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DE Judge Dismisses Lilly Suit Against AZ Pharmacy Compounder

By [Gabrielle Wanneh](#) / October 9, 2025 at 5:31 PM

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A Delaware district court on Wednesday (Oct. 8) dismissed Eli Lilly’s legal challenge against Strive Pharmacy, thwarting another effort by the brand drug company to stop compounding pharmacies from producing and selling compounded versions of tirzepatide, the active ingredient of its popular diabetes drug Mounjaro and weight-loss treatment Zepbound. The dismissal comes a month after a California district court made the same call regarding Lilly’s lawsuit against compounding pharmacy Willow Health.

When dismissing Lilly’s case against Willow, California Judge Andre Birotte Jr. said the drug maker showed no proof of lost sales due to compounded drugs provided by Willow, Lilly’s reputation had not suffered because of the Willow’s compounded alternatives and Lilly’s claims of fraudulent advertising were weak.

Delaware Judge Stephanos Bibas ruled the court lacked personal jurisdiction over the business dealings of Strive Pharmacy since Strive is Arizona-based, the fraudulent marketing behaviors Lilly accuses Strive of conducting are not aimed directly or solely at Delawareans, and although Strive has a license to sell drugs in Delaware, there is no strong relationship tying Strive’s online statements regarding its products to the state of Delaware.

“Lilly thinks the prescriptions for Strive’s drugs are pretextual. But Strive’s drugs and providers’ prescription practices are not at issue; Lilly makes painfully clear that ‘[i]t challenges Strive’s claims about its pharmaceutical practice, not the pharmaceutical practice itself.’ And Lilly pleads no facts connecting Delaware and the drugs to the online statements,” Bibas said in his opinion.

Bibas highlighted in his decision that compounded drugs are a ‘godsend’ for patients with allergies or unique needs that make FDA-approved medications are not the suitable option.

Stakeholders touted the recent decisions as a win for compounding pharmacies, outsourcing facilities and digital health companies selling more affordable versions of GLP-1s and other medications.

“Add this to judges’ comments in Lilly’s lawsuits against Willow Health and Mochi and you begin to get the sense that when it comes to GLP-1 compounding, courts believe compounding pharmacies are serving their patients well and are doing so within the proper legal/regulatory framework,” Scott Brunner, CEO of the Alliance for Pharmacy Compounding, said in statement on the Strive Pharmacy case dismissal.

Lee Rosebush, chairman of the Outsourcing Facilities Association, said in a statement: “The decision also serves to help decrease the pressure that Eli Lilly and Novo Nordisk have heaped on compounders, such as by trying to sue them far from home (as with Strive), by ensuring Lilly and Novo don’t engage in forum shopping. The questionable legal actions filed all over the country exist to increase pressure on compounding pharmacies and outsourcing facilities to deprive patients of vital and lawful medications that are legitimately prescribed by each patient’s own physician and clinically appropriate.”

Following FDA’s removal of tirzepatide from its list of drugs currently experiencing shortages last fall, Lilly filed a handful of lawsuits against compounders to prevent further production of tirzepatide-based treatments outside of its own manufacturing facilities, including lawsuits against companies Mochi Health, Fella and Deiliah, and Henry Meds, each of which are still awaiting further movement from another California district court. -- [Gabrielle Wanneh](#) (gwanneh@iwnews.com)

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