

THE OPIOID FILES

American Cartel: Inside the battle to bring down the opioid industry

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Joe Rannazzisi, seen in 2017, was the head of the Drug Enforcement Administration's division for policing the drug industry until his team was disbanded. (Jahi Chikwendiu/The Washington Post)

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Late on his last day as a DEA agent, Joe Rannazzisi grabbed a mailroom cart to wheel a few boxes of personal belongings to his Ford Excursion. He had turned in his badge earlier that day — one without a formal goodbye lunch that was now an evening without farewell drinks. Almost everyone had already cleared out of the Drug Enforcement Administration's sleek office complex in Arlington, and the silent corridor was a numbing coda to a career that for all its accolades seemed to have ended in defeat.

It was an unusual feeling for the muscled, tough-talking New Yorker who'd spent 30 years bringing down bad guys.

(Twelve Books)

As head of the DEA's division for policing the drug industry, Rannazzisi and his agents had pursued corrupt doctors and the nation's largest drug manufacturers, distribution companies, and pharmacy chains that were pouring powerful and highly addictive opioids into communities across the country.

His agents had successfully raided the warehouses of Fortune 500 companies. The DEA fined them tens of millions of dollars. Some of the companies were household names, such as Walgreens and CVS. Others had escaped public scrutiny, but he saw them as equally or even more culpable, companies such as Mallinckrodt Pharmaceuticals, Cardinal Health, Teva Pharmaceuticals, McKesson Corporation, and AmerisourceBergen Corp.

Righteous investigations, Rannazzisi believed. But he and his team had been crushed, their struggle to stop the destructive flow of pain pills snuffed out by a highly organized, well-financed pressure campaign.

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Firefighters try to revive a 28-year-old man who overdosed in a stairwell in Manchester, N.H., in 2018. (Salwan Georges/The Washington Post)

Today, America's opioid crisis is worse than ever. Last year, the nation logged a record-breaking 100,000 drug overdose deaths, most of them due to fentanyl, which is 50 times more potent than heroin. There is no end in sight as Mexican drug cartels flood the country with shipments of the cheap and highly addictive synthetic opioid.

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Most people don't know the real story of the opioid epidemic. It's not solely about [Purdue Pharma](#) and the Sackler family. It's about how a constellation of drug companies went after the DEA, and how the DEA lost that war, not to the cartels, but to lobbyists and lawmakers and K Street attorneys.

Rannazzisi came under attack by a tightknit coalition of drug company executives and lobbyists with close ties to members of Congress, and high-ranking officials inside the Department of Justice. They were aided by a cadre of former federal officials lured away from the DEA and the Justice Department by the lucrative payrolls of the companies they once regulated and the downtown D.C. law firms that represented them.

D. Linden Barber testifies before a Senate panel in 2016. (U.S. Senate)

One was D. Linden Barber, a top DEA lawyer who left the agency to represent the opioid industry. With his intimate knowledge of the DEA, Barber helped to write legislation for the drug industry that [gutted the agency's ability](#) to aggressively pursue the companies. With a few words, the new law changed the definition of what kind of corporate behavior constituted an “imminent danger” to the public. It raised the evidentiary bar for the DEA, making it nearly impossible for the agency to meet the new standard in its efforts to shutter drug company warehouses. The legislation sailed through Congress in 2016 at the height of the prescription drug epidemic and was signed into law by President Barack Obama without a word from the Oval Office.

On Capitol Hill, the measure was sponsored by then-Republican Congressman Tom Marino of Pennsylvania and Sen. Marsha Blackburn, a Republican from Tennessee, along with Sen. Orrin G. Hatch, a Republican from Utah, and Sen. Sheldon Whitehouse, a Democrat from Rhode Island. The bill was heavily backed and financed by the opioid industry.

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To fend off the DEA, the companies hired the smartest and most well-connected lawyers in Washington. One of them was Jamie Gorelick, a former deputy attorney general during the Clinton administration who became a partner at WilmerHale, a powerhouse law firm two blocks from the White House that had a thousand lawyers in cities around the globe. The firm represented Cardinal Health, which the DEA had been chasing since 2011 for distributing enormous amounts of pain pills.

Jamie Gorelick, seen in 2017, represented Cardinal Health in its fight against the DEA. (Matt McClain/The Washington Post)

Gorelick was able to get a memo outlining her client's concerns into the hands of the deputy attorney general at the time, James M. Cole. Rannazzisi was summoned to the Justice Department to explain himself to Cole during an unprecedented meeting. Another former deputy attorney general, Craig S. Morford, had joined Cardinal as chief of legal affairs. He had sent a three-page memo to Rannazzisi's boss at the DEA, detailing the company's complaints about the agency's aggressive enforcement efforts. Rannazzisi had never seen anything like it. Lawyers for the drug gangs and trafficking organizations he'd investigated had never been able to lobby the highest-ranking officials of the Justice Department on behalf of their clients. Instead of facing criminal prosecution, Cardinal's executives walked away from the case by paying a fine. "A traffic ticket," Rannazzisi called it.

But it was the way of Washington, where there was a constant revolving door between the agency, the Justice Department, and the companies they were supposed to be holding accountable. The pattern was a win-win for the former employees and the drug companies. The employees could triple or quadruple their salaries by going to Fortune 500 corporations or their law firms on K Street. And they knew precisely how the agency and the department operated, and how they could be thwarted.

Acting DEA administrator Chuck Rosenberg testifies on Capitol Hill in 2016. (Alex Brandon/AP)

Rannazzisi's friends had known for months that he was being targeted by the opioid industry and its allies in Washington and had been ostracized inside his own agency — no longer a welcome crusader. A new administrator, Chuck Rosenberg, who was more sympathetic to the plight of the drug industry, had been installed at the DEA. He wanted Rannazzisi out of his job, and his team disbanded.

Rannazzisi's buddies called him at home, gently probing to see if he was safe. Could someone as obsessive and wounded as Rannazzisi transition to retirement?

"Don't worry, I'm not going to off myself," he told them.

Still, some wondered whether they should take his weapon, a Walther PPK .380, just to be sure.

Rannazzisi was just a little bemused by the concern. He may have lost his job, but he was no quitter. He had two daughters at home to take care of, and a new coonhound mutt from the pound named Banjo.

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As he left DEA headquarters in October 2015, he hoped the fight would go on in some form. Addiction to opioids was an epidemic. People were dying from overdoses by the hundreds of thousands. The companies would eventually choke on their greed. Citizens would eventually demand that their government stop it all. There had to be a reckoning. The shape of that reckoning, however, was not visible to failure Rannazzisi on the dreary Friday in October when he was finally cut loose from the DEA. He had no idea that one day he would return to the trenches of the opioid war, this time as a key witness against the same companies that were responsible for his demise.

Attorney Paul T. Farrell Jr., seen in 2019, took on the opioid industry. (Maddie McGarvey for The Washington Post)

A year later, on a Sunday morning in 2016, Paul T. Farrell Jr. sat at the kitchen table in his parents' home as his father prepared breakfast. A local news story in the Charleston Gazette-Mail was the talk of the town. It reported that several drug companies, including some of the largest in the nation, had sent 780 million prescription pain pills to West Virginia within six years, while 1,728 people in the state overdosed. The shipments were enough to supply 433 pain pills to every man, woman, and child in the state.

Farrell's family had lived in Huntington, W.Va., for generations. They were Irish Catholic immigrants who arrived in New York's Hell's Kitchen during the 19th century and made their way to West Virginia. Huntington once prospered from the coal mines. But those boom years were long gone, and Farrell's town had descended into something resembling a zombie movie — shells of human beings wandering downtown, empty syringes and needles in public parks, parentless children, an entire generation raised in foster homes or by grandparents.

One of his closest friends, Mark Zban, a star athlete, was prescribed opioids following a series of injuries. Farrell watched in horror as his friend descended into oxycodone oblivion. At 6-foot-5 and 220 pounds, Zban was built for the NFL. But hobbled by serious knee injuries and a blown disk, his dreams of turning pro faded. By 2006, with six children and a high-stress job selling medical supplies, Zban's pain from his sports injuries had become unbearable. Doctors prescribed low doses of hydrocodone, then higher doses of oxycodone. When he couldn't convince doctors to write him more prescriptions, he bought pills on the streets of Huntington.

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Getting high became his daily routine. Nothing else mattered.

“I was so embarrassed and ashamed of what I was doing. I really isolated myself,” Zban said. “It got so bad that it became more important than my kids. I’m embarrassed to say that.”

As the newspaper story made the rounds at the Farrells’ breakfast table that morning, Farrell realized that the blame didn’t lie with Mexican drug cartels or any of the usual suspects, but instead with American companies, all of them profiting from the misery on the streets outside.

Purdue Pharma’s headquarters in Stamford, Conn., in 2019. (Frank Franklin II/AP)

These corporations were earning unprecedented profits while, to Farrell’s mind, his neighbors were being exterminated by opioids such as OxyContin, Percocet, Vicodin, and the ubiquitous blue oxycodone 30mg tablets manufactured by a St. Louis company he’d never heard of — Mallinckrodt, a drug industry giant that had managed to avoid the spotlight. In 2006, Purdue Pharma manufactured 130 million pain pills. That same year, Mallinckrodt manufactured 3.6 billion pills, nearly 30 times more than Purdue.

Mallinckrodt’s pills became so popular on the black market that users and drug dealers called them “blues” or “30s.”

Farrell’s mother, Charlene, had seen too many deaths, gone to too many funerals.

“Someone should do something,” she said as her husband stood over the stove, frying up bacon.

Farrell’s younger brother, Patrick, a fighter pilot during the Iraq War, chimed in.

“Isn’t that what you do for a living?” he asked Farrell.

Farrell felt it was a fair question. He embarked on a journey into the corrupt labyrinth of America’s opioid industry. Soon he would collaborate with some of the most colorful, high-profile plaintiff’s lawyers in the nation, including Mark Lanier, a 58-year-old Texas lawyer who was one of the wealthiest and most successful trial attorneys in America.

Plaintiffs' attorneys Linda Singer and Mark Lanier embrace outside federal court in Cleveland in 2019 after AmerisourceBergen, Cardinal Health and McKesson, along with drugmaker Teva, reached a \$260 million deal to settle a lawsuit. (Tony Dejak/AP) Lanier lived large on a 35-acre estate about 25 miles north of Houston. When he wasn't suing big corporations, he raised chickens, sheep, goats, monkeys, geese, potbellied pigs, and llamas on the manicured grounds of his estate, framed by orchards of apples, plums, and peaches.

In front of jurors, Lanier played the role of a country lawyer, telling folksy stories, using props, and reciting verses from the Bible. His methods sounded gimmicky, but they persuaded those in the box who were the ultimate arbiters. Over the course of his 37-year career, Lanier tried more than 200 personal injury and product liability lawsuits. He won nearly \$20 billion in verdicts against corporations in cases involving asbestos, prescription drugs, and metal hip implants.

But having seasoned litigators bankrolled by powerful plaintiff's law firms was not enough. Farrell knew he needed people on the inside of the DEA to make his case. He enlisted Rannazzisi as his star witness. He also drafted other DEA agents and investigators whose cases against the opioid companies had been crushed. Most were eager to sign up. The money they would make as expert witnesses would help. But more importantly, they wanted payback.

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By October 2019, on the eve of the first trial against the opioid industry in the nation, Farrell, Lanier, and hundreds of other lawyers had launched the largest and most complex civil litigation in American history on behalf of thousands of counties, cities, and Native American tribes. The coalition won access to a confidential pill-tracking

database and millions of internal corporate emails and memos during courtroom combat with legions of omnipotent law firms defending the opioid industry. For Farrell, the internal documents and emails revealed a horrifying panorama on corporate greed and political cowardice. The records included once-confidential communications inside corporate boardrooms, DEA headquarters, and the marbled corridors of Capitol Hill. The documents found their way into thousands of lawsuits filed in federal courthouses across the country and form the basis of a legal battle without precedent in American jurisprudence — a bruising, complex, and unfinished quest for justice.

Farrell and Rannazzisi realized that the companies had manufactured, distributed, and dispensed 100 billion pain pills across the country over nine years, from 2006 through 2016. One breathtaking disclosure after another — from emails that mocked addicts to sales reports chronicling the rise of pill mills — showed the indifference of big business to the epidemic's toll. Farrell and Rannazzisi, already hardened by their experiences with the companies, were appalled by how corporate executives dehumanized the people who were overdosing and dying from their products.

One company, Cephalon, tried to motivate its sales force with a video of a dubbed version of Dr. Evil from the Austin Powers movies. In the video, Dr. Evil threatened to kill any sales rep who failed to sell enough of its fentanyl product.

Victor Borelli, a national sales representative from Mallinckrodt, compared the highly addictive pain pills he was selling to tortilla chips.

“Keep 'em coming!” one sales rep wrote to Borelli. “Flyin' out of here. It's like people are addicted to these things or something. Oh, wait, people are ...”

“Just like Doritos,” Borelli wrote back. “Keep eating, we'll make more.”

Paramedics treat a man believed to have overdosed on fentanyl outside a bar in Taunton, Mass., in 2019. (Salwan Georges/The Washington Post)

At the height of the opioid epidemic in 2011, executives at AmerisourceBergen, the third-largest drug distributor in America, circulated an email chain containing a parody of the theme song from the 1960s CBS sitcom “The Beverly Hillbillies.” The parody compared those addicted to opioids to “Pillbillies,” poor and uneducated Appalachian hillbillies.

“Well the first thing you know ol’ Jed’s a drivin South,” the parody went. “Kinfolk said Jed don’t put too many in your mouth, / Said Sunny Florida is the place you ought to be / So they loaded up the truck and drove speedily. / South, that is. / Pain Clinics, cash ’n carry. / A Bevy of Pillbillies!”

When lawyers first discovered the parody in piles of documents the companies had disclosed to the plaintiff’s lawyers, Farrell thought it was a prank.

“This can’t be real,” he wrote to one of his colleagues.

From left: George Barrett of Cardinal Health, Joseph Mastandrea of Miami-Luken, John Hammergren of McKesson, J. Christopher Smith of H.D. Smith Wholesale Drug, and Steven Collis of AmerisourceBergen testify on Capitol Hill in 2018 about fighting the opioid epidemic. (Alex Brandon/AP)

It was real. For 10 years, the “Pillbillies” email was an inside joke at AmerisourceBergen. During a 2021 trial in Charleston, W.Va., involving AmerisourceBergen and two other drug distributors — McKesson and Cardinal Health — Farrell questioned one of the AmerisourceBergen executives who had shared the parody with his colleagues. It was the first case to finally go to trial. Dozens more were waiting in line.

News of the parody blew up on Twitter. The reaction was so hostile and threatening, the AmerisourceBergen executive who was testifying became the target of death threats. The judge overseeing the trial summoned the lawyers to his chambers and cautioned Farrell and his legal team against introducing any more incendiary company emails.

The DEA’s crackdown on the opioid industry and the barrage of lawsuits may have decimated the black market for pain pills, but it left untold millions addicted. Opioid

users searched for other options, setting off two more cataclysmic waves of death. In 2015, heroin overdoses surpassed the number of deaths from pills. Two years later, the third wave of the epidemic, fueled by fentanyl, overcame heroin as the number one driver of overdose deaths, devastating even more communities across the country.

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Since Farrell filed his first lawsuit against the opioid industry in 2017, hundreds of law firms have joined the case and they have signed up more than 4,000 towns, cities, counties, and Indian tribes as their clients. Courtroom discovery battles continue to produce internal corporate documents and emails. One of the documents was a playbook detailing how the industry could divert attention away from itself and place the blame for the opioid epidemic on the DEA itself.

As of today, the legal counterattack has resulted in nearly \$40 billion in settlements by companies such as Johnson & Johnson, and the nation's top three distributors, McKesson, Cardinal Health and AmerisourceBergen. Mallinckrodt and Purdue have also settled and are now in bankruptcy court.

But it doesn't feel like a victory to the people who have waged the fight, like Rannazzisi. On Monday, [a federal judge ruled in favor](#) of those distributors, dismissing claims filed by Farrell and other attorneys that the companies were responsible for the opioid epidemic in West Virginia.

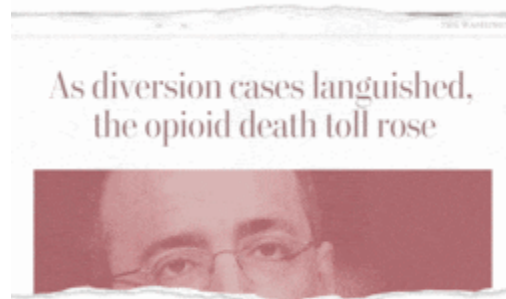
More people are dying of opioid overdoses than ever before, Rannazzisi says, but not one executive of a Fortune 500 company went to jail — or was even criminally prosecuted.

“A kid slinging crack on a corner goes to jail, because he has a gun, for five or ten years or whatever. But a corporation that's involved with the distribution of drugs that are killing people all over the country — the illegal distribution of these drugs — why did they not get prosecuted?” Rannazzisi said.

“The answer is power and influence.”

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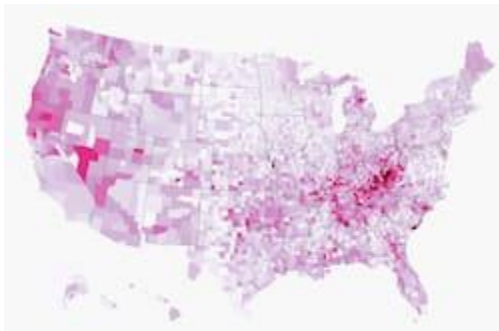
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