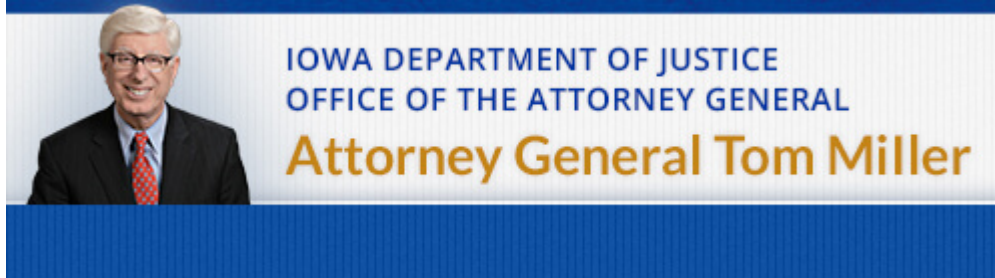


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May 12, 2019

Miller, other AGs sue Teva Pharmaceuticals, other generic drug makers

Lawsuit alleges conspiracy to fix prices for more than 100 drugs

DES MOINES — Attorney General Tom Miller joined 43 attorneys general in announcing a lawsuit against Teva Pharmaceuticals and 19 of the nation's largest generic drug manufacturers alleging a broad conspiracy to artificially inflate and manipulate prices, reduce competition and unreasonably restrain trade for more than 100 different generic drugs.

[The lawsuit, filed in U.S. District Court for the District of Connecticut](#), also names 15 individual senior executive defendants at the heart of the conspiracy who were responsible for sales, marketing, pricing and operations. The drugs at issue account for billions of dollars of sales in the United States, and the alleged schemes increased prices affecting the health insurance market, taxpayer-funded healthcare programs like Medicare and Medicaid, and individuals who must pay artificially inflated prices for their prescription drugs.

“The collusion alleged in this lawsuit has likely caused significant harm to Iowa consumers, businesses, and taxpayers,” Miller said. “The evidence includes emails, text messages, telephone records and the testimony of former industry insiders, and it adds up to a multi-billion-dollar fraud on people with acute and chronic health conditions.”

The complaint alleges that Teva, Sandoz, Mylan, Pfizer and 16 other generic drug manufacturers engaged in a broad, coordinated and systematic campaign to conspire with each other to fix prices, allocate markets and rig bids for more than 100 different generic drugs. The drugs span all types, including tablets, capsules, suspensions, creams, gels, ointments, and classes, including statins, ace inhibitors, beta blockers, antibiotics, anti-depressants, contraceptives, non-steroidal anti-inflammatory drugs, and treat a range of diseases and conditions from basic infections to diabetes, cancer, epilepsy, multiple sclerosis, HIV, ADHD, and more.

In some instances, the coordinated price increases were more than 1,000 percent.

The complaint lays out an interconnected web of industry executives where these competitors met with each other during industry dinners, "girls nights out," lunches, cocktail parties, golf outings and communicated via frequent telephone calls, emails and text messages that sowed the seeds for their illegal agreements. 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 lawsuit seeks damages, civil penalties and actions by the court to restore competition to the generic drug market.

The complaint is the second to be filed in an expanding investigation into what the Connecticut AG's office calls "most likely the largest cartel in the history of the United States." [Iowa joined the first complaint in 2017](#) against Heritage Pharmaceuticals and other generic drug makers. The complaint now includes now includes 18 corporate defendants, two individual 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.

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.

Individual defendants

Ara Aprahamian, Vice President of Sales and Marketing at Taro Pharmaceuticals U.S.A, Inc.

David Berthold, Vice President of Sales at Lupin Pharmaceuticals, Inc.

James Brown, Vice President of Sales at Glenmark Pharmaceuticals, Inc.

Maureen Cavanaugh, former Senior Vice President and Chief Commercial Officer, North America, for Teva

Marc Falkin, former Vice President, Marketing, Pricing and Contracts at Actavis

James Grauso, former Senior Vice President, Commercial Operations for Aurobindo from December 2011 through January 2014. Since February 2014, Grauso has been employed as the Executive Vice President, N.A. Commercial Operations at Glenmark

Kevin Green, former Director of National Accounts at Teva from January 2006 through October 2013. Since November 2013, Green has worked at Zydus Pharmaceuticals (USA) Inc. as the Vice President of Sales

Armando Kellum, former Vice President, Contracting and Business Analytics at Sandoz

Jill Nailor, Senior Director of Sales and National Accounts at Greenstone

James Nesta, Vice President of Sales at Mylan

Kon Ostaficiuk, the President of Camber Pharmaceuticals, Inc.

Nisha Patel, former Director of Strategic Customer Marketing and later, Director of National Accounts at Teva.

David Rekenhaller, former Vice President, Sales US Generics at Teva

Richard Rogerson, former Executive Director of Pricing and Business Analytics at Actavis

Tracy Sullivan DiValerio, Director of National Accounts at Lannett

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