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Hawaii Joins 43 Jurisdictions in Antitrust Lawsuit Against TEVA Pharmaceuticals and 19 Other Generic Drug Manufacturers in Conspiracy to Fix Prices and Allocate Markets for More Than 100 Different Generic Drugs

HONOLULU – Attorney General Clare E. Connors joined 42 states and Puerto Rico, led by Connecticut Attorney General William Tong in announcing a 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 executive defendants 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 drug prices affecting the health insurance market, taxpayer-funded healthcare programs such as Medicare and Medicaid, and individuals who must pay artificially-inflated prices for their prescriptions 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 to further their 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.

The lawsuit seeks remedies to put an end to the conspiracies and thereby restore competition to the generic drug market.

“Conspiring to illegally manipulate the pricing of so many generic drugs relied upon by patients is unconscionable,” said Attorney General Connors. “These manufacturers and individuals must be held accountable under the law.”

The complaint is the second to be filed in an ongoing, expanding investigation that has been referred to as possibly the largest cartel case in the history of the United States. [The first complaint](#), still pending in U.S. District Court in the Eastern District of Pennsylvania, was filed in 2016 and now includes 18 corporate defendants, two individual defendants, and 15 generic drugs. Two former executives from Heritage Pharmaceuticals, Jeffery Glazer and Jason Malek, have entered [into settlement agreements](#) and are cooperating with the Attorneys General working group in that case.

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