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## **LIFESCAN LEGAL VICTORY AGAINST COUNTERFEITS PROTECTS PATIENT SAFETY**

### **Latest Federal Court Rulings Bring Total to 59 Injunctions and \$20 Million Collected in Eight-Year Fight Against Counterfeiters and Illicit Gray Market Diversion**

Wayne, PA, (January 16, 2015) -- LifeScan, Inc., the maker of the market-leading OneTouch® Blood Glucose Monitoring Systems, announced today that the U.S. District Court for the Eastern District of New York recently entered judgments ordering H&H Wholesale Services, Inc. and its owner Howard Goldman, along with MSI Medical Supply, Inc. and its owner, Michael Barba, to permanently stop selling counterfeit or diverted OneTouch® Test Strips. In addition, Goldman and Barba were ordered to pay \$2 million and \$1 million respectively to LifeScan, Inc. The judgments follow a United States Magistrate Judge's Report and Recommendation finding that these defendants violated the LifeScan trademarks by selling OneTouch® Test Strips for Blood Glucose Monitoring repackaged in counterfeit packaging.

Goldman and Barba were among the few remaining defendants of the more than 80 named in LifeScan's 2008 complaint that sought damages against those alleged to have participated in a global counterfeit re-packaging scheme involving over 17 million test strips. To date, the Federal court has entered monetary judgments and permanent injunctions against 59 defendants.

The counterfeit packaging scheme altered critical performance information for the OneTouch® Test Strips, including calibration codes, control solution ranges, lot numbers and expiration dates. This incorrect information placed patients at risk because they could have made treatment decisions based on inaccurate blood glucose test results.

"We hope these orders will help protect the health and safety of people with diabetes by deterring others from selling counterfeits," said Roy Albiani, Director, Global Brand Protection for MD&D Johnson & Johnson Health Care Systems. "It should send a message to all that LifeScan, in cooperation with U.S. and international government and legal authorities, will be relentless in its pursuit of counterfeiters and other wrongdoers, who are motivated by greed and not by concern for people with diabetes."

These judgments are the latest successes in an ongoing, aggressive effort by LifeScan to ensure that the companies and individuals believed responsible for the distribution of

counterfeit blood glucose test strips and counterfeit packaged blood glucose test strips are held accountable for their actions. They follow:

- A \$3.3 million judgment and permanent injunction entered by the U.S. District Court against Pakistani distributors of counterfeit OneTouch® Test Strips for trademark infringement and false designation of origin. This 2013 decision marked the first time that a Federal court awarded the maximum statutory damages under the Lanham Act because of the “real danger to consumers” posed by willful counterfeiting of healthcare products;
- The 2012 sentencing by the U.S. District Court of Jacques Duplessis, a Florida distributor of counterfeit OneTouch® Test Strips, to five years of probation, restitution and fines;
- The entry by the U.S. District Court of 59 permanent injunctions against distributors of counterfeit packaged OneTouch® Test Strips; and
- The sentencing in 2007 by a Shanghai court of a Chinese businessman to 3.5-years in prison and additional penalties for distributing counterfeit OneTouch® Test Strips.

LifeScan believes the counterfeit packaging scheme ended in 2008 when a number of lawsuits were initiated and court ordered seizures were executed in the U.S., Europe and Africa.

In addition to vigorously protecting patients from counterfeit products, LifeScan has also pursued distributors and retailers that wrongfully diverted LifeScan products. In total, LifeScan’s recent brand protection efforts have resulted in LifeScan collecting more than \$20 million in damages from distributors and retailers that sold counterfeit or diverted test strips.

LifeScan maintains a comprehensive Global Brand Protection program to help guard the health and safety of people with diabetes. The program includes market monitoring to detect counterfeit products; the institution of overt and covert product features to readily distinguish genuine from counterfeit products; and distributing genuine products to its customers only through a safe and secure supply chain to ensure the delivery of only authentic OneTouch® Blood Glucose Test Strips to patients.

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### **About LifeScan:**

With a shared vision of “creating a world without limits” for people with diabetes, LifeScan, Inc. is a member of the Johnson & Johnson Diabetes Solutions Companies, a cross-company collaboration that reflects an ongoing commitment to better serve the

diabetes community through comprehensive solutions that meet the needs of people with diabetes across the continuum of care. In the U.S. LifeScan is the leading blood glucose monitoring company and OneTouch<sup>®</sup> Brand products are recommended by more endocrinologists and primary care physicians than any other brand. Globally, more than 10 million people depend on OneTouch<sup>®</sup> Brand products for simple testing and accurate results to help them manage their diabetes. For more information visit: [www.OneTouch.com](http://www.OneTouch.com).