



Department of Justice

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AT
(202) 514-2007
TTY (866) 544-5309

FORMER TOP GENERIC PHARMACEUTICAL EXECUTIVES CHARGED WITH PRICE-FIXING, BID-RIGGING AND CUSTOMER ALLOCATION CONSPIRACIES

First Charges Brought By Antitrust Division Involving Generic Drugs

WASHINGTON – Two former senior generic pharmaceutical executives were charged by Information for their roles in conspiracies to fix prices, rig bids and allocate customers for certain generic drugs, the Department of Justice announced today.

Separate two-count felony charges were unsealed today in the United States District Court for the Eastern District of Pennsylvania in Philadelphia. According to the Informations, Jeffrey Glazer, the former CEO of a generic pharmaceutical company, and Jason Malek, the former president of the same company, conspired to fix prices, rig bids and allocate customers for an antibiotic, doxycycline hyclate. Additionally, the Informations allege Glazer and Malek conspired to fix prices and allocate customers for glyburide, a medicine used to treat diabetes. The doxycycline hyclate conspiracy took place from as early as April 2013 until at least December 2015; the glyburide conspiracy took place from as early as April 2014 until at least December 2015.

“Millions of Americans rely on prescription medications to treat acute and chronic health conditions. By entering into unlawful agreements to fix prices and allocate customers, these two executives sought to enrich themselves at the expense of sick and vulnerable individuals who rely upon access to generic pharmaceuticals as a more affordable alternative to brand-name medicines,” said Deputy Assistant Attorney General Brent Snyder of the Justice Department’s Antitrust Division. “These charges are an important step in correcting that injustice and in ensuring that generic pharmaceutical companies compete vigorously to provide these essential products at a price set by the market, not by collusion.”

“Conspiring to fix prices on widely-used generic medications skews the market, flouts common decency – and very clearly breaks the law,” said Special Agent in Charge Michael Harpster of the FBI’s Philadelphia Division. “It’s a sad state of affairs when these pharmaceutical executives are determined to further pad their profits on the backs of people whose health depends on the company’s drugs. The FBI stands ready to investigate and hold accountable those who willfully violate federal antitrust law.”

Today's charges are the result of an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the generic pharmaceutical industry, which is being conducted by the Antitrust Division's Washington Criminal I Section with the assistance of the FBI's Philadelphia Division, the FBI headquarters' International Corruption Unit, the United States Postal Service Office of Inspector General and the U.S. Attorney's Office for the Eastern District of Pennsylvania. Anyone with information on market allocation, price fixing, bid rigging and other anticompetitive conduct related to the generic pharmaceutical industry should contact the Antitrust Division's Citizen Complaint Center at 1-888-647-3258, visit www.justice.gov/atr/contact/newcase.html or call the FBI's Philadelphia Division at 215-418-4000.

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