

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
GAINESVILLE DIVISION

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U.S.D.C. - Gainesville

MAR 26 2008

JAMES N. HATTEN, Clerk
By: *Vicki Dougherty*
Deputy Clerk

GRACEWAY PHARMACEUTICALS,
LLC and CHESTER VALLEY
PHARMACEUTICALS, LLC

Plaintiffs,

v.

RIVER'S EDGE PHARMACEUTICALS,
LLC

Defendant.

2 08 - CV - 0 0 6 7
Civil Action No. _____

[JURY TRIAL DEMANDED]

COMPLAINT

1. This is a false advertising and unfair competition complaint against Defendant River's Edge Pharmaceuticals, LLC ("River's Edge") arising out of River's Edge's false and misleading promotion of its benzoyl peroxide gels and wash products as generically equivalent or otherwise substitutable for the branded benzoyl peroxide products marketed by Plaintiffs Chester Valley Pharmaceuticals, LLC and Graceway Pharmaceuticals, LLC (collectively "Graceway") under the Benziq trademark (collectively "Benziq products").

2. Graceway's Benziq products are specially formulated for the treatment of acne, and the dry skin that frequently results from the treatment of acne with topical products. Graceway has made a tremendous investment of time and resources to develop a quality line of products that physicians and their patients can trust to deliver safe and effective acne treatment to their patients, while not damaging the skin by drying. As physicians have repeatedly prescribed Graceway's Benziq products for their patients, and experienced positive clinical outcomes from the products, Graceway has built exceptional goodwill in the medical community and a track record of consistent quality, safety and effectiveness.

3. River's Edge is exploiting this trust and goodwill by advertising, and inducing others in the chain of pharmaceutical distribution to advertise, that the River's Edge products are the generic equivalent of Benziq, and that pharmacists can dispense the River's Edge products for patients suffering from acne vulgaris without consulting the prescribing physician. Upon information and belief, these statements are false because River's Edge has not undertaken the work or investment needed to assure the quality, effectiveness, safety and substitutability of its products.

4. The integrity of the pharmaceutical distribution system depends to a large extent on self-enforcement and observation of industry standards.

Pharmacists and patients have no choice in many circumstances but to trust that pharmaceutical manufacturers have undertaken the testing and work that assures that their products can be safely and effectively dispensed or substituted for the prescription written by the physician.

5. River's Edge's promotion of its products for the treatment of acne vulgaris, and the promotion of its products as generic substitutes for Graceway's Benziq products, is false and misleading because, among other reasons:

- On information and belief, River's Edge's products are not, and cannot be expected to be, as safe and effective as Graceway's Benziq products in the treatment of acne vulgaris;
- On information and belief, River's Edge's products do not, and cannot be expected to, meet industry standards for generic substitution, including pharmaceutical equivalence, bioequivalence, and therapeutic equivalence to Graceway's Benziq products; and

- On information and belief, River's Edge's products do not and cannot be expected to meet compendial and other applicable standards of strength, quality, purity, and identity that govern sameness of pharmaceutical products, and the production, distribution and labeling of pharmaceutical products.

6. River's Edge's ongoing false and misleading statements about its products are causing irreparable harm to Graceway's business and to the goodwill of Benziq in the marketplace. Accordingly, Graceway brings this action for monetary and equitable relief for River's Edge's willful and systematic violation of section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and the common law of states in which the River's Edge products are distributed. For their Complaint, then, Plaintiffs allege as follows.

JURISDICTION AND VENUE

7. This Court has jurisdiction over this action under the Lanham Act, 15 U.S.C. § 1121, under 28 U.S.C. § 1331 (federal question jurisdiction), under 28 U.S.C. § 1338 (action arising under the Lanham Act), and under principles of supplemental jurisdiction. See 28 U.S.C. § 1367.

8. This Court also has jurisdiction over this action under 28 U.S.C. § 1332, as the amount in controversy exceeds \$75,000.00, exclusive of interest and costs, and the parties are citizens of different states.

9. In connection with the acts, conduct, and other wrongs complained of herein, River's Edge, directly and indirectly, used means and instrumentalities of interstate commerce, including but not limited to the United States mail and interstate telephone communications.

10. The exercise of personal jurisdiction in the Northern District of Georgia is proper because River's Edge has a principle place of business in this district.

11. Venue is proper in this District pursuant to 28 U.S.C. 1391(b). River's Edge sells its products in this judicial district, including through distributors, wholesalers, and others, and therefore resides in this judicial district, and a substantial part of the claims arose in this judicial district. Furthermore, River's Edge has purposefully and voluntarily placed its products into the stream of commerce with the expectation, or reason to believe, that it will be purchased by consumers in the Northern District of Georgia.

PARTIES

12. Graceway Pharmaceuticals, LLC is a Delaware limited liability company with its principal place of business at 340 Martin Luther King Jr. Blvd., Suite 500, Bristol, Tennessee 37620. Graceway owns the rights and goodwill of Benziq 2.75% gel, Benziq 5.25% gel, and Benziq 5.25% wash, and markets these Benziq products to dermatologists and other physicians.

13. Chester Valley Pharmaceuticals, LLC is a Delaware limited liability company with its principal place of business at 222 Valley Creek Blvd., Suite 300, Exton, PA 19341. Graceway Pharmaceuticals, LLC currently owns Chester Valley and the rights and goodwill of Benziq. Chester Valley developed Benziq beginning in approximately March 2005, and began marketing the products in approximately December 2005.

14. River's Edge is a limited liability company with its principal place of business at 5400 Laurel Springs Parkway, Building 500, Suite 504, Suwanee, Georgia 30024. River's Edge markets and sells a 2.75% gel, a 5.25% gel, and a 5.25% wash, knock-offs of Plaintiffs' Benziq prescription products.

15. River's Edge markets, promotes, advertises, offers for sale, sells, and/or distributes its products to wholesalers, retailers, chains, distributors,

mail order houses, independent pharmacies, managed care organizations, and/or others on a national basis, including the Northern District of Georgia.

FACTUAL ALLEGATIONS

Graceway Develops Benziq

16. Graceway develops, acquires, markets, and sells pharmaceutical products for a wide range of conditions, including dermatologic conditions.

Chester Valley developed Benziq to treat mild to moderate acne, or acne vulgaris.

Graceway currently owns Chester Valley and the rights and goodwill of Benziq.

Benziq is available by prescription only. Benziq is formulated with a special hydrating complex and does not tend to dry or irritate the skin. Graceway markets Benziq to physicians who, in turn, write prescriptions for Benziq for their patients.

17. Graceway has expended a significant amount of time and resources perfecting Benziq and building brand awareness. For example, Graceway sales representatives have routinely met with doctors and other prescribers to provide detailed information on the use and benefits of Benziq products. In 2007 alone, Graceway provided well in excess of one hundred thousand sample units to healthcare providers. Through these efforts, Graceway

has been able to build brand awareness, and in the short time Benziq has been on the market, gross annual sales have grown to more than 4 million dollars in 2007.

River's Edge Develops its "Generics", Piggy-Backing Off of the Success of Benziq

18. River's Edge is a pharmaceutical company that markets, sells, and distributes purported generics, which are, in fact, knock-offs or false generics of prescription drugs.

19. Upon information and belief, sometime in early 2007, River's Edge saw an opportunity to exploit the reputation and success of Benziq by creating its purportedly generic products.

20. Upon information and belief, prior to launching its purportedly generic products in 2007, River's Edge did not perform any scientific tests, or undertake any industry-standard manufacturing or laboratory practices, needed to confirm that its products met industry standards governing the sale and substitution of pharmaceutical products.

21. Rather than market its products to physicians on its own merits, upon information and belief River's Edge markets its products primarily to drug wholesalers, distributors, pharmacies, managed care organizations and others by

claiming that its products are a generic equivalent to, and substitute for, Benziq. Upon information and belief, River's Edge has improperly induced third parties to link its products to Benziq in privately integrated drug dispensing databases and price systems. These databases and price systems are the primary resource used by pharmacists to decide whether a prescription for a branded drug may be filled with a generic. River's Edge knows that pharmacies rely on these databases and price systems to determine whether a given drug is the generic equivalent of a brand-name drug. By falsely claiming, or allowing these databases and pricing systems to falsely claim, that its products are the equivalent to Benziq, without scientific evidence of equivalency to support such claims, River's Edge induces the pharmacist to improperly substitute its products for Benziq. As a result, River's Edge unlawfully diverts Benziq sales and revenue to River's Edge.

The River's Edge products are not Generic to or Substitutable for Benziq

22. For one drug to be considered a generic equivalent of another, the generic must be both (1) "pharmaceutically equivalent," that is, has the same active ingredients, dosage form, route of administration, and meet compendial or other applicable standards that assure adequate strength, quality, purity, and

identity of pharmaceutical products; and (2) “bioequivalent,” that is, delivers the active ingredients to the site of drug action in or on the body to the same extent.

23. Bioequivalence is required for drug substitution in order to ensure that the generic drug substituted for the prescribed brand-name drug will provide the patient with the same treatment that the doctor ordered. This is critical because doctors – not wholesalers, pharmacists or managed care organizations – are responsible for making appropriate treatment decisions and tracking a patient’s progress.

24. Every state (including the District of Columbia) has adopted laws governing the generic substitution of prescription drugs products by pharmacists. Most states prohibit substitution of a drug for a prescribed brand-name drug unless the substitute drug is therapeutically equivalent to the brand.

25. Upon information and belief, contrary to the claims of River’s Edge, the River’s Edge products are not a generic equivalent to or substitute for Benziq. Upon information and belief, River’s Edge has not performed or commissioned studies necessary to establish that the River’s Edge products are the equivalent of or substitutable for Benziq, including testing for bioequivalence, and

thus has no comparative evidence that the River's Edge products are equivalent to, substitutable for, or the generic of Benziq.

26. Upon information and belief, the River's Edge products are not manufactured to meet the same specifications or standards of quality as Benziq, and the River's Edge products do not contain the same inactive ingredients, another element considered in establishing the equivalence of locally active drug products such as these.

The River's Edge products are Marketed, Directly and Indirectly, as a Generic Substitute for Benziq

27. In many states, a pharmacist may substitute a generic version of a brand-name drug when presented with a prescription for that brand-name drug. Pharmaceutical companies market brand-name drugs differently than they market generic drugs.

28. Graceway, like other brand-name pharmaceutical companies, markets brand-name drugs like Benziq to physicians and other prescribers, providing them with the necessary information to determine whether Benziq is the appropriate treatment for their patients who suffer from acne vulgaris. Graceway earns revenues when a doctor writes a prescription for Benziq and a pharmacist fills that prescription.

29. Unlike Graceway, generic drug companies target drug databases, wholesalers, retailers, pharmacies, and managed care organizations, instead of physicians and other prescribers. The generic drug company earns revenue when a pharmacist substitutes the generic drug for the brand-name drug at the pharmacy counter. Much like a true generic company, River's Edge targets drug databases, wholesalers, retailers, pharmacies, and managed care organizations, and induces these organizations to compare River's Edge's knock-off products to brand-name products, thus corrupting the individual pharmacist's decision-making process. When a pharmacist relying on these improper comparisons substitutes the River's Edge products for Benziq, River's Edge wrongfully misappropriates revenue that should properly belong to Graceway, thus causing injury to Graceway.

30. Pharmaceutical databases, such as those maintained by First DataBank, inform their users of generic substitutes by linking the generic drugs to their branded counterparts. Pharmacists rely on the information provided by these databases when determining whether to substitute a generic drug for a prescribed, branded drug.

31. Upon information and belief, River's Edge has induced these pharmaceutical databases to list its products as generically substitutable for, or equivalent to, Benziq products.

32. In addition, upon information and belief, River's Edge entices pharmaceutical purchasers and pharmacies to stock its knock-off drugs by promising a greater profit margin to pharmacies if River's Edge's knock-off drugs are dispensed instead of the brand-name drug.

33. Upon information and belief, River's Edge improperly seeks to take advantage of applicable laws and contract provisions among customers of River's Edge that require or encourage substitution of generic drugs for brand-name drugs by making false, misleading, and unsupported claims about equivalence to Benziq with the goal of convincing pharmaceutical purchasers to substitute the River's Edge products for Benziq prescriptions.

34. Upon information and belief, River's Edge uses these techniques to market its products. In its advertising and promotions to drug wholesalers, distributors, pharmacies, managed care organizations, drug databases, and others, River's Edge makes no effort to differentiate its products from Benziq other than on the basis of price. Rather, upon information and belief, it encourages

the perception that the River's Edge products are the generic equivalent to Benziq. In addition, River's Edge sells its products to customers who, in turn, describe the product as the "equivalent" or "generic" form of Benziq. See Walgreens.com description of Benziq 5.25% gel (attached hereto as Exhibit A)(describing the River's Edge products as a "generic" form of Benziq); Walgreens.com description of the River's Edge products 5.25% gel (attached hereto as Exhibit B) (describing Benziq 5.25% gel as the brand-name "equivalent" of the River's Edge 5.25% gel). River's Edge also advertises its product to various national drug databases, with the intent to influence sales at the pharmacy level, and allows such databases to describe its product as the "equivalent" form of Benziq. See First DataBank listing for Benziq LS 2.75% gel (listing the River's Edge 2.75% gel as an "equivalent product") (attached hereto as Exhibit C); First DataBank listing for Benziq 5.25% gel (listing the River's Edge 5.25% gel as an "equivalent product") (attached hereto as Exhibit D); First DataBank listing for Benziq 5.25% wash (listing the River's Edge 5.25% wash as an "equivalent product") (attached hereto as Exhibit E).

35. Upon information and belief, River's Edge does not inform these customers and national databases that the necessary scientific studies,

including bioequivalence testing, showing that the River's Edge products are the equivalent to or substitutable for Benziq do not exist. In fact, upon information and belief, River's Edge falsely represents that the River's Edge products are equivalent to Benziq.

36. Through its financially successful, but false and unsupported, advertising and promotion campaign, River's Edge has succeeded in linking its products as a generic equivalent to Benziq in the major drug databases as well as wholesalers, distributors and retail chains. River's Edge intentionally keeps its advertising and promotional communications with drug databases, wholesalers, retailers, pharmacists, and others hidden from public perception. River's Edge's advertising and promotional efforts have paid off, as the River's Edge products are now substituted as a generic equivalent for Benziq in pharmacies in Georgia and across the country. This could not occur but for the fact that River's Edge has created the false and/or misleading impression among drug databases and pricing systems, distributors, pharmaceutical purchasers, pharmacies, and others that the River's Edge products are genuinely equivalent to and substitutable for Benziq.

37. Graceway has been – and will continue to be – injured by River's Edge's false and/or misleading advertising and unfair competition.

Because River's Edge has misled pharmaceutical purchasers, pharmacists, and national drug databases to believe and represent that the River's Edge products are a generic form of Benziq, and that the River's Edge products are equivalent to and substitutable for Benziq, River's Edge has eroded and will continue to injure Benziq's goodwill and depress Graceway's revenues.

38. Graceway cannot control the safety, effectiveness, or quality of River's Edge's knock-off products. Thus, doctors and patients who suffer a negative experience with the River's Edge products that are substituted for Benziq are likely to have a negative opinion of Benziq and likely would not seek a refill of Benziq.

39. By allowing and inducing national drug databases, such as First DataBank, to falsely and misleadingly state that its products are an "equivalent product" to Benziq, River's Edge has created the false impression that its products are generically equivalent to Benziq, and this impression causes pharmacists to substitute its products for Benziq, often in violation of state laws.

40. By allowing and inducing national drug chains, such as Walgreens, to falsely and misleadingly advertise on their websites that the River's Edge products are a "generic" version of Benziq, River's Edge causes Graceway to

lose sales of Benziq when this false or misleading information is used as a basis for substituting the River's Edge products for Benziq.

41. Health insurance companies like Blue Cross Blue Shield of Tennessee have listed the River's Edge products as a generic of Benziq on their website, TennesseeHealth.Com, demonstrating the success of River's Edge's efforts to link its products to Benziq as equivalent. River's Edge's wrongful campaign causes Graceway to lose sales of Benziq when this false and misleading information is used to substitute the River's Edge products for Benziq.

42. In short, River's Edge has sold and marketed its products as generics, equivalents, or substitutes to Benziq, without any scientific evidence of equivalence or substitutability demonstrating that its products are, in fact, a generic or equivalent.

COUNT ONE
(False Advertising -- Lanham Act)

43. Graceway hereby incorporates by reference and realleges the allegations in Paragraphs 1 through 42 as if fully set forth herein.

44. River's Edge markets its products to drug databases, wholesalers, distributors, drug store chains, pharmacies, and others in interstate

commerce as a generic substitute for Benziq products. River's Edge intends for potential customers and influential industry organizations to believe that River's Edge knock off products are equivalent to, and substitutable for, Benziq products despite the absence of scientific evidence showing equivalency, including bioequivalency.

45. River's Edge's promotional claims about its products are literally and/or impliedly false and misleading. River's Edge does not have the necessary scientific evidence showing the River's Edge products are the equivalent to, generic to, or substitutable for, Benziq products. River's Edge's promotional claims violate Section 43(a) of the Lanham Act, which provides in relevant part that any "person who, or in connection with any goods or services . . . uses in commerce any . . . false or misleading description of fact or misleading representation of fact, which . . . in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable to a civil action by any person who believes that he or she is likely to be damaged by such act."

46. Additionally, River's Edge is liable for false and misleading advertising under the Lanham Act, because it intentionally induced and/or knew or had reason to know that drug databases, wholesalers, distributors, drug store chains, and others falsely and misleadingly describe its products as a generic to and substitute for Benziq to pharmacists, but continued to sell its products to those entities.

47. River's Edge's false, deceptive, and misleading advertising has the capacity to deceive customers and is likely to influence customers' purchasing decisions.

48. River's Edge's false, deceptive, and misleading advertisements have a material effect on customers' purchasing decisions.

49. By reason of River's Edge's conduct, Graceway has suffered, and will continue to suffer, damage to its business, reputation, and goodwill. Pursuant to 15 U.S.C. § 1117, Graceway is entitled to damages for River's Edge's Lanham Act violations, an accounting of profits made by River's Edge on sales of the knock-off products wrongfully positioned as true generics, as well as recovery of costs of this action.

50. From the public record, it is clear that River's Edge's business plan is to engage in false and misleading advertising of the type recounted in this complaint in an effort to promote unsubstantiated substitution of its knock-off drugs for brand-name drugs. River's Edge's blatant disregard for the law entitles Graceway to an award of treble damages, pursuant to 15 U.S.C. § 1117.

51. River's Edge's acts are willful, wanton, and calculated to deceive, and are undertaken in bad faith, making this an exceptional case entitling Graceway to recover additional damages and reasonable attorney fees pursuant to 15 U.S.C. § 1117.

52. River's Edge's false and misleading advertising has caused irreparable harm to Graceway, and unless enjoined by this Court, will continue to irreparably injure Graceway's goodwill and erode Graceway's market share. Pursuant to 15 U.S.C. § 1116, Graceway is entitled to preliminary and permanent injunctive relief to prevent River's Edge's continuing acts.

COUNT TWO
(Unfair Competition - Lanham Act)

53. Graceway repeats and hereby re-alleges the allegations of paragraphs 1 – 52, above, as fully set forth herein.

54. Graceway has become uniquely associated with Benziq products, and the public identifies Graceway as the source for Benziq products.

55. River's Edge marketed and continues to market its knock-off products as generic equivalents to and substitutes for Benziq products despite the absence of the necessary scientific evidence showing equivalency, including bioequivalency, and in doing so, has deceived, misled, and confused consumers. This has enabled River's Edge to trade off of Graceway's reputation and good will.

56. River's Edge's acts constitute unfair competition in violation of Section 43(a) of the Lanham Act.

57. Additionally, River's Edge is liable for unfair competition under the Lanham Act because it intentionally induced and/or knew or had reason to know that drug databases, wholesalers, distributors, drug store chains, and others falsely describe its products as a generic to and substitute for Benziq to pharmacists, but continued to sell its products to those entities.

58. By reason of River's Edge's conduct, Graceway has suffered, and will continue to suffer, damage to its business, reputation, and goodwill. Pursuant to 15 U.S.C § 1117, Graceway is entitled to damages for River's Edge's

Lanham Act violations, an accounting of profits made by River's Edge's on sales of their products, and recovery of Graceway's costs of this action.

59. From the public record, it is clear that River's Edge's business plan is to engage in false and misleading advertising of the type recounted in this Complaint in an effort to promote substitution of its knock-off drugs for brand-name drugs. River's Edge's blatant disregard for the law entitles Graceway to an award of treble damages, pursuant to 15 U.S.C. § 1117.

60. River's Edge's acts are willful, wanton, and calculated to deceive, and are undertaken in bad faith, making this an exceptional case entitling Graceway to recover additional damages and its reasonable attorney fees pursuant to 15 U.S.C § 1117.

61. River's Edge's conduct has caused, and unless enjoined by the Court, will continue to cause immediate and irreparable harm to Graceway for which there is no adequate remedy at law, and for which Graceway is entitled to injunctive relief.

COUNT THREE
(Common Law Unfair Competition)

62. Graceway repeats and realleges the allegations of paragraphs 1-61 above, as if fully set forth herein.

63. River's Edge has made false and misleading explicit and implicit representations to wholesalers, pharmacists, and others, that its products are generic equivalents to Benziq products, and that they can be substituted for prescriptions for Benziq products.

64. River's Edge's selective false and misleading comparisons of its products with Benziq products, and omission of relevant facts, are likely to cause confusion, mistake, or deception about the nature, characteristics, and qualities of the knock-off products in comparison, connection, or association with Benziq products.

65. River's Edge knows, or in the exercise of reasonable discretion should know, that its marketing program encourages the sale and substitution of its knock-off products for prescriptions of Benziq products and is likely to result in unlawful substitution of its products for the Benziq products, and of deception of doctors, pharmacists, patients, and others, about the nature, characteristics, and qualities of the River's Edge products in comparison, connection, or association with Benziq products.

66. River's Edge's actions are willful and have been undertaken with the purpose of deceiving consumers.

67. As a result of such conduct, River's Edge has caused, and unless enjoined by this Court, will continue to cause, consumer confusion as to the equivalence and interchangeability of the River's Edge products for Benziq products.

68. Graceway is entitled to damages for River's Edge's unfair competition, an accounting of profits made on sales of its products and recovery of Graceway's costs of this action.

69. As a result of River's Edge's conduct, Graceway has suffered, and unless such acts and practices are enjoined by the Court, will continue to suffer damage to its business, reputation and goodwill for which they are entitled to relief.

COUNT FOUR
(Common Law Misappropriation)

70. Graceway repeats and hereby realleges the allegations of paragraphs 1- 69 above, as if fully set forth herein.

71. Graceway created Benziq products through extensive time, labor, effort, skill and money.

72. River's Edge has wrongfully used Benziq products in competition with Graceway and gained a special advantage because it was not burdened with the expenses of development and marketing.

73. As a result of its misappropriation, River's Edge has profited and, unless such conduct is enjoined by this Court, will continue to profit by misappropriating the time and money that Graceway invested in establishing the reputation and goodwill of Benziq products.

74. As a result of River's Edge's misappropriation, Graceway has suffered and, unless enjoined by this Court, will continue to suffer injury and damages for which it is entitled to relief.

75. From the public record, it is clear that River's Edge's business plan is to engage in false and misleading advertising of the type recounted in this Complaint in an effort to promote substitution of its knock-off drugs for brand-name drugs. River's Edge's conduct was malicious and/or done with an intentional disregard of Graceway's rights thereby entitling Graceway to an award of punitive damages.

PRAYER FOR RELIEF

WHEREFORE, Graceway respectfully requests that:

A. The Court enter orders preliminarily and permanently enjoining River's Edge and its agents, servants, employees, attorneys, successors, and assigns, and all others in active concert or participation with them, from directly or indirectly falsely advertising or promoting its products or inducing others to substitute the River's Edge products for prescriptions of Benziq products;

B. The Court enter orders preliminarily and permanently enjoining River's Edge and its agents, servants, employees, attorneys, successors, and assigns, and all others in active concert or participation with them, from making or inducing others to make any false, misleading or deceptive statement of fact, or representation of fact in connection with the promotion, advertisement, display, sale, offering for sale, manufacture, production, circulation or distribution of products in such fashion as to suggest that such products are equivalent, or generic to Benziq products, or can be freely interchanged with or substituted for prescriptions of Benziq products;

C. The Court enter orders preliminarily and permanently enjoining River's Edge and its agents, servants, employees, attorneys, successors, and assigns, and all others in active concert or participation with them, from placing,

and are ordered to remove, information linking or associating its products with Benziq in any drug dispensing databases in the United States;

D. River's Edge be ordered to take corrective action to correct any erroneous impression persons may have derived concerning the nature, characteristics or qualities of the River's Edge products or Benziq products, including, without limitation, the placement of corrective advertising to prevent the inducement of others from substituting the River's Edge River's Edge products for prescriptions of Benziq products;

E. Graceway be granted such other relief as the Court may deem appropriate to prevent the trade and public from deriving any erroneous impression concerning the nature, characteristics or qualities of River's Edge products or from inducing others to substitute the River's Edge products for prescriptions of Benziq products;

F. The Court enter an order requiring River's Edge to pay Graceway damages in the amount of Graceway's actual and consequential damages, in an amount not less than ten million dollars (\$10,000,000.00) and any profits of River's Edge resulting from their advertisements and marketing;

G. The Court enter an order establishing an interim trust into which all revenues heretofore earned, and earned during the course of this litigation, by River's Edge from the sale of the River's Edge products, be deposited pending a jury trial on all matters complained of herein;

H. The Court enter an order finding that this an exceptional case and requiring River's Edge to pay Graceway additional damages equal to three times the actual damages awarded Graceway pursuant to 15 U.S.C. § 1117(a);

I. The Court enter an order requiring River's Edge to pay all of Graceway's reasonable attorneys' fees, costs and expenses, including those available under 15. U.S.C. § 1117(a) and other applicable law;

J. The Court enter an order finding that River's Edge acted maliciously, wantonly, and/or fraudulently, requiring River's Edge to pay Graceway punitive damages pursuant to the common law of the State of Georgia;

K. The Court enter an order awarding Graceway prejudgment and post-judgment interest on any monetary award in this action; and

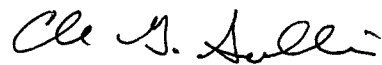
L. The Court enter an order awarding Graceway such other and further relief as the Court deems just and equitable.

DEMAND FOR JURY TRIAL

Graceway demands trial by jury on all issues so triable.

Respectfully Submitted,

Arnall Golden Gregory LLP



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Date: March 25, 2008