

annals of the conference's history by peppering a pharma founder with questions during a public session. The founder's company, MannKind, was applying for FDA approval of an inhaled insulin product; Shkreli, as part of his hedge fund strategy, was shorting the company's stock.<sup>11</sup>

That kind of behavior – in addition to brash missives on Twitter,<sup>12</sup> wunderkind status on the annual Forbes 30 under 30 list, all-day live streaming of his computer screen and office activities, and, more recently, his multimillion dollar purchase of the only copy of a new Wu-Tang Clan album, only to fight publicly later with the artists over the purchase – got Shkreli attention in biotech circles.<sup>13</sup>

Yet pharma's bad boy wasn't in California in January 2016, having just starred in the industry's biggest public relations disaster in years. In September 2015, Shkreli's latest company, Turing Pharmaceuticals, became the subject of intense scrutiny after raising the price of a drug by almost 5,500 percent overnight.<sup>14</sup> Turing had bought the rights to Daraprim, an antimalarial drug also used for treatment of infections common in HIV-positive patients, for \$55 million. The company then immediately raised the price of the drug from \$13.50 a tablet to \$750 a tablet.<sup>15</sup> A one-month course of the drug became \$20,000, up from just \$400 before the increase. The magnitude of the price increase for a potentially lifesaving drug led to immediate public outrage, particularly because the drug was originally approved in 1953 and had been off-patent for decades. In the midst of a heated 2016 presidential primary season, candidates including Hillary Clinton, Bernie Sanders, and Donald Trump denounced Shkreli's actions, and Daraprim soon became the most dramatic example of exorbitant price increases. Drug pricing had once again become a political issue and a core part of campaign messaging. Shkreli eventually promised, and then quickly walked back, a price decrease.

Shkreli was not alone in his tactics; the media's newfound villain just took the blunt of the criticism. Other companies, such as Valeant Pharmaceuticals, also

<sup>11</sup> Arlene Weintraub, *Gadfly Pharma Investor Shkreli Starts Anew after Ousting from Retrophin*, FORBES (Feb. 27, 2015), [www.forbes.com/sites/arleneweintraub/2015/02/27/gadfly-pharma-investor-shkreli-starts-anew-after-ousting-from-retrophin/#5303e3e5359d](http://www.forbes.com/sites/arleneweintraub/2015/02/27/gadfly-pharma-investor-shkreli-starts-anew-after-ousting-from-retrophin/#5303e3e5359d); Allie Conti, *Why Is Martin Shkreli Still Talking?* VICE (Jan. 27, 2016), [www.vice.com/read/why-is-martin-shkreli-still-talking](http://www.vice.com/read/why-is-martin-shkreli-still-talking).

<sup>12</sup> Examples of interesting Twitter behavior: Martin Shkreli (@MartinShkreli), TWITTER (Jun. 10, 2016, 7:48 PM), <https://twitter.com/MartinShkreli/status/741431768247640064>; Martin Shkreli (@MartinShkreli), TWITTER (Jun. 10, 2016, 7:47 PM), <https://twitter.com/MartinShkreli/status/741431597761736704>.

<sup>13</sup> Devin Leonard & Annmarie Hordern, *Who Bought the Most Expensive Album Ever Made?* BLOOMBERG BUSINESSWEEK (Dec. 9, 2015), [www.bloomberg.com/features/2015-martin-shkreli-wu-tang-clan-album/](http://www.bloomberg.com/features/2015-martin-shkreli-wu-tang-clan-album/).

<sup>14</sup> Andrew Pollack, *Drug Goes from \$13.50 a Tablet to \$750, Overnight*, N.Y. TIMES (Sept. 20, 2015), [www.nytimes.com/2015/09/21/business/a-huge-overnight-increase-in-a-drugs-price-raises-protests.html](http://www.nytimes.com/2015/09/21/business/a-huge-overnight-increase-in-a-drugs-price-raises-protests.html). The price of the drug was as low as \$1 in 2010, before a series of acquisitions. *Ibid.*

<sup>15</sup> *Ibid.*