

1 [Settlement of Lawsuit - Johnson & Johnson - City to Receive \$6 Million to \$11 Million Over 9  
2 Years]

3 **Ordinance authorizing the partial settlement of the lawsuit filed on behalf of the City**  
4 **and County of San Francisco and the People of the State of California against Johnson**  
5 **& Johnson and its subsidiary, Janssen Pharmaceuticals, Inc., for abatement funds in**  
6 **the range of \$6 million to \$11 million to be paid over 9 years; the lawsuit was filed on**  
7 **December 18, 2018, in the United States District Court for the Northern District of**  
8 **California, Case No. 3:18-cv-7591-CRB-JSC; entitled The City and County of San**  
9 **Francisco and the People of the State of California v. Purdue Pharma L.P., Richard S.**  
10 **Sackler, Jonathan D. Sackler, Mortimer D.A. Sackler, Kathe A. Sackler, Ilene Sackler**  
11 **Lefcourt, Beverly Sackler, Theresa Sackler, David A. Sackler, Trust for the Benefit of**  
12 **Members of the Raymond Sackler Family, Rhodes Pharmaceuticals L.P., Cephalon,**  
13 **Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., Endo**  
14 **International Plc, Endo Health Solutions Inc., Endo Pharmaceuticals Inc., Janssen**  
15 **Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt Plc, Mallinckrodt LLC,**  
16 **Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A Actavis, Inc.,**  
17 **Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson Pharma,**  
18 **Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson**  
19 **Corporation; the lawsuit involves allegations that Johnson and Johnson's subsidiary,**  
20 **Janssen Pharmaceuticals, Inc., created a public nuisance and violated the Unfair**  
21 **Competition Law and the False Advertising Laws through deceptive marketing of**  
22 **opioids, manufacturing and distributing increasingly large volumes of opioids in and**  
23 **around San Francisco despite knowledge of the growing epidemic caused by opioid**  
24 **misuse, and by failing to prevent and to report suspicious opioid orders as required by**  
25 **state and federal law.**

1 Be it ordained by the People of the City and County of San Francisco:

2 Section 1. Pursuant to Charter Section 6.102(5), the Board of Supervisors hereby  
3 authorizes the City Attorney to partially settle the action entitled The City and County of  
4 San Francisco and the People of the State of California v. Purdue Pharma L.P. et al., Case  
5 No. 3:18-cv-7591-CRB-JSC (U.S.D.C. N.D. Cal.), by the payment of abatement funds from  
6 Johnson & Johnson and its subsidiary, Janssen Pharmaceuticals, Inc., to San Francisco, in  
7 an amount estimated to be between \$6 million and \$11 million over the next 9 years. The  
8 lawsuit involves allegations that Johnson and Johnson's subsidiary, Janssen  
9 Pharmaceuticals, Inc., created a public nuisance and violated the Unfair Competition Law and  
10 the False Advertising Laws through deceptive marketing of opioids, manufacturing and  
11 distributing increasingly large volumes of opioids in and around San Francisco despite  
12 knowledge of the growing epidemic caused by opioid misuse, and by failing to prevent and to  
13 report suspicious opioid orders as required by state and federal law.

14 Section 2. The above-named action was filed in the United States District Court for the  
15 Northern District of California on December 18, 2018, and the following parties were named in  
16 the lawsuit: The City and County of San Francisco and the People of the State of California,  
17 as plaintiffs; Purdue Pharma L.P., Richard S. Sackler, Jonathan D. Sackler, Mortimer D.A.  
18 Sackler, Kathe A. Sackler, Ilene Sackler Lefcourt, Beverly Sackler, Theresa Sackler, David A.  
19 Sackler, Trust for the Benefit of Members of the Raymond Sackler Family, Rhodes  
20 Pharmaceuticals L.P., Cephalon, Inc., Teva Pharmaceutical Industries Ltd., Teva  
21 Pharmaceuticals USA, Inc., Endo International Plc, Endo Health Solutions Inc., Endo  
22 Pharmaceuticals Inc., Janssen Pharmaceuticals, Inc., Insys Therapeutics, Inc., Mallinckrodt  
23 Plc, Mallinckrodt LLC, Allergan Plc F/K/A Actavis Plc, Watson Pharmaceuticals, Inc. N/K/A  
24 Actavis, Inc., Watson Laboratories, Inc., Actavis LLC, Actavis Pharma, Inc. F/K/A/ Watson

1 Pharma, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., and McKesson  
2 Corporation as defendants.

3  
4 APPROVED AS TO FORM AND  
RECOMMENDED:

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6 /s/ Yvonne R. Meré  
7 YVONNE R. MERÉ  
Chief of Complex and Affirmative Litigation

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