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**VIRGINIA AND 18 OTHER STATES FILE FEDERAL ANTITRUST LAWSUIT AGAINST
PHARMACEUTICAL COMPANIES FOR INFLATING PRICES OF GENERICS**

*~ States allege widespread conspiracy among competitors to reduce competition, increase prices for generic
prescription drugs ~*

RICHMOND (December 15, 2016) - Attorney General Mark R. Herring today joined with 18 other state attorneys general in filing a federal lawsuit against 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. alleging that they conspired to artificially inflate and manipulate prices and reduce competition in the market for two drugs in the United States: doxycycline hyclate delayed release, an antibiotic, and glyburide, an oral diabetes medication.

"Millions of Virginians, especially seniors, rely on generic medications as a more affordable option, and this investigation points to a wide-ranging scheme to artificially inflate the prices of these drugs," said Attorney General Herring. "Although this investigation remains ongoing, this complaint is a big step in getting to the bottom of this situation and hopefully bringing down the cost of these generics for those who rely on them."

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

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 states' ongoing investigation. Thus far, the investigation has uncovered evidence of a well-coordinated and long-running conspiracy to fix prices and allocate markets for doxycycline hyclate delayed release and glyburide. The states' lawsuit alleges that the misconduct was conceived and carried out by senior drug company executives and their subordinate marketing and sales executives. The investigation into similar conduct involving additional generic drugs remains ongoing.

The complaint further alleges that the defendants routinely coordinated their schemes through direct interaction with their competitors at industry trade shows, customer conferences and other events, as well as through direct email, phone and text message communications. The anticompetitive conduct - including efforts to fix and maintain prices,

allocate markets, and otherwise thwart competition - caused significant, harmful and continuing effects in the country's healthcare system, the states allege. The suit also alleges that the companies and executives took steps to conceal their conduct, especially after learning of the investigation.

The states allege that the companies' conduct violated the federal Sherman Act and are asking the court to bar the

companies from engaging in illegal, anticompetitive behavior and for equitable relief, including substantial financial relief, to address the violations of law and restore competition.

In addition to Virginia, the multistate group of plaintiffs includes Connecticut, Delaware, Florida, Hawaii, Idaho, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Nevada, New York, North Dakota, Ohio, Pennsylvania, and Washington.

This matter is being handled by the Antitrust Unit of Attorney General Herring's Consumer Protection Section. In November, Attorney General Herring announced the completion of a reorganization of the OAG Consumer Protection Section to more efficiently and effectively enforce Virginia's consumer protection laws, provide exceptional customer service in resolving complaints and disputes, and provide robust consumer education to keep Virginians from being victimized by fraud, scams, or illegal or abusive business practices.

Please [click here](#) to view a copy of the redacted complaint.

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