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7  
8 **BEFORE THE**  
**BOARD OF PHARMACY**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

10 In the Matter of the Statement of Issues  
11 Against:  
12 **SPECIALTY PHARMACEUTICALS,**  
13 **INC.; FARAMARZ GANJIAN, AKA FRED**  
14 **GANJIAN; CHRISTOPHER MICHAEL**  
15 **HALL**  
16 **6901 Canby #108**  
**Reseda, CA 91335**  
**Applicant for Pharmacy Permit**  
17 Respondents.

Case No. 3921

**STATEMENT OF ISSUES**

18  
19 Complainant alleges:

20 **PARTIES**

- 21 1. Virginia K. Herold (Complainant) brings this Statement of Issues solely in her official  
22 capacity as the Executive Officer of the California State Board of Pharmacy.
- 23 2. On or about August 24, 2010, the California State Board of Pharmacy received an  
24 application for an Applicant for Pharmacy Permit from Specialty Pharmaceuticals, Inc.; Faramarz  
25 Ganjian, aka Fred Ganjian; Christopher Michael Hall (Respondents). On or about August 2,  
26 2010, Faramarz Ganjian certified under penalty of perjury to the truthfulness of all statements,  
27 answers, and representations in the application. The California State Board of Pharmacy denied  
28 the application on October 26, 2010.

1           3.    On or about January 21, 2005, the California State Board of Pharmacy issued  
2 Original Pharmacist License Number RPH 56740 to respondent Faramarz Ganjian. Said license  
3 will expire on February 28, 2011, unless renewed.

4   JURISDICTION

5           4.    This Statement of Issues is brought before the California Board of Pharmacy (Board),  
6 Department of Consumer Affairs, under the authority of the following laws. All section  
7 references are to the Business and Professions Code unless otherwise indicated.

8           5.    Section 4300, subdivision (c) of the Code states that the Board may refuse a license to  
9 any applicant guilty of unprofessional conduct.

10           6.    Section 4301 of the Code states:

11                       The board shall take action against any holder of a license who is guilty of  
12 unprofessional conduct or whose license has been procured by fraud or  
13 misrepresentation or issued by mistake. Unprofessional conduct shall include, but is  
14 not limited to, any of the following:

15                                       ...

16                       (1) The conviction of a crime substantially related to the qualifications,  
17 functions, and duties of a licensee under this chapter. The record of conviction of a  
18 violation of Chapter 13 (commencing with Section 801) of Title 21 of the United  
19 States Code regulating controlled substances or of a violation of the statutes of this  
20 state regulating controlled substances or dangerous drugs shall be conclusive  
21 evidence of unprofessional conduct. In all other cases, the record of conviction shall  
22 be conclusive evidence only of the fact that the conviction occurred. The board may  
23 inquire into the circumstances surrounding the commission of the crime, in order to  
24 fix the degree of discipline or, in the case of a conviction not involving controlled  
25 substances or dangerous drugs, to determine if the conviction is of an offense  
26 substantially related to the qualifications, functions, and duties of a licensee under this  
27 chapter. A plea or verdict of guilty or a conviction following a plea of nolo  
28 contendere is deemed to be a conviction within the meaning of this provision. The  
board may take action when the time for appeal has elapsed, or the judgment of  
conviction has been affirmed on appeal or when an order granting probation is made  
suspending the imposition of sentence, irrespective of a subsequent order under  
Section 1203.4 of the Penal Code allowing the person to withdraw his or her plea of  
guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or  
dismissing the accusation, information, or indictment.

...

1 (n) The revocation, suspension, or other discipline by another state of a license  
2 to practice pharmacy, operate a pharmacy, or do any other act for which a license is  
3 required by this chapter.

4 7. Section 480 of the Code states:

5 (a) A board may deny a license regulated by this code on the grounds that the  
6 applicant has one of the following:

7 (1) Been convicted of a crime. A conviction within the meaning of this section  
8 means a plea or verdict of guilty or a conviction following a plea of nolo contendere.  
9 Any action that a board is permitted to take following the establishment of a conviction  
10 may be taken when the time for appeal has elapsed, or the judgment of conviction has  
11 been affirmed on appeal, or when an order granting probation is made suspending the  
12 imposition of sentence, irrespective of a subsequent order under the provisions of  
13 Section 1203.4 of the Penal Code.

14 (2) Done any act involving dishonesty, fraud, or deceit with the intent to  
15 substantially benefit himself or herself or another, or substantially injure another.

16 (3)

17 (A) Done any act that if done by a licentiate of the business or profession in  
18 question, would be grounds for suspension or revocation of license.

19 (B) The board may deny a license pursuant to this subdivision only if the crime  
20 or act is substantially related to the qualifications, functions, or duties of the business  
21 or profession for which application is made.

22 . . . .

23 8. Section 125.3 of the Code provides, in pertinent part, that the Board may request the  
24 administrative law judge to direct a licentiate found to have committed a violation or violations of  
25 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
26 enforcement of the case.

27 FIRST CAUSE FOR DENIAL OF APPLICATION

28 (Conviction of a Substantially Related Crime)

9. Respondents' application is subject to denial under section 4301, subdivision (n) in  
that on or about March 8, 1993, Respondent Ganjian was convicted by plea of guilty for violating  
Title 18 U.S.C. section 371 [conspiracy to commit wire fraud and receive and distribute  
adulterated and misbranded prescription drugs] in a criminal proceeding entitled *United States of*

1 *America v. Faramarz Ganjian* (United States District Court, Southern District of New York,  
2 1993, Case No. 92 Cr. 943).

3 a. The circumstances of the crime were that respondent Ganjian, who was a  
4 licensed pharmacist, participated in a prescription drug diversion scheme by purchasing non-  
5 controlled prescription drugs from an illegal or improper source. Respondent Ganjian then resold  
6 and/or dispensed the drugs to unsuspecting consumers.

7 SECOND CAUSE FOR DENIAL OF APPLICATION

8 (Discipline in Other States)

9 10. Respondents' application is subject to denial under section 4301, subdivision (I) in  
10 that disciplinary action was taken against respondent Ganjian in other states as follows:

11 a. On or about December 18, 1992, in a proceeding entitled *In the Matter of the*  
12 *Disciplinary Proceeding Against FARAMARZ GANJIAN (Pharmacist)*, Case No. 13494, before  
13 the New York State Education Department, Office of Professional Discipline, State Board of  
14 Pharmacy, respondent Ganjian surrendered his license to practice pharmacy in the State of New  
15 York and paid a fine of two thousand five hundred dollars and no cents (\$2,500.00). Respondent  
16 Ganjian agreed to surrender his license and admitted that he committed acts of unprofessional  
17 conduct and gross negligence by holding for sale and offering for sale misbranded drugs and  
18 repacked drugs and purchasing drugs outside the proper channels of distribution of prescription-  
19 required drugs. Complainant refers to and by this reference incorporates the allegations set forth  
20 above in paragraph 8, inclusive, as though set forth fully.

21 On or about July 20, 1998, in Case No. 98-15-20, respondent Ganjian's license to practice  
22 pharmacy in the State of New York was reinstated and he was placed on five (5) years probation  
23 with terms and conditions.

24 b. On or about March 7, 1994, in a proceeding entitled *In the Matter of Faramarz*  
25 *Ganjian*, Pharmacy File No. 93-6, Docket No. 94-16, before the State of Connecticut,  
26 Commission of Pharmacy, respondent Ganjian surrendered his Connecticut pharmacist license  
27 based on the disciplinary action and surrender of his pharmacist license in the State of New York.

28

1 Complainant refers to and by this reference incorporates the allegations set forth above in  
2 paragraphs 8 and 9, inclusive, as though set forth fully.

3 On or about November 3, 1998, in Pharmacy File No. 98-48, Docket No. 98-600,  
4 respondent Ganjian's license to practice pharmacy in the State of Connecticut was reinstated and  
5 he was placed on five (5) years probation with terms and conditions.

6 THIRD CAUSE FOR DENIAL OF APPLICATION

7 (Acts Involving Dishonesty, Fraud or Deceit with

8 Intent to Substantially Benefit Himself or Substantially Injure Another)

9 11. Respondents' application is subject to denial under section 480, subdivision (a),  
10 subparagraph (2) in that respondent Ganjian committed acts which involved dishonesty, fraud, or  
11 deceit with the intent to substantially benefit himself or another, or substantially injure another.

12 Complainant refers to and by this reference incorporates the allegations set forth above in  
13 paragraph 8, inclusive, as though set forth fully.

14 FOURTH CAUSE FOR DENIAL OF APPLICATION

15 (Acts If Done By Licentiate Constitute Grounds for Suspension or Revocation)

16 12. Respondents' application is subject to denial under section 480, subdivision (a),  
17 subparagraph (3) in that respondent Ganjian committed acts that if done by a licentiate of the  
18 business or profession in question, would be grounds for suspension or revocation of license.

19 Complainant refers to and by this reference incorporates the allegations set forth above in  
20 paragraph 8, inclusive, as though set forth fully.

21 DISCIPLINE CONSIDERATIONS

22 13. To determine the degree of discipline, if any, to be imposed on respondents,  
23 Complainant alleges that on or about October 13, 1999, a prior disciplinary action entitled *In the*  
24 *Matter of the Statement of Issues Against Faramarz Ganjian* before the California State Board of  
25 Pharmacy, Case No. 2227, was filed against respondent Faramarz Ganjian. Discipline was  
26 imposed for the acts discussed in paragraphs 8 and 9 above. Complainant refers to and by this  
27 reference incorporates the allegations set forth above in paragraphs 8 and 9, inclusive, as though  
28 set forth fully.

1 Pursuant to a stipulated settlement, respondent Ganjian's application for pharmacist  
2 licensure examination was granted. Upon successful completion of the California pharmacist  
3 licensure examination and all other licensing requirements, a license was issued to respondent  
4 Ganjian. The license was immediately revoked, the order of revocation stayed and respondent  
5 Ganjian was placed on probation for three (3) years, from January 21, 2005, to January 20, 2008,  
6 on terms and conditions. That decision is now final and is incorporated by reference as if fully set  
7 forth.

8 PRAYER

9 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
10 and that following the hearing, the California State Board of Pharmacy issue a decision:

- 11 1. Denying the application of Specialty Pharmaceuticals, Inc.; Faramarz Ganjian, aka  
12 Fred Ganjian; Christopher Michael Hall for an Applicant for Pharmacy Permit;
- 13 2. Taking such other and further action as deemed necessary and proper.

14 DATED: 3/4/11 \_\_\_\_\_ 

VIRGINIA K. HEROLD  
Executive Officer  
California State Board of Pharmacy  
State of California  
*Complainant*

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