

**UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
WASHINGTON**

**Novo Nordisk A/S and Novo Nordisk Inc. v. Ikon Health LLC d/b/a/
Invigor Medical, LLC**

No. 4:24-CV-05093-RLP (E.D. Wash. Jan. 26, 2026) · No. No. 4:24-CV-05093-RLP · Decided January 26, 2026

SUMMARY

The U.S. District Court for the Eastern District of Washington denied Ikon Health LLC's motion for judgment on the pleadings in an action brought by Novo Nordisk alleging false advertising under the Lanham Act, common-law unfair competition, and violations of Washington's Consumer Protection Act. The court held that Novo Nordisk adequately alleged Article III standing, Lanham Act standing, and injury to business or property under the Washington statute. The court also rejected the defendant's preemption and failure-to-state-a-claim arguments.

OPINION

1 2 3 FILED IN THE U.S. DISTRICT COURT EASTERN DISTRICT OF WASHINGTON 4 Jan
26, 2026 5 SEAN F. MCAVOY, CLERK 6 UNITED STATES DISTRICT COURT 7 EASTERN
DISTRICT OF WASHINGTON 8 NOVO NORDISK A/S and NOVO No. 4:24-CV-05093-RLP
NORDISK INC., 9 Plaintiffs, ORDER DENYING MOTION 10 v. FOR JUDGMENT ON THE
PLEADINGS 11 IKON HEALTH LLC d/b/a/ INVIGOR MEDICAL, LLC, 12 Defendant.

13 Before the Court is Defendant Ikon Health LLC's Motion for Judgment on 14 the Pleadings,
ECF No. 47. Ikon Health is represented by Robert Weisbein, Roma 15 Lopes, and Daniel Oates.
Plaintiffs Novo Nordisk A/S and Novo Nordisk Inc. are 16 represented by Nathan E. Shafroth,
Françoise N. Ejoukeng, John Wolfe, and Aaron 17 Brecher. This matter was considered without
oral argument.

18 Novo Nordisk has sued Ikon Health on claims of false advertising in 19 violation of the
Lanham Act, 15 U.S.C. § 1125(a)(1)(B); unfair competition in 20 violation of the common law;
and violation of Washington's Consumer Protection 1 Act, RCW 19.86.010 et seq. Through its
current motion, Ikon Health argues Novo 2 Nordisk's Complaint must be dismissed because it
fails to allege any sort of 3 actionable injury.

According to Ikon Health, the lack of injury strips this Court of 4 subject matter jurisdiction based
on a lack of Article III standing. Ikon Health also 5 argues the failure to allege an injury also
means Novo Nordisk has not alleged 6 statutory standing and cannot assert all elements necessary
for its claims. 7 The Court disagrees with Ikon Health's arguments.

Novo Nordisk's 8 complaint is sufficient to establish standing and to withstand Ikon Health's other 9 criticisms. The motion for judgment on the pleadings is therefore denied. 10 BACKGROUND 11 The following facts are taken from Plaintiff Novo Nordisk's Complaint and 12 are accepted as true for purposes of the current motion. 13 Novo Nordisk is a healthcare company that develops various medicines, 14 including three FDA-approved drugs containing the molecule semaglutide: 15 Ozempic®, Rybelsus®, and Wegovy®.

The first two drugs are approved for type- 16 two diabetes and the third is approved for weight management. Novo Nordisk is 17 the only U.S. Company with FDA-approved products containing semaglutide. The 18 FDA has not approved any generic versions of Novo Nordisk's semaglutide 19 medications.

To approve a generic version of a drug, the FDA would need to find 20 that the drug meets the "same high standards of quality and manufacturing as the brand-name product." ECF 1 at 17, ¶ 45. 1 Defendant Ikon Health markets and sells compounded drug products that 2 purport to contain semaglutide. Compounding is defined as a "practice in which a 3 licensed pharmacist, a licensed physician, or, in the case of an outsourcing facility, 4 a person under the supervision of a licensed pharmacist, combines, mixes, or alters 5 ingredients of a drug to create a medication tailored to the needs of an individual 6 patient." ECF 1 at 7, ¶ 23.

Compounded drugs are not illegal, but they are also not 7 FDA-approved. In 2024, an FDA database reported 542 adverse events associated 8 with compounded semaglutide, some requiring hospitalization. 9 Novo Nordisk alleges Ikon Health's advertising materials "claim[] or 10 impl[y] that its Unapproved Compounded Drugs are FDA-approved and contain 11 the same semaglutide that the FDA evaluated in the context of reviewing and 12 approving Novo Nordisk's" drugs.

ECF 1 at 11, ¶ 11. Specifically, Ikon Health 13 has advertised "semaglutide" as "FDA-approved." ECF 1 at 11, ¶¶ 30, 31. Ikon 14 Health further promotes its compounded drugs as having the "same active 15 ingredient in Wegovy, Ozempic, and Rybelsus." ECF 1 at 11, ¶ 32.

In some 16 materials, Ikon Health also claims or implies its drugs are generic versions of 17 Ozempic®, Rybelsus®, and Wegovy®. Ikon Health also claims or implies its 18 compounded drugs have been subjected to clinical studies and trials with outcomes 19 similar to Ozempic®, Rybelsus®, and Wegovy®. 20 According to Novo Nordisk, the foregoing claims are false and misleading.

As explained by Novo Nordisk "the FDA only approves complete medications, not 1 molecules like semaglutide." ECF 1 at 12, ¶ 33. Further, the FDA has never 2 approved Ikon Health's compounded drugs, nor are Ikon Health's drugs the same 3 as the semaglutide in Novo Nordisk's medicines. Contrary to Ikon Health 4 advertisements, a generic drug is something that requires

specific FDA findings 5 and the FDA has never designated any drug as a generic version of the brand 6 names Ozempic®, Rybelsus®, or Wegovy®.

And finally, the clinical trials and 7 studies described in Ikon Health’s marketing materials were not performed on Ikon 8 Health compounded drugs, but instead were conducted on Novo Nordisk’s 9 medicines. 10 According to Novo Nordisk, the purpose of Ikon Health’s false and 11 misleading advertising is to trade on Novo Nordisk’s reputation and “create 12 confusion in the marketplace and/or mislead the public regarding the origin, 13 identity, or source of” Ikon Health’s compounded drugs.

ECF 1 at 18, ¶ 47. Novo 14 Nordisk cites social media posts where consumers state they have purchased 15 generic Wegovy®. ECF 1 at 19-20, ¶¶ 51-54. One patient who reviewed Ikon 16 Health’s medication expressed displeasure that the product was “not from the 17 manufacturer” but was “made in a compounding pharmacy.” Id. at 20, ¶ 54. 18 According to Novo Nordisk, Ikon Health’s advertising practices are “likely 19 to confuse and deceive patients into mistakenly believing that they are purchasing 20 authentic Novo Nordisk products or products that have been evaluated and 1 approved by the FDA, studied in clinical trials, and deemed safe and effective.” 2 ECF 1 at 4, ¶ 6.

3 ANALYSIS 4 In reviewing a defendant’s motion to dismiss under Fed. R. Civ. P. 12(c), all 5 factual allegations set forth in the complaint are accepted as true and construed “in 6 the light most favorable” to the plaintiff. *Fleming v. Pickard*, 581 F.3d 922, 925 7 (9th Cir. 2009). If, viewed under this standard, the complaint fails to allege 8 sufficient facts to support a cognizable legal claim, the defendant will be entitled to 9 judgment as a matter of law.

See *Mendiondo v. Centinela Hosp. Med. Ctr.*, 521 10 F.3d 1097, 1104 (9th Cir. 2008). 11 Ikon Health’s primary argument for relief regards lack of standing. 12 According to Ikon Health, Novo Nordisk has not alleged any actionable injury 13 arising from its purported misconduct. Given this circumstance, Ikon Health claims 14 Novo Nordisk lacks standing under Article III of the U.S. Constitution as well as 15 the type of standing required under the Lanham Act and Washington’s Consumer 16 Protection Act.

Each standing argument is addressed in turn. 17 A plaintiff must have standing to sue in order to invoke this Court’s 18 constitutional jurisdiction. “Article III grants federal courts the power to redress 19 harms that defendants cause plaintiffs, not a freewheeling power to hold 20 defendants accountable for legal infractions.” *Trans Union LLC v. Ramirez*, 594 U.S. 413, 427 (2021) (quoting *Casillas v. Madison Ave. Assoc., Inc.*, 925 F.3d 329, 1 332 (7th Cir.

2019)). For Article III standing, a plaintiff must establish an “injury 2 in fact, causation and redressability.” *Trafficschool.com, Inc. v. Edriver*, 653 F.3d 3 820, 825 (9th Cir. 2011). “In a false advertising suit, a plaintiff establishes Article 4 III standing if ‘some consumers who bought the

defendant's product under a mistaken belief' fostered by the defendant 'would have otherwise bought the plaintiff's product.'" *Id.* (quoting *Joint Stock Soc'y v. UDV N. Am., Inc.*, 266 F.3d 716, 177 (3d.

Cir. 1993)). Direct evidence of lost sales data is not necessary. *Id.* It is sufficient for the plaintiff to demonstrate "a chain of inferences showing how defendant's false advertising could harm plaintiff's business." *Id.* Here, Novo Nordisk has established a sufficient injury for Article III standing. This is not a case where Novo Nordisk is seeking redress based simply on a claim that Ikon Health has violated the law.

Cf. *Trans Union*, 594 U.S. at 426-27. Instead, Novo Nordisk has shown that they have a tangible stake in correcting Ikon Health's alleged wrongdoing. According to the Complaint, Ikon Health improperly suggests to consumers that its compounded drugs are the same as Novo Nordisk's FDA-approved products.

The social media posts cited in the Complaint indicate at least some consumers have purchased Ikon Health's products believing they were the same as Novo Nordisk's products. One social media post indicates a customer mistakenly thought Ikon Health's product came from Novo Nordisk. "It stands to reason that [Ikon Health] will capture a larger sale of the [semaglutide drug] market—to [Novo Nordisk's] detriment—if they mislead consumers into believing that" their drugs are the same as Novo Nordisk's FDA-approved drugs.

Trafficschool.com, 653 F.3d at 826. Novo Nordisk has therefore established sufficient injury for Article III standing. See *id.* In addition to Article III standing, Ikon Health points out Novo Nordisk must also establish standing to sue under the Lanham Act. Standing in this context requires a plaintiff to show (1) "injury to a commercial interest in reputation or sales" and (2) proximate cause.

Lexmark Int'l, Inc. v. Static Control Components, Inc., 572 U.S. 118, 131-32 (2014). Under Ninth Circuit precedent, courts will presume "commercial injury when defendant and plaintiff are direct competitors and defendant's misrepresentation has a tendency to mislead consumers." *Trafficschool.com*, 653 F.3d at 826. Similarly, the Supreme Court has recognized "the direct-competitor test" is a bright-line rule that will readily establish standing.

Lexmark, 572 U.S. at 136. Novo Nordisk has satisfied Lanham Act standing for the same reasons it has shown Article III standing. When it comes to the market for semaglutide drugs, Novo Nordisk and Ikon Health are direct competitors. See *Eli Lilly and Co. v. Adonis Health*, 2025 WL 2721684 at *3 (N.D. Cal. Sept. 24, 2025) (seller of compound drugs in direct competition with FDA-approved drug company); *Novo Nordisk, Inc. v. DCA Pharmacy*, 745 F.Supp.3d 626, 630 (M.D.

Tenn. Aug. 15, 20 2024) (same). Ikon Health's claims to the contrary are belied by its own marketing materials, which advertise its products as comparable to Novo Nordisk's brand 1 name drugs. In addition, Novo Nordisk has alleged facts indicating that consumers 2 have purchased Ikon Health's compound drug under the mistaken belief that it was 3 either was Novo Nordisk's product or an identical product.

Given this allegation, 4 Novo Nordisk has made a plausible showing that Ikon Health's marketing behavior 5 has cut into its share of the market—at least the share of the market for consumers 6 who want a semaglutide weight-loss product that had been subject to FDA 7 scrutiny. Ikon Health argues Novo Nordisk cannot establish proximate cause 8 because the sale of its compound drugs requires a doctor's prescription and this is 9 an intervening act that breaks the causal chain.

This type of argument lacks merit. 10 See *Eli Lilly*, 2025 WL 2721684 at *4 (citing cases). Novo Nordisk has alleged 11 standing under the Laham Act. 12 Given the foregoing, Novo Nordisk has also established standing for 13 purposes of Washington's Consumer Protection Act (CPA). A CPA plaintiff must 14 allege an injury to business or property causally linked to the defendant's unfair or 15 deceptive acts.

See *Scott v. Amazon.com, Inc.*, 33 Wash. App. 2d 44, 72 (2024). 16 These requirements are satisfied. Novo Nordisk has alleged Ikon's Health 17 deceptive advertising cuts into its market share. The fact that third party physicians 18 are involved in prescribing Ikon Health's compounded drugs does not break the 19 causal chain. Furthermore, given Novo Nordisk's allegation that compounded 20 drugs have been associated with negative effects, Ikon Health's advertisements suggesting that its compounded drugs are the same as Novo Nordisk's brand name 1 drugs may lead consumers to believe Novo Nordisk's drugs suffer the same flaws 2 as the compounded drugs.

This type of injury to "business reputation" is actionable 3 under the CPA. *Ambach v. French*, 167 Wn.2d 167, 173 (2009). 4 In addition to its standing arguments, Ikon Health alleges Novo Nordisk's 5 complaint is preempted by federal law and otherwise fails to state a claim.

The 6 Court disagrees. With respect to preemption, Novo Nordisk has not alleged that 7 Ikon Health has violated federal law by selling compounded drugs. Thus, 8 preemption is not at issue. See *Novo Nordisk A/S v. Mai Kaga, MD LLC*, 2025 WL 9 3707550 at *5 (D. N.J. Dec. 22, 2025) (citing cases rejecting identical preemption 10 arguments). With respect to the elements of Novo Nordisk's causes of action, the 11 Complaint adequately alleges false statements indicating Ikon Health's products 12 are the same as Novo Nordisk's and that the FDA has approved semaglutide; 13 customer confusion over whether Ikon Health's drugs are the same as or similar to 14 Novo Nordisk's; and harm to the members public who wish to purchase products 15 that have been subject to FDA-approval, regardless of whether FDA approval is 16 required.

17 CONCLUSION 18 Novo Nordisk's complaint adequately alleges standing to invoke this
Court's 19 Article III jurisdiction and to state claims under state and federal law. In addition, 20
the Complaint sufficiently alleges the elements of Novo Nordisk's claims.

Accordingly, Ikon Health's Motion for Judgment on the Pleadings (ECF No. 47) is DENIED. 3 IT
IS SO ORDERED. The District Court Clerk is hereby directed to enter this Order and to provide
copies to counsel. DATED January 26, 2026 DISTRICT COURT JUDGE 8 1 11 1 13 1 15 1 1 18
1 2 ORDER DENYING MOTION FOR JUDGMENT