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DATE: 10/07/08

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NEVADA, 32 STATES REACH LANDMARK \$62 MILLION SETTLEMENT WITH ELI LILLY

Las Vegas, NV-Attorney General Catherine Cortez Masto announced today that she, along with 33 other Attorneys General, has reached a record \$62 million settlement with Eli Lilly and Company arising from alleged improper marketing of the antipsychotic drug Zyprexa. This is the largest ever multi-state consumer protection-based pharmaceutical settlement, following closely on the heels of the May 2008 \$58 million agreement with Merck regarding its product Vioxx.

In a complaint filed today along with the settlement agreement, Attorney General Masto alleged that Eli Lilly engaged in unfair and deceptive practices when it marketed Zyprexa for off-label uses and failed to adequately disclose the drug's potential side effects to health care providers. Following a 1.5-year investigation, Eli Lilly agreed to change how it markets Zyprexa and to cease promoting its "off-label" uses, which are not approved by the U.S. Food and Drug Administration ("FDA").

"This landmark settlement comes after a lengthy investigation into the conduct of Eli Lilly. By working together, my fellow attorneys general and I were able to correct the behavior of Eli Lilly. Nevada will benefit greatly from these efforts," Attorney General Masto said.

Zyprexa is the brand name for the prescription drug olanzapine. The drug was first marketed for use in adults with schizophrenia in 1996. Since then, the FDA has approved Zyprexa for the treatment of acute mixed or manic episodes of bipolar I disorder and for maintenance treatment of bipolar disorder. While these drugs may reduce the risk of these symptoms associated with first-generation antipsychotics, they also produce dangerous side effects, including weight gain, hyperglycemia, diabetes, cardiovascular complications, an increased risk of mortality in elderly patients with dementia, and other severe conditions. Zyprexa has been associated with a high risk of weight gain, hyperglycemia, and diabetes.

In 2001, Eli Lilly began an aggressive marketing campaign called "Viva Zyprexa!" As part of that campaign, the company marketed Zyprexa for a number of off-label uses. For example, it marketed Zyprexa for pediatric use, for use at high dosage levels, for the treatment of symptoms rather than diagnosed conditions, and in the elderly for the treatment and/or chemical restraint of patients suffering from dementia. While a physician is allowed to

prescribe drugs for off-label uses, the law prohibits pharmaceutical manufacturers from marketing their products for off-label uses.

Among other things, the settlement mandates that for a six-year time period extending beyond the patent term for Zyprexa, Eli Lilly shall not make any false, misleading or deceptive claims regarding Zyprexa; shall require its medical staff, rather than its marketing staff, to have ultimate responsibility for developing and approving the medical content for all medical letters and medical references regarding Zyprexa, including those that may describe off-label information, and that such information not be referred to or used in a promotional manner; shall provide each signatory Attorney General a list of health care provider promotional speakers and consultants who were paid more than \$100 for promotional speaking and/or consulting by Eli Lilly; and shall register clinical trials and submit results as required by federal law.

In addition to Nevada, the participating states in the settlement are: Arizona, Alabama, California, Delaware, Florida, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Jersey, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington, Wisconsin, and the District of Columbia.

Nevada will receive \$1,132,766 as its share of the settlement. Senior Deputy Attorney General Jo Ann Gibbs of the Attorney General's Bureau of Consumer Protection handled the case for Nevada.