

KEY DATA ABOUT ONLINE SALES OF PRESCRIPTION MEDICINES

- There are believed to be between 35,000-50,000 active online drug sellers in operation. Often, these companies sell medicine without requiring a doctor's evaluation.ⁱ
- More than 96 percent of drug seller websites reviewed by the National Associations of Boards of Pharmacies do not meet pharmacy laws and practice standards.ⁱⁱ
- 50% of the prescription medicines sold online by websites that hide their physical address are counterfeitⁱⁱⁱ
- Large rogue Internet drug sellers can generate between \$1 million and \$2.5 million in sales each month.^{iv}
- Online pharmacies have increased their market footprint, growing to an estimated \$11 billion in sales in 2009.^v
- Patients have been harmed and in some cases killed by unsafe medicines purchased from illegitimate sources on the Internet.
- A US study found that 85% of the 159 websites surveyed that offer controlled substances did not require a prescription.^{vi}
- During the fourth quarter of 2011, pharmacy spam constituted 31% of all spam.

EXAMPLES OF PATIENTS HARMED BY MEDICATIONS PURCHASED ONLINE

These are just a few illustrations, in chronological order, of the serious and growing global problem of illegal online drug sellers.

1. On February 12, 2001, U.S. citizen Ryan Haight died from adverse reactions to painkillers that he purchased over the Internet. He was only required to fill out a questionnaire that was "examined" by a doctor who had never met him.¹
2. On December 17, 2006, Craig Schmidt, a 30-year-old plastics salesman, purchased Xanax (an anxiety drug) and Ultram (a painkiller) from an online drug seller without seeing or speaking to the doctor that prescribed the medications. After taking the drugs, he nearly died and has been left permanently impaired with brain damage that inhibits him from driving or even walking without stumbling.²
3. Marcia Bergeron, a Canadian resident and US citizen, died in 2006 from heavy metal poisoning caused by the contaminated prescription medications she had purchased from an illicit online pharmacy. Otherwise healthy, the coroner determined that Bergeron died of cardiac arrhythmia caused by metal toxicity from counterfeit medication. According to the coroner, the website where Marcia bought her medicines looked reputable as did the box of pills, but the

¹ "Don't underestimate the danger of drugs from abroad" San Diego Union-Tribune (February 25, 2011); available at <http://www.signonsandiego.com/news/2011/feb/25/dont-underestimate-the-danger-of-drugs-from-abroad/> This medicine was misused. The patient, without a prescription, purchased pain medications over the Internet. He had a serious reaction and died. The patient was only required to fill out a questionnaire that he was "examined" by a doctor who had never met him.

² "Online Extra: The Deadly Side Effects of Net Pharmacies" Bloomberg Businessweek (December 18, 2006); available at <http://www.businessweek.com/stories/2006-12-17/online-extra-the-deadly-side-effects-of-net-pharmacies>

drugs were actually shipped from overseas and had high levels of lead, titanium, and arsenic, which caused her death.³

4. On May 22, 2008, a man from Wichita, Kansas died from an accidental overdose of drugs he received from an online pharmacy. He obtained these drugs without ever visiting a doctor. The man's wife described her husband as "an addict --and that the Internet sites that sold him the drugs were his pushers."⁴
5. Steven Kovacs was a 22-year old aspiring psychologist in New York when he started buying medication online after first being prescribed Adderall, used to treat attention-deficit hyperactivity disorder, and Xanax, used to treat anxiety. Steven died of a prescription drug overdose on July 8, 2009 after mixing, Adderall, Xanax and OxyContin.⁵
6. Lorna Lambden, a 27-year old London paramedic, was found dead in her apartment on December 17, 2010 after she accidentally ingested a fatal dose of medication purchased from an illicit foreign online pharmacy. The coroner report found four-times the therapeutic level of the drug, Amitriptyline in her blood.⁶
7. In January of 2010, 150 patients were admitted to hospitals in Singapore after taking counterfeit Tadalafil and herbal preparations that claimed to cure erectile dysfunction. Seven (7) of the patients were comatose and four (4) subsequently died from the online drugs which contained powerful ingredients used to treat diabetes.⁷
8. On June 3, 2011, an emergency room doctor, from Texas, suffered a stroke from ingesting counterfeit Alli from *www.2daydietsshopping.com*. The counterfeit Alli was produced using the controlled substance sibutramine, rather than the approved ingredient orlistat, and then shipped to the US for redistribution. Two individuals operated the site. The first is a Chinese citizen who has been sentenced to 7 years in federal prison, \$504,815.39 in restitution to victims, and deportation following his sentence. The second US citizen received 3 years probation.⁸
9. On April 4, 2012, a mother and son in Los Angeles were looking for cold medication. They purchased and fell victim to a counterfeit drug "vitamin injection." The victim's heart rate increased rapidly, experienced severe headaches, dramatic weight loss, pass-outs and numbness in lips. The victim was eventually hospitalized.⁹

³ "Counterfeit Pills Bought Online Leads to Death, Coroner Confirms," The Times Colonist (July 6, 2007); available at <http://www.canada.com/victoriatimescolonist/news/story.html?id=05142ca2-9796-4868-bf42-76e939915fa5&k=29039> This medicine was contaminated with significantly high levels of metal.

⁴ "Widow: My Husband Died from Online Drugs" CNN (May 22, 2008); available at <http://www.cnn.com/2008/HEALTH/05/21/online.drugs/index.html?iref=allsearch> This drug was misused and abused. The medicine was purchased online without a doctor's visit or a prescription.

⁵ "Mom, Schumer urge Web Pharmacy Crackdown," Newsday, United States (July 10, 2011); available at <http://www.newsday.com/long-island/mom-schumer-urge-web-pharmacy-crackdown-1.3016581> This medicine was obtained without a prescription and was abused because online prescription drugs were easily accessible.

⁶ "Paramedic died after taking tablets she bought over the Internet to help her sleep," The Daily Mail, United Kingdom (May 20, 2011); available at <http://www.dailymail.co.uk/news/article-1388795/Paramedic-Lorna-Lambden-died-overdosing-sleeping-tablets.html> This medicine was purchased without a prescription and it was misused. The patient took anti-depressants as a sleeping aid.

⁷ "Counterfeit Internet Drugs Pose Significant Risks and Discourage Vital Health Checks," Science Daily (January 20, 2010). This contaminated medicine, claimed to cure erectile dysfunction contained a powerful drug used to treat diabetes. <http://www.sciencedaily.com/releases/2010/01/100120085348.htm>

⁸ "June 3, 2011: Chinese National Sentenced to Federal Prison for Trafficking Counterfeit Pharmaceutical Weight Loss Drug" U.S. Department of Justice (June 3, 2011); available at <http://www.fda.gov/CECI/CriminalInvestigations/ucm257912.htm> This medicine was contaminated with significantly high levels of metal. The patient suffered a stroke after ingesting the medication.

⁹ "Cracking Down on Counterfeit Drugs" San Diego Union-Tribune (April 4, 2012); available at <http://www.utsandiego.com/news/2012/apr/04/cracking-down-counterfeit-drugs/?page=1#article> This medicine was contaminated.

10. On April 23, 2013, Sarah Houston, a 23-year old medical student in the United Kingdom, obsessed with her weight, purchased DNP, a deadly diet pill, through an online drug seller. The pill, sold as a weight loss aid through many illicit online pharmacies, is actually a pesticide with lethal consequences to humans.¹⁰

RECENT LAW ENFORCEMENT ACTIONS INVOLVING ILLEGAL ONLINE DRUG SELLERS

A few examples of recent U.S. and international law enforcement actions involving online drug sales, in chronological order:

1. In the summer of 2011, U.S. federal agents identified a 41-year-old, Shane Lance. The agents arrested Lance and indicted him on multiple counts, including conspiracy to traffic counterfeit drugs. Last spring, he pleaded guilty to one count of conspiracy to traffic and one count of trafficking, and in November he received his sentence: 10 months in prison and a \$5,100 fine to be paid to Pfizer.¹¹
2. In December of 2012, the State of Oregon fined Hayden Hamilton, founder of ProgressiveRx.com, \$50,000 for operating without an Oregon pharmacy license. The 35-year-old Portland businessman has shipped medicine from India and other countries to customers in the United States and around the world.¹²
3. On April 24, 2012, two men pleaded guilty and were sentenced for smuggling counterfeit and misbranded pharmaceuticals into the U.S. Both men operated an Internet business in Israel that used multiple websites to illegally sell large amounts of prescription drugs to U.S. purchasers. In total, they sent approximately 9,000 separate drug shipments to U.S. purchasers, generating over \$1.4 million in gross proceeds. Ultimately, one man received 10 months in federal prison, was fined \$30,000 and forfeited \$50,000. The other man received one year of probation, was fined \$15,000 and forfeited \$15,000.¹³
4. On August 5, 2012, Chinese government officials seized “more than \$182 million of counterfeit pharmaceuticals last month in the latest attempt to clean up a food and drug market that has been flooded with fakes.” Chinese police arrested more than 2,000 individuals and destroy 1,100 production facilities for producing counterfeit drugs.¹⁴
5. On August 9, 2012, a Puerto Rican man faced up to 10 years in prison after being found guilty by a jury on U.S. federal charges stemming from his role as a key operative for a drug ring that distributed large quantities of Chinese-made counterfeit pharmaceuticals throughout the United States and worldwide. Special agents with U.S. Immigration and Customs Enforcement’s (ICE)

¹⁰ “Banned slimming drug kills medical student: Coroner attacks online dealers who target the vulnerable” The Daily Mail, United Kingdom (April 22, 2013); available at <http://www.dailymail.co.uk/health/article-2312986/Sarah-Houston-Banned-slimming-drug-DNP-kills-medical-student-corer-attacks-online-dealers-target-vulnerable.html> This medicine was misused. The patient took both anti-depressants and a pill marketed as a weight loss aid containing lethal ingredients.

¹¹ “Inside Pfizer’s Fight Against Counterfeit Drugs,” Bloomberg Businessweek (January 17, 2013); available at <http://www.businessweek.com/articles/2013-01-17/inside-pfizers-fight-against-counterfeit-drugs>

¹² “State fines online pharmacy with Portland ties; Oregon shipments blocked” U.S. Department of Homeland Security (December 21, 2012); available at http://www.oregonlive.com/health/index.ssf/2012/12/state_fines_online_pharmacy_wi.html

¹³ “2 Israeli men sentenced for smuggling counterfeit and misbranded pharmaceuticals into the United States” U.S. Department of Homeland Security (April 24, 2013); available at <http://www.ice.gov/news/releases/1204/120424stlouis.htm>

¹⁴ “China Arrest 2,000 Individuals and Destroys 1,100 Production Facilities for Making Counterfeit Drugs” Rx-360 (August 5, 2012) available at http://hosted-p0.vresp.com/427409/59c2b9af06/ARCHIVE***#>

Homeland Security found more than 100,000 pills made to resemble a variety of popular prescription medications, including Viagra, Cialis, Valium, Xanax and Lipitor.¹⁵

6. On January 9, 2013, a pioneer of the Canadian Internet pharmacy business, Andrew Strempler, 38 years old, was sentenced in U.S. federal court in Miami to four years in prison for conspiracy to commit mail fraud in connection with the sale of foreign and counterfeit medicines to U.S. customers.¹⁶

7. On March 13, 2013, Edmond Paolucci, 54, of Coventry, Rhode Island and Patrick Cunningham, 44, of Cranston, Rhode Island, admitted to the court that they participated in a conspiracy to repackage illegal drugs and sell them under various names and labels to consumers who placed orders via the Internet. A significant portion of the proceeds realized from the sale of the illegal drugs was laundered back to individuals in Israel.¹⁷

8. On March 27, 2013, nine defendants were sentenced for their roles in illegally distributing controlled substances to customers who bought the drugs from illicit Internet pharmacies. The defendants were also collectively ordered to forfeit more than \$94 million in illegal proceeds. Drug Enforcement Administration Acting Special Agent in Charge Bruce C. Balzano stated, "Prescription drug abuse has risen to alarming levels, often times leaving a trail of devastation behind and negatively impacting our communities. The individuals sentenced this week were involved in online pharmacy schemes that were illegally distributing controlled substances."¹⁸

9. On March 27, 2013, three men and one woman have been sentenced in relation to the illegal online supply of prescription only and counterfeit medicines. This follows an undercover operation by the Medicines and Healthcare products Regulatory Agency (MHRA). Searches of the homes of those involved uncovered stashes of counterfeit medication and generic prescription only medicine. This included Viagra, Cialis, diazepam and methadone. A study of a computer also showed email traffic between Andrew Luxton, Samantha Steed, Carl Willis and others indicating the previous supply of illegitimate medicine.¹⁹

10. On June 27, 2013 the U.S. FDA reported the successful execution of Operation Pangea VI, a law enforcement initiative resulting in the elimination of 1,677 websites selling illegal prescription drugs. In partnership with the Department of Justice, FDA's Office of Criminal Investigations, Interpol, and authorities from nearly 100 countries took action against 9,600 websites. Dangerous drugs valued at \$41 million were seized.²⁰

¹⁵ "Man convicted for role in international counterfeit drug distribution scheme Search continues for organization's ringleader" U.S. Department of Homeland Security, ICE (August 9, 2012); available at <http://www.ice.gov/news/releases/1208/120809losangeles.htm>

¹⁶ "Canadian Internet Pharmacy Founder Gets 4 Years In Counterfeit Drugs Case" Partnership for Safe Medicines (January 18, 2013) available at <http://www.safemedicines.org/2013/01/fake-online-pharmacy-founder-andrew-strempler-guilty-of-mail-fraud-508.html>

¹⁷ "Two Plead Guilty to Participation in International Conspiracy to Import and Distribute Prescription Drugs and Anabolic Steroids" Department of Justice (March 13, 2013). <http://www.justice.gov/usao/ri/news/2013/mar2013/steroids.html>

¹⁸ "Nine Sentenced For Illegally Distributing Controlled Substances Over The Internet" Department of Justice (March 27, 2013) available at http://www.justice.gov/usao/can/news/2013/2013_03_27_nine.sentenced.press.html

¹⁹ "Three men and one woman sentenced in counterfeit medicines case" MHRA (March 27, 2013) available at <http://www.mhra.gov.uk/NewsCentre/Pressreleases/CON254851>

²⁰ "International operation targets online sale of illicit medicines" Interpol (June 27, 2013); available at <http://www.interpol.int/News-and-media/News-media-releases/2013/PR077>

ⁱ "Legitscript - Enforcement Page". Legitscript. Web. <<http://www.legitscript.com/services/enforcement>>. Last accessed June 20, 2012.

ⁱⁱ "Internet Drug Outlet Identification Program Progress Report for State and Federal Regulators: October 2011." The National Association of Boards of Pharmacy. Web. 2 Jan. 2012 <http://www.nabp.net/programs/assets/IDOI_Report_10-11.pdf>. Last accessed June 20, 2012; see also, LegitScript. Web. 2 January 2012 <www.legitscript.com>. Last accessed June 20, 2012.

ⁱⁱⁱ World Health Organization

^{iv} Krebs, B. "Americans Use Spam for Cheaper Prescription Drugs." Technology Review. 11 July 2011. Web. <<http://www.technologyreview.com/web/38023/page1/>>. Last accessed June 20, 2012.

^v "Online Risks in Pharmaceutical Market – Summer 2009." MarkMonitor: 1-14 pg. 6

^{vi} Jackson et al. International Journal of Clinical Practice. 66.3, pp 241–250. (March 2012). <<http://onlinelibrary.wiley.com/doi/10.1111/j.1742-1241.2011.02826.x/full>>. Last accessed June 20, 2012.