



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: NORA FRIMANN
City Attorney

SUBJECT: *In re: Purdue Pharma, LP, et al;*
In Re: National Prescription
Opiate Litigation

DATE: August 20, 2025

RECOMMENDATION

- A. Approve the Purdue Bankruptcy Plan and participate in a settlement with members of the Sackler family; and
- B. Participate in settlements with opioid manufacturers Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Syn Pharma, Zydus, and Sandoz; and
- C. Direct the City Attorney to execute all necessary documents and agreements on behalf of the City of San José.

BACKGROUND

States and local public entities throughout the country, including the City of San Jose, brought lawsuits against manufacturers, distributors, and pharmacies responsible for contributing to the opioid epidemic.

ANALYSIS

Purdue Pharma, owned by the Sackler family, manufactured Oxycontin. Purdue filed for bankruptcy in 2019. The proposed settlement consists of: (1) a settlement through the bankruptcy plan for a total of \$1.5 billion, and (2) a settlement directly with the Sackler family for a total of \$6.5 billion. It is estimated that San José can expect to receive up to \$ 1.3 million from these settlements.

Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Syn Pharma, and Zydus are manufacturers of opioids who have agreed to pay a total of \$844 million in cash settlements. It is estimated that San José's share of the cash settlement proceeds would be approximately \$253,000. Sandoz manufactured generic fentanyl transdermal

August 18, 2025

Subject: *In re: Purdue Pharma, LP, et al; In Re: National Prescription Opiate Litigation*

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patches. It had a relatively small share of the market and exited the opioid market entirely in 2019. Sandoz agreed to pay a total of \$99.5 million.

Participation in these settlements would result in the recovery of approximately \$1.5 million for the prevention and remediation of harms related to opioid misuse. The City is unlikely to achieve more favorable results by declining to participate in the settlement.

PUBLIC OUTREACH/INTEREST

This memorandum will be posted on the City's website for the August 26, 2025, agenda.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

By: /s/ Nora Frimann
NORA FRIMANN
City Attorney

cc: Jennifer Maguire, City Manager

For questions, please contact NORA FRIMANN, City Attorney, at (408) 535-1900.