Response to Beasley Allen's Press Release

Statement attributable to Erik Haas, Worldwide Vice President of Litigation, Johnson & Johnson:

"The Plan of Reorganization ("Plan") announced today was developed with the support of counsel representing the overwhelming majority of ovarian claimants. These counsel support the Plan as they view it to be in the best interests of their clients ***and*** because the Plan allows the clients to vote and decide for themselves whether they agree.

There remains, however, a handful of plaintiff law firms that oppose the Plan. Why would these law firms oppose a plan that simply puts the decision to support or reject our proposal in their clients' hands? The answer is simple: the objecting law firms risk losing hundreds of millions of dollars in fees if the Plan proceeds, which places the law firms in a direct conflict of interest with their clients.

These law firms have voiced their objections with media statements by the lead objecting lawyer—Andy Birchfield of the Beasley Allen law firm. Each of the objecting law firms sit on the Plaintiff Steering Committee (PSC) of the federal Multi-District Litigation (MDL), where 93% of the ovarian claims encompassed by the Plan are filed. Mr. Birchfield admitted in his deposition taken in an earlier bankruptcy that, as trappings of their PSC membership, the law firms on the PSC stand to collect up to 12% of any recovery that a non-PSC firm obtains from the resolution of an ovarian talc claim (on top of the typical 40% fee each of the PSC member charges its own clients). With a resolution of the size contemplated by the Plan, that 12% recovery 'tax' is worth hundreds of millions of dollars to these PSC firms.

But that windfall will only flow into those PSC lawyers' pockets if the ovarian claims are resolved in the tort system; the PSC tax is ***not*** available in bankruptcy. These PSC members, therefore, have personal economic incentives to prevent a bankruptcy resolution. As a consequence, these firms are actively thwarting the proposed Plan, notwithstanding that it presents the largest likely recovery their clients could achieve. In doing so, the financially-conflicted firms endeavor to deprive ***all*** claimants—including claimants represented by other firms—of the opportunity to vote.

The objecting law firms present no legitimate rationale for denying their (and other law firms') clients of an opportunity to be heard, because none exists. The objectors' contention that our Plan is attempting to "stuff the ballot box" with non-ovarian cancer cases is baseless and no more than a red herring. There is no legitimate dispute that counsel representing tens of thousands of ***ovarian*** claimants endorse the plan. All ovarian claimants should have an opportunity to review the plan and make their own decisions.

Moreover, it is particularly egregious for the Beasley Allen law firm to be leading the objections to the Plan because that firm has never recovered a dime for its clients in the more than a decade it has been litigating these cases. Rather, Beasley Allen lost every one of the 13 ovarian talc cases it has brought to trial, including last month's unanimous defense verdict.

Beasley Allen keeps losing because the science is not on their side. Juries across the country agree with the consensus of U.S. public health authorities that talc does not cause ovarian cancer. The National Institute of Health states that the evidence is "inadequate to support an association" between talc and a risk of ovarian cancer. The American Cancer Society similarly concluded that the "weight of the evidence does not support an association" between talc and ovarian cancer.

The time for these lawyers to put their own financial interests and greed aside is now. Let the claimants vote and speak for themselves."