

Par Pharmaceuticals: marketing integrity, generic competition, and corporate change

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1. Executive assessment: the name needs a date

The Par name connects several different questions about pharmaceutical access: whether promotion supports evidence-based prescribing, whether patent agreements preserve competition, and whether consolidation leaves enough suppliers in individual generic markets. The strongest historical finding in this review is a criminal disposition, not simply an accusation. In March 2013, Par Pharmaceutical Companies Inc. pleaded guilty to misdemeanor misbranding of Megace ES and agreed to a combined \$45 million criminal and civil resolution. The civil component also settled allegations that were not adjudicated, except where admitted in the plea.¹

Current identity is equally important. Endo announced its acquisition of Par in September 2015 and said its generics segment would use the Par Pharmaceutical name.² A decade later, Endo and Mallinckrodt combined in July 2025. Their generics and sterile injectables businesses subsequently became independent Par Health, while the remaining specialty business became Keenova Therapeutics. The former Endo homepage now explicitly presents these as separate companies.⁵ A 2026 SEC disclosure confirms the November 10, 2025 separation and that the former parent retained no ownership interest in Par Health.⁶

A report headed “Par Pharmaceuticals” should therefore identify the entity and period associated with each event. The 2013 plea cannot be casually reassigned to every present business bearing Par branding. Equally, a name change does not erase the historical record. This report follows documented business relationships without offering an opinion about which successor legally bears any particular liability.

The principal access finding is that generic status alone does not settle the competition question. A generic manufacturer can introduce lower-cost alternatives while also participating in transactions or agreements that regulators scrutinize. The FTC required product divestitures in the Endo acquisition and later resolved its AndroGel claims against Par through the Endo settlement.^{3,4} Those are different proceedings with different outcomes; neither is interchangeable with the Megace ES conviction.

There is also a current positive access development: Par Health announced a U.S. generic Janumet XR launch in July 2026.⁷ That announcement establishes a new commercial option according to the manufacturer, but it supplies no measured patient savings. The evidence supports a mixed, specific account rather than a blanket designation of the company as either an affordability champion or a company-wide offender. Prices, availability, marketing practices, and legal outcomes require their own records.

2. Timeline: from Megace ES to independent Par Health

Megace ES is a megestrol acetate product. In the 2013 case, DOJ described its approved use as treating anorexia, cachexia, or other significant weight loss in patients with AIDS. The criminal information concerned an intended use in non-AIDS-related geriatric wasting for which the labeling did not contain adequate directions. The company pleaded guilty through its chief executive acting on its behalf; the announcement does not describe a personal guilty plea by that executive.¹ This distinction matters when preparing a public-facing account of individual accountability.

The chronology below separates legal action from business reorganization. The acquisition announcement's \$8.05 billion transaction figure is not a drug-pricing figure or penalty. The exact consideration in accounting statements can differ from an announced transaction value because of measurement dates and included components; this report uses the announcement only to describe the transaction.²

Date	Documented event	Meaning for this review
March 2013	Megace ES guilty plea and civil resolution	Marketing and reimbursement integrity
September 2015	Endo announces completed Par acquisition	Historical ownership transition
November 2015	FTC final merger order	Product-specific competition remedy
February 2017	FTC resolves Par-related AndroGel claims	Settlement and dismissal, not trial damages
July 2025	Endo and Mallinckrodt combine	Intermediate corporate structure
November 2025	Par Health separates	Current independent business identity
July 2026	Generic Janumet XR launch announced	New entry, with savings still unmeasured

The FTC merger case focused on generic glycopyrrolate tablets and generic methimazole tablets. It alleged that combining Endo and Par would remove important competition in those specific markets. The resolution required divesting Endo's relevant assets to Rising Pharmaceuticals, supported by supply and technology-transfer obligations.³ The remedy illustrates why counting all pharmaceutical companies worldwide is not a useful substitute for examining the suppliers of a particular medicine in a particular country.

Par also appeared in the AndroGel litigation associated with the Supreme Court's Actavis decision. The FTC's updated enforcement overview records that its February 2017 settlement with Endo resolved claims against Par, which Endo then owned. The agency voluntarily dismissed its claims against Par and Paddock on February 7, 2017.⁴ Later developments against other parties must not be reported as continuing FTC claims against Par.

Finally, the 2025 spin-off assembled a business broader than the old standalone Par company. Its announcement describes an independent generics, active-ingredient, and sterile-injectables manufacturer.¹⁰ Historical comparisons of revenue, headcount, or product count would need to adjust for that changed perimeter before drawing a trend.

3. Principal evidence: what the Megace ES case established

The \$45 million 2013 resolution comprised an \$18 million criminal fine, \$4.5 million criminal forfeiture, and \$22.5 million civil settlement. The criminal disposition was a misdemeanor misbranding plea under the Federal Food, Drug, and Cosmetic Act. The civil agreement addressed alleged false claims caused by promoting uses not approved by FDA and not covered by federal healthcare programs.¹ A correct report preserves that division: a guilty plea is an admission to an offense, while a settlement does not automatically establish every accompanying allegation.

DOJ alleged that Par targeted elderly nursing-home residents with weight loss irrespective of AIDS status and made unsupported superiority representations to encourage switching from generic megestrol acetate to Megace ES. It further alleged awareness of risks in elderly patients. DOJ expressly qualified the civil claims as allegations without a determination of liability except as admitted in the plea.¹ This report consequently does not present all alleged sales tactics as separately proven facts or claim that every prescription to an older patient was improper.

The pricing relevance lies in the proposed mechanism of substitution. When promotion encourages replacement of a generic product with a branded formulation, the economic question is whether the additional spending corresponds to a demonstrated benefit in the specific population. DOJ challenged the evidentiary basis of the comparative representations in this case. The release does not provide a reliable per-dose price series, prescribing dataset, or patient-level outcome analysis. Those missing data prevent this review from calculating the amount of spending attributable to the alleged switching strategy.

The resolution also addressed incentives. A five-year corporate integrity agreement introduced monitoring and accountability requirements. The arrangements restricted volume-based incentive compensation for Megace ES, with the integrity agreement also covering branded successor megestrol acetate products, and required mechanisms permitting recoupment of covered executives' bonuses following significant misconduct.¹ These provisions are more informative about the compliance response than the payment total alone: they target the relationship between sales volume, management rewards, and promotional behavior.

This is an analysis of commercial conduct and the documented enforcement response. It is not a clinical comparison of formulations. The fact that an approved product has an enforcement history does not establish that it is ineffective for its authorized indication. Conversely, approval for one population does not demonstrate superiority for another. Readers evaluating access should ask whether promotional claims, reimbursement representations, and comparative evidence match the actual use being encouraged.

The broader implication is practical: transparency involves the reason a patient is directed toward a product, not only the product's posted price. Reliable affordability reporting should examine both the cost and the evidence used to justify a more expensive choice.

4. Competition and prices: numbers with appropriate limits

The financial amounts documented here measure different things and should not share a chart labeled “overpricing.” A criminal fine, an acquisition value, a drug's annual market sales, and a patient's copayment are not comparable quantities. The first reflects enforcement; the second purchases a business; the third aggregates commercial activity; the fourth is an individual's payment under particular coverage terms.

Measure	Amount or count	What it does not measure
2013 criminal fine	\$18 million, United States	Patient overpayments
2013 forfeiture	\$4.5 million, United States	Total product profit
2013 civil settlement	\$22.5 million, United States	A trial award for every allegation
2015 merger concerns	Two specified generic tablet markets	Competition across all generics
Janumet XR market sales cited in 2026 release	Approximately \$269.9 million annually	Savings from Par's new generic

The first three rows come from DOJ, the merger scope from FTC, and the final row from Par Health's citation of IQVIA estimates for the twelve months ended May 2026.^{1,3,7} The commercial sales estimate is manufacturer-reported third-party data; the underlying proprietary dataset was not independently analyzed for this report. It should be labeled accordingly wherever reused.

The merger remedy gives a concrete illustration of market structure. FTC said the proposed acquisition would combine the two most significant glycopyrrolate suppliers and two of only four active methimazole suppliers. Divestiture was intended to preserve competition, accompanied by two years of product supply and assistance transferring manufacturing capability to the buyer.³ Supplier counts here are historical allegations in the merger record, not a verified September 2026 census.

That operational support is economically significant. A transfer of paperwork may have little access value if the buyer cannot manufacture or obtain the medicine. The remedy's design recognized the difference between owning approval rights and being able to compete with reliable supply. However, the sources reviewed do not measure the remedy's subsequent effect on pharmacy availability or net prices, so this report cannot declare its long-term success.

For the July 2026 generic launch, the relevant next dataset would track strength-specific acquisition prices, dispensing prices, insurance coverage, and availability over time. An FDA approval or launch announcement alone cannot determine how much a patient saves. A first generic may also face a different competitive environment than a market with several active suppliers. The appropriate conclusion is that entry creates an opportunity for price competition whose size and distribution require measurement, not that the whole branded market value becomes a saving.

5. Current status and the separate Amitiza development

The fresh status review checked the current Endo transition page, a 2026 SEC separation disclosure, Par Health's launch announcements, and contemporary disclosures about litigation involving an earlier Par agreement. Together they establish that the generics business now operates as independent Par Health; they do not establish a complete allocation of every historical obligation among the entities involved.^{5,6,10} Any claim about who must pay an old judgment would require the relevant transaction and court documents.

One recent development deserves careful qualification. On May 18, 2026, a jury returned an adverse verdict against Takeda in U.S. Amitiza antitrust litigation. Takeda's SEC-filed announcement describes claims about its and Sucampo's 2014 patent settlement with Par. The company reported approximately \$884.94 million in single damages across plaintiff groups, with additional legal proceedings affecting the eventual judgment and statutory treatment.⁸ This is not described in that disclosure as a verdict against Par, and it must not be reassigned to Par merely because Par was the agreement's counterparty.

Takeda disputes the plaintiffs' case and said it would pursue post-trial motions and appeal. It argues that the agreement allowed an authorized generic launch on January 1, 2021, before patent expiration and before approval of Par's own abbreviated application.⁸ That is the company's defense, not this report's endorsement of the agreement's legality. An authorized generic launch date, patent expiration, and the counterfactual date of independent generic entry answer different questions.

Takeda's June 5, 2026 update recorded an additional legal provision in its financial statements but stated that ultimate liability was not finalized and that further proceedings were expected.⁹ An accounting provision is not proof that money has been paid to patients. This review located no later primary disposition resolving those uncertainties; it did not perform an exhaustive docket search. The date and procedural qualification limit what this record establishes about the case.

Par Health's current public position emphasizes quality, reliability, and access through generic medicines. Its July launch announcement identifies a new generic Janumet XR option following FDA approval.⁷ The report includes that activity because current access opportunities belong alongside historical enforcement. It does not treat promotional statements as independently verified performance measures.

The resulting picture is differentiated: a resolved historical criminal case, settled FTC claims, a completed corporate separation, current product entry, and litigation against another company concerning a past Par agreement. Compressing those into one accusation would obscure the information readers most need.

6. Implications, research method, and remaining evidence gaps

For Pharma Foundation, the most valuable follow-up is a product-level access file that connects regulatory status, competition, price type, and patient experience. The Par record suggests three starting points: promotion-driven substitution for Megace ES; the two generic markets covered by the Endo merger remedy; and the new sitagliptin/metformin extended-release entry. Each requires its own geography, formulation, strength, package, and date. Combining them into a single company “price” would produce an uninterpretable number.

An independently reproducible price comparison would preserve the exact source and unit, distinguish wholesale acquisition cost from negotiated acquisition cost, and separate both from insurance cost sharing. It would explain whether rebates, dispensing fees, taxes, and assistance are included. For launch tracking, it would record actual availability rather than assume that approval equals stock at every pharmacy. These are proposed research requirements, not analyses already performed for this report.

A compliance follow-up would examine whether promotional claims are supported in the population discussed and whether programs reward prescribing volume in ways that undermine accurate communication. The 2013 agreement's incentive restrictions make this a specific issue grounded in the case.¹ But the agreement's historical existence does not establish a current breach or prove that all later marketing improved. Either claim would require fresh evidence.

Sources were selected from DOJ, FTC, SEC-hosted disclosures, and company publications. Government releases were read for the actual disposition and explicit limits on allegations. Corporate sources were used to establish announced transactions, current identity, product launches, and company responses. Their forecasts and sales estimates remain attributed. The September 2026 status search included newer material so that the report would not incorrectly leave Par inside an obsolete corporate structure.

This review has several limits. It does not reconstruct all Par subsidiaries, cover every civil lawsuit, audit compliance with old orders, obtain confidential net prices, or interview patients. It also does not establish whether transaction agreements transferred a particular liability. The selected cases support findings about those cases, not a statistical estimate of misconduct across all products. The current Amitiza discussion relies on Takeda's own filed disclosure and later update for procedural status; those dated disclosures do not establish a final dollar liability.

This is a newly prepared report. It is not a recovered historical Pharma Foundation publication and does not independently verify any earlier organizational impact claim. Its useful contribution is a traceable, bounded account: what happened, which entity was involved, what the evidence establishes, and which affordability questions remain unanswered. That structure makes future corrections possible without overstating what public records can show.

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