

Attorney General Reaches Settlement for Texas Consumers



By Greg Abbott
Attorney General of Texas

Protecting Texas consumers is a cornerstone of this administration. When most people think of consumer protection, they think of protection against scams, false advertising, price-gouging and the like. However, just as important is safeguarding against anti-competitive business practices.

It is important that consumers are afforded product choices in a free market with fair business competition. It's quite simple: business competition means better deals for the consumer. Monopolies take away these choices and cost consumers money.

Not long ago, our agency received complaints of possible violations of antitrust laws on the part of drug manufacturing giant Bristol-Myers Squibb. After an extensive investigation, the Texas Attorney General's Office, working in conjunction with other state attorneys general, concluded that Bristol-Myers Squibb had in fact violated antitrust laws in the manufacturing and marketing of the anti-anxiety drug BuSpar and the cancer-fighting drug Taxol. We determined that the best course of action was to file suit.

Texas, Maryland and New York led 35 other states, the District of Columbia and Puerto Rico in the suit. The lawsuit alleged that the company willfully made inaccurate statements to the United States Food and Drug Administration about the scope of a new patent for BuSpar. The states claimed that these misrepresentations prevented generic manufacturers from producing and marketing a cheaper version of BuSpar, effectively creating a monopoly for Bristol-Myers Squibb.

Texas joined 39 other states, the District of Columbia and three territories in the Taxol case. The basis for the Taxol suit was alleged market manipulation on the part of Bristol-Myers Squibb, which also kept a generic version of the drug off the market. This in turn inflated prices for consumers.

Bristol-Myers Squibb has agreed to settle these lawsuits. The company will pay more than \$155 million to resolve the states' claims. The settlement also contains provisions to prevent a repeat of the anti-competitive business practices alleged in the suit.

Negotiations for a final agreement are still ongoing. If the final settlement is approved by the court, Texas and the other states and territories will receive \$100 million for the BuSpar case and \$55 million for the Taxol case. The settlement will return a sizeable sum to Texas consumers, businesses and state agencies.

A national consumer fund will be established and administered by the states. In the case of BuSpar, certain consumers could see refunds of \$200-\$300. For information, call (800) 678-9587 or visit the settlement site at www.busparsettlement.com.

If you believe you have encountered business tactics similar to those described above or other fraudulent business practices, you can file a complaint in the Consumer Protection Section of our Web site at www.oag.state.tx.us or by calling (800) 621-0508.

POINTS TO REMEMBER TEXAS BUSPAR SETTLEMENT

File a claim by calling:

(800) 678-9587

or visit:

www.busparsettlement.com

Read about the BuSpar settlement on our Web site at:

www.oag.state.tx.us
(Click on Press Releases)

Read the National Association of Attorneys General press release on the BuSpar settlement at:

www.naag.org

File a consumer complaint with the Attorney General's Office by calling:

(800) 621-0508

or visit our Web site at:

www.oag.state.tx.us



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Information on this and other topics is available on the Attorney General's Web site at www.oag.state.tx.us.