

Turing Pharmaceuticals Accused of Retaliating for Sex Assault Complaint

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As Martin Shkreli, the disgraced former executive of Turing Pharmaceuticals, [smirked before the cameras](#) at a congressional hearing in February, a woman sat calmly to his right, [defending the company's controversial pricing practices](#) even as Mr. Shkreli took the Fifth Amendment.

Now, that executive, Nancy Retzlaff, has filed a federal complaint against Turing, accusing one of Mr. Shkreli's friends, a fellow founder of the company, of sexually assaulting her in a hotel room in March. He resigned from the company after an internal investigation, she says, which led the company leaders to retaliate against her.

Martin Shkreli, former chief of Turing Pharmaceuticals, with Nancy Retzlaff, chief commercial officer, in February. She has accused Edwin Urrutia, a founder of the company, of sexually assaulting her. Mr. Urrutia has since resigned and denied the accusation. Credit Zach Gibson/The New York Times

The accusations are the latest bombshells in the story of Turing Pharmaceuticals, [which attracted public fury last fall](#) after it sharply raised prices on a 62-year-old drug used to treat a rare but deadly parasitic infection. Its flamboyant founder, Mr. Shkreli, [stepped down as chief executive](#) last December after being arrested on securities fraud and wire fraud charges for his activities at hedge funds and another pharmaceutical company he founded. Turing is also facing investigations by the [New York attorney general](#) and [the Federal Trade Commission](#).

On Tuesday, Ron Tilles, chairman and chief executive of Turing, said in an email, "As a matter of corporate policy, we do not comment on any pending litigation." Edwin Urrutia, the co-founder Ms. Retzlaff accuses of sexual assault, declined to comment when reached by phone on Monday.

Ms. Retzlaff, who still works for the company as its chief commercial officer, has been on the front lines in dealing with the reaction to Turing's pricing policies in the months since the controversy began. In front of Congress in February, for example, she said that the fiftyfold overnight increase in the price of the drug, Daraprim, was justified because of the value it provided to patients and because it had been previously underpriced. With two decades of experience at major pharmaceutical companies like Bayer and Pfizer, she presented a polished counterpoint to the antics of Mr. Shkreli, who has seemed to delight in inciting outrage and [remains a prankish figure](#) on Twitter.

In the complaint, filed Monday with the Equal Employment Opportunity Commission, Ms. Retzlaff said she and other company executives traveled to Washington in March for another hearing before Congress on Turing's pricing practices. At the hotel bar, the complaint says, she was approached by Mr. Urrutia, who made sexual advances and tried to kiss her.

According to the complaint, which was obtained by The New York Times, Ms. Retzlaff left the bar and took the elevator back to her room, but Mr. Urrutia followed her and blocked her way when she tried to exit, demanding that she join him in his room for a drink. When she did, she said, "he threw me onto the bed and sexually assaulted me."

Ms. Retzlaff said she was groped and that he repeatedly kissed her against her will, then tried to pull off her tights. "Finally, after struggling for many minutes, I was able to escape Mr. Urrutia and run out of the

room,” she said in the complaint.

Mr. Urrutia, who was Turing’s interim chief financial officer, worked as an analyst at a handful of banks before going to work at Mr. Shkreli’s previous company, Retrophin, as vice president of finance, according to his LinkedIn profile. He is a graduate of Northeastern University with a bachelor’s degree in finance.

After that incident and other sexual advances at company functions afterward, Ms. Retzlaff said, a co-worker reported Mr. Urrutia’s behavior to Turing, which hired an outside company to investigate. The investigation substantiated her claims, she said, and Mr. Urrutia resigned from Turing “in lieu of termination.”

But although Ms. Retzlaff had been vindicated, she said that others at the company retaliated against her for causing Mr. Urrutia’s departure, in June. Mr. Urrutia now works at [EUKU Ventures](#), a venture capital firm, and EUKU Agency, a digital advertising agency.

Ms. Retzlaff said she had been a candidate for chief executive and had been promised restricted stock in the company but was told she would not be eligible for either after Mr. Urrutia left.

Ms. Retzlaff declined to comment through her lawyer, Douglas H. Wigdor.

Ms. Retzlaff did not report the incident in the hotel room, Mr. Wigdor said. He noted that a majority of sexual assaults and rapes are not reported.

“Amongst the cast of characters running Turing, it is not hard to fathom that our client was genuinely fearful of reprisal, victim blaming, and being denied the C.E.O. position for which she was eminently qualified — all of which are now happening but for which we will utilize all resources to hold those responsible accountable,” he said in an email.

The complaint accuses Mr. Shkreli of sexist and vulgar behavior that set the tone for the office atmosphere, although he left the company before the incident in March. Ms. Retzlaff said that Mr. Shkreli, who she says is still involved in running the company, was angry that his friend, Mr. Urrutia, had been forced to leave.

In a phone interview, Mr. Shkreli said that was not the case, and he praised Ms. Retzlaff as a talented executive. He confirmed that she had been a candidate for chief executive, even as he brushed aside claims that there was any sexism at his company.

“I had whispered to her many times that if she performed well, she could become the C.E.O. of the company,” he said, noting that she was among Turing’s highest-paid employees and that other high-level posts, including the general counsel, were held by women. “Nancy was in many ways the boss of the company. I kind of looked at her as more or less the C.E.O., in a lot of respects.”

Although he said he didn’t have details since he left the company, he denied her claims that she had been retaliated against, saying, “I know she was made some promises, but she fell a little bit short of expectations.”

Mr. Shkreli said he had asked Mr. Urrutia to take a seat on Turing’s board, and Mr. Urrutia agreed, then abruptly withdrew and left the company. Mr. Shkreli said he had heard “rumors” about the sexual harassment investigation but that he didn’t know any details.

Mr. Shkreli also said he was not involved in the day-to-day operations of Turing and said he wished he had more say in how it is run. “This notion that I control this company is absurd,” he said.