RUTLEDGE FILES SUIT AGAINST DRUG MAKERS FOR ANTI-TRUST VIOLATIONS

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LITTLE ROCK – Arkansas Attorney General Leslie Rutledge has joined with three other states and the District of Columbia in filing a lawsuit in federal court alleging that six generic drug makers, including Aurobindo Pharma USA Inc., Citron Pharma LLC, Heritage Pharmaceuticals Inc., Mayne Pharma (USA) Inc., Mylan Pharmaceuticals Inc. and Teva Pharmaceuticals USA Inc., entered into unlawful agreements in order to restrain trade, artificially inflate and manipulate prices and reduce competition throughout the country for two generic drugs.

“The dishonest actions of these drug manufacturers not only disrupts the marketplace but harms patients,” said Attorney General Rutledge. “Arkansans who need access to these life-saving medications deserve an honest deal – something these drug makers failed to do.”

In July 2014, Connecticut initiated an investigation regarding suspicious price increases of certain
running conspiracy to fix prices and allocate markets for doxycycline hyclate delayed release (an antibiotic) and glyburide (an oral diabetes medication).

Today’s complaint 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 communication. The alleged 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 health care system.

The states further allege that the drug companies knew that their conduct was illegal and made efforts to avoid communicating with each other in writing or, in some instances, to delete written communication after becoming aware of the investigation.

The states are asking the court to enjoin 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.

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. In addition to Rutledge, the four others filing suit are the District of Columbia, Missouri, New Mexico and Virginia.

Forty other states have filed separately bringing the total number of states involved in litigation against these companies to forty-four.