**Pay for Delay: AndroGel Avoids Competition**

## **Discussion Questions**

1. What is the market structure prior to entry by Watson Pharmaceuticals and Paddock Pharmaceuticals? How would it change if Watson and Paddock entered with their generic versions?
2. What would happen to prices, sales, and consumer surplus if the generic drug makers entered the market?
3. Why was it beneficial for Watson and Paddock to accept the settlement instead of competing with AndroGel.
4. Could other potential entrants seek payments from Solvay to stay out of the market?