



## The Department of Justice is Committed to Protecting Consumers from “Bad Medicine”

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The Acting Associate Attorney General Stuart F. Delery, announced that the Department of Justice (DOJ) would continue to target illegitimate online pharmacies, which pose a threat to drug safety and undermine consumer confidence.<sup>1</sup> Delery noted that illegitimate online pharmacies can create several types of dangers, including dispensing the wrong drugs, and/or drugs that contain harmful contaminants, lack the active ingredient, have expired, have become degraded by improper storage, or have been delivered without dosage warnings or instructions. As evidence of the DOJ’s ongoing commitment to protecting American consumers from illegitimate online pharmacies, Delery also highlighted two recent cases involving international online pharmacies that distributed adulterated and counterfeit drugs in the United States.

- Andrew Strempler was the owner and president of Mediplan Health Consulting, Inc., a Canadian company, which also operated under the name RxNorth.com. RxNorth.com was an internet, mail, and telephone order pharmacy that marketed and distributed prescription drugs from foreign countries that were shipped to the Bahamas, where prescription orders were filled, with labels stating they had been filled in Canada, and shipped by indirect routes through multiple countries to the United States. Although he had been warned by the FDA in 2001 that the sales would be illegal in the United States if the drugs were not FDA-approved, Strempler and his co-conspirators failed to ensure the safety or authenticity of their drugs, which also included counterfeit drugs. Strempler was sentenced to four years in prison and ordered to forfeit \$300,000 in unlawful proceeds, and to pay a fine of \$25,000 for falsely representing that RxNorth was selling safe prescription drugs in compliance with regulations in Canada, the United Kingdom and the United States.<sup>2</sup>
- Richard Taylor distributed adulterated and counterfeit cancer drugs from the United Kingdom to physicians in the United States. In order to be safe and effective, the drugs sold by Taylor and his conspirators needed to be stored at constant cold temperatures, and could not be shaken or frozen. Even though Taylor learned that several physicians in the United States had received the cancer treatment drug in a warm state or in a damaged condition, he continued to sell the adulterated drug without further care. Taylor also admitted to importing a counterfeit cancer drug called Altuzan, an intravenous cancer treatment drug marketed in Turkey with the same active ingredient as a U.S.-marketed drug called Avastin®. There were at least two reported incidents of patients having immediate bad reactions to the counterfeit Altuzan during their cancer treatments, and packages of Altuzan that were tested showed that they lacked the active ingredient in legitimate versions of Altuzan and Avastin®. Taylor was sentenced to 18 months of imprisonment, and ordered to pay an \$800,000 fine, as well as to forfeit his interest in \$3.2 million of money acquired through this fraudulent scheme.<sup>3</sup>

<sup>1</sup> Stuart F. Delery, Acting Associate Attorney General, *Protecting Consumers from Bad Medicine*, Department of Justice, Office of Public Affairs, Dec. 4, 2015, <http://www.justice.gov/opa/blog/protecting-consumers-bad-medicine>.

<sup>2</sup> *Canadian Citizen Sentenced in Scheme to Defraud Consumer Purchasing Pharmaceuticals Online*, Department of Justice, Office of Public Affairs, Jan. 9, 2013, <http://www.justice.gov/opa/pr/canadian-citizen-pleads-guilty-scheme-defraud-consumers-purchasing-pharmaceuticals-online>.

<sup>3</sup> *English Citizen Sentenced For Distributing Adulterated And Counterfeit Cancer Drugs*, Department of Justice, U.S. Attorney’s Office Eastern District of Missouri, July 11, 2013, <http://www.justice.gov/usao-edmo/pr/english-citizen-sentenced-distributing-adulterated-and-counterfeit-cancer-drugs>.

In his remarks, Delery linked the DOJ's focus on protecting consumers from non-approved adulterated and counterfeit drugs with the Department's similar focus on intellectual property enforcement. In October 2015, the Department launched a new collaborative strategy to partner more closely with businesses on intellectual property enforcement efforts. Attorney General Loretta Lynch explained that "the digital age has revolutionized how we share information, store data, make purchases and develop products" and emphasized that strengthening law enforcement's defenses against cybercrime is one of the DOJ's top priorities.<sup>4</sup>

The new collaborative strategy partners the FBI with third-party marketplaces to combat intellectual property concerns on their websites; the bureau also will serve as a bridge between brand owners and third-party marketplaces to reduce the manufacture, distribution, advertising and sale of counterfeit products. In addition, the Office of Justice Intellectual Property Enforcement Program (IPEP) has awarded state and local law enforcement departments around the country a total of \$3.2 million in grant funding to help address intellectual property crimes.<sup>5</sup> In his announcement highlighting the DOJ's efforts against illegitimate online pharmacies, Delery echoed the Attorney General's enthusiasm for the new collaboration, expressing confidence that government and industry working together will have a "real impact on the health and safety of the American public."<sup>6</sup>

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<sup>4</sup> Loretta E. Lynch, Attorney General, Speech, *Attorney General Loretta E. Lynch Announces New Intellectual Property Enforcement Program Initiative at MassChallenge Roundtable Discussion*, Department of Justice, Justice News, Boston, MA, Oct. 2, 2015, <http://www.justice.gov/opa/speech/attorney-general-loretta-e-lynch-announces-new-intellectual-property-enforcement-program>.

<sup>5</sup> *Justice Department Announces New Strategy to Combat Intellectual Property Crimes and \$3.2 Million in Grant Funding to State and Local Law Enforcement Agencies*, Department of Justice, Office of Public Affairs, Oct. 2, 2015, <http://www.justice.gov/opa/pr/justice-department-announces-new-strategy-combat-intellectual-property-crimes-and-32-million>.

<sup>6</sup> Stuart F. Delery, Acting Associate Attorney General, *Protecting Consumers from Bad Medicine*, Department of Justice, Office of Public Affairs, Dec. 4, 2015, <http://www.justice.gov/opa/blog/protecting-consumers-bad-medicine>.

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