

ATTORNEY GENERAL JOSH STEIN FILES NEW ANTITRUST LAWSUIT AGAINST 20 GENERIC DRUG MANUFACTURERS

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Lawsuit Alleges a Conspiracy to Fix Prices and Allocate Markets for More Than 100 Generic Drugs

(RALEIGH) Attorney General Josh Stein today announced that he is suing 20 of the nation's largest generic drug manufacturers and 15 individual senior executive defendants 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 the U.S. District Court for the District of Connecticut, seeks damages, civil penalties, and actions by the court to restore competition to the generic drug market.

"Generic drugs are supposed to be affordable alternatives for patients," said Attorney General Josh Stein. "When drugmakers conspire to fix the prices of drugs so they can maximize their own profits, they're doing so at the expense of sick Americans who need those drugs and raising the cost of health care for everyone. They are also breaking the law. My office will aggressively enforce our antitrust laws against drug companies that are fixing prices."

The complaint alleges that Teva, Sandoz, Mylan, Pfizer, and 16 other generic drug manufacturers engaged in a coordinated, widespread campaign to conspire with each other to fix prices, allocate markets, and rig bids for the drugs. The complaint further details an interconnected web of industry executives who used industry events and other communications channels to sow the seeds for 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.

In some instances, the coordinated price increases were more than 1,000 percent. These drugs account for billions of dollars in United States sales, and the alleged scheme caused price increases that affected the health insurance market, Medicare, Medicaid, and consumers who are forced to pay inflated prices for their prescription drugs.

These medications include statins, ace inhibitors, beta blockers, antibiotics, anti-depressants, contraceptives, and non-steroidal anti-inflammatory drugs. They are used to treat a range of diseases and conditions, including diabetes, cancer, epilepsy, multiple sclerosis, HIV, ADHD, and more.

This is the second lawsuit Attorney General Stein has joined against generic drug manufacturers. [In 2017](#), Attorney General Stein joined a federal generic drug antitrust lawsuit alleging illegal conspiracies to fix prices for two generic drugs.

The lawsuit was filed against the following corporate and individual defendants:

Corporate defendants:

- Teva Pharmaceuticals USA, Inc.
- Sandoz, Inc.
- Mylan Pharmaceuticals Inc.
- Actavis Holdco US, Inc.
- Actavis Pharma, Inc.
- Amneal Pharmaceuticals, Inc.
- Apotex Corp.
- Aurobindo Pharma U.S.A., Inc.
- Breckenridge Pharmaceutical, Inc.
- Dr. Reddy's Laboratories, Inc.
- Glenmark Pharmaceuticals Inc. USA
- Greenstone LLC
- Lannett Company, Inc.
- Lupin Pharmaceuticals, Inc.
- Par Pharmaceutical Companies, Inc.
- Pfizer, Inc.
- Taro Pharmaceuticals USA, Inc.
- Upsher-Smith Laboratories, LLC
- Wockhardt USA, LLC
- 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

Attorney General Stein is joined in filing this multi-state lawsuit by the Attorneys General of Connecticut,

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

A copy of the complaint can be found [here](#).

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