



State of Michigan
Attorney General
Bill Schuette

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Schuette Sues Six Generic Drug Companies Accused of Illegally Driving up Costs and Reducing Competition

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LANSING – Attorney General Bill Schuette today joined a multi-state antitrust lawsuit against six generic drug companies that manufacture doxycycline hyclate delayed release, an antibiotic, and glyburide, an oral diabetes medication.

The suit was filed against Heritage Pharmaceuticals, Inc., Aurobindo Pharma USA, Inc., Citron Pharma, LLC, Mayne Pharma (USA), Inc., Mylan Pharmaceuticals, Inc. and Teva Pharmaceuticals USA, Inc. over allegations that the companies engaged in an illegal scheme to reduce competition and manipulate prices, causing purchasers to pay artificially high prices for needed medications.

“Patients rely on life saving antibiotics and diabetes medication, and by manipulating pricing they put greed ahead of patient health,” said Schuette.

The original suit was filed in December of 2016. Today’s amended complaint filed with the federal court increases the number of participating states from 20 to 40 and adds claims of alleged violations of state antitrust laws – in addition to the previously alleged violations of federal antitrust laws. The complaint further asserts that the defendants conduct violated state consumer protection laws.

Background on Lawsuit

The lawsuit is a result of an ongoing investigation into suspicious price increases of certain generic pharmaceuticals. The investigation uncovered an alleged conspiracy to fix prices and allocate markets for doxycycline hyclate delayed release, an antibiotic, and glyburide, an oral diabetes medication.

The complaint alleges that the defendants routinely coordinated marketing and pricing through direct interaction at industry trade shows, customer conferences and other events, as well as through direct email, phone and text messages. The alleged anticompetitive conduct – including efforts to fix and maintain prices, allocate markets and otherwise thwart competition – caused significant, harmful and continuing negative impacts on patients access to competitively priced medication, the states allege.

In addition to Michigan, the 39 other participating state include, Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington and Wisconsin.

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.

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