

## **FOURTEEN INDIVIDUALS AND COMPANIES TO BE ARRAIGNED BY U.S. DOJ FOR CHARGES RELATED TO SELLING \$78 MILLION WORTH OF MISLABELED AND COUNTERFEIT DRUGS**

**WASHINGTON, D.C. (August 18, 2015)** – In a U.S. Department of Justice (DOJ) indictment handed down by a grand jury in November 2014 and unsealed on August 11, 2015, Illinois resident and Director of Pharmacy Policy and International Verifications for New York-based PharmacyChecker.com, Ram Kamath, PharmD and Winnipeg-based CanadaDrugs.com are among fourteen individuals and companies charged with crimes related to the sale of \$78 million worth of mislabeled and counterfeit prescription drugs, including smuggling, improper storage, falsifying customs declarations, money laundering and conspiracy.

Kamath will be arraigned in a U.S. federal court on Tuesday, August 25. The other defendants are located outside the U.S. and have not yet been extradited to face the charges.

### **THE TRUTH ABOUT CANADADRUGS.COM AND PHARMACYCHECKER.COM**

“For years millions of patients and physicians have relied upon PharmacyChecker.com and CanadaDrugs.com, believing they are getting genuine drugs from a real Canadian pharmacy,” said [Alliance for Safe Online Pharmacies](#) (ASOP Global) Executive Director [Libby Baney, J.D.](#) “The DOJ indictment evidences that these entities have been touting myths, giving U.S. physicians and consumers a false – and consequently dangerous – sense of confidence.”

According to the DOJ indictment, Canada Drugs and its affiliates illegally purchased the mislabeled and counterfeit drugs abroad and then routed them through Egypt and Barbados for sale to doctors in the U.S. Prosecutors say that when the U.S. Food and Drug Administration (FDA) began investigating Canada Drugs’ involvement in distributing counterfeit versions of the cancer drug Avastin in 2012, Kamath agreed to illegally store some of the counterfeit Avastin in his garage while Canada Drugs was shipping its inventory back to the UK.

“The U.S. Department of Justice’s indictment pulls back the curtain on the Canadian Internet pharmacy industry, and exposes these businesses’ sale of fake drugs – drugs that are not from Canada, are not FDA-approved and, in many cases, are counterfeit – and their attempts to cover it up,” said John Horton, president of [LegitScript](#), the leading source of global Internet pharmacy verification.

Since 2001, CanadaDrugs.com has been the preeminent Canadian Internet drug outlet selling to U.S. customers. Throughout this time, the illegal online pharmacy has been certified as “safe and legitimate” by PharmacyChecker.com and the Canadian International Pharmacy Association (CIPA).

PharmacyChecker.com, headquartered in White Plains, NY, claims that all of the foreign drug suppliers on its website are legitimate and safe, despite being illegal to order from and despite the fact that some of these suppliers have been the subject of counterfeit drug warnings.

(more)

Other PharmacyChecker.com-approved online pharmacies whose operators have been indicted and/or convicted include RxNorth.com, whose principal was convicted and incarcerated for counterfeit drug sales in 2013; ApexOnlinePharmacy.com, now shut down because its owner is currently under indictment for selling controlled substance prescription drugs without a valid prescription; and ShopEastWest.com, which is operated by individuals charged with violating the [Controlled Substances Act](#), engaging in money laundering, and violating other drug safety laws.

### **BUYING FROM CANADIAN ONLINE PHARMACIES IS RISKY BUSINESS**

Physicians and consumers in the U.S. tend to be particularly trusting of online drug sellers purporting to be Canadian pharmacies. According to ASOP Global, 97 percent of all online pharmacies do not comply with U.S. laws and 50 percent of medicines sold online are counterfeit, containing everything from paint thinner to arsenic, floor wax and other poisons. The U.S. Chamber of Commerce says the DOJ case underscores that the problem of illegal online drug sellers who peddle counterfeit products is urgent and rampant.

“Consumers may think they’re saving a few dollars by purchasing medications online, but illegal online pharmacies continue to ship mislabeled products containing unsafe ingredients that put consumers at risk,” said Mark Elliot, executive vice president of the U.S. Chamber’s [Global Intellectual Property Center](#). “And it’s not just a consumer safety issue; more than 750,000 American jobs are lost annually because of counterfeit products including fake pharmaceuticals. We must do more to stop counterfeit medicines from entering the U.S. and harming American consumers and our economy.”

### **WHAT CONSUMERS CAN DO TO STAY SAFE**

To stay safe, U.S.-based consumers should avoid websites that: (1) are not licensed in the consumer’s own state; (2) do not require a valid prescription, and sell prescription medications merely by completing an online questionnaire; (3) send unsolicited emails offering ‘too good to be true’ drug prices; (4) ship prescription drugs worldwide; (5) do not have a licensed pharmacist available for consultation; (6) do not have a physical street address; and (7) dispense drugs from outside the U.S.

“Consumers should visit the National Association of Boards of Pharmacy’s [Verified Internet Pharmacy Practice Sites](#) (VIPPS) program, [LegitScript](#), or their [state board of pharmacy](#) to determine whether an online pharmacy is legitimate,” Baney advised. “They also can trust websites that end in the new .pharmacy top-level domain (e.g. [www.safe.pharmacy](#)) since only legitimate Internet pharmacies and pharmacy-related websites will qualify for .pharmacy domains, giving consumers a way to distinguish safe and legal online pharmacies and resources from rogue sites.”

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### **MEDIA CONTACTS**

[Caren Kagan Evans](#)  
301-998-6114  
301-467-6337 (cell)

[Jayme Soulati](#)  
937-312-1363  
937-232-2529 (cell)