NEW HAMPSHIRE

# **Department of Justice**

## Office of the Attorney General

News Release

#### For Immediate Release

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NH Joins 40 States in Filing Generic Drug Antritrust Lawsuit Against Heritage Pharmaceuticals & 5 Additional Companies

Attorney General Joseph Foster announces that the State of New Hampshire has joined a lawsuit against six generic drug makers: Heritage Pharmaceuticals Inc., Aurobindo Pharma USA Inc., Citron Pharma LLC, Mayne Pharma (USA) Inc., Mylan Pharmaceuticals Inc. and Teva Pharmaceuticals USA Inc. The complaint which was filed in the U.S. District Court for the District of Connecticut, alleges that with Heritage as the ringleader, the companies regularly colluded to illegal bidding practices for two generic drugs: doxycycline hyclate delayed release, an antibiotic used to treat a range of conditions including respiratory tract infections, and glyburide, an oral diabetes medication.

The complaint alleges that the defendants – through high level executives and subordinate sales and marketing work force -- routinely coordinated their schemes through direct interaction among competitors at industry trade shows, customer conferences and regular industry dinners. Competitors exploited their interactions to develop relationships and sow the seeds for their illegal agreements including through innumerable telephone calls, emails and text messages and social events such as "girls night out," the states allege. The complaint alleges that this anticompetitive conduct caused significant, harmful and continuing effects in the country's healthcare system. The complaint identifies a well-coordinated and long-running series of schemes to fix the prices and allocate markets for a number of generic pharmaceuticals in the United States. The investigation is ongoing and implicates numerous different drugs and competitors which will be acted upon at the appropriate time.

In 2015, generic drug sales in the United States were estimated at \$74.5 billion. Currently, the generic pharmaceutical industry accounts for approximately 88 percent of all prescriptions written in the United States.

New Hampshire has joined a multistate group of attorneys general across the nation that includes Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Utah, Vermont, Washington and Wisconsin and the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia.

The initial federal antitrust complaint was filed in December 2016 and the amended complaint filed today pleads violations of state consumer protection and antitrust laws. The lawsuit was filed under seal in the U.S. District Court for the District of Connecticut. Portions of the complaint are redacted in order to avoid compromising the ongoing investigation and the public version is attached.

## 40 States v. Heritage et al

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