

## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Office of the Director Bureau of Competition

April 30, 2024

## By Federal Express and Email

David R. McAvoy Chief Legal Officer Teva Pharmaceutical Industries Ltd. c/o Teva Pharmaceuticals USA, Inc. 400 Interpace Pkwy, Suite 3 Parsippany, NJ 07054 Brian Savage, SVP and General Counsel Global Litigation Teva Pharmaceuticals USA, Inc. 400 Interpace Pkwy, Suite 3 Parsippany, NJ 07054 brian.savage@tevapharm.com

Re: Improper Orange Book Listings for AirDuo Respiclick, AirDuo Digihaler, ArmonAir Respiclick, and ArmonAir Digihaler

Dear Messrs. McAvoy and Savage,

On September 14, 2023, the Federal Trade Commission ("FTC") issued a Statement Concerning Brand Drug Manufacturers' Improper Listing of Patents in the Orange Book. The Policy Statement, a copy of which is appended to this letter, highlights the negative impacts that improper Orange Book patent listings may have on drug competition and notifies market participants "that the FTC intends to scrutinize [such] improper listings as unfair methods of competition in violation of Section 5 of the Federal Trade Commission Act."

This letter is to inform you that we believe certain patents have been improperly or inaccurately listed in the Orange Book with regard to Teva Pharmaceutical Industries Ltd.'s AirDuo and ArmonAir Respiclick and AirDuo and ArmonAir Digihaler products and that we have availed ourselves of the FDA's regulatory process and submitted patent listing dispute communications to the FDA regarding the listings identified below:<sup>3</sup>

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<sup>&</sup>lt;sup>1</sup> Federal Trade Commission, Statement Concerning Brand Drug Manufacturers' Improper Listing of Patents in the Orange Book (Sept. 14, 2023), <u>FTC Policy Statement Concerning Brand Drug Manufacturers' Improper Listing of Patents in Orange Book</u> (hereinafter "Policy Statement").

<sup>&</sup>lt;sup>2</sup> Policy Statement at 1.

<sup>&</sup>lt;sup>3</sup> The Orange Book listings identified as improper in this chart should not be read as an exhaustive list of every patent that your company may have improperly submitted. Indeed, your firm bears the burden of listing patents in the Orange Book accurately and in accordance with all relevant statutory and regulatory requirements.

NDA	Product(s)	Proprietary Name	Patent Number	Listing Type
208799	1, 2, 3	AirDuo Respiclick	8651103	DP
			8714149	DP
			8978966	DP
			9216260	DP
			9463288	DP
			9731087	DP
			10022510	DP
			10124131	DP
			10561808	DP
			10765820	DP
NDA	Product(s)	Proprietary Name	Patent Number	<b>Listing Type</b>
	4, 5, 6	AirDuo Digihaler	8651103	DP
208799			8714149	DP
			8978966	DP
			9216260	DP
			9463288	DP
			9731087	DP
			9782550	DP
			9782551	DP
			10022510	DP
			10124131	DP
			10561808	DP
			10569034	DP
			10765820	DP
			11000653	DP
			11266796	DP
			11351317	DP
			11357935	DP
			11439777	DP
			11464923	DP
NDA	Product(s)	Proprietary	Patent Number	Listing Type

		Name		
208798	1, 2, 3, 7	ArmonAir Respiclick	8651103	DP
			8714149	DP
			8978966	DP
			9216260	DP
			9463288	DP
			9731087	DP
			10022510	DP
			10124131	DP
			10561808	DP
			10765820	DP
NDA	Product(s)	Proprietary Name	Patent Number	Listing Type
	4, 5, 6, 8	ArmonAir Digihaler	8651103	DP
208798			8714149	DP
			8978966	DP
			9216260	DP
			9463288	DP
			9731087	DP
			9782550	DP
			9782551	DP
			10022510	DP
			10124131	DP
			10561808	DP
			10569034	DP
			10765820	DP
			11000653	DP
			11266796	DP
			11351317	DP
			11357935	DP
			11439777	DP
			11464923	DP

As the Policy Statement explains, patents improperly listed in the Orange Book may delay lower-cost generic drug competition. By listing their patents in the Orange Book, brand drug companies may benefit from an automatic, 30-month stay of FDA approval of competing

generic drug applications.<sup>4</sup> In addition to delays resulting from such a stay of approval, the costs associated with litigating improperly listed patents may disincentivize investments in developing generic drugs, which risks delaying or thwarting competitive entry. The Supreme Court has recognized that improper Orange Book listings prevent or delay generic drug entry.<sup>5</sup> Even brief delays in generic competition can reduce patient access to more affordable alternatives and increase costs across the entire health care system.<sup>6</sup>

For decades, the FTC has sought to reduce the anticompetitive effects that result from improperly listing patents in the Orange Book, through enforcement and through amicus briefs articulating that improper listings may violate the antitrust laws. The FTC's Policy Statement serves to reinforce the FTC's concerns about the anticompetitive consequences of improper Orange Book listings and provide notice that the "FTC will continue to use all its tools to halt unlawful business practices that contribute to high drug prices."

As detailed in the Policy Statement, the FTC has several tools at its disposal to address improper Orange Book listings. One of those tools is using the FDA's process to dispute "the accuracy or relevance of patent information submitted" to the FDA for publication in the Orange Book.<sup>9</sup>

We have opted to use the FDA's regulatory dispute process to address the improper listings, but we retain the right to take any further action the public interest may require, which may include investigating this conduct as an unfair method of competition under Section 5 of the FTC Act, 15 U.S.C. § 45, and as described in the Policy Statement.

Sincerely,

/s/ Rahul Rao
Deputy Director
Bureau of Competition

Enclosure: FTC Policy Statement Concerning Brand Drug Manufacturers Improper Listing of Patents in the Orange Book

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<sup>&</sup>lt;sup>4</sup> Policy Statement at 3 (citing 21 U.S.C. § 355(j)(5)(B)(iii)).

<sup>&</sup>lt;sup>5</sup> Id. at 3 (citing Caraco Pharm. Labs., Ltd. v. Novo Nordisk A/S, 566 U.S. 399, 408 (2012)).

<sup>&</sup>lt;sup>6</sup> *Id*. at 4.

<sup>&</sup>lt;sup>7</sup> *Id.* at 3; see also Decision and Order, *In re Biovail Corp.*, FTC Dkt. No. C-4060 (F.T.C. Oct. 2, 2002); Federal Trade Commission's Brief as *Amicus Curiae*, *Jazz Pharms.*, *Inc. v, Avadel CNS Pharms*. No. 1:21-cv-00691 (D. Del. Nov. 10, 2022) (Doc. No. 22-3),

https://www.ftc.gov/system/files/ftc\_gov/pdf/P163500JazzPharmaAmicusBrief.pdf; see also Mem. of Law of *Amicus Curiae* the Federal Trade Commission In Opposition to Defendant's Motion to Dismiss, *In re: Buspirone Patent Litig.*, MDL Docket No. 1410 (S.D.N.Y. Jan. 8, 2002),

https://www.ftc.gov/sites/default/files/documents/amicus\_briefs/re-buspirone-antitrust-litigation/buspirone.pdf.

<sup>&</sup>lt;sup>8</sup> Policy Statement at 6.

<sup>&</sup>lt;sup>9</sup> 314.53(f)(1)(i)(A).