



IMMEDIATE RELEASE

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REGISTERED INVESTMENT ADVISOR TO SELL ALL ITS JNJ STOCK

Harrington Investments, Inc. (HII), a Napa Valley, California-based socially responsible investment advisory firm is divesting its entire stock position in Johnson and Johnson (JNJ) based upon the extensive litigation and multi-billion-dollar jury verdicts involving the company's baby powder containing asbestos.

"JNJ recently lost a \$4.69 billion lawsuit to 22 women who claimed the talc-based product caused their ovarian cancer, including the failure to make proper disclosures to the U.S. Food and Drug Administration (FDA) after the company's own labs found that the company's iconic baby powder contained asbestos," said John Harrington, President and C.E.O. of HII. "In addition, it has also been discovered that their baby shampoo contained formaldehyde-releasing ingredients, as well as the company failing to warn women that its vaginal mesh device posed a risk for patients with compromised immune systems."

HII indicated that the company is facing thousands of lawsuits against its pelvic mesh and against the safety of its schizophrenia drug, Risperdal, including over 11,000 claims that its baby powder caused cancer.

Harrington concluded by saying "Many institutional investors have invested client assets in the equity of JNJ. It is a great disappointment to learn of the company's cover-up. It is no surprise that juries across the country are rendering "guilty" verdicts on the company's shameful conduct and harmful impact on their own customers' health."

In late February, JNJ indicated it has received subpoenas from the U.S. Justice Department (DOJ) and the Securities and Exchange Commission (SEC) seeking documents related to the safety of its talc-containing products.

HII attached numerous media citations and links providing supporting documents and additional references related to its public notice of divestiture.

HII is a 35-year old socially responsible registered investment advisory firm managing approximately \$240 million in assets for institutions and individuals. The firm utilizes environmental, social and governance (ESG) screening criteria, in addition to financial criteria, engages in shareholder advocacy, and implements an impact investing methodology in managing portfolios for clients.

JNJ or JNJail...??

Johnson & Johnson Health and Safety Scandals

Talc & Asbestos

- **J&J didn't tell the FDA that at least three tests by three different labs from 1972 to 1975 had found asbestos in its talc** – In 1976, as the U.S. Food and Drug Administration (FDA) was weighing limits on asbestos in cosmetic talc products, J&J [assured the regulator](#)¹ that no asbestos was “detected in any sample” of talc produced between December 1972 and October 1973. It didn't tell the agency that at least three [tests](#)² by three different labs from 1972 to 1975 had found asbestos in its talc – in one case at levels reported as “[rather high](#)³.”
- **Further, J&J [denied](#) the claims of containing asbestos** – Baby Powder was asbestos-free, it said. As the case proceeded, J&J was able to avoid handing over talc test results and other internal company records Hobson had requested to make the case against Baby Powder.⁴
- **A Civil Rights Issue: attorneys claim exploitation of minority women** – litigation activities by attorneys uncover internal J&J memo showing strategy to market baby powder to African American women & other minorities.⁵
- **22 Ovarian cancer victims won civil suit against JNJ awarded \$4.69 billion** – JNJ appealed the judgments but lost.⁶
- **JNJ Now under investigation by US Agencies** – JNJ received subpoenas from SEC & DOJ regarding asbestos in talc.⁷

¹ <https://www.documentcloud.org/documents/5006377-March-15-1976-J-amp-J-Letter-to-FDA.html#document/p2/a461691>

² <https://www.documentcloud.org/documents/5017565-1972-through-1992-lab-reports.html>

³ <https://www.documentcloud.org/documents/5017565-1972-through-1992-lab-reports.html#document/p79/a463497>

⁴ <https://www.documentcloud.org/documents/5205073-1997-J-J-response-to-Coker-lawsuit.html>

⁵ https://www.tullahomanews.com/news/business/attorneys-ben-crump-and-r-allen-smith-call-linkage-between/article_3746f8df-8c57-5882-ae58-38ba44126660.html

⁶ <https://www.reuters.com/article/us-johnson-johnson-cancer/jj-loses-bid-to-have-4-7-billion-talc-verdict-set-aside-vows-to-appeal-idUSKCN10I27P>

⁷ <https://www.medicalbag.com/home/medicine/us-agencies-probing-johnson-johnson-over-asbestos-in-talc/>

Talc Trouble

J&J faces more than 11,700 claims that its baby powder causes cancer

Source: Court records, Bloomberg

<u>Court</u>	<u>Verdict*</u>
2016-02-22 St. Louis	72
2016-05-02 St. Louis	55
2016-10-27 St. Louis	70
2017-03-03 St. Louis	J&J Win
2017-05-04 St. Louis	110
2017-08-21 Los Angeles	417
2017-11-16 Los Angeles	J&J Win
2018-04-11 Middlesex Co. (N.J)	117
2018-05-24 Los Angeles	28
2018-05-25 Darlington Co. (S.C.)	Hung Jury
2018-07-12 St. Louis	4,690
2018-10-02 Los Angeles	Hung Jury
2018-10-11 New Brunswick, N.J.	J&J Win
2018-11-14 Humbolt Co. (CA)	J&J Win
2018-11-15 Darlington Co. (S.C.)	Hung Jury

* in millions of dollars J&J was ordered to pay in damages

Mesh Implants

- **JNJ failed to warn about risks of implant** – JNJ *allegedly* failed to warn women that its vaginal mesh devices posed a particular risk for patients with compromised immune systems, despite it being “well known” before they were first sold in Australia.⁸
- **JNJ staff knowledge and behavior exposed** – documents submitted to the court show J&J staff had raised concerns about the “spinning of data” in emails and male executives are seen bantering about a suggestion that sex with an earlier patient with mesh complications must be “like scr*wing a wire brush”.⁹
- **Sitting “Court-side”** – class action law suits are underway in [Australia](#) and the US, where lawyers claim that patients have been exposed to unacceptable risks; in England, **NHS data suggests as many as [one in fifteen women](#) later requires full or partial removal of the implant.**¹⁰

This is just the latest in a string of bad news for the company, which has already been battling [lawsuits](#) and terrible PR. In recent years, Johnson & Johnson faced some backlash after it was discovered that its iconic golden baby shampoo [contained](#) formaldehyde-releasing ingredients. The company removed those chemicals (although they’re [probably safe](#) in the amount present in personal care products) and even recently overhauled its entire baby range to compete with smaller brands that have embraced so-called [“clean” ingredients](#).¹¹

Additionally, Tuberculosis survivors challenge JNJ patent (2.7.19) – Two tuberculosis survivors filed a patent challenge in [India](#) on Thursday to try to block Johnson & Johnson (J&J) from extending its monopoly on bedaquiline, a critical medicine in the treatment of [drug-resistant tuberculosis \(DR-TB\)](#).¹²

⁸ <https://www.theguardian.com/australia-news/2018/apr/10/johnson-johnson-accused-of-failing-to-warn-patients-at-higher-risk-from-vaginal-mesh>

⁹ <https://www.theguardian.com/society/2017/sep/29/revealed-johnson-johnsons-irresponsible-actions-over-vaginal-mesh-implant>

¹⁰ <https://www.theguardian.com/society/2017/sep/29/revealed-johnson-johnsons-irresponsible-actions-over-vaginal-mesh-implant>

¹¹ <https://www.vox.com/the-goods/2018/12/14/18141265/johnson-johnson-talc-asbestos-lawsuits-cover-up-stock-price>

¹² <https://www.doctorswithoutborders.org/what-we-do/news-stories/news/tuberculosis-survivors-challenge-johnson-johnson-patent-application>

Supporting Documents – Archives

- <https://www.documentcloud.org/public/search/projectid:%20%2240934-Johnson-Johnson%22/p2>
- <https://www.documentcloud.org/documents/5316804-1972-J-J-submission-to-FDA.html>
- <https://www.documentcloud.org/documents/5316843-1974-baby-talc-dust-exposure-studies.html>
- <https://www.documentcloud.org/documents/5347989-1993-J-J-memo-referring-to-destroyed-records.html>
- <https://www.documentcloud.org/documents/5410806-1974-J-J-letter-to-FDA-re-safety-threshold.html>

Additional References

- <https://www.reuters.com/investigates/special-report/johnsonandjohnson-cancer/>
- <https://www.bloomberg.com/news/articles/2018-12-10/why-johnson-amp-johnson-is-a-litigation-magnet>
- <https://www.bloomberg.com/news/articles/2018-12-21/j-j-s-tainted-talc-risk-expands-as-cancer-trials-triple-in-2019>
- <https://violationtracker.goodjobsfirst.org/prog.php?parent=johnson-and-johnson>