



Department of Justice

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TWO DRUG MANUFACTURERS AND THEIR PRESIDENTS
CHARGED WITH FIXING PRICE OF GENERIC DRUG

WASHINGTON, D.C. -- The Department of Justice announced that a federal grand jury in Baltimore, Maryland, today returned a one-count felony indictment charging two generic drug manufacturers and their presidents with conspiring to fix the price of generic Dyazide, a drug generally prescribed for the treatment of hypertension or high blood pressure.

The indictment, filed in U.S. District Court in Baltimore, named Bolar Pharmaceutical Co. Inc. of Copiague, New York, and its president, Lawrence S. Raisfeld, and Vitarine Pharmaceuticals Inc. of Springfield Gardens, New York, and its president, Roger W. Jordan, as defendants. They were charged with a felony violation of Section 1 of the Sherman Act.

The indictment charged that beginning as early as February 1988 and continuing through April 1989, the defendants and other co-conspirators agreed to the range of prices at which Bolar and Vitarine would sell generic Dyazide to various customers.

Robert Shulman, former president of Bolar, was previously charged for his role in the conspiracy in a one-count felony information filed in Baltimore December 9, 1992.

(MORE)

During the conspiracy, Bolar sold over \$65 million and Vitarine sold over \$10 million of generic Dyazide. Both Bolar and Vitarine withdrew their generic Dyazide from the market by early 1990.

Charles A. James, Acting Assistant Attorney General in charge of the Antitrust Division, said the indictment resulted from a grand jury investigation, conducted by the Antitrust Division and the U.S. Attorney's office in Baltimore, which has conducted a wide-ranging investigation of the generic drug industry. James said the investigation is continuing.

The maximum penalty for an individual convicted of a violation of the Sherman Act is three years imprisonment and a fine that is the greatest of \$250,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

For a corporation, the maximum penalty is the greatest of a \$1 million fine, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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