

# **Attorney General Raoul Announces Latest Win Against Martin Shkreli For Illegal Scheme To Monopolize Lifesaving Drug**

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CHICAGO - Attorney General Kwame Raoul announced that a federal appeals court [upheld a court order](#) that Illinois, the Federal Trade Commission (FTC), and six other

states won against Martin Shkreli, who was previously convicted for engaging in illegal and monopolistic behavior as the CEO of Vyera Pharmaceuticals, previously known as Turing Pharmaceuticals.

Raoul said the U.S. Court of Appeals for the 2nd Circuit affirmed [the January 2022 lower court's decision](#), which found that Shkreli violated both federal and state laws by engaging in an illegal scheme to maintain a monopoly over a lifesaving drug, Daraprim, after increasing its price by over 4,000%. As a result, Shkreli is banned for life from participating in the pharmaceutical industry and ordered to pay \$64.6 million.

“I am pleased this decision was upheld because Illinois residents’ lives depend upon pharmaceutical companies and their officers operating fairly and with patients’ best interests in mind,” Raoul stated. “Illegal anticompetitive practices prevent patients from being able to access lifesaving medications. I will continue to hold companies and their officers accountable for illegally conspiring to stifle competition and overcharge consumers.”

In August 2015, Vyera acquired Daraprim and increased the price dramatically overnight from \$17.50 per pill to \$750 per pill. At the time of Shkreli’s scheme, Daraprim was the only FDA-approved drug for the treatment of toxoplasmosis, a parasitic disease that poses serious and often life-threatening consequences for those with compromised immune systems, such as babies born to women infected with the disease and individuals with the Human Immunodeficiency Virus (HIV).

Under Shkreli’s direction, Vyera then engaged in anticompetitive conduct to delay and impede generic competition. The high price and distribution changes Shkreli made limited access to the drug, forcing many patients and physicians to make difficult and risky decisions for the treatment of a life-threatening disease.

In April 2020, Raoul’s office joined a lawsuit with the FTC and six other attorneys general, filed against Vyera, its parent Phoenixus AG, Shkreli, and his business partner, Kevin Mulleady, alleging the defendants executed an elaborate scheme for stifling competition to protect the exorbitant, monopolistic pricing of the drug Daraprim.

After a seven-day trial against Shkreli in December 2021, the lower court issued a decision largely agreeing with the states and the FTC. The decision found Shkreli liable on each of the claims presented, banned him for life from participating in the pharmaceutical industry in any capacity, and ordered him to pay the plaintiff states \$64.6 million in disgorgement. In addition, Vyera and Mulleady separately entered into an agreement that ended their illegal and monopolistic behavior, required the company to pay up to \$40 million, and banned Mulleady from the pharmaceutical industry for seven years.

The U.S. Court of Appeals' decision unanimously affirms the entirety of the lower court's decision imposing its order against Shkreli due to his pattern of past misconduct, the likelihood of its recurrence, and the life-threatening nature of his actions.

Joining Raoul and the FTC in this lawsuit are attorneys general of California, New York, North Carolina, Ohio, Pennsylvania and Virginia.