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PRESS RELEASE

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Attorney General Brown Announces Settlements with Generic Drug Manufacturers Heritage Pharmaceuticals and Apotex Resolving Claims of Conspiring To Inflate Prices and Limit Competition
First Two Settlements and Cooperation Agreements with Corporate Defendants as States Prepare for Trial in Ongoing Generic Drug Price-Fixing Litigation

BALTIMORE, MD (October 31, 2024) – Attorney General Anthony G. Brown today announced two significant settlements with Heritage Pharmaceuticals and Apotex totaling \$49.1 million. These settlements resolve allegations that both companies engaged in long-running conspiracies to artificially inflate and manipulate prices, reduce competition, and unreasonably restrain trade for numerous generic prescription drugs.

As part of their settlement agreements, Heritage and Apotex have agreed to cooperate with Maryland and the other state plaintiffs in ongoing multistate litigations led by Connecticut against 30 corporate defendants and 25 individual executives. Both companies have further agreed to reform the way that they do business to ensure fair competition and compliance with antitrust laws. The settlement with Heritage, valued at \$10 million, will be filed today in the United States District Court for the District of Connecticut in Hartford. A settlement with Apotex for \$39.1 million will soon be finalized and filed in the U.S. District Court for the District of Connecticut. The settlements come as the state plaintiffs prepare for the first of the multistate trials to be held in Hartford, Connecticut.

“It is outrageous for drug manufacturers to profit from Marylanders by illegally colluding to raise the prices of essential medications,” said Attorney General Brown. “People are more important than profit. Our office will not stand by while companies exploit Marylanders’ health for financial gain.”

Starting in 2016, a coalition of nearly all states and territories filing three antitrust complaints. The first complaint was filed against Heritage and 17 other corporate defendants, and two individual defendants, and involved 15 generic drugs. Two former executives from Heritage, Jeffery Glazer and Jason Malek, have since entered into settlement agreements and are cooperating with the plaintiffs.

The second complaint was filed in 2019 against Teva Pharmaceuticals and 19 of the nation's largest generic drug manufacturers. The complaint names 16 individual senior executive defendants.

The third complaint will be tried first and focuses on 80 topical generic drugs that account for billions of dollars of sales in the United States, and names 26 corporate and 10 individual defendants. Six additional pharmaceutical executives have entered into settlement agreements with the states and have been cooperating to support the states' claims in all three cases.

The cases were built on evidence from several cooperating witnesses, a massive database of over 20 million documents, and a phone records database containing information on millions of calls with over 600 key individuals in the generics industry. The complaints detail a web of industry executives who met and conspired with each other during industry dinners, "girls' nights out," lunches, cocktail parties, golf outings, as well as communications exchanged via phone, email, and text, to carry out their illegal agreements. The evidence shows many occasions in which defendants expressed an understanding that they would just get their "fair share" of the sales and revenues and "play nice in the sandbox" instead of competing with one another as required by law.

If you purchased a generic prescription manufactured by either of these two companies between January 1, 2010, and December 31, 2018, you may be eligible for compensation. To determine your eligibility, call 1-866-290-0182 (Toll-Free), email info@AGGenericDrugs.com, or visit www.AGGenericDrugs.com.

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