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Opioid Makers Squeezed as Cities Try to Form Group for Talks.

- **Counties, cities seek to negotiate settlement collectively**
- **Suits already consolidated by judge for pre-trial discovery**

More than 1,500 U.S. municipalities are seeking to negotiate as a group with Johnson & Johnson, Purdue Pharma LP and other drug makers over the opioid epidemic, hoping that will spur the companies to pay billions of dollars to settle lawsuits.

The cities and counties, which blame the drug makers and distributors for creating a national public-health crisis by illegally promoting addictive painkillers, asked U.S. District Judge Dan Polster in Cleveland Friday to let them create a negotiation class. The suits were already consolidated for pre-trial exchanges of information in the so-called multidistrict litigation, or MDL.

“This is not a litigation class,” the group wrote. “It does not affect the prosecution of existing actions filed against opioid manufacturers, opioid distributors or pharmacies.”

Settlement talks between J&J and Purdue, along with drug distributors such as McKesson Corp. and Cardinal Health Inc., and states and local governments who have their cases before Polster, have been dragging, as it appears the companies are prepared to take their chances in court.

Under the proposal presented to Polster, the municipalities would have a supermajority voting process that can approve any proposed settlement, with three-quarters being required to vote in favor.

“It has long been recognized that a coordinated group is best able to secure better returns by offering the prospect of complete resolution of a dispute,” the municipalities said.

Purdue said it’s committed to working with everyone toward a resolution that benefits communities and states.

“We continue to work collaboratively within the MDL process outlined by Judge Polster,” Bob Josephson, a Purdue spokesman, said in an email.

J&J didn’t immediately respond to a request for comment on the proposal.

J&J is currently trying to fend off Oklahoma’s $13 billion lawsuit before a judge in Norman. It’s the first trial in which a state seeks to force a drug maker to cover the cost of the fall-out from opioid-related overdoses and addictions.

New Brunswick, New Jersey-based J&J is alone fighting the Oklahoma lawsuit. Purdue, the top marketer in the state, settled in March for $270 million. Teva Pharmaceutical Industries Ltd. agreed to pay $85 million, days before the trial started on May 28.

In Cleveland, the judge has pushed both sides hard to settle.

“It is no secret that there have been settlement discussions right from the onset,’’ Rice and other plaintiffs’ lawyers said in court filings. The talks are ongoing, according to the filing.

Allowing the plaintiffs to come together for negotiation purposes offers “the perfect mechanism for allowing the affected cities and counties to negotiate credibly and effectively as a group,’’ the lawyers said.

The case is In Re National Prescription Opioid Litigation, 17-md-2804, U.S. District Court, Northern District of Ohio (Cleveland).

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