

Drug maker settles suit over withholding information about effects on youngsters

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The world's second-largest drug maker, GlaxoSmithKline PLC, has agreed to pay \$63.8 million to settle a lawsuit alleging that it failed to divulge negative information about how Paxil, its star antidepressant drug, affected children.

If the settlement gets final approval, any U.S. resident who bought Paxil or Paxil CR for a minor will be eligible to be reimbursed from the fund, after roughly \$16.6 million in lawyers' fees and other expenses are deducted.

Though considered a safe treatment for adults, the Food and Drug Administration has issued warnings against Paxil for children as some studies found the drug increased suicidal tendencies while having questionable effects on depression.

According to the agreement, GlaxoSmithKline denies the lawsuit's claims, but the company said it wanted to avoid a protracted legal battle. The case has been before multiple Madison County judges, due in part to turnover at the courthouse.

The suit was filed in July 2004, just weeks after the state of New York sued London-based GlaxoSmithKline. The suit alleged that the company touted one clinical study that showed mixed results on Paxil's use in children, while suppressing four other studies that questioned the drug's efficacy and noted an increase in suicidal thinking and behavior.

The company now acknowledges the risks of the drug.

The settlement was given preliminary approval last month by Madison County Associate Circuit Judge Ralph Mendelsohn and was unsealed Friday, records show. A hearing has been scheduled for March 9 to determine the fairness of the settlement before it is given final approval.

Parents can be reimbursed if they can prove they purchased the drug for children. Anyone who can't provide proof is still eligible for a \$15 refund.

However, how much money will be available for reimbursement will depend on how many people file claims.

Attorneys' fees — up to 26 percent of the settlement fund — will be shared by St. Louis law firm Korein Tillery and Chicago firm Swedlow & Associates. Money also will be deducted from the settlement fund to pay for a national advertising campaign to publicize the agreement.

Neither GlaxoSmithKline nor lead plaintiffs' lawyer Stephen Tillery could be reached Wednesday.

A website — www.paxilpediatricsettlement.com — has been set up to act as an information clearinghouse.