

Delaware Court Denies Another Motion to Dismiss a Caremark Claim Against Directors

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On October 1, 2019, in *In re Clovis Oncology, Inc. Derivative Litigation*, the Court of Chancery of Delaware denied a motion to dismiss a claim against members of the board of Clovis Oncology, Inc. (“Clovis” or the “Company”) alleging that the directors breached their fiduciary under *Caremark* by failing to oversee the Company’s clinical drug trials. The Court found that the plaintiffs satisfied the *Caremark* standard, which requires a plaintiff to provide particularized facts in a well-pled complaint “that either (i) the directors completely failed to implement any reporting or information system or controls or (ii) having implemented such a system or controls, consciously failed to monitor or oversee its operations thus disabling themselves from being informed of risks or problems requiring their attention.”

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