

## Report on Supply Chain Compliance Volume 3, Number 21. October 29, 2020

### Purdue fined and forced to transform into public benefit company

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The United States Department of Justice announced a plea deal<sup>[1]</sup> with Purdue Pharma LP and the Sackler family that includes billions in fines and an admission of criminal liability for misleading investigators and violating both the Food, Drug, and Cosmetic Act and the federal Anti-Kickback Statute.

Specifically, Purdue told the Drug Enforcement Agency investigators that it had an “anti-diversion program” in effect that prevented the company’s opioid products, including its flagship drug, pain reliever OxyContin, from being sold for recreational purposes. In fact, there was no such program in place. Instead, Purdue injected OxyContin, an extremely addictive opioid that has killed thousands of people, into the U.S. and global supply chain by paying doctors to prescribe the drug, marketing the drug to doctors and entities the company had good reason to believe were selling the drugs to people misusing the drug and those with an opioid addiction, and then hiding those practices while making billions of dollars. Nearly 400,000 people have died from opioid overdoses from 1999 to 2017.<sup>[2]</sup> The majority of people with an opioid addiction “are increasingly young, white, and female,” as well as rural.

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