

Cease and Desist Order against Johnson & Johnson K.K.  
<Tentative translation>

December 1, 2010  
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC), under the provisions of the Antimonopoly Act (AMA), has investigated Johnson & Johnson K.K. (Johnson & Johnson), and found that the company was engaging in conduct which falls within item 12 of Unfair Trade Practices (Dealing on restrictive terms)<sup>1</sup>, therefore constitutes a violation of Article 19 of the AMA. Accordingly, the JFTC today issued a cease and desist order pursuant to Paragraph 2, Article 7 of the AMA as detailed below.

1. Company Involved in the Violation

Company Name	Johnson & Johnson K.K.
Address	5-2, 3-chome, Nishi-Kanda, Chiyoda-ku, Tokyo
Representative	President David W. Powell
Business Details	Sales of vision corrective contact lenses etc.

2. Outline of Violation

- (1) Johnson & Johnson forced its partner retailers not to display the selling price for “One-day ACUVUE 90-package”<sup>2</sup> and “One-day ACUVUE Moist 90-package”<sup>3</sup> in the advertisement<sup>4</sup> since the launch of respective products.
- (2) Johnson & Johnson, when trading with its own selected partner retailers for implementing the sales promotion plan called “DD Plan”<sup>5</sup>, forced the retailers not to display the selling price for One-day ACUVUE Moist

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<sup>1</sup> Before the effective date of the JFTC Public Notice No.18 in 2009 (January 1, 2010), Item 13 of the unfair trade practices before the revision by this Public Notice.

<sup>2</sup> The product in which 90 pieces of the one-day disposable vision corrective contact lens sold by the trademark of “One-day ACUVUE” is packaged in one box.

<sup>3</sup> The product in which 90 pieces of the one-day disposable vision corrective contact lens sold by the trademark of “One-day ACUVUE Moist” is packaged in one box.

<sup>4</sup> Excluding the pages other than the top page of website on the Internet where the advertisement was raised as well as the advertisement at the store.

<sup>5</sup> The plan in which Johnson & Johnson will lower the prices for the retailers and pay the rebate of One-day ACUVUE Moist.

30-package<sup>6</sup> at the latest from December, 2009 in the advertisement except for direct-mailing.

3. Outline of Cease and Desist Order

- (1) Johnson & Johnson shall adopt a resolution at its Board of Directors confirming that it has terminated the action in item (2) above, and that it will never take similar action.
- (2) Johnson & Johnson shall notify the measures taken in accordance with item (1) above to its retailers dealing with its product of one-day disposable vision corrective contact lens, and shall have such measures thoroughly disseminated to consumers in general as well as its employees.
- (3) Johnson & Johnson hereinafter shall never take any action similar to the action in item (2) above with regard to sales of its product of one-day disposable vision corrective lens.
- (4) Johnson & Johnson shall take measures necessary to do the following:
  - (a) Establish the guidelines of activities with regard to compliance with the AMA in relation to sales for its product of one-day disposable vision corrective lens.
  - (b) Implement a regular training program for the staff engaged in sales of its product of one-day disposable vision corrective contact lens and regular audit by the legal department, with regard to compliance with the AMA.

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<sup>6</sup> The product in which 30 pieces of the one-day ACUVUE Moist is packaged in one box.