



**For Immediate Release**  
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## **MADIGAN ANNOUNCES SETTLEMENT IN ANTITRUST ACTION AGAINST GENERIC DRUG MAKER**

### *Violations Kept Less Costly, Generic Oral Contraceptives Off the Market*

Chicago – Attorney General Lisa Madigan today announced a multistate settlement of a lawsuit against the generic drug manufacturer Barr Pharmaceuticals, Inc. The settlement is the result of a lawsuit joined by 33 other states and the District of Columbia, charging Barr and co-defendant Warner Chilcott with antitrust violations that prevented lower-priced generic versions of the oral contraceptive Ovcon® from reaching the marketplace.

The civil complaint, filed in 2005 in the U.S. District Court for the District of Columbia, alleged that Warner Chilcott paid Barr Pharmaceuticals \$20 million to keep Barr Pharmaceuticals from marketing a generic version of Ovcon®. Ovcon® has been available in the United States since 1976 as an oral contraceptive. According to the lawsuit, Warner Chilcott acquired the Ovcon® business in early 2000.

The lawsuit specifically alleged that Warner Chilcott paid Barr Pharmaceuticals \$1 million in September 2003 for an option agreement designed to prevent Barr Pharmaceuticals' generic product from coming to the market. Under the terms of the alleged agreement, once Barr Pharmaceuticals received FDA approval to market a generic version of Ovcon®, Warner Chilcott had 90 days to pay Barr Pharmaceuticals \$19 million, which would prevent Barr Pharmaceuticals from bringing its cheaper generic version to the market.

As part of the settlement, Barr Pharmaceuticals will pay \$5.9 million to Illinois and the other litigating states and agreed to stop the practices at issue, preventing future violations. In an earlier settlement, Warner Chilcott paid \$5.5 million to the states and also agreed to cease the illegal practices.

“These antitrust violations prevented access for consumers to a more cost effective product,” said Attorney General Madigan. “It is clearly a violation of antitrust laws for competing companies to agree not to compete. This settlement underscores that basic legal principle, and serves as a warning to other businesses which might be tempted to follow the same course.”

As a result of both agreements, the State of Illinois will receive more than half a million dollars in civil penalties to be used for future antitrust and consumer protection enforcement.

Through antitrust activities in her office, Attorney General Madigan works to protect the public interest by ensuring free and competitive markets for the benefit of consumers and the state.

The Attorneys General from the following states are also involved in the settlement: Colorado, Alaska, Arizona, Arkansas, California, Delaware, Florida, Idaho, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nevada, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Utah, and Vermont. The Attorneys General of the Commonwealths of Kentucky, Massachusetts and Virginia, and the District of Columbia also participated in this settlement.

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[Return to February 2008 Press Releases](#)