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2014 JAN -7 PM 3:54

CLERK OF DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SOUTHERN DIVISION

RETROPHIN, INC., a Delaware
Corporation,

Plaintiff,

vs.

QUESTCOR PHARMACEUTICALS,
INC., a California Corporation,

Defendant.

SAC CV 14-00026-JLS (JPRx)

COMPLAINT FOR:

1. **RESTRAINT OF TRADE IN
VIOLATION OF SECTION 1 OF
THE SHERMAN ACT
(15 U.S.C. § 1 ET SEQ.)**
2. **MONOPOLIZATION IN
VIOLATION OF SECTION 2 OF
THE SHERMAN ACT
(15 U.S.C. § 2 ET SEQ.)**
3. **ATTEMPTED
MONOPOLIZATION IN
VIOLATION OF SECTION 2 OF
THE SHERMAN ACT
(15 U.S.C. § 2 ET SEQ.)**
4. **UNLAWFUL MERGER IN
VIOLATION OF SECTION 7 OF
THE CLAYTON ACT
(15 U.S.C. § 18 ET SEQ.)**
5. **VIOLATION OF CALIFORNIA
ANTITRUST LAWS**
6. **VIOLATION OF CALIFORNIA
UNFAIR COMPETITION LAWS**

DEMAND FOR JURY TRIAL

1 Plaintiff Retrophin, Inc. ("Retrophin"), as and for its complaint against
 2 Defendant Questcor Pharmaceuticals, Inc. ("Questcor"), alleges as follows:

3 **Nature of the Action**

4 1. Questcor is a monopolist. It is the sole provider in the US of approved
 5 therapeutic preparations of adrenocorticotrophic hormone ("ACTH"), a drug used to
 6 treat certain life threatening and often fatal diseases. Questcor's ACTH drug is sold
 7 under the brand name H.P. Acthar Gel ("Acthar"). The drug is not patented.

8 2. Questcor acquired the rights to Acthar in 2001. At the time, Acthar sold
 9 for \$50 a vial or less. Since then, Questcor has raised the price to \$28,000 – a
 10 56,000% price increase.

11 3. Questcor is able to charge such an extortionate price for Acthar because it
 12 holds a monopoly in the US. Its monopoly exists for several reasons. First, Acthar is
 13 the only long acting ACTH therapeutic drug approved by the Food and Drug
 14 Administration ("FDA") for use in the US. Second, Acthar is the most effective and
 15 dominant first line treatment for Infantile Spasms, an often fatal disorder that causes
 16 epileptic type seizures in babies, toddlers and children under the age of 5. In addition,
 17 Questcor has obtained "Orphan Drug Designation" for Acthar from the FDA under the
 18 Orphan Drug Act, 21 USC §§301 *et seq.*, giving it the exclusive right to market
 19 Acthar – and its chemical equivalent – for use in treating Infantile Spasms. Third,
 20 Acthar is also the most commonly used treatment of last resort for patients suffering
 21 from Nephrotic Syndrome, a condition that results in excessive protein being secreted
 22 through the urine that destroys the kidneys and can lead to kidney failure. Treatments
 23 of last resort, as the term implies, are used for patients who do not respond to or
 24 cannot tolerate other therapies used to treat their illness.

25 4. In June of 2013, plaintiff Retrophin was poised to challenge Questcor's
 26 monopoly. It had negotiated an agreement to purchase from Novartis AG
 27 ("Novartis"), the rights to sell in the US a product called Synacthen, an ACTH drug
 28 that contains the same sequence of the first 24 amino acids that is found in Acthar.

1 While there are differences between Acthar and Synacthen – the two are not
2 chemically identical beyond the first 24 amino acids and they are produced differently
3 – Synacthen has been sold for years outside of the US for the treatment of Infantile
4 Spasms, Nephrotic Syndrome, Multiple Sclerosis and other diseases. On information
5 and belief, it is not currently sold in the US because it has never been submitted to the
6 FDA for approval.

7 5. Retrophin planned to obtain FDA approval to sell Synacthen in the US
8 and compete head to head against Questor by dramatically undercutting Questcor's
9 price for Acthar. It had negotiated and was ready to sign an agreement to purchase the
10 US rights to Synacthen from Novartis. The signing was scheduled for June 11, 2013.
11 The signing of the agreement was so imminent that a press release had been prepared
12 to announce the deal.

13 6. On June 11, 2013, the day Retrophin was to sign its agreement with
14 Novartis, Questcor swept in and acquired the rights to Synacthen. In so doing, it
15 preserved and entrenched its ACTH monopoly in the US and eliminated the
16 competitive threat posed by Retrophin's acquisition of Synacthen. There was no
17 procompetitive aspect of Questcor's acquisition of Synacthen.

18 7. When it acquired the rights to Acthar, Questcor did not make a
19 Premerger Notification Filing with the Department of Justice and the Federal Trade
20 Commission under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, 15
21 USC, §18a *et seq.*

22 8. Questcor was quite aware, however, that its agreement with Novartis
23 raised serious antitrust questions. The agreement provides that, if Questcor is forced
24 to divest its rights to Synacthen on antitrust grounds, Novartis will keep the entire \$60
25 million that Questcor had paid it. In addition, Questcor remains obligated to make all
26 future milestone payments owed to Novartis under that agreement – an amount in
27 excess of \$75 million. Questcor has accepted the entire economic risk – an amount in
28

1 excess of \$135 million – that the agreement with Novartis would be deemed illegal
2 under the antitrust laws.

3 9. Questcor's acquisition of Synacthen has delayed, and may completely
4 foreclose, Retrophin's entry into the markets defined below. It will delay, and may
5 completely prevent, Retrophin from competing against Questcor. Retrophin brings
6 this lawsuit to recover the damages it has incurred as a result of Questcor's
7 anticompetitive and monopolistic conduct. It also seeks injunctive relief against
8 Questcor's continuation of such conduct.

9 The Parties

10 10. Plaintiff Retrophin is organized and exists under the laws of Delaware.
11 Its principal place of business is located at 777 Third Avenue, 22nd Floor, New York,
12 New York 10017. It also does business in California and Massachusetts.

13 11. Retrophin is a biopharmaceutical company focused on the development,
14 acquisition and commercialization of drugs for the treatment of serious, catastrophic
15 or rare diseases for which there are currently no viable options for patients. The
16 diseases on which Retrophin focuses are often considered "orphan" diseases because
17 they affect fewer than 200,000 patients in the United States. Retrophin has acquired
18 and is building a pipeline of innovative product candidates for several catastrophic
19 diseases, including: Focal Segmental Glomerulosclerosis, a kidney disease;
20 Pantothenate Kinase-Associated Neurodegeneration; and Duchenne Muscular
21 Dystrophy.

22 12. Defendant Questcor is a corporation organized and existing under the
23 laws of the State of California. It maintains its principal place of business in
24 Anaheim, California.

25 Jurisdiction and Venue

26 13. Retrophin brings this action under Sections 4 and 16 of the Clayton Act,
27 15 U.S.C. §§15 and 26, to recover treble damages and costs of suit, including
28 reasonable attorneys' fees, and for injunctive relief, for injuries suffered by Retrophin

1 alleged herein and arising from Questcor's continuing violations of Section 1 of the
 2 Sherman Act, 15 U.S.C. § 1, Section 2 of the Sherman Act, 15 U.S.C. § 2, and Section
 3 7 of the Clayton Act, 15 U.S.C. § 18. Jurisdiction for this action is invoked under
 4 Sections 4 and 16 of the Clayton Act, as amended, 15 U.S.C. §§ 15 and 26, and 28
 5 U.S.C. §§ 1331 and 1337(a).

6 14. Additionally, this Court has diversity jurisdiction over this action
 7 pursuant to 28 U.S.C. § 1332(a) because the controversy exceeds the sum or value of
 8 \$75,000 and Retrophin and Questcor are citizens of different states. This Court has
 9 supplemental jurisdiction over Retrophin's state law claims pursuant to 28 U.S.C. §
 10 1367(a).

11 15. Venue in this Court exists by virtue of Sections 4 and 12 of the Clayton
 12 Act, as amended, 15 U.S.C. §§ 15 and 22, and 28 U.S.C. § 1391(c). Defendant
 13 Questcor is found, has agents, transacts and is doing business in this District, and the
 14 unlawful activities complained of herein were carried on, in substantial part, within
 15 this District.

16 16. Defendant is subject to personal jurisdiction in this Court because it
 17 resides in this District and transacts business in this District.

18 **Trade and Commerce**

19 17. The pharmaceutical products at issue in this case are sold in Interstate
 20 Commerce, and the unlawful activities alleged in this Complaint have occurred in, and
 21 have had and will have, a substantial effect upon, Interstate Commerce.

22 **The Relevant Markets**

23 18. There are a number of separate relevant product markets at issue in this
 24 case. They include: (a) the market for ACTH therapeutic drugs (the "ACTH
 25 Therapeutic Drug Market"); (b) the market for first-line drug treatments for Infantile
 26 Spasms (the "Infantile Spasms Market"); and (c) the market for treatments of last
 27 resort for Nephrotic Syndrome for those patients who do not respond to or cannot
 28 tolerate primary and secondary treatments for that disease (the "Nephrotic Syndrome

1 Market"). The relevant geographic markets for each of these three relevant product
 2 markets is the United States, since drugs available in any of these markets are subject
 3 to FDA regulation. The ACTH Therapeutic Drug, Infantile Spasms, and Nephrotic
 4 Syndrome Markets are collectively referred to as the "Relevant Markets."

5 **The ACTH Therapeutic Drug Market**

6 19. ACTH is a drug used to treat certain life threatening and often fatal
 7 diseases, including Infantile Spasms and Nephrotic Syndrome. It is a polypeptide
 8 tropic hormone produced and secreted by the anterior pituitary gland. In the human
 9 body, ACTH activates the Melanocortin System and is referred to as a "Melanocortin
 10 agonist." The Melanocortin System affects a wide array of bodily functions ranging
 11 from skin pigmentation, inflammation, energy homeostasis and sexual function. As a
 12 consequence, ACTH can be used as a therapy for a variety of illnesses resulting from
 13 improper functioning of the Melanocortin System, including Infantile Spasms and
 14 Nephrotic Syndrome. There is no reasonable interchangeability between drug
 15 therapies used to treat other diseases and ACTH drug therapies used to stimulate the
 16 Melanocortin System.

17 20. Acthar is an ACTH. It is the only FDA approved long-acting ACTH
 18 available in the US. It is also the only FDA approved long-acting melanocortin
 19 agonist available in the US.

20 21. ACTH products have been approved for use as diagnostic agents which
 21 are used to test for the presence of certain conditions or diseases. However, those
 22 products are short acting and are not used as therapies in treating illnesses.

23 22. Consumers faced with a small but significant non-transitory increase in
 24 the price of ACTH therapeutic drugs, cannot and will not shift to other classes of
 25 drugs such that the increase in price will be rendered unprofitable. This is evidenced
 26 by the fact that Questcor, the only supplier of ACTH for therapeutic purposes in the
 27 US, has raised the price of a vial of Acthar to \$28,000 and is able to maintain that
 28 price.

23. FDA regulation and the difficulty of developing and manufacturing ACTH based therapeutic drugs reduce or eliminate any "supply elasticity" whereby manufacturers of other drug therapies convert their existing manufacturing facilities to the manufacture of ACTH therapeutic drugs.

24. The relevant geographic market for ACTH therapeutic drugs is national because therapeutic ACTH drugs cannot be sold in the US without FDA approval.

The Infantile Spasms Market

25. Babies and little children suffering from Infantile Spasms must have treatments that cure that affliction. Without it they suffer from epileptic type seizures and other symptoms of the disease. If untreated, they may suffer permanent brain or neurological damage and may develop other seizure disorders. The disease can be fatal. Only therapies that treat Infantile Spasm Syndrome can meet the medical needs of these patients. Therapies for other diseases do not cure or control Infantile Spasms and are not substitutes for Infantile Spasm therapeutics. There is no reasonable interchangeability between drug therapies used to treat other diseases and drug therapies used to treat children with Infantile Spasms.

26. Consumers faced with a small but significant non-transitory increase in the price of therapeutic drugs to treat Infantile Spasms, cannot and will not shift to other drug treatments for Infantile Spasms such that the increase in price will be rendered unprofitable. This is evidenced by the fact that Questcor has raised the price of a vial of Acthar to \$28,000 and is able to maintain that price.

27. There are also regulatory entry barriers that limit the Relevant Market to first line therapies for Infantile Spasms. In 2010, Questcor obtained from the FDA, "Orphan Drug designation" for Acthar for Infantile Spasms under the Orphan Drug Act. Despite the fact that Acthar is not patented, the Orphan Drug designation gives Questcor a seven year exclusive right to sell Acthar, and its chemical equivalent, for Infantile Spasms with immunity from generic competition. Questcor's exclusive marketing right extends to 2017. Therapies that are excluded by Acthar's Orphans

1 Drug Designation (generic versions of Acthar) cannot be labeled or marketed for the
2 treatment of Infantile Spasms.

3 28. FDA regulation and the difficulty of developing and manufacturing
4 treatments for Infantile Spasms preclude any "supply elasticity" whereby
5 manufacturers of other drug therapies convert their manufacturing facilities to the
6 manufacture of Infantile Spasm therapies.

7 29. The relevant geographic market for first line Infantile Spasm drug
8 therapies is national because therapeutic drugs cannot be marketed in the US for
9 Infantile Spasms without FDA approval.

10 **The Nephrotic Syndrome Market**

11 30. Nephrotic Syndrome is a condition in which excessive amounts of
12 protein pass through the kidneys and are secreted through the urine. This results in
13 kidney damage and can lead to kidney failure. Nephrotic Syndrome is treated on a
14 first and second line basis with corticosteroids, such as Prednisone, or
15 immunosuppressant drugs. In some patients the disease does not respond to these
16 treatments and in others the patient cannot tolerate the drugs' side effects. In such
17 cases, ACTH (Acthar) is the primary and dominant treatment of last resort. Only
18 therapies that treat Nephrotic Syndrome effectively can meet the medical needs of
19 Nephrotic Syndrome patients who do not respond to or cannot tolerate traditional first
20 and second line therapies for that illness. Therapies for other diseases do not cure or
21 control Nephrotic Syndrome and are not substitutes for last resort treatments for
22 Nephrotic Syndrome. There is no reasonable interchangeability between drug
23 therapies used to treat other diseases and drug therapies used to treat victims of
24 Nephrotic Syndrome.

25 31. Consumers faced with a small but significant non-transitory increase in
26 the price of last resort therapeutic drugs to treat Nephrotic Syndrome cannot and will
27 not shift to other drug treatments such that the increase in price will be rendered
28

1 unprofitable. This is evidenced by the fact that Questcor has raised the price of a vial
2 of Acthar to \$28,000 and is able to maintain that price.

3 32. There are also regulatory entry barriers that limit the Relevant Market to
4 therapies of last resort for Nephrotic Syndrome. Therapies for other conditions cannot
5 be marketed for the treatment of Nephrotic Syndrome without FDA approval. In
6 addition, it is particularly difficult for the maker of a generic drug to obtain FDA
7 approval when it is trying to prove that its synthetically manufactured product, which
8 is manufactured in a laboratory setting, is the biopharmaceutical equivalent of a drug
9 such as Acthar which is produced from animals.

10 33. FDA regulation and the difficulty of developing and manufacturing
11 treatments for Nephrotic Syndrome preclude any "supply elasticity" whereby
12 manufacturers of other drug therapies convert their manufacturing facilities to the
13 manufacture of Nephrotic Syndrome therapies.

14 34. The relevant geographic market for therapies of last resort for Nephrotic
15 Syndrome is national because such therapies cannot be marketed in the US for
16 Nephrotic Syndrome without FDA approval.

17 **Questcor Has Market and Monopoly Power in the Relevant Markets**

18 35. There are no meaningful substitutes for Acthar or ACTH in the Relevant
19 Markets. Nor are manufacturers of other pharmaceutical products able to shift their
20 production to the manufacture of Acthar or other ACTH products. Even if they were
21 able to do so, they could not sell those products without first obtaining FDA approval.
22 Questcor has market and monopoly power in all of the Relevant Markets.

23 36. Questcor's monopoly power in all three of the Relevant Markets is
24 further evidenced by a single price increase that it imposed in 2007. In that year,
25 Questcor raised the price of Acthar from \$1,650 per vial to \$23,000 per vial, an
26 overnight increase of over 1,300%. Questcor's ability to make that price increase
27 "stick" is conclusive evidence of its market and monopoly power.
28

The ACTH Therapeutic Drug Market

37. In the ACTH Therapeutic Drug Market, Acthar is the only FDA approved long acting ACTH therapeutic drug available to consumers in the United States.

38. Questcor's market and monopoly power in the ACTH Therapeutic Drug Market is further protected by the fact that other chemical variations of ACTH for use as therapeutic drugs require FDA approval for sale in the United States.

39. Questcor effectively has 100% of the market for ACTH Therapeutic Drugs. It has market and monopoly power in that market which is dramatically demonstrated by its continued ability to charge \$28,000 for a vial of Acthar.

The Infantile Spasms Market

40. In the Infantile Spasms Market, Acthar is considered the "gold standard" of treatment.

41. Questcor's market and monopoly power in the Infantile Spasms Market is protected by the Orphan Drug Designation that protects Questcor from generic competition to Acthar. Its monopoly position is further protected by the fact that alternative therapies, that would not be precluded by the Orphan Designation, require FDA approval if they are to be marketed as therapies for Infantile Spasms.

42. Questcor admits that it has more than 50% share of the Infantile Spasms Market and its actual market share may be far greater. Questcor's market and monopoly power in the Infantile Spasms Market is demonstrated dramatically by its continued ability to charge \$28,000 for a vial of Acthar.

The Nephrotic Syndrome Market

43. In the Nephrotic Syndrome Market, Acthar is the primary and dominant treatment of last resort for Nephrotic Syndrome patients who do not respond to or cannot tolerate first or second line treatments for that disease.

1 44. Questcor's market and monopoly power in the Nephrotic Syndrome
 2 Market is further protected by the fact that alternative drug therapies require FDA
 3 approval if they are to be marketed as therapies for Nephrotic Syndrome.

4 45. Questcor's market and monopoly power in the Nephrotic Syndrome
 5 Market is demonstrated dramatically by its continued ability to charge \$28,000 for a
 6 vial of Acthar.

7 **Retrophin's Acquisition of Synacthen Threatened Questcor's Monopoly**

8 46. Synacthen is an ACTH derivative that has been sold for years outside of
 9 the US and has been used successfully to treat patients with Infantile Spasms and
 10 Nephrotic Syndrome in other countries. It has not been commercially developed in
 11 the US and it has not been submitted to the FDA for approval for therapeutic use.

12 47. Synacthen is similar, but not chemically identical, to Acthar. Both drugs
 13 share the identical sequence of the first 24 amino acids in their respective molecules.
 14 This sequence of amino acids gives both drugs their therapeutic properties. Acthar,
 15 however, has a longer amino acid chain. The two drugs are also produced in very
 16 different ways. Acthar is "porcine derived." It is extracted from the pituitary gland
 17 found in the brains of slaughtered pigs. Synacthen, by contrast, is synthetically
 18 manufactured in a laboratory setting. These differences give Synacthen three
 19 competitive advantages over Acthar. First, Synacthen is less expensive to
 20 manufacture. Second, because it is manufactured in a controlled setting, the product is
 21 less susceptible to variation. Third, consumers are more comfortable knowing that the
 22 drugs they are taking – or giving to their infants – are produced in a sterile
 23 environment rather than being derived from slaughtered animals.

24 48. Retrophin planned to purchase the rights to Synacthen, obtain FDA
 25 approval for its use as a therapeutic, and enter the Relevant Markets in competition
 26 with Questcor. Retrophin planned to price Synacthen at a fraction of the price
 27 charged by Questcor and use its competitive pricing and Synacthen's other
 28 competitive advantages to take substantial market share from Acthar.

1 49. In the late summer of 2012, Retrophin entered negotiations with Novartis
2 to purchase the rights to manufacture and sell Synacthen in the US. After
3 approximately nine months of due diligence and negotiations, Retrophin and Novartis
4 agreed to terms on which Retrophin would acquire the rights to Synacthen. Final
5 documents had been prepared and were merely awaiting the parties' signatures. The
6 signing was set for June 11, 2013. Retrophin had prepared a press release announcing
7 the deal.

8 50. In anticipation of the transaction, Retrophin had prepared a plan to obtain
9 regulatory approvals for, and sell Synacthen. It devised a strategy for going directly to
10 Phase III clinical drug trials in order to obtain FDA approval for the use of Synacthen
11 to treat Infantile Spasms and Nephrotic Syndrome. It also planned to file a Treatment
12 Investigational New Drug Application which, if approved by the FDA, would have
13 allowed Retrophin to offer Synacthen to patients for free while it was awaiting FDA
14 approval to market Synacthen for Infantile Spasms and Nephrotic Syndrome. This
15 would have given patients immediate relief from Questcor's pricing and would have
16 developed substantial goodwill for Retrophin and Synacthen in both the patient and
17 medical communities. Retrophin believed that the history of Synacthen's use in other
18 countries would aid it in obtaining FDA approval.

19 51. In anticipation of the product launch, Retrophin had put in place a
20 clinical apparatus to conduct clinical trials necessary to obtain FDA approval. It
21 planned to begin to market Synacthen upon FDA approval.

22 52. Given its expertise as a biopharmaceutical company focusing on rare
23 diseases, Retrophin was ready, willing and able to enter the Relevant Markets with
24 Synacthen subject to FDA approval. Retrophin's entry into the Relevant Markets
25 would have broken Questcor's monopoly. The result would have been
26 unambiguously procompetitive. Retrophin's entry into the market and its introduction
27 of Synacthen as an alternative to Acthar would have benefitted all participants in the
28 markets – other than Questcor. Prices to patients and payors would have dropped;

1 patients who were unable to pay for the drug would have been able to get it; other
 2 patients who were forced by Questcor's pricing to limit their dosages of the drug
 3 would have been able to take the medically prescribed amounts; and Retrophin would
 4 have earned substantial profits from sales of its product.

5 **Questcor Illegally Acquires Synacthen to Preserve its Monopoly**

6 53. Faced with a direct threat to its monopoly, Questcor acted to preserve its
 7 market dominance and its ability to charge extraordinary prices for Acthar. It swept in
 8 and secretly negotiated a deal to buy the rights to Synacthen from Novartis.

9 54. On June 11, 2013, the very day that Retrophin and Novartis were to sign
 10 their agreement, Questcor acquired the rights to Synacthen. The acquisition was
 11 closed on the day of the announcement. Questcor made no Premerger Notification
 12 filing with the Department of Justice and the Federal Trade Commission under the
 13 Hart Scott Rodino Act Antitrust Improvements Act of 1976. Nor did it observe the
 14 waiting period provided by the Hart Scott Act before closing the acquisition.

15 55. As part of the Agreement, the entire risk of an antitrust challenge to the
 16 transaction is borne by Questcor. The Agreement between Novartis and Questcor
 17 provides that Novartis receives the full consideration it is entitled to from Questcor
 18 even if the US antitrust enforcement agencies (The Federal Trade Commission or the
 19 Department of Justice) force Questcor to divest its rights in Synacthen. If such a
 20 divestiture occurs, the Agreement provides that Novartis keeps the entire \$60 million
 21 that Questcor has paid it and Questcor will make all future milestone payments
 22 required by the Agreement – an amount in excess of \$75 million. In short, the
 23 acquisition of the rights to Synacthen was so important to Questcor that it put at least
 24 \$135 million at risk to keep Synacthen out of Retrophin's hands. There was no
 25 procompetitive aspect of Questcor's acquisition of Synacthen.

26 56. Questcor's acquisition of the rights to Synacthen unreasonably restrained
 27 trade, maintained Questcor's monopolies and may result in a substantial lessening of
 28 competition in the Relevant Markets. As a result of Questcor's acquisition of the

1 rights to Synacthen, prices to patients and payors for Acthar will remain at monopoly
2 levels; patients who are unable to pay for the drug will not be able to get it;
3 other patients who are forced by Questcor's pricing to limit their dosages of the drug
4 will not be able to take the medically prescribed amounts; and Retrophin will not earn
5 the substantial profits it expected to earn from selling Synacthen at a fraction of the
6 price Questcor charges for Acthar.

7 **Retrophin Is Continuing to Try to Enter the Relevant Markets**

8 57. Despite Questcor's anticompetitive and monopolistic conduct, Retrophin
9 is continuing to try to enter the Relevant Product Markets. To that end, it has taken
10 the highly unusual step of trying to create from scratch a drug – that it has designated
11 as RE-034 – that will match Synacthen. Retrophin is endeavoring to create a new
12 formulation of the drug that will incorporate the same active pharmaceutical
13 ingredient used in Synacthen and match Synacthen's therapeutic effects for patients
14 suffering from Infantile Spasms and Nephrotic Syndrome.

15 58. Retrophin's efforts to develop RE-034 will take substantial time and
16 money and will require FDA approval. It will also require that the drug successfully
17 complete both Phase I and Phase III clinical trials for both Infantile Spasms and
18 Nephrotic Syndrome. There is no guarantee that RE-034 will succeed in the clinical
19 trials or that Retrophin will succeed in obtaining FDA approval or entering the
20 Relevant Markets.

21 59. Entering the Relevant Markets through RE-034 is more difficult, risky
22 and time consuming than entering those markets through Synacthen. Synacthen is an
23 existing product that has been manufactured and used outside of the US for decades in
24 the treatment of a variety of illnesses, including Infantile Spasms and Nephrotic
25 Syndrome. The owner of the rights to Synacthen has the information, know-how and
26 ability to manufacture the drug and has decades of clinical data from outside the
27 United States that can be used to facilitate and speed the regulatory approval process
28

1 in the US. Retrophin will need to develop all of that knowledge from scratch in
 2 seeking to enter the Relevant Markets with RE-034.

3 60. Entering the Relevant Markets through RE-034 will be more difficult,
 4 less likely to succeed and take longer than entry into those markets through the
 5 acquisition of Synacthen. Questcor's conduct has delayed, and may entirely foreclose,
 6 Retrophin from entering the Relevant Markets.

7 **Questcor Has Damaged Competition in the Relevant Markets and Has Caused**
 8 **Retrophin to Suffer Both Injury in Fact and Antitrust Injury**

9 61. Questcor's unlawful acquisition of the rights to Synacthen has foreclosed
 10 or delayed Retrophin from entering the Relevant Markets, has restrained trade, and
 11 has preserved and entrenched Questcor's monopoly and may substantially lessen
 12 competition. As a result, competition in the Relevant Markets has been damaged and
 13 Retrophin has been injured. Those injuries are intertwined and inseparable.
 14 Excluding or delaying Retrophin from entering the Relevant Markets with Synacthen
 15 was and is an integral aspect of Questcor's anticompetitive conduct.

16 62. Retrophin has suffered and continues to suffer injury in fact from
 17 Questcor's acquisition of the rights to Synacthen and the preservation of its monopoly.

18 63. Retrophin has suffered and continues to suffer antitrust injury from
 19 Questcor's acquisition of the rights to Synacthen and the preservation of its monopoly.
 20 Retrophin has been injured directly as a result of Questcor's unlawful conduct.
 21 Retrophin is a potential entrant into the Relevant Markets and, but for Questcor's
 22 unlawful conduct, would be entering those markets with Synacthen. There are no
 23 aspects of Questcor's conduct that are beneficial to competition. Retrophin's injury is
 24 an integral aspect of Questcor's unlawful conduct; flows from that which renders
 25 Questcor's conduct unlawful; and its injury is of the type the antitrust laws were
 26 intended to prevent.

FIRST CAUSE OF ACTION
(COMBINATION IN THE RESTRAINT OF TRADE IN VIOLATION OF
SECTION 1 OF THE SHERMAN ACT)

64. Retrophin repeats and realleges the allegations set forth in paragraphs 1 through 63 as if fully set forth herein.

65. In acquiring the rights to Synacthen, Questcor entered into a contract, conspiracy or combination that unreasonably restrains trade in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

66. Questcor's acquisition of the rights to Synacthen unlawfully and unreasonably restrains trade by preventing or delaying Retrophin from entering the Relevant Markets and challenging Questcor's market power in those markets.

67. Questcor's violation of Section 1 of the Sherman Act has caused, and will cause, damages to Retrophin in an amount to be determined at trial, such damages to be trebled in accordance with Section 4 of the Clayton Act, 15 U.S.C. § 15.

68. Questcor's unlawful conduct is ongoing, irreparably injures Retrophin, harms the public interest, and unless restrained will continue. Retrophin has no adequate remedy at law.

SECOND CAUSE OF ACTION
(MONOPOLIZATION IN VIOLATION OF SECTION 2 OF THE SHERMAN
ACT)

69. Retrophin repeats and realleges the allegations set forth in paragraphs 1 through 68 as if fully set forth herein.

70. Questcor has monopoly power in the Relevant Markets. In acquiring the rights to Synacthen in the US, Questcor has intentionally acted to maintain and entrench its monopoly position in Relevant Markets, and has done so, in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2.

1 71. Questcor's violation of Section 2 of the Sherman Act has caused, and
 2 will cause, damages to Retrophin in an amount to be determined at trial, such damages
 3 to be trebled in accordance with Section 4 of the Clayton Act, 15 U.S.C. § 15.

4 72. Questcor's unlawful conduct is ongoing, irreparably injures Retrophin,
 5 harms the public interest, and unless restrained will continue. Retrophin has no
 6 adequate remedy at law.

7 **THIRD CAUSE OF ACTION**

8 **(ATTEMPTED MONOPOLIZATION IN VIOLATION OF SECTION 2 OF** 9 **THE SHERMAN ACT)**

10 73. Retrophin repeats and realleges the allegations set forth in paragraphs 1
 11 through 72 as if fully set forth herein.

12 74. In acquiring the rights to Synacthen, Questcor has engaged in
 13 monopolistic and anticompetitive conduct with the specific purpose and intent of
 14 monopolizing the Relevant Markets in violation of Section 2 of the Sherman Act, 15
 15 U.S.C. § 2.

16 75. The sole purpose of Questcor's acquisition of the rights to Synacthen is
 17 to enable Questcor to gain or maintain a monopoly position in the Relevant Markets.

18 76. A dangerous probability exists that Questcor has succeeded, and if not
 19 restrained, will continue to succeed in monopolizing the Relevant Markets.

20 77. Questcor's acts of attempted monopolization has unlawfully prevented
 21 and delayed Retrophin from entering the Relevant Markets and otherwise injure
 22 competition in those markets by reducing choice, inflating prices, and lessening
 23 innovation.

24 78. Questcor's violation of Section 2 of the Sherman Act has caused, and
 25 will cause, damages to Retrophin in an amount to be determined at trial, such damages
 26 to be trebled in accordance with Section 4 of the Clayton Act, 15 U.S.C. § 15.
 27
 28

1 79. Questcor's unlawful conduct is ongoing, irreparably injures Retrophin,
2 harms the public interest, and unless restrained will continue. Retrophin has no
3 adequate remedy at law.

4 **FOURTH CAUSE OF ACTION**

5 **(UNLAWFUL MERGER IN VIOLATION OF SECTION 7 OF THE** 6 **CLAYTON ACT)**

7 80. Retrophin repeats and realleges the allegations set forth in paragraphs 1
8 through 79 as if fully set forth herein.

9 81. Questcor's acquisition of the rights to Synacthen is likely to substantially
10 lessen competition in interstate trade and commerce in violation of Section 7 of the
11 Clayton Act, 15 U.S.C. § 18.

12 82. Questcor's acquisition of the rights to Synacthen is likely to result in a
13 substantial lessening of competition in the Relevant Markets.

14 83. Questcor's violation of Section 7 of the Clayton Act has caused, and will
15 cause, damages to Retrophin in an amount to be determined at trial, such damages to
16 be trebled in accordance with Section 4 of the Clayton Act, 15 U.S.C. § 15.

17 84. Questcor's unlawful conduct is ongoing, irreparably injures Retrophin,
18 harms the public interest, and unless restrained will continue. Retrophin has no
19 adequate remedy at law.

20 **FIFTH CAUSE OF ACTION**

21 **(VIOLATION OF CALIFORNIA ANTITRUST LAWS)**

22 85. Retrophin repeats and realleges the allegations set forth in paragraphs 1
23 through 84 as if fully set forth herein.

24 86. In acquiring the rights to Synacthen, Questcor entered into and engaged
25 in a continuing unlawful trust in restraint of the trade and commerce described above
26 in violation of the California antitrust laws referenced below. Questcor has acted in
27 violation of these laws in an effort to maintain, entrench, and/or create a monopoly,
28

1 and otherwise injure competition in the Relevant Markets. Questcor's conduct
2 substantially affected commerce in California.

3 87. In acquiring the rights to Synacthen in the US, Questcor has maintained
4 and entrenched its monopoly position in the Relevant Markets.

5 88. Questcor's acquisition of the rights to Synacthen is likely to result in a
6 substantial lessening of competition in the Relevant Markets.

7 89. By reason of the foregoing, Questcor violated California's Cartwright
8 Act, California Business and Professions Code §§ 16720 *et seq.*

9 90. Questcor's violation of California's Cartwright Act, California Business
10 and Professions Code §§ 16720 *et seq.* has caused, and will cause, damages to
11 Retrophin in an amount to be determined at trial, with such damages to be trebled.

12 91. Questcor's unlawful conduct is ongoing, irreparably injures Retrophin,
13 harms the public interest, and unless restrained will continue. Retrophin has no
14 adequate remedy at law.

15 **SIXTH CAUSE OF ACTION**

16 **(UNFAIR COMPETITION UNDER CAL. BUS. & PROF. CODE**

17 **§ 17200 *ET SEQ.*)**

18 92. Retrophin repeats and realleges the allegations set forth in paragraphs 1
19 through 91 as if fully set forth herein.

20 93. California Unfair Competition Law, Business and Professions Code
21 Section 17200 *et seq.*, provides that "unfair competition shall mean and include any
22 unlawful, unfair or fraudulent business act."

23 94. Questcor's conduct as alleged herein meets the "unlawfulness" prong of
24 California Business and Professions Code §§ 17200 *et seq.* Questcor has committed
25 and continues to commit unlawful business practices by illegally acquiring the rights
26 to Synacthen and engaging in anticompetitive and monopolistic conduct in violation
27 of antitrust laws.

1 95. Questcor's conduct as alleged herein also meets the "unfair" prong of
 2 California Business and Professions Code §§ 17200 *et seq.* Questcor's
 3 anticompetitive and monopolistic conduct harms the public interest, threatens an
 4 incipient violation of an antitrust law and/or violates the policy or spirit of those laws
 5 because its effects are comparable to or the same as a violation of the law, or
 6 otherwise significantly threatens or harms competition.

7 96. Pursuant to California Business and Professions Code § 17203, Retrophin
 8 seeks the disgorgement of Questcor's profits earned by its unlawful and/or unfair
 9 business practices to the extent it constitutes restitution to Retrophin.

10 97. Pursuant to California Business and Professions Code § 17203, Retrophin
 11 seeks an order of this court enjoining Questcor from continuing to engage, use, or
 12 employ the unlawful and/or unfair business practices complained of herein.

13 98. Questcor's wrongful conduct has caused and, if it continues, will
 14 continue to cause irreparable harm to Retrophin that cannot be fully compensated by
 15 money and for which Retrophin has no adequate remedy at law. Retrophin is thus
 16 entitled to permanent injunctive relief preventing Questcor from continuing to engage
 17 in the conduct alleged in this Complaint.

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Retrophin respectfully demands judgment against Questcor:

20 A. DECLARING that Questcor's acquisition of the rights to Synacthen is an
 21 unlawful contract, combination or conspiracy in restraint of trade in violation of
 22 Section 1 of the Sherman Act;

23 B. DECLARING that Questcor's acquisition of the rights to Synacthen
 24 constitutes unlawful monopolization of the Relevant Markets in violation of Section 2
 25 of the Sherman Act;

26 C. DECLARING that Questcor's acquisition of the rights to Synacthen
 27 constitutes an unlawful attempt to monopolize the Relevant Markets in violation of
 28 Section 2 of the Sherman Act;

1 D. DECLARING that Questcor's acquisition of the rights to Synacthen
2 constitutes an acquisition that may result in a substantial lessening of competition in
3 the Relevant Markets in violation of Section 7 of the Clayton Act;

4 E. DECLARING that Questcor's acquisition of the rights to Synacthen
5 constitutes an unlawful trust in restraint of trade and commerce in violation of
6 California Business and Professions Code §§ 16720 *et seq.*;

7 F. DECLARING that Questcor's acquisition of the rights to Synacthen
8 constitutes unfair competition in violation of California Business and Professions
9 Code § 17200 *et seq.*;

10 G. PERMANENTLY ENJOINING Questcor from enforcing or maintaining
11 its Rights to Synacthen under its agreement with Novartis or any similar formal or
12 informal agreement;

13 H. PERMANENTLY ENJOINING Questcor from engaging in further
14 anticompetitive conduct in violation of Section 1 of the Sherman Act;

15 I. PERMANENTLY ENJOINING Questcor from engaging in further
16 anticompetitive conduct in violation of Section 2 of the Sherman Act;

17 J. PERMANENTLY ENJOINING Questcor from engaging in further
18 anticompetitive conduct in violation of Section 7 of the Clayton Act;

19 K. PERMANENTLY ENJOINING Questcor from engaging in further
20 anticompetitive conduct in violation of California Business and Professions Code §§
21 16720, *et seq.*;

22 L. PERMANENTLY ENJOINING Questcor from engaging in further
23 unlawful and/or unfair business practices in violation of California Business and
24 Professions Code § 17200 *et seq.*;

25 M. DISGORGING any profits generated by Questcor as a result of its
26 unlawful and/or unfair business practices to the extent it constitutes restitution to
27 Retrophin;
28

1 N. AWARDING Retrophin damages in an amount to be proved at trial, such
2 damages to be trebled, including its costs and attorneys' fees, pursuant to Section 4 of
3 the Clayton Act, 15 U.S.C. § 15 and/or California's Cartwright Act, California
4 Business and Professions Code §§ 16720, *et seq.*;

5 O. AWARDING Retrophin its costs, expenses and attorneys' fees incurred
6 in connection with the action;

7 P. AWARDING Retrophin interest to the maximum extent permitted by
8 law; and

9 Q. GRANTING Retrophin such other and further relief as this Court deems
10 just and proper.

11 Dated: January 7, 2014

KATTEN MUCHIN ROSENMAN LLP

12
13 By: 

14 Kristin L. Holland
15 Attorneys for Plaintiff Retrophin, Inc.
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DEMAND FOR JURY TRIAL

Retrophin hereby demands a trial by jury on all of its claims and causes of action.

Dated: January 7, 2014

KATTEN MUCHIN ROSENMAN LLP

By: 

Kristin L. Holland
Attorneys for Plaintiff Retrophin, Inc.

Katten

Katten Muchin Rosenman LLP

2039 Century Park East, Suite 2600
Los Angeles, CA 90067-9028
310.788.4400 tel 310.788.4471 fax

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

NOTICE OF ASSIGNMENT TO UNITED STATES JUDGES

This case has been assigned to District Judge Josephine L. Staton and the assigned Magistrate Judge is Jean P. Rosenbluth.

The case number on all documents filed with the Court should read as follows:

8:14-cv-00026-JLS(JPRx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge.

Clerk, U. S. District Court

January 7, 2014

Date

By APEDRO

Deputy Clerk

NOTICE TO COUNSEL

A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).

Subsequent documents must be filed at the following location:

☐ Western Division
312 N. Spring Street, G-8
Los Angeles, CA 90012

☒ Southern Division
411 West Fourth St., Ste 1053
Santa Ana, CA 92701

☐ Eastern Division
3470 Twelfth Street, Room 134
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

I. (a) PLAINTIFFS (Check box if you are representing yourself <input type="checkbox"/>) Retrophin, Inc.	DEFENDANTS (Check box if you are representing yourself <input type="checkbox"/>) Questcor Pharmaceuticals, Inc.
(b) County of Residence of First Listed Plaintiff <u>New York, NY</u> <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i>	County of Residence of First Listed Defendant <u>Orange, CA</u> <i>(IN U.S. PLAINTIFF CASES ONLY)</i>
(c) Attorneys (Firm Name, Address and Telephone Number) If you are representing yourself, provide the same information. Katten Muchin Rosenman LLP 2029 Century Park East, Suite 2600 Los Angeles, CA 90067-3012 310-788-4400	Attorneys (Firm Name, Address and Telephone Number) If you are representing yourself, provide the same information. N/A

II. BASIS OF JURISDICTION (Place an X in one box only.) <input type="checkbox"/> 1. U.S. Government Plaintiff <input type="checkbox"/> 2. U.S. Government Defendant <input checked="" type="checkbox"/> 3. Federal Question (U.S. Government Not a Party) <input type="checkbox"/> 4. Diversity (Indicate Citizenship of Parties in Item III)	III. CITIZENSHIP OF PRINCIPAL PARTIES -For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant) <table style="width:100%;"> <tr> <td style="width:33%;">Citizen of This State</td> <td style="width:10%;">PTF <input type="checkbox"/> 1</td> <td style="width:10%;">DEF <input type="checkbox"/> 1</td> <td style="width:33%;">Incorporated or Principal Place of Business in this State</td> <td style="width:10%;">PTF <input type="checkbox"/> 4</td> <td style="width:10%;">DEF <input checked="" type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td>PTF <input type="checkbox"/> 2</td> <td>DEF <input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business in Another State</td> <td>PTF <input checked="" type="checkbox"/> 5</td> <td>DEF <input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td>PTF <input type="checkbox"/> 3</td> <td>DEF <input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td>PTF <input type="checkbox"/> 6</td> <td>DEF <input type="checkbox"/> 6</td> </tr> </table>	Citizen of This State	PTF <input type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input checked="" type="checkbox"/> 4	Citizen of Another State	PTF <input type="checkbox"/> 2	DEF <input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	PTF <input checked="" type="checkbox"/> 5	DEF <input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	PTF <input type="checkbox"/> 3	DEF <input type="checkbox"/> 3	Foreign Nation	PTF <input type="checkbox"/> 6	DEF <input type="checkbox"/> 6
Citizen of This State	PTF <input type="checkbox"/> 1	DEF <input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	PTF <input type="checkbox"/> 4	DEF <input checked="" type="checkbox"/> 4														
Citizen of Another State	PTF <input type="checkbox"/> 2	DEF <input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	PTF <input checked="" type="checkbox"/> 5	DEF <input type="checkbox"/> 5														
Citizen or Subject of a Foreign Country	PTF <input type="checkbox"/> 3	DEF <input type="checkbox"/> 3	Foreign Nation	PTF <input type="checkbox"/> 6	DEF <input type="checkbox"/> 6														

IV. ORIGIN (Place an X in one box only.)

<input checked="" type="checkbox"/> 1. Original Proceeding	<input type="checkbox"/> 2. Removed from State Court	<input type="checkbox"/> 3. Remanded from Appellate Court	<input type="checkbox"/> 4. Reinstated or Reopened	<input type="checkbox"/> 5. Transferred from Another District (Specify)	<input type="checkbox"/> 6. Multi-District Litigation
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V. REQUESTED IN COMPLAINT: JURY DEMAND: ☒ Yes ☐ No (Check "Yes" only if demanded in complaint.)

CLASS ACTION under F.R.Cv.P. 23: ☐ Yes ☒ No **MONEY DEMANDED IN COMPLAINT:** \$ Over \$75k, TBD

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)
Plaintiff is suing defendant for entering an illegal agreement and engaging in conduct that violates federal and state antitrust and competition laws, 15 U.S.C. §§ 1, 2, 18, and California Business and Professions Code §§ 16720, et seq. California Business and Professions Code §§ 17200, et seq

VII. NATURE OF SUIT (Place an X in one box only.)

OTHER STATUTES	CONTRACT	REAL PROPERTY CONT.	IMMIGRATION	PRISONER PETITIONS	PROPERTY RIGHTS
<input type="checkbox"/> 375 False Claims Act	<input type="checkbox"/> 110 Insurance	<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 462 Naturalization Application	Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 820 Copyrights
<input type="checkbox"/> 400 State Reapportionment	<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 465 Other Immigration Actions		<input type="checkbox"/> 830 Patent
<input checked="" type="checkbox"/> 410 Antitrust	<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 290 All Other Real Property	TORTS		<input type="checkbox"/> 840 Trademark
<input type="checkbox"/> 430 Banks and Banking	<input type="checkbox"/> 140 Negotiable Instrument	PERSONAL INJURY	PERSONAL PROPERTY	<input type="checkbox"/> 535 Death Penalty	SOCIAL SECURITY
<input type="checkbox"/> 450 Commerce/ICC Rates/Etc.	<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 370 Other Fraud	Other:	<input type="checkbox"/> 861 HIA (1395ff)
<input type="checkbox"/> 460 Deportation	<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 540 Mandamus/Other	<input type="checkbox"/> 862 Black Lung (923)
<input type="checkbox"/> 470 Racketeer Influenced & Corrupt Org.	<input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Vet.)	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 863 DIWC/DIWW (405 (g))
<input type="checkbox"/> 480 Consumer Credit	<input type="checkbox"/> 153 Recovery of Overpayment of Vet. Benefits	<input type="checkbox"/> 330 Fed. Employers' Liability	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 864 SSID Title XVI
<input type="checkbox"/> 490 Cable/Sat TV	<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 340 Marine	BANKRUPTCY	<input type="checkbox"/> 560 Civil Detainee Conditions of Confinement	<input type="checkbox"/> 865 RSI (405 (g))
<input type="checkbox"/> 850 Securities/Commodities/Exchange	<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158	FORFEITURE/PENALTY	FEDERAL TAX SUITS
<input type="checkbox"/> 890 Other Statutory Actions	<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)
<input type="checkbox"/> 891 Agricultural Acts	<input type="checkbox"/> 196 Franchise	<input type="checkbox"/> 355 Motor Vehicle Product Liability	CIVIL RIGHTS	<input type="checkbox"/> 690 Other	<input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
<input type="checkbox"/> 893 Environmental Matters	REAL PROPERTY	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 440 Other Civil Rights	LABOR	
<input type="checkbox"/> 895 Freedom of Info. Act	<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 362 Personal Injury-Med Malpractice	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 710 Fair Labor Standards Act	
<input type="checkbox"/> 896 Arbitration	<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 365 Personal Injury-Product Liability	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 720 Labor/Mgmt. Relations	
<input type="checkbox"/> 899 Admin. Procedures Act/Review of Appeal of Agency Decision	<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability	<input type="checkbox"/> 443 Housing/Accommodations	<input type="checkbox"/> 740 Railway Labor Act	
<input type="checkbox"/> 950 Constitutionality of State Statutes		<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 445 American with Disabilities-Employment	<input type="checkbox"/> 751 Family and Medical Leave Act	
			<input type="checkbox"/> 446 American with Disabilities-Other	<input type="checkbox"/> 790 Other Labor Litigation	
			<input type="checkbox"/> 448 Education	<input type="checkbox"/> 791 Employee Ret. Inc. Security Act	

FOR OFFICE USE ONLY:

Case Number:

CV-71 (11/13)

CIVIL COVER SHEET

Page 1 of 3

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

VIII. VENUE: Your answers to the questions below will determine the division of the Court to which this case will most likely be initially assigned. This initial assignment is subject to change, in accordance with the Court's General Orders, upon review by the Court of your Complaint or Notice of Removal.

Question A: Was this case removed from state court? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "no," go to Question B. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	STATE CASE WAS PENDING IN THE COUNTY OF:		INITIAL DIVISION IN CACD IS:
	<input type="checkbox"/> Los Angeles		Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo		Western
	<input type="checkbox"/> Orange		Southern
	<input type="checkbox"/> Riverside or San Bernardino		Eastern

Question B: Is the United States, or one of its agencies or employees, a party to this action? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "no," go to Question C. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	If the United States, or one of its agencies or employees, is a party, is it:		INITIAL DIVISION IN CACD IS:
	A PLAINTIFF?	A DEFENDANT?	
	Then check the box below for the county in which the majority of DEFENDANTS reside.	Then check the box below for the county in which the majority of PLAINTIFFS reside.	
	<input type="checkbox"/> Los Angeles	<input type="checkbox"/> Los Angeles	Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	Western
	<input type="checkbox"/> Orange	<input type="checkbox"/> Orange	Southern
	<input type="checkbox"/> Riverside or San Bernardino	<input type="checkbox"/> Riverside or San Bernardino	Eastern
<input type="checkbox"/> Other	<input type="checkbox"/> Other	Western	

Question C: Location of plaintiffs, defendants, and claims? (Make only one selection per row)	A. Los Angeles County	B. Ventura, Santa Barbara, or San Luis Obispo Counties	C. Orange County	D. Riverside or San Bernardino Counties	E. Outside the Central District of California	F. Other
Indicate the location in which a majority of plaintiffs reside:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Indicate the location in which a majority of defendants reside:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indicate the location in which a majority of claims arose:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

C.1. Is either of the following true? If so, check the one that applies: <input checked="" type="checkbox"/> 2 or more answers in Column C <input type="checkbox"/> only 1 answer in Column C and no answers in Column D Your case will initially be assigned to the SOUTHERN DIVISION. Enter "Southern" in response to Question D, below. If none applies, answer question C.2 to the right. →	C.2. Is either of the following true? If so, check the one that applies: <input type="checkbox"/> 2 or more answers in Column D <input type="checkbox"/> only 1 answer in Column D and no answers in Column C Your case will initially be assigned to the EASTERN DIVISION. Enter "Eastern" in response to Question D, below. If none applies, go to the box below. ↓
Your case will initially be assigned to the WESTERN DIVISION. Enter "Western" in response to Question D below.	

Question D: Initial Division? Enter the initial division determined by Question A, B, or C above: →	INITIAL DIVISION IN CACD Southern Division
---	---

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

IX(a). IDENTICAL CASES: Has this action been previously filed in **this court** and dismissed, remanded or closed? ☒ NO ☐ YES

If yes, list case number(s): _____

IX(b). RELATED CASES: Have any cases been previously filed in **this court** that are related to the present case? ☒ NO ☐ YES

If yes, list case number(s): _____

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**X. SIGNATURE OF ATTORNEY
(OR SELF-REPRESENTED LITIGANT):** _____

DATE: 1/7/2014

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet).

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))