



Prescription Drug Litigation - Update

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Background

- 2013-14 sudden price spikes in generic drugs
 - Congressional hearings
 - United States Department of Justice Criminal Investigation
 - State AG's investigation and lawsuits
- 2016 State AGs' lawsuit - Heritage
 - 46 States
 - 18 Corporate Defendants and two corporate executives, all who were involved in the manufacture and sale of 15 generic drugs
- 2019 State AGs' lawsuit - Teva
 - 50 States and Territories
 - 20 Corporate Defendants, and 15 corporate executives, all who were involved in the manufacture and sale of more than 100 generic drugs

USDOJ Settlements

- **Apotex Corp.**
 - Admitted to fixing prices of Pravastatin, a popular cholesterol drug
 - Worked with other drug companies to inflate and maintain the price of the drug from 2013 - 2015
 - Agreed to pay \$24.1 million
- **Sandoz Inc.**
 - Pleaded guilty to four counts of bid rigging and price fixing as part of a deferred prosecution agreement.
 - Agreed to pay \$195 million
- **Rising Pharmaceuticals**
 - Admitted to fixing prices and allocating customers for Benazepril HCTZ
 - Agreed to pay more than \$3 million in criminal penalty, restitution, and civil damages – subject to bankruptcy court approval
- **Heritage Pharmaceuticals**
 - Admitted that it conspired to fix prices, rig bids, and allocated customers for glyburide
 - Agreed to pay more than \$7 million

State of Connecticut, et al. v. Sandoz, Inc., et al. - Dermatology

- 51 States and Territories
- 26 Corporate Defendants and 10 Individuals
 - Sandoz, Inc.
 - Actavis Holdco US, Inc.
 - Actavis Elizabeth LLC
 - Actavis Pharma, Inc.
 - Amneal Pharmaceuticals, Inc.
 - Amneal Pharmaceuticals, LLC
 - Aurobindo Pharma U.S.A., Inc.
 - Bausch Health Americas, Inc.
 - Bausch Health US, LLC
 - Fougera Pharmaceuticals Inc.
 - Glenmark Pharmaceuticals Inc., USA
 - Greenstone LLC
 - G&W Laboratories, Inc.
 - Lannett Company, Inc.
 - Lupin Pharmaceuticals, Inc.
 - Mallinckrodt Inc.
 - Mallinckrodt LLC
 - Mallinckrodt plc
 - Mylan Inc.
 - Mylan Pharmaceuticals Inc.
 - Perrigo New York, Inc.
 - Pfizer Inc.
 - Sun Pharmaceutical Industries, Inc.
 - Taro Pharmaceuticals USA, Inc.
 - Teligent, Inc.
 - Wockhardt USA LLC

Allegations

- Overarching conspiracy among manufacturers of generic topical products to unreasonably restrain trade in the generic pharmaceutical industry
 - Going back from at least 2009 through early 2016
 - Size and frequency of price increases grew exponentially in 2013 and 2014
 - Concept of “fair share”
 - Fix and raise prices
 - Rig bids
- Agreements constitute unreasonable restraints of trade that are *per se* illegal under Section 1 of the Sherman Act, 15 U.S.C. § 1. Also Wis. Stat. § 133.03.