the *North American Free Trade Agreement*, Chapter Five of the *Agreement on Internal Trade* or the *Agreement on Government Procurement* applies.

The Tribunal can find no reasonable indication in the complaint that the procurement has not been carried out in accordance with the trade agreements.

In light of the foregoing, the Tribunal will not conduct an inquiry into the complaint and considers the matter closed.

Yours sincerely,

Hélène Nadeau
Secretary