



VISION CARE, INC.

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Dear State Legislative Chair,

Since the time our Unilateral Pricing Policy (UPP) on ACUVUE® brand contact lenses was fully implemented last August, our company has worked vigorously to defend this pricing practice because, by making pricing simpler and more transparent, contact lens consumers can make the best purchasing decisions based on quality, clinical need, and cost. Our latest data now shows that 65% of consumers have realized a price reduction on ACUVUE® Brand products since August.

Many of you are also aware of our efforts to defend against anti-UPP legislation, which is primarily supported by one online retailer that has chosen not to lower its prices to consumers: 1-800 Contacts. To date, Johnson & Johnson Vision Care has been the only contact lens manufacturer to testify at a U.S. Senate Subcommittee hearing on UPPs in the industry, and we have been the only manufacturer to testify in each of the 10 states where a legislative hearing has been held in opposition to these misguided anti-UPP bills. We continue to have a dedicated headquarters team working on this effort along with state resources deployed in multiple states. Arizona, Idaho, Mississippi and Washington have considered and subsequently defeated legislation that would have banned the use of UPP for contact lenses.

Utah is the only state that has passed a law that bans UPP on contact lenses, and its law is set to go into effect in May. Consistent with our actions all along on this issue yesterday Johnson & Johnson Vision Care filed suit in Utah to invalidate this state law. We are pleased that Alcon and Bausch & Lomb also decided to defend against anti-UPP legislation by filing suit in Utah as well.

We believe very strongly that the Utah law interferes with our right as a manufacturer to decide how to best compete in our industry and deliver lower prices for consumers. We also believe the law limits your prescribing authority and compromises quality eye care for your patients.

The Utah state law and our lawsuit have no impact on the implementation of our UPP elsewhere, where it remains fully effective and is working as intended.

We deeply appreciate the support in educating lawmakers about the negative impact these bills and the law in Utah would have on patient eye health. For more information about our action in Utah, I have attached an information sheet, which you may also find helpful to share with your members.

As always, if you have any questions on this matter, please do not hesitate to contact me.

Sincerely,

Laura Angelini
President, North America & Global Franchise Development
Johnson & Johnson Vision Care, Inc.

Johnson & Johnson VISION CARE, INC.

UPP is working FOR consumers

- Our Unilateral Pricing Policy ("UPP") scraps the seldom-redeemed and complicated mail-in rebate system in favor of built-in lower prices, which **makes prices more transparent and easier to understand.**
- The results of our UPP confirm the reasons for making this business decision in the first place: **65% of consumers have seen a price reduction** on ACUVUE® Brand products.
- Doctor/patient interactions can now be more **focused on patient vision needs** than pricing and rebates.

JJVC takes action to protect Utah contact lens wearers

- We have filed suit to invalidate a Utah state law that **prevents us from offering lower, more transparent prices** for contact lens wearers in the state through our UPP.
- We believe the Utah law **violates the federal government's Constitutional authority** to regulate interstate commerce.
- We also believe the **law is at odds with Supreme Court precedent** dating back to 1919 that permits pricing policies like ours.
- As the legal process moves forward, we are committed to ensuring that **Utah consumers continue to have access to ACUVUE® Brand contact lenses.**

Utah is the only state with an anti-UPP contact lens law

- Utah is the **only state with a law that bans UPP on contact lenses**, and its law is set to go into effect in May.
- The Utah law **singles out one product** - contact lenses - and makes it illegal for contact lens manufacturers to implement a commonly used and lawful pricing policy.
- Four other states - Arizona, Idaho, Mississippi, and Washington - have considered and subsequently **defeated legislation** similar to what was passed and signed in Utah.
- **UPPs are used in many industries** including bedding, photo equipment, electronics, and other vision products.
- The suit in Utah **has no impact** on the implementation of our UPP elsewhere, where it remains fully effective and is working as intended.