HEALTH · EBAY

EBay will pay \$59m settlement over pill presses sold on the site—the kind used to make counterfeit pills laced with fentanyl

BY <u>Lindsay whitehurst</u> and <u>the associated press</u>

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A man prepares to smoke fentanyl on a park bench in downtown Portland, Ore., on May 18, 2023.

BETH NAKAMURA—THE OREGONIAN/AP

The e-commerce giant eBay will pay \$59 million in a settlement with the Justice Department over thousands of pill press machines sold on the platform, the Justice Department said Wednesday.

The machines can be used to manufacture counterfeit pills that look just like prescription pills but instead can be laced with substances like fentanyl, a synthetic opioid drug that is largely fueling the deadliest overdose crisis in U.S. history.

The company failed to verify buyers' identities and keep records required by law, and many people who bought pill presses on eBay have been prosecuted in connection with trafficking illegal counterfeit pills, the Justice Department said.

EBay, headquartered in San Jose, California, provides a platform for people to make their own online sales. It said it agreed to the settlement to avoid long-running litigation but maintained it didn't break the law.

The company said it had removed pill-making equipment on its own and blocked "tens of thousands" of listings before the Justice Department got involved.

"Government officials have repeatedly commended eBay for our partnership with law enforcement and efforts to support investigations into illegal pill press usage," eBay said.

Still, the Justice Department says there were thousands of cases where people bought pill presses on eBay, including high-capacity presses capable of producing thousands of pills per hour. Hundreds of those buyers also got counterfeit molds or dies that allowed them to make pills mimicking legitimate prescription pills, authorities said.

Ebay failed to meet requirements that sellers of pharmaceutical manufacturing equipment verify buyers' identities, keep records, and report to the Drug Enforcement Administration to make sure the machines are traceable and not used illegally, federal prosecutors said.

"Counterfeit pills laced with fentanyl are a significant contributor to the deadly overdose epidemic," said Associate Attorney General Vanita Gupta.

More than 100,000 deaths were linked to drug overdoses in 2022, according to the U.S. Centers for Disease Control and Prevention, and over than two-thirds of those involved fentanyl or similar synthetic drugs. The crisis at first centered on prescription painkillers that gained more acceptance in the 1990s, and later heroin. Over the past decade, the death toll has reached an all-time high, and the biggest killers have been synthetic opioids such as fentanyl that are in the supply of many street drugs.

"Through its website, eBay made it easy for individuals across the country to obtain the type of dangerous machines that are often used to make counterfeit pills," said U.S. Attorney Nikolas Kerest of Vermont.

The company has agreed to step up its compliance program on sales of pill presses as well as counterfeit molds, stamps and dies, and encapsulating machines, which are used to fill pills.

EBay's failure to follow "basic reporting and record keeping requirements" allowed people to "set up pill factories in their homes and to do so without detection," said U.S. Attorney Henry Leventis for the Middle District of Tennessee.