



Kelley Drye Represents Sandoz Inc. in Arbitration

March 30, 2007

Kelley Drye represented Sandoz Inc. in an arbitration brought by Quality King Healthcare, Inc. (QK), a pharmaceutical wholesaler/distributor. QK sought reimbursement for its return to Sandoz of a substantial volume of expired prescription pharmaceutical products manufactured by Sandoz but purchased by QK from another wholesaler. Sandoz refused the reimbursement based on its contracts and its published Returns Policy. QK claimed these documents were "ambiguous" and asserted, among other things, that Sandoz was in breach of contract or was equitably estopped from refusing the reimbursement due to the prior erroneous issuance of a credit by Sandoz to QK. After a full hearing, the sole Arbitrator rendered a decision in favor of Sandoz, rejecting all of QK's claims, upholding Sandoz's contract language and Policy, and awarding Sandoz's attorneys fees and costs.