

Top US court allows Amgen class action suit

February 28 2013

The US Supreme Court ruled Wednesday in favor of investors seeking to join a class-action lawsuit against pharmaceutical giant Amgen for downplaying safety concerns about two anemia drugs.

The high court's 6-3 ruling made it easier for shareholders to band together in a class suit without having to first show that misinformation had inflated the company's stock price materially or fraudulently.

Connecticut Retirement Plans and Trust Funds, which brought the suit on behalf of Amgen stock buyers, said the Thousand Oaks, California company had minimized the risks of taking anemia drugs [Aranesp](#) and [Epogen](#).

Justice Ruth Bader Ginsburg, writing for the majority, said that it would "waste judicial resources" to demand that investors prove the impact of a fraud before even examining the matter at hand.

"Amgen would have us put the cart before the horse," she added.

"Congress, we count it significant, has addressed the settlement pressures associated with securities-fraud class actions through means other than requiring proof of materiality at the class-certification stage."

The ruling upheld a lower court decision for the lawsuit to proceed as a class action case.

(c) 2013 AFP

Citation: Top US court allows Amgen class action suit (2013, February 28) retrieved 6 May 2024 from <https://medicalxpress.com/news/2013-02-court-amgen-class-action.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.