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Pfizer Told to Pay \$10 Million Over Prempro Verdict

By Jef Feeley and Phil Milford - Feb 8, 2011

<u>Pfizer Inc</u>. must pay more than \$10 million in damages to an Arkansas woman who blamed her cancer on the company's Prempro menopause drug, after an appeals court reinstated a jury verdict.

A Pennsylvania appeals court yesterday overturned a judge's ruling that Pfizer's Wyeth unit deserved a new trial in connection with Mary Daniel's claim that Prempro caused her breast cancer. A Philadelphia jury in 2007 awarded Daniel and her family \$1.5 million in compensatory damages and \$8.6 million in punitives on her claim, according to Esther Berezofsky, one of the family's lawyers.

The appellate judges concluded no "fraud on the court took place here and a new trial should not have been granted," according to the 55-page decision from the <u>Superior</u> Court of <u>Pennsylvania</u>.

Officials of New York-based Pfizer said they were disappointed with the decision and considering their legal options. Pfizer, the world's largest drugmaker, completed its \$68 billion purchase of Wyeth in 2009.

"The company disputes the fairness of the previous trial and the appropriateness of the jury's verdict," Christopher Loder, a Pfizer spokesman, said today in an e-mailed statement.

Annual sales of Wyeth's hormone-replacement drugs once topped \$2 billion before the <u>Women's Health</u> <u>Initiative</u> study, sponsored by the U.S. National Institutes of Health, suggested that women on the therapy had a 24 percent higher risk of breast cancer.

Jury Trials

Until 1995, many menopausal women combined Premarin, Wyeth's estrogen-based drug, with progestin-laden Provera, made by Pfizer's Upjohn unit, to relieve their symptoms. Wyeth combined the two hormones in its Prempro pill.

Pfizer's Wyeth and Upjohn units have now lost eight of the 15 Prempro cases decided by juries since trials began in 2006. The drugmaker got some of those verdicts thrown out after trial or had the awards reduced.

It resolved some of the verdicts through settlements, while other decisions are on appeal. Wyeth also has won dismissals of more than 3,000 cases before trial, according to court filings.

Evidence in Daniel's case showed that she took Prempro for about 16 months starting in December 1999

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and was diagnosed with breast cancer in July 2001.

A <u>Philadelphia Common Pleas Court</u> jury found that Prempro was a "factual cause" of Daniel's cancer and awarded her \$1 million in compensatory damages. The panel also awarded Daniel's husband, Tom, \$500,000 in damages.

Sealed Verdict

Jurors also handed down \$8.6 million in punitive damages, Berezofsky said. The judge in the case sealed that verdict because another Prempro trial was ongoing in the same courthouse. Berezofsky made the punitive damage award public today after the appeals court ruling.

The trial judge in the case threw out both verdicts and gave Wyeth a new trial because of questions about the testimony of one of the plaintiffs' expert witnesses.

The appeals court found the trial judge erred in questioning the testimony and ordered the verdicts reinstated. The ruling means an additional \$2.4 million in pre- and post- judgment interest will be added the award, Berezofsky said.

Pfizer rose 12 cents to \$19.16 at 4:15 p.m. in New York Stock Exchange composite trading. The shares have climbed 9.4 percent this year.

The case is Mary Daniel v. Wyeth Pharmaceuticals Inc., No. 2626 EDA 2007, Superior Court of Philadelphia (Philadelphia).

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