



Attorney General

**Josh Stein**

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# Attorney General Josh Stein Takes Legal Action Against Martin Shkreli and Vyera Pharmaceuticals



"The COVID-19 pandemic has provided a stark reminder of why every person needs access to affordable, life-saving medication in a fair market. Drug companies that fix prices and block competition are putting the lives of sick Americans who need treatment on the line, to make an illegal buck. My office will aggressively enforce the law to prevent drugmakers from fixing drug prices at the expense of patients."



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For Immediate Release:

Tuesday, April 14, 2020

(RALEIGH) Attorney General Josh Stein today took legal action against Vyera Pharmaceuticals (previously known as Turing Pharmaceuticals) and two of its former CEOs, including Martin Shkreli, for stifling competition to protect the exorbitant, monopolistic price of the drug Daraprim (pyrimethamine). Daraprim, used for toxoplasmosis treatment, was cheap and accessible for decades, but in August 2015, Vyera purchased the drug, increased the price by more than 4,000 percent, altered its distribution, and engaged in other conduct to delay and impede generic competition.

"The COVID-19 pandemic has provided a stark reminder of why every person needs access to affordable, life-saving medication in a fair market," said Attorney General Josh Stein. "Drug companies that fix prices and block competition are putting the lives of sick Americans who need treatment on the line, to make an illegal buck. My office will aggressively enforce the law to prevent drugmakers from fixing drug prices at the expense of patients."

Daraprim is the only Food and Drug Administration (FDA)-approved drug for the treatment of toxoplasmosis, a parasitic disease which may pose serious and often life-threatening consequences for those with compromised immune systems, including babies born to women who have the disease and individuals with HIV. Despite being unpatented, there has never been a generic version of Daraprim sold in the United States. After Shkreli and Vyera purchased the rights to Daraprim in August 2015 and Vyera was the only FDA-approved source of the medication, they raised the price of the drug by more than 4,000 percent overnight to \$750 per pill.

A button with a small American flag icon and the text "English".

The complaint, originally filed in January and amended today, alleges that Vyera anticipated that its 4,000 percent price increase of Daraprim would likely encourage entry into the market by other competitors, so the pharmaceutical company took specific actions to impede and delay competitor entry and preserve its monopoly. Among other things, Vyera prevented competitors from accessing a critical ingredient used to manufacture Daraprim. The lawsuit further contends that as a result of Vyera's anticompetitive conduct, generic entry continues to be delayed today. Hospitals, physicians, and patients have to pay exorbitant prices or otherwise are forced to make difficult treatment decisions without affordable access to the most effective treatment.

The coalition of attorneys general and the FTC now seek to enjoin Vyera's conduct, as well as to obtain the return of unjust profits that would be distributed to the victims of the company's illicit scheme. Additionally, the coalition is asking the courts to issue an order banning both Shkreli — who is already serving a seven-year sentence in federal prison for securities fraud — and his business partner Kevin Mulleady from the pharmaceutical industry for life.

Attorney General Stein is joined in filing the amended complaint of this lawsuit by the FTC and the Attorneys General of New York, California, Illinois, Ohio, Pennsylvania, and Virginia.

A copy of the complaint is available [here](#).

Contact:

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