

**BEFORE THE  
BOARD OF PHARMACY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. 3430

**SAVCO GENERIC DRUGS**

2101 Forest Avenue, No. 122

San Jose, CA 95128

Pharmacy Permit No. PHY 32506

Respondent.

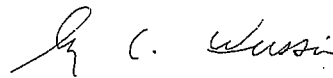
**DECISION AND ORDER**

The attached Stipulated Surrender of License and Order is hereby adopted by the Board of Pharmacy, Department of Consumer Affairs, as its Decision in this matter.

This decision shall become effective on August 25, 2010.

It is so ORDERED on July 26, 2010.

BOARD OF PHARMACY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA



By

\_\_\_\_\_  
STANLEY C. WEISSER  
Board President

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 FRANK H. PACOE  
Supervising Deputy Attorney General  
3 CHAR SACHSON  
Deputy Attorney General  
4 State Bar No. 161032  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
Telephone: (415) 703-5558  
6 Facsimile: (415) 703-5480  
*Attorneys for Complainant*

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

10 In the Matter of the Accusation Against:

Case No. 3430

11 **SAVCO GENERIC DRUGS**  
12 **2101 Forest Avenue, No. 122**  
13 **San Jose, CA 95128**  
**Pharmacy Permit No. PHY 32506**

OAH No. 2010020464

**STIPULATED SURRENDER OF  
LICENSE AND ORDER AND FULL  
SETTLEMENT OF CASE NO. 3430**

14 Respondents.

15  
16 IT IS HEREBY STIPULATED AND AGREED by and between the parties in this  
17 proceeding that the following matters are true:

18 PARTIES

19 1. Virginia Herold (Complainant) is the Executive Officer of the Board of Pharmacy.  
20 She brought this action solely in her official capacity and is represented in this matter by Edmund  
21 G. Brown Jr., Attorney General of the State of California, by Char Sachson, Deputy Attorney  
22 General.

23 2. Savco Generic Drugs (Respondent) is represented in this proceeding by attorney Ann  
24 Koo, whose address is 199 River Oaks Parkway, San Jose, CA 95134.

25 3. On or about December 3, 1985, the Board of Pharmacy issued Pharmacy Permit No.  
26 PHY 32506 to Respondent Savco Generic Drugs. The Pharmacy Permit was in full force and  
27 effect at all times relevant to the charges brought in Accusation No. 3430 and will expire on  
28 December 1, 2010, unless renewed.



CONTINGENCY

1  
2       10. This stipulation shall be subject to approval by the Board of Pharmacy. Respondent  
3 understands and agrees that counsel for Complainant and the staff of the Board of Pharmacy may  
4 communicate directly with the Board regarding this stipulation and surrender, without notice to or  
5 participation by Respondent or its counsel. By signing the stipulation, Respondent understands  
6 and agrees that it may not withdraw its agreement or seek to rescind the stipulation prior to the  
7 time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its  
8 Decision and Order, the Stipulated Surrender and Disciplinary Order shall be of no force or  
9 effect, except for this paragraph, it shall be inadmissible in any legal action between the parties,  
10 and the Board shall not be disqualified from further action by having considered this matter.

11       11. The parties understand and agree that facsimile copies of this Stipulated Surrender of  
12 License and Order, including facsimile signatures thereto, shall have the same force and effect as  
13 the originals.

14       12. This Stipulated Surrender of License and Order is intended by the parties to be an  
15 integrated writing representing the complete, final, and exclusive embodiment of their agreement.  
16 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,  
17 negotiations, and commitments (written or oral). This Stipulated Surrender of License and Order  
18 may not be altered, amended, modified, supplemented, or otherwise changed except by a writing  
19 executed by an authorized representative of each of the parties.

20       13. In consideration of the foregoing admissions and stipulations, the parties agree that  
21 the Board may, without further notice or formal proceeding, issue and enter the following Order:

ORDER

22  
23       IT IS HEREBY ORDERED that Pharmacy Permit No. PHY 32506, issued to Respondent  
24 Savco Generic Drugs, is surrendered and accepted by the Board of Pharmacy.

25       14. The surrender of Respondent's Pharmacy Permit and the acceptance of the  
26 surrendered license by the Board shall constitute the imposition of discipline against Respondent.  
27 This stipulation constitutes a record of the discipline and shall become a part of Respondent's  
28 license history with the Board.

1 15. Respondent shall lose all rights and privileges as a pharmacy at 2101 Forest Avenue,  
2 No 122 in San Jose, California as of the effective date of the Board's Decision and Order.

3 16. Respondent shall cause to be delivered to the Board both its wall license certificate  
4 and, if one was issued, pocket license on or before the effective date of the Decision and Order.

5 17. If Respondent ever files an application for licensure or a petition for reinstatement in  
6 the State of California, the Board shall treat it as a new application for licensure. Respondent  
7 must comply with all the laws, regulations and procedures for reinstatement of a revoked license  
8 in effect at the time the application is filed, and all of the charges and allegations contained in  
9 Accusation No. 3430 shall be deemed to be true, correct and admitted by Respondent when the  
10 Board determines whether to grant or deny the application. Respondent may not apply, reapply,  
11 or petition for any licensure or registration of the Board for three (3) years from the effective date  
12 of the Decision and Order.

13 18. If Respondent should ever apply or reapply for a new license or certification, or  
14 petition for reinstatement of a license, by any other health care licensing agency in the State of  
15 California, all of the charges and allegations contained in Accusation No. 3430 shall be deemed to  
16 be true, correct, and admitted by Respondent for the purpose of any Statement of Issues or any  
17 other proceeding seeking to deny or restrict licensure.

18 19. Respondent shall pay the Board its costs of investigation and enforcement in the  
19 amount of \$9,103.50 prior to issuance of a new or reinstated license.

20  
21 ACCEPTANCE

22 I have carefully read the above Stipulated Surrender of License and Order and have fully  
23 discussed it with my attorney, Ann Koo. I understand the stipulation and the effect it will have on  
24 my Pharmacy Permit. I enter into this Stipulated Surrender of License and Order voluntarily,  
25 knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board of

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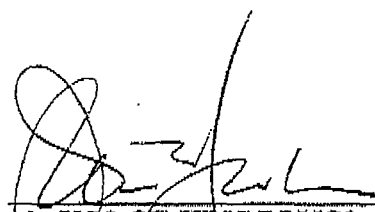
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Pharmacy.

DATED: 06/07/10

  
SAVCO GENERIC DRUGS  
Respondent

I have read and fully discussed with Respondent Savco Generic Drugs the terms and conditions and other matters contained in this Stipulated Surrender of License and Order. I approve its form and content.

DATED: \_\_\_\_\_

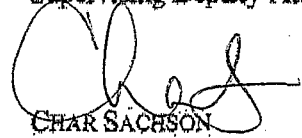
ANN KOO  
Attorney for Respondent

ENDORSEMENT

The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

Dated: May 26, 2010

Respectfully submitted,  
EDMUND G. BROWN JR.  
Attorney General of California  
FRANK H. PACOE  
Supervising Deputy Attorney General

  
CHAR SACHSON  
Deputy Attorney General  
Attorneys for Complainant

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1 Pharmacy.

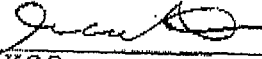
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3 DATED: \_\_\_\_\_

4 SAVCO GENERIC DRUGS  
Respondent

5 I have read and fully discussed with Respondent Savco Generic Drugs the terms and  
6 conditions and other matters contained in this Stipulated Surrender of License and Order. I  
7 approve its form and content.

8 DATED: 6/7/2010

9   
ANN KOO  
Attorney for Respondent

10

11 ENDORSEMENT

12 The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted  
13 for consideration by the Board of Pharmacy of the Department of Consumer Affairs.

14 Dated: May 26, 2010

Respectfully submitted,  
EDMUND G. BROWN JR.  
Attorney General of California  
FRANK H. PACOE  
Supervising Deputy Attorney General

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CHAR SACHSON  
Deputy Attorney General  
*Attorneys for Complainant*

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**Exhibit A**

**Accusation No. 3430**



1 EDMUND G. BROWN JR.  
Attorney General of California  
2 FRANK H. PACOE  
Supervising Deputy Attorney General  
3 CHAR SACHSON  
Deputy Attorney General  
4 State Bar No. 161032  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
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6 Facsimile: (415) 703-5480  
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8 **BEFORE THE**  
**BOARD OF PHARMACY**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

10  
11 In the Matter of the Accusation Against:

Case No. 3430

12 **JOHN MICHAEL PUCCINELLI**  
22477 Santa Paula Ave.  
13 Cupertino, CA 95014  
Pharmacist License No. RPH 26552

**ACCUSATION**

14 and

15 **SAVCO GENERIC DRUGS**  
2101 Forest Avenue, No. 122  
16 San Jose, CA 95128  
17 Pharmacy Permit No. PHY 32506

18 Respondents.

19  
20 Complainant alleges:

21 PARTIES

22 1. Virginia Herold (Complainant) brings this Accusation solely in her official capacity  
23 as the Executive Officer of the Board of Pharmacy, Department of Consumer Affairs.

24 2. On or about July 16, 1970, the Board of Pharmacy issued Pharmacist License  
25 Number RPH 26552 to John Michael Puccinelli (Respondent Puccinelli). The Pharmacist  
26 License was in full force and effect at all times relevant to the charges brought herein and will  
27 expire on March 31, 2011, unless renewed.



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7. Section 4081 of the Code states:

"(a) All records of manufacture and of sale, acquisition, or disposition of dangerous drugs or dangerous devices shall be at all times during business hours open to inspection by authorized officers of the law, and shall be preserved for at least three years from the date of making. A current inventory shall be kept by every . . . pharmacy . . . who maintains a stock of dangerous drugs or dangerous devices.

"(b) The owner, officer, and partner of any pharmacy, wholesaler, or veterinary food-animal drug retailer shall be jointly responsible, with the pharmacist-in-charge or representative-in-charge, for maintaining the records and inventory described in this section.

"(c) The pharmacist-in-charge or representative-in-charge shall not be criminally responsible for acts of the owner, officer, partner, or employee that violate this section and of which the pharmacist-in-charge or representative-in-charge had no knowledge, or in which he or she did not knowingly participate."

8. Section 4104(b) of the Code states:

"Every pharmacy shall have written policies and procedures for addressing chemical, mental, or physical impairment, as well as theft, diversion, or self-use of dangerous drugs, among licensed individuals employed by or with the pharmacy."

9. Section 4105 of the Code states:

"(a) All records or other documentation of the acquisition and disposition of dangerous drugs and dangerous devices by any entity licensed by the board shall be retained on the licensed premises in a readily retrievable form.

"(b) The licensee may remove the original records or documentation from the licensed premises on a temporary basis for license-related purposes. However, a duplicate set of those records or other documentation shall be retained on the licensed premises.

"(c) The records required by this section shall be retained on the licensed premises for a period of three years from the date of making.

1           "(d) Any records that are maintained electronically shall be maintained so that the  
2 pharmacist-in-charge, the pharmacist on duty if the pharmacist-in-charge is not on duty, or, in the  
3 case of a veterinary food-animal drug retailer or wholesaler, the designated representative on  
4 duty, shall, at all times during which the licensed premises are open for business, be able to  
5 produce a hard copy and electronic copy of all records of acquisition or disposition or other drug  
6 or dispensing-related records maintained electronically.

7           "(e)(1) Notwithstanding subdivisions (a), (b), and (c), the board, may upon written request,  
8 grant to a licensee a waiver of the requirements that the records described in subdivisions (a), (b),  
9 and (c) be kept on the licensed premises.

10           (2) A waiver granted pursuant to this subdivision shall not affect the board's authority  
11 under this section or any other provision of this chapter."

12           10. California Code of Regulations, title 16, section 1714, states, in pertinent part:

13           "(b) Each pharmacy licensed by the board shall maintain its facilities, space, fixtures, and  
14 equipment so that drugs are safely and properly prepared, maintained, secured and distributed.  
15 The pharmacy shall be of sufficient size and unobstructed area to accommodate the safe practice  
16 of pharmacy.

17           ...

18           "(d) Each pharmacist while on duty shall be responsible for the security of the prescription  
19 department, including provisions for effective control against theft or diversion of dangerous  
20 drugs and devices, and records for such drugs and devices. Possession of a key to the pharmacy  
21 where dangerous drugs and controlled substances are stored shall be restricted to a pharmacist."

22           ...

23           11. California Code of Regulations, title 16, section 1715.6, states:

24           "The owner shall report to the Board within thirty (30) days of discovery of any loss of the  
25 controlled substances, including their amounts and strengths."

26           ///

27           ///

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1 12. California Code of Regulations, title 16, section 1718, states:

2 "Current Inventory' as used in Sections 4081 and 4332 of the Business and Professions  
3 Code shall be considered to include complete accountability for all dangerous drugs handled by  
4 every licensee enumerated in Sections 4081 and 4332.

5 "The controlled substances inventories required by Title 21, CFR, Section 1304 shall be  
6 available for inspection upon request for at least 3 years after the date of the inventory."

7 13. California Health and Safety Code section 11208 states:

8 "In a prosecution under this division, proof that a defendant received or has had in his  
9 possession at any time a greater amount of controlled substances than is accounted for by any  
10 record required by law or that the amount of controlled substances possessed by the defendant is a  
11 lesser amount than is accounted for by any record required by law is prima facie evidence of  
12 guilt."

13 14. Section 125.3 of the Code states, in pertinent part, that the Board may request the  
14 administrative law judge to direct a licentiate found to have committed a violation or violations of  
15 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
16 enforcement of the case.

17 15. Section 118, subdivision (b), of the Code provides that the expiration of a license  
18 shall not deprive the Board of jurisdiction to proceed with a disciplinary action during the period  
19 within which the license may be renewed, restored, reissued or reinstated.

20

21 CONTROLLED SUBSTANCES/DANGEROUS DRUGS

22 16. Section 4022 of the Code states:

23 "Dangerous drug" or "dangerous device" means any drug or device unsafe for self-use in  
24 humans or animals, and includes the following:

25 "(a) Any drug that bears the legend: "Caution: federal law prohibits dispensing without  
26 prescription," "Rx only," or words of similar import.

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1 21. Respondent Savco did not have written policies and procedures on theft, diversion or  
2 self-use in place at the time of the employee pilferage. Respondent Savco also failed to have in  
3 place an effective control on the security of controlled substances, and failed to adequately  
4 maintain inventory of controlled substances.

5  
6 CAUSES FOR DISCIPLINE AS TO RESPONDENT PUCCINELLI

7 FIRST CAUSE FOR DISCIPLINE

8 (Failure to Maintain Security of Controlled Substances)

9 22. Respondent Puccinelli is subject to disciplinary action under sections 4301(j) and/or  
10 (o) of the Code, section 11208 of the Health and Safety Code, and/or California Code of  
11 Regulations, title 16, section 1714, subdivision (d), in that, as described in paragraphs 18-20  
12 above, Respondent Puccinelli failed to maintain the security of the controlled substances  
13 received, dispensed and/or otherwise handled therein.

14 SECOND CAUSE FOR DISCIPLINE

15 (Failure to Maintain Current Inventory of Controlled Substances)

16 23. Respondent Puccinelli is subject to disciplinary action under sections 4301(j) and/or  
17 (o) of the Code, section 11208 of the Health and Safety Code, and/or California Code of  
18 Regulations, title 16, section 1718, in that, as described in paragraphs 18-20 above, Respondent  
19 Puccinelli failed to maintain an accurate and complete inventory of controlled substances  
20 received, dispensed and/or otherwise handled therein.

21 THIRD CAUSE FOR DISCIPLINE

22 (Failure to Maintain Policies and Procedures)

23 24. Respondent Puccinelli is subject to disciplinary action under sections 4301(j) and/or  
24 (o), and/or 4104(b) of the Code, in that, as described in paragraph 21 above, Respondent  
25 Puccinelli failed to have written policies and procedures on theft/diversion or self-use in place.

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1 CAUSES FOR DISCIPLINE AS TO RESPONDENT SAVCO

2 FOURTH CAUSE FOR DISCIPLINE

3 (Failure to Maintain Security of Controlled Substances)

4 25. Respondent Savco is subject to disciplinary action under sections 4301(j) and/or (o),  
5 and 4081 of the Code, section 11208 of the Health and Safety Code, and/or California Code of  
6 Regulations, title 16, section 1714, subdivision (b), in that, as described in paragraphs 18-20  
7 above, Respondent Savco failed to maintain the security of the controlled substances received,  
8 dispensed and/or otherwise handled therein.

9 FIFTH CAUSE FOR DISCIPLINE

10 (Failure to Maintain Accurate Controlled Substances Inventory)

11 26. Respondent Savco is subject to disciplinary action under sections 4301(j) and/or (o),  
12 and 4081 of the Code, section 11208 of the Health and Safety Code, and/or California Code of  
13 Regulations, title 16, section 1718 in that, as described in paragraphs 18-20 above, Respondent  
14 Savco failed to maintain an accurate and complete inventory of controlled substances received,  
15 dispensed and/or otherwise handled therein.

16 SIXTH CAUSE FOR DISCIPLINE

17 (Failure to Maintain Policies and Procedures)

18 27. Respondent Savco is subject to disciplinary action under sections 4301(j) and/or (o),  
19 and 4104(b) of the Code, in that, as described in paragraph 21 above, Respondent Savco failed to  
20 have written policies and procedures on theft/diversion or self-use in place.

21 SEVENTH CAUSE FOR DISCIPLINE

22 (Failure to Report Drug Loss)

23 28. Respondent Savco is subject to disciplinary action under sections 4301(j) and/or (o),  
24 and California Code of Regulations, title 16, section 1715.6, in that, as described in paragraphs  
25 18-20 above, Respondent Savco failed to report the loss of controlled substances to the Board  
26 within 30 days.

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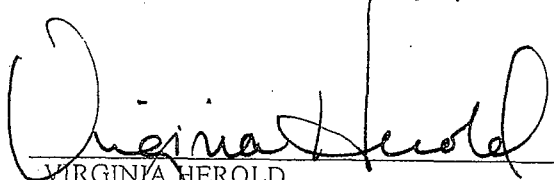
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PRAYER

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

1. Revoking or suspending Pharmacist License Number RPH 26552, issued to John Michael Puccinelli (Respondent Puccinelli);
2. Revoking or suspending Pharmacy Permit Number PHY 32506, issued to Respondent Savco Generic Drugs (Respondent Savco);
3. Forbidding Respondent Puccinelli and Savco owners and officers (James W. Junker, Lloyd Ando, and Ron Sakamoto) from serving as a manager, administrator, owner, member, officer, director, associate, or partner of Respondent Savco or of any other Board licensee, pursuant to Business and Professions Code section 4307;
4. Ordering John Michael Puccinelli and Savco Generic Drugs jointly and severally to pay the Board of Pharmacy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;
5. Taking such other and further action as deemed necessary and proper.

DATED: 12/8/09



VIRGINIA HEROLD  
Executive Officer  
Board of Pharmacy  
Department of Consumer Affairs  
State of California  
*Complainant*

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