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STATEMENT FOR IMMEDIATE RELEASE

On $147M Verdict for AMDR Member Innovative Health Against Johnson & Johnson's Biosense Webster Medical Technology Unit

[Washington, D.C. and Berlin, Germany / 18 May 2025] Friday's unanimous verdict by a federal jury in Santa Ana, California for Innovative Health against Johnson & Johnson (NYSE: JNJ) is a victory for America's hospitals, providers, patients, and the environment. The jury found that Biosense Webster violated federal and state antitrust laws by withholding clinical support to hospitals using Innovative Health's FDA regulated, reprocessed catheters.

"For too long, Johnson & Johnson has used tying arrangements and other tactics to interfere with fair competition from lower cost, FDA regulated, reprocessed 'single-use' devices (SUDs)," said Daniel J. Vukelich, President and CEO, Association of Medical Device Reprocessors. "We hope this jury's message will be heard loud and clear: hospitals want to reduce costs and greenhouse gas emissions by using more reprocessed SUDs without fear of retribution by their original equipment manufacturers (OEMs)."

Reprocessed SUDs are domestic devices, and domestic devices make hospitals stronger
By having the freedom to choose FDA regulated reprocessed SUDs, hospitals reduce costs, waste, and greenhouse gas emissions. When using reprocessed SUDs, hospitals also help address supply chain resilience issues that were illuminated by COVID and could be made worse by tariffs.

How to Stop OEM Anti-Reprocessing Tactics: Proactive Steps for Hospitals
For decades, AMDR and its member companies have reported potentially anticompetitive market manipulation tactics by some OEMs. This case brings these tactics under closer examination. Hospitals, particularly procurement staff, should pay close attention to these activities and take proactive steps to combat them.

1. **Threats to void warranties or case support**
   OEMs cannot lawfully revoke support, void warranties, withdraw service, or otherwise retaliate for using FDA-regulated reprocessed SUDs. Make it policy to document and escalate any such threat and remind sales reps this activity is illegal and will not be tolerated.

2. **Unapproved software updates that disable reprocessed devices**
   Protect your consoles and generators: require written hospital approval before any OEM software upgrade is installed. Explicitly deny updates that "just happen" to block reprocessed devices or force obsolescence, and audit firmware versions after service visits.

3. **"Chipping" or ePROMs that brick reprocessed devices**
   Bar OEMs that use embedded chips or ePROM programming that disable reprocessed devices or shortens their life. Require advance disclosure of any device-identification or authentication features, make chip-based lock-outs a breach of contract, and reject products that rely on forced-obsolescence coding.

4. **Contract clauses that restrict reprocessing**
   When negotiating contracts, particularly those including volume-based discounts, calculate the hidden cost of losing reprocessing savings. Refuse language that conditions "free" equipment or discounts on exclusive use of new SUDs, and run all proposals past legal/procurement for anti-competitive red flags.

5. **Price gouging on the "reprocessable" model**
   Track SKU pricing over time and across vendors. If an OEM inflates the price of its reprocessable version to steer you to a non-reprocessable device, document it consider switching suppliers.

6. **Interference with hospital assets**
   Ban any practice that sabotages your inventory: replacing cables without permission, hiding or discarding reprocessed-device bins, rearranging stock to favor new SUDs, or instructing clinicians to destroy hospital property. Treat such actions as asset tampering and revoke vendor access privileges immediately.

7. **Publication or use of misleading "dirty device" studies**
   If a rep circulates OEM-funded studies, especially any that have been retracted or flagged for bias, suspend their access pending a formal review, and share the incident with infection-control and value-analysis committees.

Adopt these guardrails as formal policy, train staff to spot violations, and remind OEM partners that the rules of engagement have changed – hospitals will no longer put up with anti-reprocessing sabotage.

AMDR is conferring with its members, and considering legal options, to push back forcefully against behaviors like those described above and identified in *Innovative Health, LLC v. Biosense Webster, Inc.*

About AMDR

The Association of Medical Device Reprocessors (AMDR) is the global trade association for the regulated, commercial "single-use" device reprocessing and remanufacturing industry. AMDR members serve over 9,400 hospitals and surgical centers in the U.S., Canada, Europe, Japan and Australia.

Founded in 1997, AMDR advocates for reprocessing and remanufacturing as an important healthcare strategy that helps hospitals and healthcare providers to strengthen the supply chain while simultaneously

reducing costs, waste, and emissions. AMDR protects the interests of its members in regulation, legislation, and standard-setting.

AMDR protects the interests of its members in regulation, legislation, and standard-setting. AMDR members include Arjo ReNu Medical, Innovative Health, Medline Renewal, Stryker's Sustainability Solutions, Sustainable Technologies (a Cardinal Health Business), and Vanguard AG. Having played a key role in the establishment of the reprocessing industry, AMDR continues to push the global medical technology industry, leading the way for remanufacturing to play a defining role in the evolution of new device technologies.

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