



Gilead gains ground in HIV drug counterfeit litigation

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A New York federal judge has frozen the assets of several individuals and entities for their alleged role in distributing counterfeit versions of Gilead Science's (Nasdaq:GILD) HIV medications.

Presiding over the U.S. District Court for the Eastern District of New York, Judge Ann M. Donnelly also denied the defendants' motion to dismiss the case for lack of personal jurisdiction and improper venue and permitted the case to proceed.

The defendants in the case are suppliers, distributors and pharmacies accused of operating an HIV drug counterfeiting ring. The lawsuit accuses three companies of involvement in the counterfeit ring, including Synergy Group Wholesalers, Cesar Castillo Wholesalers and DNS Distributor. It also states that Julio Martin Gonzalez assisted in the scheme.

According to recently unsealed court documents, Lazaro Roberto Hernandez and Armando Herrera were cited as the two kingpins involved in the scheme to market counterfeit HIV drugs.

Law enforcement officials arrested Hernandez in June for his alleged participation in the scheme.

The lawsuit also accuses other parties of assisting with the management of the counterfeit ring as well as marketing and laundering activities.

Gilead accuses the defendants of selling bottles with Gilead branding filled with various counterfeit HIV drugs with falsified records.

Gilead accuses the defendants of selling hundreds of millions of dollars of counterfeit drugs.

Geoffrey Potter, a partner at Patterson Belknap Webb & Tyler LLP, is representing Gilead in the case.

Gilead recently released a statement describing its actions to block the distribution of counterfeit HIV medications.

Gilead began pursuing litigation in July 2021 to stop the distribution of counterfeit products. The company also released a list of authorized distributors and provided information on verifying its products' authenticity. In addition, the company noted that it is collaborating with FDA, pharmacies and the DOJ to remove counterfeits from circulation and to prevent the future distribution of counterfeit drugs.

Last August, Gilead announced that it identified tampered and counterfeit versions of its HIV drugs Biktarvy and Descovy in the U.S.

Today, Gilead shares dropped 2.19% to \$61.69. [M](#)

