

Press Release September 30, 2019

FOR IMMEDIATE RELEASE CONTACT:

Dr. Sharon Harris: 516- 676-2008

safeglencove@yahoo.com

SAFE Glen Cove Coalition: Sacklers File Bankruptcy So What Happens Now?

CNN recently reported that the Sacklers, the owners of Purdue Pharma, has filed for bankruptcy as part of its plan to settle litigation with dozens of states and other plaintiffs who say the company fueled the opioid crisis with the manufacturing and promotion of their product, Oxycontin.

A bankruptcy filing should freeze the lawsuits against the drug maker and likely result in the claims being shifted into bankruptcy court, according to legal experts. This process is meant to ensure that a company that declares bankruptcy can preserve its value while it gets more time to negotiate with every entity to which it owes money. It's also meant to ensure that all those creditors as plaintiffs awarded money are known in bankruptcy proceedings get some piece of the company's assets.

Some state attorneys general who are among those who have sued the company are in opposition and have stressed that they will continue to seek additional damages from the company and members of the Sackler family, who control Purdue and who have reaped billions from the sale of opioid painkillers. Some of the lawsuits have named individual Sacklers as defendants.

The lawsuits from state attorneys general are in various state courts, while the majority of the more than 2,000 cases from local governments, tribes, and others have been consolidated together in a federal case in Ohio in a multidistrict litigation, or MDL. The bankruptcy deal is supported by roughly half the states suing the company and the lead plaintiffs attorneys in the MDL, who maintain the bankruptcy filing will not prevent an agreement with Purdue to bring opioid recovery resources into the communities they represent.

The bankruptcy filing should remove Purdue from test trials scheduled for next month meant to gauge the plaintiffs' allegations. Aside from Purdue, defendants in the MDL include other opioid manufacturers, drug distributors, and pharmacies. Purdue, the Sacklers, and the other defendants have generally denied the allegations.

Purdue estimates after bankruptcy filings are complete, it will provide more than \$10 billion in funding to address the opioid crisis. That will include settlements with 24 state attorneys general, five US territories and attorneys in multi-district litigation, the statement said.

Purdue also plans to create another company called NewCo. That company will produce medicines to reverse overdoses and will keep developing an over-the-counter naloxone product at little to no cost to communities across the US, according to CNN.

As for OxyContin, a bankruptcy trustee will ultimately determine whether the Sacklers can continue manufacturing the painkiller.

CNN is an American news-based pay television channel owned by AT&T's WarnerMedia. To read the article please visit <https://www.cnn.com/2019/09/16/us/purdue-pharma-bankruptcy-filing/index.html>.

SAFE, Inc. is the only alcohol and substance abuse prevention, intervention and education agency in the City of Glen Cove. It's Coalition is conducting an opioid prevention awareness campaign entitled, "Keeping Glen Cove SAFE," in order to educate and update the community regarding opioid use and its consequences. To learn more about the SAFE Glen Cove Coalition please follow us on www.facebook.com/safeglencovecoalition or visit SAFE's website to learn more about the Opioid Epidemic at www.safeglencove.org