



COUNTY OF SANTA CRUZ

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CARLOS J. PALACIOS, COUNTY ADMINISTRATIVE OFFICER

PRESS RELEASE

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COUNTY FILES SUIT AGAINST OPIOID MANUFACTURERS

The County of Santa Cruz has filed a 140-page complaint accusing several top drug manufacturers of fueling the nationwide opioid epidemic, one of the worst public health crises in U.S. history.

According to the complaint, drug manufacturers downplayed the risks of prescription opioids in order to increase sales, both through sales representatives and marketing materials and through financial arrangements with third-party groups. It is further alleged that manufacturers and distributors failed to report suspicious sales as required by State and federal law. In doing so, the defendants greatly expanded their potential market by millions of patients while leaving local communities to pay the price for the epidemic.

"The consequences of these drug companies' negligent and fraudulent actions are all around us," Supervisor John Leopold said. "By repeatedly ignoring and downplaying risks, they have created an unparalleled opioid crisis impacting families and communities across America. It is time to hold them accountable for their actions."

"Drug companies pushed a dangerous product on consumers and concealed the risks from the public," Supervisor Ryan Coonerty said. "Communities across the country are paying enormous costs for their fraudulent practices and greed, including millions in public health and public safety dollars to address an addiction epidemic that was manufactured in corporate boardrooms."

Since 1999, more than 200,000 people have died of overdoses from legal prescription opioids alone – roughly the equivalent of the city of Reno, Nev. That figure does not include the hundreds of thousands of additional victims who overdosed on illicit drugs after transitioning from doctor-prescribed opioids.



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While drug companies were reaping billions in profits, the costs of their actions fell on communities like Santa Cruz County. In 2016 alone, 35 people died from opioid-related overdoses, and the local mortality rate from opioid overdoses is nearly triple the California statewide age-adjusted rate. Drug overdoses are now the leading cause of death for Americans under 50 years old.

In 2016, there were more than 188,000 opioid prescriptions in Santa Cruz County – enough to medicate every man, woman and child for six weeks continuously. In response, the County has taken the lead in reducing unnecessary opioid prescriptions and increasing access to substance use disorder treatment, and has trained local police officers to use the overdose-reversal medicine Naloxone, which has saved more than 200 local lives over three years.

The complaint accuses opioid manufacturing companies of racketeering, negligence, fraud, false advertising and creating a public nuisance. Defendants in the suit include Purdue Pharma, Cephalon Inc., Teva Pharmaceutical Industries, Endo Pharmaceuticals Inc., Janssen Pharmaceuticals Inc., Insys Therapeutics Inc., Mallinckrodt, AmerisourceBergen Corp., Cardinal Health Inc. and McKesson Corp., as well as U.S.-based subsidiaries.

Santa Cruz County joins hundreds of local governments across the U.S., including a majority of California counties, in filing suit against opioid manufacturers and distributors. It is represented by a team of law firms led by Robbins Geller Gudman & Dowd, which also represents the city of Los Angeles in similar litigation and is a member of the Plaintiffs' Executive Committee in the Nationwide Multi-District Litigation currently pending in Ohio.