



## PRESS RELEASE

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**Attorney General Frosh Announces Multistate Antitrust Lawsuit  
Against TEVA Pharmaceuticals,  
19 other Generic Drug Manufacturers, 15 Individuals in Generic  
Drug Price-Fixing Conspiracy**  
*Latest Action Marks Second Lawsuit Filed in Ongoing, Expanding Investigation*

**BALTIMORE, MD (May 12, 2019)** – Maryland Attorney General Brian E. Frosh today announced a multistate [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 executives as 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 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 over 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. Defendants used 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, equitable relief to restore competition to the market for generic drugs and civil penalties potentially into the billions of dollars.

“Our complaint alleges that these companies and individuals engaged in an old fashioned price fixing conspiracy. The drugs in question are used by millions of people for conditions that range from diabetes to cancer to depression, and we allege that their scheme cheated vulnerable patients, the State of Maryland and health insurance programs to the tune of billions of dollars,” said Attorney General Frosh.

The complaint is the second to be filed in an ongoing, expanding investigation. The first [complaint](#), pending in U.S. District Court in the Eastern District of Pennsylvania, includes 18 corporate defendants, two individual defendants, and 15 generic drugs. Two former executives from Heritage Pharmaceuticals, Inc., 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**

1. Ara Aprahamian, Vice President of Sales and Marketing at Taro Pharmaceuticals U.S.A, Inc.
2. David Berthold, Vice President of Sales at Lupin Pharmaceuticals, Inc.
3. James Brown, Vice President of Sales at Glenmark Pharmaceuticals, Inc.
4. Maureen Cavanaugh, former Senior Vice President and Chief Commercial Officer, North America, for Teva
5. Marc Falkin, former Vice President, Marketing, Pricing and Contracts at Actavis
6. 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

7. 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
8. Armando Kellum, former Vice President, Contracting and Business Analytics at Sandoz
9. Jill Nailor, Senior Director of Sales and National Accounts at Greenstone
10. James Nesta, Vice President of Sales at Mylan
11. Kon Ostaficiuk, the President of Camber Pharmaceuticals, Inc.
12. Nisha Patel, former Director of Strategic Customer Marketing and later, Director of National Accounts at Teva.
13. David Rekenhaller, former Vice President, Sales US Generics at Teva
14. Richard Rogerson, former Executive Director of Pricing and Business Analytics at Actavis
15. Tracy Sullivan DiValerio, Director of National Accounts at Lannett

In addition to Maryland, the complaint was joined by the attorneys general from Alabama, Alaska, Arizona, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Puerto Rico.