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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
13 **FOR THE COUNTY OF LOS ANGELES**
14

15 **MICHAEL LUJANO, individually,**
16 **JONATHAN C. GARY, individually.**
17 **Plaintiff,**
18 **v.**
19 **GILEAD SCIENCES, INC.**
20 **Defendant.**
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22
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Case No. _____

COMPLAINT FOR DAMAGES
Unlimited Civil Action

1. **STRICT PRODUCTS LIABILITY –
DESIGN DEFECT AND FAILURE TO
WARN**
2. **NEGLIGENT PRODUCTS LIABILITY
– DESIGN DEFECT AND FAILURE
TO WARN;**
3. **BREACH OF IMPLIED WARRANTY;**
4. **BREACH OF EXPRESS WARRANTY**

DEMAND FOR JURY TRIAL

1 Plaintiffs Michael Lujano and Jonathan C. Gary ("Plaintiffs") bring this personal injury
2 action against Defendant Gilead Sciences, Inc. ("Gilead") to recover monetary damages and
3 other remedies for violations of California law.

4 I. INTRODUCTION

5 Plaintiffs were prescribed and ingested Defendant Gilead's antiviral medications,
6 Truvada and Atripla for many years. Plaintiffs took Gilead's drugs as part of "highly active
7 antiretroviral therapy" ("HAART") to treat and manage HIV infection.

8 Viread is the brand name of "tenofovir disoproxil fumarate" ("TDF"), which is a prodrug
9 of the compound tenofovir.¹ TDF works by blocking the protein that HIV needs to replicate
10 itself in the human body. TDF is Viread's only active ingredient. Truvada and Atripla are both
11 fixed dose combination tablets containing 300 milligrams of TDF and one or two additional
12 drugs. Truvada combines TDF with 200 milligrams of emtricitabine, and Atripla adds one more
13 medication to that combination, 600 mg of efavirenz.

14 At the time Gilead designed, manufactured, and sold Truvada in 2004, and Atripla in
15 2006, Gilead knew, or should have known, that TDF was highly toxic in the doses prescribed
16 and risked permanent and possibly fatal damage to the kidneys and bones. Instead of fully and
17 completely investigating and disclosing the known and knowable risks associated with TDF,
18 Gilead ignored and affirmatively misrepresented them.

19 Before Gilead designed, manufactured, and sold Truvada and Atripla, and years before
20 the U.S. Food and Drug Administration ("FDA") approved these medications, Gilead had
21 discovered and begun researching a safer and more effective design for the delivery of tenofovir
22 to the body, tenofovir alafenamide ("TAF"). Indeed, even before Viread was approved by the
23 FDA in 2001, Gilead knew that a tenofovir prodrug design using TAF instead of TDF would
24 reduce the risks of toxicity and damage to kidney and bones.

25 But, because Gilead enjoyed monopoly profits on its TDF-containing drugs, including
26 Truvada and Atripla, resulting from its patent on TDF, Gilead chose to withhold TAF as the
27

28 ¹ Prodrugs are medicines that are not converted into their active form until they are processed inside the body. TDF is taken orally and after absorption it passes into the blood.

1 prodrug design for Truvada and Atripla. Designing Truvada and Atripla with TAF—which
2 Gilead later did in 2014 and 2016 under the names Odefsy and Descovy—would have eliminated
3 the need for TDF-containing Truvada and Atripla. This decision would have helped to avoid
4 needles (and countless) injuries and damages, but it would have reduced Gilead’s monopoly
5 profits from the sale of TDF.

6 A TAF design would have greatly improved and possibly even saved the lives of patients
7 taking Truvada and Atripla, many of whom, like Plaintiffs, were on Gilead’s medications for
8 years. If Gilead had designed Truvada and Atripla with TAF, far fewer people, like the Plaintiffs,
9 would have developed bone loss or kidney damage as a result of taking Gilead’s medications.
10 Gilead has long known of TAF’s superior safety profile but has consistently chosen to place
11 market share and profitability over patient safety.

12 As early as April 2002, as prescriptions for TDF were growing along with Gilead’s
13 market share, Gilead was paying doctors to conduct studies of the safer prodrug TAF in patients
14 around the country. These studies showed that TAF was far less toxic and confirmed that TDF’s
15 low absorption, high dosage, and potential bone and renal toxicity were real risks. But, Gilead
16 did not publish this research, did not conduct clinical trials of TAF, did not change its prescribing
17 information, and did not instruct its sales representatives to begin informing doctors that the
18 toxicities associated with TDF could be eliminated with a new, better drug.

19 Gilead took none of these steps because TDF sales were booming and Viread had begun
20 to corner the market in antiviral treatments for HIV. As Gilead kept doctors and patients in the
21 dark about the toxicity, kidney, and bone loss risks associated with TDF, it could continue to
22 increase its market share with TDF. Further, by keeping TDF as the focus of its antiviral
23 offerings, Gilead knew it would reap future profits when it combined TDF with other patent-
24 protected drugs to create newly-protected combination drugs that would prolong Gilead’s ability
25 to charge monopoly prices on TDF-containing drugs.

26 Gilead’s delay in conducting TAF clinical trials deprived those suffering from HIV of
27 TAF for more than a decade. These patients were forced to take TDF, which because of TDF’s
28 lower absorption rates caused and exacerbated higher bone and kidney toxicities. It is possible

1 that HIV patients suffered from ten years of additional accumulated kidney and bone toxicity
2 using TDF while Gilead kept TAF on the shelf.

3 If Gilead had chosen to develop tenofovir in the safer and more effective TAF version,
4 TDF would lose marketability—it was less effective and had far higher risks—and Gilead’s
5 profits from TDF would decrease. By holding on to its research and shelving TAF, Gilead could
6 patent TAF separately and save it for development when their patent and exclusivity on TDF ran
7 out, in twenty years.

8 In late 2003, Gilead continued to study TAF at the same time it was preparing its
9 application to the FDA for Truvada—the first TDF-combination drug it would use to extend the
10 profitability of its TDF patent.² Also at this time, Gilead’s own clinical evidence of TDF’s
11 toxicity and risks to kidneys and bones was building along with evidence from other studies.
12 And yet, in spite of the clear and growing need to investigate and mitigate the risks associated
13 with TDF, in October 2004, Gilead’s CEO John C. Martin announced, “the company is
14 discontinuing its development program” for TAF.

15 Gilead’s claim that it would discontinue research into TAF was a misrepresentation
16 intended to mislead the purchasing public, including prescribing doctors and patients taking
17 TDF, into continuing to prescribe and take TDF.

18 Indeed, Gilead did not discontinue development of TAF. Instead, between October 2004
19 and May 2005, Gilead applied for seven patents associated with it. By hiding research about
20 TAF’s superior safety profile and efficacy, and by continuing to downplay the risks associated
21 with TDF, Gilead continued its scheme to mislead the public and maximize profits for TDF.

22 Gilead knew of TAF’s superior profile and the risks associated with TDF at least as far
23 back as 2000. By the time Truvada and Atripla were submitted for approval to the FDA in 2004
24 and 2006, Gilead had long known that TDF toxicity led to kidney and bone damage, even in
25 patients without pre-existing kidney or bone issues. Gilead had a duty to share its exclusive
26 knowledge of the risks associated with TDF. Gilead failed to do this. Instead, Gilead
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28 ² Truvada consists of three different fixed-dose combinations of tenofovir delivered as TDF and emtricitabine.

1 misrepresented the safety and benefits of TDF and failed to provide prescribing physicians and
2 their patients with the information they needed to safely and reasonably prescribe and take
3 Gilead's drugs.

4 Gilead's tactics have allowed it to reap outsized profits. In 2015, Gilead was able to earn
5 90% Non-GAAP Product Gross Margins. Gilead's tactics have led the New York Times to
6 comment, "Gilead now is faced with figuring out *what to do with all the cash it is generating.*"³

7 Gilead's high profits come from the steep costs of its drugs. High prices of drugs such as
8 Gilead's Truvada (\$18,456 per year) limit patient access either through exorbitant out of pocket-
9 costs or co-pays, limitations in existing insurance, and rationing of these high-priced pills.

10 In its 2015 earnings Guidance, Gilead stated that it anticipated spending between 2.8 and
11 3 billion dollars on research and development, while earning a profit of roughly 18 billion
12 dollars. Gilead spent approximately that much in 2015 on research and development but its
13 profits in 2015 were \$18.1 billion.

14 Gilead first misrepresented TDF's safety profile as early as 2001, right after Viread's
15 approval, through its sales representatives and CEO, claiming that TDF was a "miracle drug,"
16 had "no toxicities," was "benign," and "extremely safe." Gilead's CEO at the time, Dr. John C.
17 Martin, would often refer to TDF as a miracle drug at sales meetings. He did so because he
18 believed Gilead needed to overcome the perception in the medical community that Viread was
19 like Gilead's previous HIV drugs and would likely cause kidney damage.

20 Even after Gilead was reprimanded by the FDA in 2002 and 2003 for falsely claiming
21 TDF had no toxicities and bore no risk to a patient's kidneys or bones, Gilead continued to
22 misrepresent the risks through its Viread, Truvada, and Atripla prescription inserts and patient
23 information sheets, which similarly downplayed the stated risks and misrepresented that toxicity,
24 bone, or kidney damage was primarily a risk for patients with pre-existing kidney or bone issues.

25 Gilead made these misrepresentations even though it knew TDF had a high potential for
26 toxicity and loss of bone mineral density in all patients. In its early stages of development, TDF
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28 ³ Andrew Pollack, *Sales of Solvadi, New Gilead Hepatitis C Drug, Soar to \$10.3 Billion*, NY TIMES (February 4, 2015) (emphasis added).

1 animal toxicology studies showed that the bones and kidneys were the target organs for toxicity
2 and that the bone toxicities included osteomalacia and decreases in bone mineral density.

3 Clinical studies and adverse event reports from as early as 2001 and 2002 document
4 severe renal deficiencies and toxicity in patients without any history of kidney problems. A 2003
5 case reported fatal renal insufficiency in a patient with only mild previous renal impairment. And
6 studies as early as 2002 associate TDF with acute decreases in bone mineral density and bone
7 loss.

8 Again, as early as 2002 and 2003, while Gilead's CEO was claiming TDF was a risk-free,
9 miracle drug, these reports and studies advised monitoring patients closely for early signs of
10 toxicity, kidney failure, or bone loss, even several months after initiation of treatment and further
11 recommended discontinuing treatment as soon as possible to avoid the risk of permanent changes
12 or damage.

13 Long before Truvada and Atripla were submitted for approval to the FDA in 2004 and
14 2006, Gilead knew that TDF toxicity led to kidney and bone damage, even in patients without
15 pre-existing kidney or bone issues. Gilead had a duty to share its exclusive knowledge of the
16 risks and warn of any known or scientifically knowable risks associated with use of TDF.
17 Instead, Gilead misrepresented the safety and benefits of TDF and failed to provide prescribing
18 physicians and their patients with the information they needed to safely and reasonably prescribe
19 and take Gilead's drugs.

20 Gilead had a duty to design and manufacture Truvada and Atripla in a manner that met
21 the safety expectations of ordinary consumers and/or their prescribing physicians. Instead,
22 Gilead designed Truvada and Atripla to contain TDF, a prodrug it knew caused bone and kidney
23 damage, so that they could maximize their profits and monopoly on TDF.

24 Plaintiffs seek general and punitive damages and seek to hold Gilead accountable for its
25 malicious and profit-driven refusal to design Truvada and Atripla in a safe and effective manner.

26 II. THE PARTIES

27 Plaintiff Michael Lujano is a resident of the State of California and the County of Los
28 Angeles. Mr. Lujano was prescribed and ingested Gilead's prescription medication Truvada from

1 2004 until 2009. Mr. Lujano was prescribed and ingested Gilead's prescription medication
2 Atripla from 2009 until 2015. In 2016, at the age of 35, Mr. Lujano was diagnosed with
3 osteopenia and osteoporosis of the spine, neck, and hip. Mr. Lujano was unaware that his injuries
4 were caused by Truvada and Atripla until within two years of the filing of this complaint.

5 Plaintiff Jonathan C. Gary is a resident of the State of California and the County of San
6 Diego. Mr. Gary was prescribed and ingested Gilead's prescription medication Truvada from
7 2001 until 2011. In 2010 Mr. Gary was diagnosed with Fanconi syndrome. In 2017, at the age of
8 59, Mr. Gary was diagnosed with osteopenia and osteoporosis. Mr. Gary was unaware that his
9 injuries were caused by Truvada until within two years of the filing of this complaint.

10 Defendant Gilead Sciences, Inc. is a corporation organized and existing under the laws of
11 the State of Delaware, having its principal place of business at 333 Lakeside Drive, Foster City,
12 California 94404. Gilead is a pharmaceutical company that develops and commercializes
13 prescription medicines, including Truvada and Atripla, which were prescribed for and ingested
14 by Plaintiffs.

15 III. JURISDICTION AND VENUE

16 This Court has jurisdiction over the subject matter of this action pursuant to California
17 Code of Civil procedure § 410.10 because a substantial portion of Gilead's acts and Plaintiffs'
18 injuries occurred within Los Angeles County, California. This court has personal jurisdiction
19 over Defendant Gilead Sciences, Inc. as it is a California corporation.

20 Venue is proper in the County of Los Angeles pursuant to California Code of Civil
21 procedure §§ 395 and 395.5 because Gilead does business in Los Angeles County and a
22 substantial portion of Gilead's negligence, misrepresentations, incomplete and misleading
23 warnings, and fraudulent marketing practices occurred in the County of Los Angeles.

24 IV. GENERAL ALLEGATIONS

25 a. Gilead Prepares TDF for Market

26 Tenofovir was discovered in 1984 by scientists in the Czech Republic. Gilead bought the
27 rights to sell Tenofovir in 1997. The original formulation of Tenofovir held little sales potential,
28 however, because it had to be given intravenously. Gilead scientists modified the chemical

1 composition to create a drug that could be taken orally. The modified chemical composition is
2 tenofovir disoproxil ("TDF"). The Food and Drug Administration approved TDF under the brand
3 name Viread in October 2001.

4 TDF became the backbone of many HIV treatment regimes. The use of multiple drugs to
5 treat HIV is known as Highly Active Antiretroviral Therapy ("HAART"). HAART is aimed at
6 reducing a patient's viral load and thus maintaining a patient's immune system. HAART
7 regimens generally consist of three drugs: two drugs from the class of drugs known as
8 Nucleoside Reverse Transcriptase Inhibitors ("NRTIs") and one drug from classes of drugs
9 known as Non-Nucleoside Reverse Transcriptase Inhibitors ("NNRTI"), Protease Inhibitors
10 ("PI"), or Integrase Nuclear Strand Transfer Inhibitors ("INSTI").

11 Tenofovir is an NRTI and is frequently used in HAART therapies. In addition to making
12 TDF available as a standalone drug product under the brand name Viread, Gilead incorporated
13 TDF in fixed dose combination pills including Atripla, Truvada, Stribild, and Complera.

14 **b. Gilead Knew of Bone and Kidney Risks Before FDA Approved TDF**

15 Originally marketed as a stand-alone medication, Gilead obtained FDA approval to
16 manufacture and sell TDF in October 2001 under the brand name Viread. Yet, before Gilead had
17 finalized Viread for FDA approval in 2001, and long before either Truvada or Atripla were
18 approved in 2004 and 2006, Gilead knew that TDF's low absorption rate meant it had to be
19 administered in high doses to be effective. Before taking Viread to market, Gilead also knew that
20 TDF in high doses placed immense pressure on the kidneys, the body's predominate method of
21 eliminating the drug.

22 Since scientists first synthesized TDF in 1997, studies of TDF showed that it could cause
23 significant kidney damage and bone toxicity. This damage includes decreases in bone mineral
24 density, osteopenia, osteoporosis, osteoporosis with pathologic fracture, Fanconi syndrome,
25 chronic kidney disease, and end stage kidney disease.

26 The toxicity of TDF known to Gilead at the time it was developing Viread in 2001 is
27 particularly alarming because Gilead also knew and indeed likely intended that HIV-infected
28 patients would receive TDF treatment for decades, allowing the toxicity to build overtime, but

1 ensuring the patient would remain a purchaser of Gilead's TDF, at least until Gilead began
2 marketing TAF, and essentially ensuring the patient would be a long-term Gilead customer.

3 When TDF was approved in October 2001, the FDA required Gilead to study whether it
4 would harm humans.⁴ The FDA noted that Gilead "did not evaluate tenofovir DF in individuals
5 with renal insufficiency" and "did not determine specific active secretion pathways" for the drug.
6 *Id.* Along with the FDA's recommendations for human study, it made clear that Gilead must
7 properly examine and disclose the side effects TDF would have on the kidneys and whether it
8 would build up to toxic levels in the body. *Id.*

9 **c. Gilead Studies Safer Prodrug TAF, Hides Results**

10 Gilead, however, has been more interested in maximizing the profits it has derived from
11 TDF than it has been in disclosing the risks associated with the drug. About six or seven months
12 before Viread was approved, in April 2001, Gilead scientists published research on a different
13 prodrug of Tenofovir, called Tenofovir Alafenamide ("TAF"). In an attempt to reduce known
14 side effects of TDF, Gilead conducted test tube and animal research studies on the prodrug and
15 in April 2002, Gilead paid doctors to conduct clinical studies of TAF in HIV patients around the
16 country.⁵

17 After learning that TAF had a higher absorption rate and largely avoided the bone and
18 kidney toxicity associated with TDF, Gilead did not substitute TAF for TDF in the design of any
19 of its drugs, including Viread, Truvada, and Atripla. In an act of extreme malice, Gilead also
20 refused to publish its research on TAF, choosing instead to keep HIV-infected patients and their
21 doctors in the dark about the full risks associated with TDF, along with the solution to those
22 risks, for over a decade.

23 In 2014, as Gilead's patent on TDF approached its expiration and Gilead faced a sharp
24 decrease in profits that would result from competition entering the market for TDF-containing
25

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27 ⁴ Food and Drug Administration, CLINICAL PHARMACOLOGY AND BIOPHARMACEUTICS REVIEW, New Drug
Application (Viread) No. 21-356 pp. 1-7 (May 1, 2001).

28 ⁵ Martin Markowitz et al., *Phase I/II study of the pharmacokinetics, safety and antiretroviral activity of tenofovir alafenamide, a new prodrug of the HIV reverse transcriptase inhibitor tenofovir, in HIV-infected adults*, J. ANTIMICROBIAL CHEMOTHERAPY, 69:1362-1369 (2014).

1 drugs, Gilead decided to release the results of the TAF studies it began conducting in 2001.
2 These studies were cited in support of three new combination drug applications containing TAF
3 and approved, respectively, in November 2015 (Genvoya), March 2016 (Odefsy), and again in
4 April 2016 (Descovy).

5 **d. The FDA Reprimands Gilead for its Misleading TDF Marketing**

6 Just after Viread's approval and in the two years leading up approval of Truvada, the
7 FDA twice issued warning letters to Gilead over its TDF marketing practices, stating that their
8 sales representatives had violated the law by giving doctors and patients false and misleading
9 information regarding TDF's side effects. According to a 2002 FDA Warning Letter, Gilead
10 salespeople falsely stated that TDF had "no toxicities," was "benign," and was "extremely safe."
11 A 2003 FDA Warning Letter took the uncommon step of requiring Gilead to retrain its sales
12 representatives to provide accurate information regarding the significant side effects associated
13 with TDF and comply with the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 352.

14 In a shareholder lawsuit filed in 2009, a former Gilead employee and complaining
15 witness stated that Gilead CEO Dr. John C. Martin would refer to Viread as a miracle product all
16 the time at meetings. Another former employee and complaining witnesses confirmed this
17 information and stated that Dr. Martin promoted Viread as a miracle drug because Gilead needed
18 to overcome the perception in the medical community that Viread was like Gilead's previous
19 HIV drugs and would likely cause kidney damage.

20 Viread's original prescribing information and patient information sheet said little about
21 the severe risk of toxicity in kidneys and concomitant risk of bone mineral density loss. The
22 boxed warning for Viread has never mentioned TDF toxicity, bone, or kidney risks. And, the
23 current label still only recommends assessment of bone mineral density for patients with a
24 history of fracture or other risk factors for osteoporosis or bone loss.

25 **e. Gilead Misrepresents Risks Associated with Truvada**

26 Gilead's prescribing information and patient information sheets for Truvada did little to
27 correct the tide of misrepresentations unleashed by its sales force and CEO only months before
28 Truvada's launch into the market in 2004. Truvada's prescribing information failed to correct

1 prior misrepresentations regarding the safety and efficacy of TDF and continued to misrepresent
2 and minimize the risk of toxicity and bone and kidney damage. Where Gilead did list potential
3 patient concerns, it misrepresented the risks as primarily for already-renally impaired or bone-
4 compromised patients.

5 Truvada's original prescribing information insert and patient information sheet represent
6 the risks of toxicity and bone and kidney damage as primarily a concern for patients with a
7 history of bone and kidney problems. It was known to Gilead, or scientifically knowable, that the
8 high doses of tenofovir necessary to make it bioavailable as TDF could lead to toxicity in the
9 kidneys in all patients, even those without a history of renal dysfunction or other risk factors. As
10 early as 2003, a case report had been published showing lethal renal toxicity in a patient without
11 any history of renal impairment.

12 Truvada's original prescribing information also misrepresents the risks to bone toxicity
13 and bone mineral density loss. Mentioning "bone effects" on the twentieth page of the
14 prescribing information sheet, it summarizes a 48-week clinical TDF study on baseline bone
15 mineral density. Although it notes that decreases in BMD were seen at the lumbar spine and hip
16 for patients taking TDF, it claims that the "clinical significance of the changes in BMD" were
17 "unknown" and that bone monitoring should only be considered for patients "with a history of
18 pathologic bone fracture or at substantial risk for osteopenia." Referring to the same 48-week
19 study, Gilead further misleadingly claimed that "there was no increased frequency of established
20 toxicities" associated with taking TDF.

21 Gilead's Truvada patient information sheet, provided at the end of the fifty-six page
22 prescribing information packet, compounds the misrepresentations by continuing to downplay
23 the risks associated with Truvada, limiting its warnings to patients with "bone problems" or
24 "kidney problems in the past or tak[ing] other medicines that can cause kidney problems." The
25 patient information sheet further falsely claims it "is not known whether long-term use of
26 TRUVADA will cause damage to your bones."

27 While Truvada's prescribing information and patient information sheets have undergone
28 changes over the years, the current prescribing information and patient information sheets still

1 fail to sufficiently warn consumers and their physicians about the risk of toxicity and severe bone
2 and kidney problems.

3 Truvada's current prescribing information and patient information sheet make sparse
4 mention of the risks associated with long-term TDF use in patients without a history of bone
5 problems and affirmatively misrepresent that such risks are primarily present for patients with a
6 clinical history of bone and renal issues.

7 Gilead knew or should have known as early as 2001 that TDF posed risks to the kidneys
8 and bones of all patients, not just those with a clinical history of kidney and bone problems.
9 Gilead not only failed to warn of these risks but made affirmative misrepresentations that such
10 risks were posed primarily to patients with a history of kidney and bone problems.

11 **f. Gilead Misrepresents Risks Associated with Atripla**

12 In 2006, when Gilead began marketing and selling Atripla, it provided a prescribing
13 information and patient information sheet with misrepresentations nearly identical to those in the
14 Truvada and Viread materials.⁶

15 Atripla's original prescribing information generally limited its warnings to patients with a
16 history of bone and kidney problems and similarly inaccurately claimed that the effects of TDF
17 on BMD, long-term bone health, and future fracture risk were "unknown."

18 Atripla's patient information sheet maintained the misrepresentations contained in
19 Truvada's and Viread's materials, listing "kidney problems" as a possible side effect for patients
20 with "kidney problems in the past or tak[ing] other medicines that can cause kidney problems"
21 and "changes in bone mineral density" "[i]f you have had bone problems in the past," while also
22 claiming it was "not known whether long-term use of ATRIPLA will cause damage to your
23 bones."

24 Atripla's current prescribing information and patient information sheet continue to limit
25 warnings for bone and kidney problems and toxicity as risks primarily affecting patients with a
26 history of bone or kidney problems.

27
28 ⁶ All of the prescribing information and patient information sheets for both Atripla and Truvada refer back to Gilead's materials for Viread, the single component name brand TDF that is contained in both Atripla and Truvada.

1 Atripla's prescribing information and patient information sheet make sparse mention of
2 the risks associated with long-term TDF use in patients without a prior history of bone problems
3 and affirmatively misrepresent that such risks are primarily present for patients with a clinical
4 history of bone and renal issues. Gilead knew, or should have known, in 2006 that TDF posed
5 risks to the kidneys and bones of all patients, not just those with a clinical history of kidney and
6 bone problems. Gilead not only failed to warn of these risks but made affirmative
7 misrepresentations that such risks were posed primarily to patients with a history of kidney and
8 bone problems.

9 **V. CAUSES OF ACTION**

10 **FIRST CAUSE OF ACTION**

11 **STRICT PRODUCTS LIABILITY – DESIGN DEFECT AND FAILURE TO WARN**
12 **(By Plaintiffs against Defendant)**

13 Plaintiffs fully reallege and incorporate by reference each allegation made above as if
14 fully set forth here and further allege as follows:

15 Gilead designed, developed, manufactured, fabricated, tested or failed to test, inspected
16 or failed to inspect, labeled, advertised, promoted, marketed, supplied, and distributed the
17 prescription drugs Truvada and Atripla.

18 Gilead designed Truvada and Atripla to contain TDF as the prodrug formulation of
19 tenofovir at least three years before Gilead submitted either Truvada or Atripla to the FDA for
20 approval, in 2004 and 2006 respectively.

21 Gilead chose to design Truvada and Atripla with the TDF prodrug formulation so that
22 they could make maximize profits on sales of TDF. Gilead delayed releasing the TAF prodrug
23 formulation of Truvada and Atripla until at least 2014. Gilead delayed the release of this safer
24 and more effective formulation in order to maximize profits on sales of TDF and later on sales of
25 TAF.

26 The Truvada and Atripla manufactured and supplied by Gilead were defective and unsafe
27 for their intended purpose in that the ingestion of Truvada and Atripla causes serious injuries
28 and/or death. The defects existed in Truvada and Atripla at the time they left Gilead's
possession.

1 Truvada and Atripla did, in fact, cause personal injuries as described above while being
2 used in a reasonably foreseeable manner, thereby rendering the Truvada and Atripla defective,
3 unsafe, and dangerous for use.

4 Gilead placed the Truvada and Atripla it manufactured and supplied into the stream of
5 commerce in a defective and unreasonably dangerous condition in that they did not meet the
6 ordinary safety expectations of patients and/or their prescribing physicians. Truvada and Atripla
7 also were defective and unreasonably dangerous because their design included TDF and
8 presented excessive danger that was preventable by designing the drugs to use the TAF prodrug
9 formulation. Gilead knew that TAF was a safer and more effective design for delivering the drug
10 tenofovir to the body and further knew TAF was capable of reducing the risk of bone and kidney
11 damage to patients that occurred with using TDF as a design for delivering tenofovir to the body.

12 The Truvada and Atripla Gilead manufactured and supplied was also defective due to
13 inadequate warning or instruction because Gilead knew or should have known that Truvada and
14 Atripla created a serious risk of harm to consumers and Gilead failed to adequately warn
15 consumers of the risks, including Plaintiffs.

16 Gilead knew and intended that Truvada and Atripla would be used by the ordinary
17 purchaser or user without inspection for defects therein and without knowledge of the hazards
18 involved in such use.

19 The Truvada and Atripla Gilead manufactured and supplied was defective due to
20 inadequate warning and inadequate testing.

21 The Truvada and Atripla Gilead manufactured and supplied was defective due to
22 inadequate post-market warnings and instructions, because Gilead knew or should have known
23 of the risk of serious injury from Truvada and Atripla, however Gilead failed to provide adequate
24 warnings to users and consumers of the product, including Plaintiffs, and continued to promote
25 the product.

26 On or before all times relevant to this matter, Gilead was aware that members of the
27 general public who would ingest their product, including Plaintiffs, had no knowledge or
28 information indicating that use of their product could cause the alleged injuries, and Gilead

1 further knew that members of the general public who used their product, including Plaintiffs,
2 would assume, and in fact did assume, that said use was safe, when in fact said use was
3 extremely hazardous to health and human life.

4 With this knowledge, Gilead opted to manufacture, design, label, distribute, offer for sale,
5 supply, sell, package, and advertise said product without attempting to protect said product users
6 from, or warn of, the high risk of injury or death resulting from its use.

7 Rather than attempting to protect users from, or warn them of, the high risk of injury or
8 death resulting from use of their product, Gilead intentionally failed to reveal their knowledge of
9 the risks, failed to warn of the risks and consciously and actively concealed and suppressed said
10 knowledge from members of the general public, including Plaintiffs, thus impliedly representing
11 to members of the general public that Truvada and Atripla were safe for all reasonably
12 foreseeable uses.

13 Gilead was motivated by their own financial interest in the continuing uninterrupted
14 manufacture, supply, sale, marketing, packaging and advertising of Truvada and Atripla.

15 In pursuit of this financial motivation, Gilead consciously disregarded the safety of
16 product users and in fact were consciously willing and intended to permit Truvada and Atripla to
17 cause injury to users and induced persons to purchase and use Truvada and Atripla, including
18 Plaintiffs.

19 Gilead, their "alternate entities," and their officers, directors and managing agents
20 participated in, authorized, expressly and impliedly ratified, and had full knowledge of, or should
21 have known, each of the acts set forth herein.

22 Gilead's conduct was and is willful, malicious, fraudulent, outrageous and in conscious
23 disregard of and indifference to the safety and health of the users of their product. Plaintiffs for
24 the sake of example and by way of punishing said Gilead, seek punitive damages according to
25 proof.

26 As a proximate and legal result of the defective and unreasonably dangerous condition of
27 Truvada and Atripla Gilead tested, manufactured and supplied, and the lack of adequate use
28 instructions and warnings, Plaintiffs were caused to suffer the injury and damages.

1 **SECOND CAUSE OF ACTION**
2 **NEGLIGENT PRODUCTS LIABILITY – DESIGN DEFECT AND FAILURE TO WARN**
3 **(By Plaintiffs against Defendant)**

4 Plaintiffs fully reallege and incorporate by reference each allegation made above as if
5 fully set forth here and further allege as follows:

6 Gilead had a duty to exercise reasonable care in the manufacture, sale and/or distribution
7 of Truvada and Atripla into the stream of commerce, including a duty to assure that the products
8 did not cause users to suffer from unreasonable, dangerous side effects.

9 Gilead failed to exercise ordinary care in the manufacture, sale, testing, quality assurance,
10 quality control, and/or distribution of Truvada and Atripla into interstate commerce in that
11 Gilead knew or should have known that Truvada and Atripla created a high risk of unreasonable,
12 dangerous side effects.

13 Gilead was negligent in the design, manufacture, testing, advertising, warning, marketing
14 and sale of Truvada and Atripla.

15 Despite the fact that Gilead knew or should have known that Truvada and Atripla caused
16 unreasonable, dangerous side effects, Gilead continued to market the Truvada and Atripla to
17 consumers, including Plaintiffs.

18 Gilead knew or should have known that consumers such as Plaintiffs would foreseeably
19 suffer injury as a result of Gilead's failure to exercise ordinary care as described above.

20 Gilead willfully and deliberately failed to avoid those consequences, and in doing so,
21 Gilead acted with a conscious disregard of Plaintiffs' safety, as previously alleged.

22 As a proximate and legal result of Gilead's negligence, said Plaintiffs were caused to
23 suffer the herein described injuries and damages.

24 **THIRD CAUSE OF ACTION**
25 **BREACH OF IMPLIED WARRANTY**
26 **(By Plaintiffs against Defendant)**

27 Plaintiffs fully reallege and incorporate by reference each allegation made above as if
28 fully set forth here and further allege as follows:

At all times mentioned in this Complaint, Gilead manufactured, compounded, packaged,
distributed, recommended, merchandised, advertised, promoted, supplied and sold Truvada and

1 Atripla, and prior to the time it was prescribed to Plaintiffs, Gilead impliedly warranted to
2 Plaintiffs, and their physicians and healthcare providers, that Truvada and Atripla were of
3 merchantable quality and safe for the use for which they were intended.

4 Plaintiffs and their physicians and healthcare providers relied on Gilead's skill and
5 judgment in using Truvada and Atripla.

6 The product was unsafe for its intended use was not of merchantable quality, as
7 warranted by Gilead, in that it had very dangerous propensities when put to its intended use and
8 would cause severe injury to the user. Truvada and Atripla were unaccompanied by sufficient
9 warnings of their dangerous propensities that were either known or reasonably scientifically
10 knowable at the time of distribution.

11 As a proximate and legal result of the defective and unreasonably dangerous condition of
12 the Truvada and Atripla manufactured and supplied by Gilead, Plaintiffs were caused to suffer
13 and will continue to suffer the injuries and damages described herein.

14 After Plaintiffs were made aware that their injuries were a result of Truvada and Atripla,
15 notice was duly given to Gilead of the breach of said warranty.

16 **FOURTH CAUSE OF ACTION**
17 **BREACH OF EXPRESS WARRANTY**
(By Plaintiffs against Defendant)

18 Plaintiffs fully reallege and incorporate by reference each allegation made above as if
19 fully set forth here and further allege as follows:

20 The aforementioned manufacturing, compounding, packaging, designing, distributing,
21 testing, constructing, fabricating, analyzing, recommending, merchandizing, advertising,
22 promoting, supplying and selling of Truvada and Atripla was expressly warranted to be safe for
23 Plaintiffs' use and other members of the general public.

24 At the time of the making of the express warranties, Gilead knew the purpose for which
25 Truvada and Atripla were to be used and warranted the same to be in all respects, fit, safe, and
26 effective and proper for such purpose. Truvada and Atripla were unaccompanied by warnings of
27 their dangerous propensities that were known or knowable at the time of distribution.

28 In using Truvada and Atripla, Plaintiffs and their physicians reasonably relied on

1 Gilead's skill and judgment and on the express warranty. The warranty and representations were
2 untrue in that Truvada and Atripla were unsafe and, therefore, unsuited for the uses for which
3 they were intended.

4 Truvada and Atripla could and did cause Plaintiffs to suffer and continue to suffer the
5 above-described injuries and damages.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiffs pray for judgment in their favor and for against Defendant
8 Gilead Sciences, Inc. as follows:

- 9 1. For general damages to be proven at trial;
- 10 2. For past and future medical and incidental expenses to be proven at trial;
- 11 3. For past and future loss of earnings and/or earning capacity to be proven at
12 trial;
- 13 4. For future medical monitoring costs;
- 14 5. For special damages to be proven at trial;
- 15 6. For punitive and exemplary damages to be proven at trial;
- 16 7. For attorney's fees and costs; and
- 17 8. For any further legal and equitable relief the Court deems proper.

18 **DEMAND FOR JURY TRIAL**

19 Plaintiffs hereby demand a trial by jury of all claims and causes of action so triable in this
20 lawsuit.

21
22 DATED: May 8, 2018

RUTHERFORD LAW

23
24 By: 

25 MICHELLE M. RUTHERFORD
26 *Attorneys for Plaintiffs*
27
28

1 DATED: May 8, 2018

AIDS HEALTHCARE FOUNDATION

2
3
4 By:



LIZA BRERETON

ARTI BHIMANI

TOM MYERS

Attorneys for Plaintiffs