

CONMED Files Suit Against Johnson & Johnson for Violation of Antitrust Laws

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UTICA, N.Y., Nov. 10 /PRNewswire-FirstCall/ -- CONMED Corporation (Nasdaq: CNMD) announced today that it commenced litigation against Johnson & Johnson, Inc. (NYSE: JNJ) and several of its subsidiaries, including Ethicon, Inc., for violation of federal and state antitrust laws. The lawsuit claims that Johnson & Johnson engaged in illegal and anticompetitive conduct with respect to sales of products used in endoscopic surgery, resulting in higher prices to consumers and the exclusion of competition.

As a leading medical technology company, CONMED develops, designs, manufactures, and sells medical devices used in a broad range of surgical procedures, including endoscopic procedures such as laparoscopy. CONMED's endoscopy products account for approximately ten percent of the Company's total annual revenue.

The lawsuit specifically alleges that CONMED's ability to sell endoscopic surgical products has been stymied by Johnson & Johnson's anti-competitive practices, which include -- among other acts -- entering into exclusive contracts with hospitals requiring hospitals to purchase endoscopy products only from Johnson & Johnson and; tying and bundling the price of sutures to a hospital's agreement to buy a very high percentage of their endoscopy products from Johnson & Johnson; threatening and imposing financial penalties on hospitals if they purchased competitive endoscopy products; and giving hospitals inaccurate and misleading information as to their ability to deal with CONMED. The Complaint contends that Johnson & Johnson furthered this anticompetitive conduct through its contracts and other dealings with group purchasing organizations, such as Novation and Premier.

The Complaint asserts that, in the absence of the aforementioned illegal conduct by Johnson & Johnson, hospitals would have access to lower priced endoscopy products and would purchase a substantial portion of such products from CONMED. The relief sought by CONMED includes an injunction restraining Johnson & Johnson from continuing its anticompetitive practice as well as receiving the maximum amount of damages allowed by law.

Joseph J. Corasanti, CONMED's President and Chief Operating Officer, said: "CONMED is committed to bringing innovative, high quality products to hospitals at the lowest possible cost. We believe that Johnson & Johnson's actions have precluded hospitals from dealing with us and have initiated this lawsuit to ensure that hospitals and patients have access to all of the best medical products in a fair and competitive pricing environment."

The lawsuit has been filed on behalf of CONMED in the Southern District of New York by Proskauer Rose LLP, one of the nation's leading law firms specializing in antitrust matters.

CONMED is a medical technology company specializing in instruments, implants, and video equipment for a broad range of surgical procedures. Besides endoscopy products for minimally invasive abdominal surgery, the Company also offers surgical products for arthroscopic sports medicine, and powered surgical instruments, such as drills and saws, for orthopedic, ENT, and neuro-surgery. The Company is also a leading developer, manufacturer and supplier of RF electrosurgery systems used routinely to cut and cauterize tissue in nearly all types of surgical procedures worldwide. The Company offers integrated operating room design and intensive care unit service managers. The Company also manufactures and sells a full line of ECG electrodes for heart monitoring and other patient care products. Headquartered in Utica, New York, the Company's 2,600 employees distribute its products worldwide from eleven manufacturing locations.

SOURCE CONMED Corporation

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/Company News On-Call: <http://www.prnewswire.com/comp/201850.html> /

/Web site: <http://www.conmed.com> /

(CNMD JNJ)

CO: CONMED Corporation; Johnson & Johnson, Inc.; Ethicon, Inc.

ST: New York

IN: HEA MTC

SU: LAW

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