

Office of Attorney General Terry Goddard



STATE OF ARIZONA
DEPARTMENT OF LAW
1275 W. WASHINGTON STREET
PHOENIX, ARIZONA 85007-2926
WWW.AZAG.GOV

ANNE TITUS HILBY
PRESS SECRETARY
PHONE: (602) 542-8019
CELL PHONE: (602) 725-2200
ANNE.HILBY@AZAG.GOV

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Terry Goddard Announces \$5.4 Million National Settlement with Drug Companies

(Phoenix, Ariz. – July 15, 2009) Attorney General Terry Goddard today announced a \$5.4 million, 36-state consumer fraud settlement with drug companies Merck & Co. Inc, Schering-Plough Corporation and a joint venture of the two companies, MSP Singapore Company, LLC.

The Assurance of Voluntary Compliance filed today resolves an investigation into the companies' lengthy delay releasing negative results from a clinical trial for a combination cholesterol-lowering drug. In this study, the Vytorin (a combination of the drugs Zetia and Simvastatin) was no more effective reducing the formation of plaque in carotid arteries than the cheaper, generically available drug Simvastatin.

Although the trial ended May 2006, a partial reporting of negative results did not occur until January 2008 and complete results were not published until the following April. Prior to release of the study's results, Vytorin had been heavily promoted in direct-to-consumer advertisements.

Among the injunctive terms that now apply to Vytorin and Zetia are requirements to:

- Obtain pre-approval from FDA for all direct-to-consumer television advertisements.
- Comply with FDA suggestions to modify drug advertising.
- Register clinical trials and post their results.
- Prohibit ghost writing of articles.
- Reduce conflicts of interest for Data Safety Monitoring Boards that ensure the safety of participants in clinical trials.
- Comply with detailed rules prohibiting the deceptive use of clinical trials.

In addition to agreeing to these injunctive terms, the companies agreed to pay the states investigation costs of \$5.4 million. For its work on this investigation, Arizona will receive \$300,000. The companies cooperated fully in the investigation.

Goddard said of the settlement, "Consumers have a right to be made aware of the effects of the drugs that they are taking to make informed health care decisions. It is critical for patient safety and consumers rights that pharmaceutical companies report the results of these kinds of studies accurately and in a timely manner."

Tucson-based Assistant Attorneys General Noreen Matts and Taren Ellis represented Arizona on the 10 state Executive Committee that negotiated this nationwide agreement.

The 36 states participating in today's agreement are Arizona, Arkansas, California, Colorado, Delaware, Florida, Hawaii, Idaho, Illinois, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New Jersey, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Vermont, West Virginia, Washington, Wisconsin and the District of Columbia.

For more information, please contact Anne Hilby at (602) 542-8019.

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