

Pharmacia Subsidiaries Reach \$34.7 Million Settlement with DOJ; Resolve Allegations of Improper Activities Prior to Acquisition by Pfizer

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Pfizer Discovered and Promptly Reported Subsidiary's Off-Label Marketing of Genotropin to Justice Department, Other Agencies

[\(BUSINESS WIRE\)](#)--Pfizer announced today that two subsidiaries of Pharmacia have reached separate settlements with the United States Department of Justice to address charges stemming from the off-label marketing of Genotropin — a human growth hormone medicine — and the inappropriate use of a vendor contract to increase the sales of other Pharmacia medicines. Both settlements cover activities that occurred at Pharmacia before that company was acquired by Pfizer in 2003. The subsidiaries have agreed to pay fines totaling \$34.7 million.

One subsidiary — Pharmacia & Upjohn Company Inc. — will plead guilty to a single count of offering to an outside vendor remuneration in the form of an award of a contract to manage a Genotropin patient assistance program as an inducement for recommending the purchase of Pharmacia medicines. The contract was awarded in 2000. The subsidiary, which has no operational role in Pfizer today, was assessed a fine of \$19.7 million and will be disqualified from participation in government healthcare programs. The disqualification will have no impact on current or future Pfizer medicines approved for use in the United States and will not affect the continued marketing of Genotropin.

A second Pharmacia subsidiary — Pharmacia & Upjohn Company LLC — has entered into a Deferred Prosecution Agreement with the Department of Justice (DOJ) that includes a fine of \$15 million to address the improper promotion of Genotropin, which Pfizer discovered and self-reported to the Department of Justice, the FDA and the Office of the Inspector General within the first month following completion of the Pharmacia acquisition. Under the agreement, no criminal charges will be filed against Pharmacia in return for compliance with the terms of the agreement.

“As the Department of Justice has acknowledged, Pfizer voluntarily and fully self-disclosed the off-label promotion of Genotropin by a Pharmacia subsidiary before Pharmacia was acquired by Pfizer,” said Allen Waxman, senior vice president and general counsel. “Pfizer’s marketing and promotion practices are not involved in the settlement. The company has internal controls to guard against these types of practices.”

As detailed in the settlement agreement, the subsidiary improperly promoted Genotropin between January, 2000 and March, 2003 for anti-aging purposes, improved athletic performance, and enhanced appearance. The settlement does not allege that patients suffered any adverse health effects from those off-label uses. Genotropin is FDA-approved for the treatment of children with hormone-related growth failure, pediatric patients with

Prader-Willi Syndrome, and adults with growth hormone deficiency.

The two settlements resolve the Department of Justice investigation of these matters.

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