

In re Bristol-Myers Squibb Co. Securities Litigation

COURT: United States District Court for the Southern District of New York
CASE NUMBER: 07-cv-5867
CLASS PERIOD: 03/21/2006 - 08/08/2006
CASE LEADERS: Salvatore J. Graziano, Katherine M. Sinderson

This is a securities fraud class action filed on behalf of a class of persons and entities who purchased or acquired the common stock of Bristol-Myers Squibb Company ("Bristol-Myers" or the "Company") between March 21, 2006, through and including August 8, 2006 (the "Class Period").

December 8, 2009 - Court Grants Final Approval of \$125 Million Cash Settlement

Lead Counsel BLB&G and its client, Court-appointed Lead Plaintiff the Ontario Teachers' Pension Plan Board, have reached a proposed settlement of the action for a total of \$125 million in cash that will resolve all claims in the action. The settlement agreement is currently subject to Court approval.

Plaintiffs' allegations related to Bristol-Myers' closely watched attempt to obtain approval for a proposed settlement agreement with a Canadian generic pharmaceutical company, Apotex Inc., to prevent Apotex from introducing into the marketplace a generic equivalent of Bristol-Myers' largest-selling drug, Plavix. The Company was required to obtain regulatory approval for the settlement under the terms of a consent decree resulting from past allegations of anti-competitive behavior against Bristol-Myers. The Company failed to disclose to investors that it had agreed to significant limitations on its damages and patent enforcement rights against Apotex if the regulators rejected the settlement.

When the proposed settlement did not receive regulatory approval, the Company did not disclose that failure to investors. Defendants instead entered into a renegotiated settlement agreement with Apotex, which now included secret oral terms which were not reported to investors, nor to the regulators. By using these secret oral side agreements, Defendants hoped to secure regulatory approval of the settlement agreement by criminally deceiving the regulators regarding the full terms of the amended agreement. However, unbeknownst to Defendants, outside counsel to Apotex confidentially reported the unlawful oral side agreements to the Federal Trade Commission ("FTC") and the Department of Justice ("DOJ"), and, as a result, the DOJ immediately opened a criminal investigation into Bristol-Myers. In late July 2006, the FBI raided the Company's headquarters in New York City.

On March 13, 2008, the parties argued Defendants' motions to dismiss the Complaint before Judge Crotty. On August 19, 2008, Judge Crotty denied Defendants' motions and sustained the Complaint in its entirety.

On July 21, 2009, the parties entered into a Stipulation and Agreement of Settlement setting forth their agreement to settle the case for \$125 million, subject to Court approval. On December 8, 2009, the Court gave final approval to the \$125 million settlement.

The claims administration process has concluded and the net settlement fund has been fully disbursed. This matter is considered closed.

Case Documents

- Notice of Settlement

- August 19, 2008 - Opinion and Order Denying The Motion To Dismiss
- October 15, 2007 - Amended Class Action Complaint