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NEWS FOR IMMEDIATE RELEASE

May 13, 2019

AG Kaul Joins 44-State Coalition in Antitrust Lawsuit Against 20 Generic Drug Manufacturers for Conspiracy to Fix Prices and Allocate Markets for More Than 100 Different Generic Drugs

MADISON, Wis. – Attorney General Josh Kaul joined a 44-state coalition in announcing a lawsuit against 20 of the nation's largest generic drug manufacturers alleging a conspiracy to manipulate prices, reduce competition and unreasonably restrain trade for more than 100 different generic drugs. Consumers, insurers, and governmental programs pay billions of dollars for these drugs in the United States.

“The complaint in this case alleges wide-ranging anti-competitive conduct that resulted in inflated prices for prescription drugs,” said Attorney General Kaul. “We must not allow unlawful pricing practices to increase the cost of health care.”

The complaint, filed in U.S. District Court for the District of Connecticut, alleges that Teva, Sandoz, Mylan, Pfizer and 16 other generic drug manufacturers engaged in a conspiracy with generic drug manufacturers to fix prices, allocate markets and rig bids for 147 drugs. The complaint alleges an overarching conspiracy across the generic drug industry that links these individual agreements together. The generic drugs at issue here include a variety of drug delivery systems (tablets, capsules, suspensions, creams, gels, ointments, etc.) and classes (statins, ace inhibitors, beta blockers, antibiotics, antidepressants, contraceptives, non-steroidal anti-inflammatory drugs, etc.) that treat a wide range of diseases and conditions: antibiotics, medications for diabetes, cancer, epilepsy, multiple sclerosis, high blood pressure, arthritis, high cholesterol, acid reflux, human immunodeficiency virus (HIV) infection, and attention deficit hyperactivity disorder (ADHD), among others. In some instances, the coordinated price increases were over 1,000 percent.

The complaint lays out an interconnected web of industry executives where these competitors met with each other during industry dinners, lunches, cocktail parties, golf outings and communicated via frequent telephone calls, emails and text messages. Throughout the complaint, defendants use terms like "fair share," "playing nice in the sandbox," and "responsible competitor" to describe how they unlawfully discouraged competition, raised prices and enforced an ingrained culture of collusion.

The complaint is the second to be filed in an ongoing, expanding investigation. The first complaint, still pending in U.S. District Court in the Eastern District of Pennsylvania, was filed in 2016 and now includes 18 corporate defendants, and 15 generic drugs. Two former executives from Heritage Pharmaceuticals, Jeffery Glazer and Jason Malek, have entered into settlement agreements and are cooperating with the attorneys general working group in that case.

Relevant court filings are attached.

Corporate Defendants:

1. Teva Pharmaceuticals USA, Inc.
2. Sandoz, Inc.
3. Mylan Pharmaceuticals Inc.
4. Actavis Holdco US, Inc.
5. Actavis Pharma, Inc.
6. Amneal Pharmaceuticals, Inc.
7. Apotex Corp.
8. Aurobindo Pharma U.S.A., Inc.
9. Breckenridge Pharmaceutical, Inc.
10. Dr. Reddy's Laboratories, Inc.
11. Glenmark Pharmaceuticals Inc. USA
12. Greenstone LLC
13. Lannett Company, Inc.
14. Lupin Pharmaceuticals, Inc.
15. Par Pharmaceutical Companies, Inc.
16. Pfizer, Inc.
17. Taro Pharmaceuticals USA, Inc.
18. Upsher-Smith Laboratories, LLC
19. Wockhardt USA, LLC
20. Zydus Pharmaceuticals (USA), Inc.