3M files lawsuit in alleged N95 price gouging attempt of the Strategic National Stockpile

3M filed a legal action today in federal court in Florida against an Orlando-based defendant that twice attempted to fraudulently sell tens of millions of likely nonexistent 3M N95 respirators at grossly inflated prices to the federal Division of Strategic National Stockpile, all the while falsely affiliating itself with 3M.

The defendant falsely blamed the prices on 3M, claiming that 3M had changed prices "several times" in just a few days when 3M has not changed the prices it charges for respirators.

The Complaint seeks injunctive relief to require Geftico LLC to cease its illegal activities, and also requests damages. 3M will donate any damages recovered to COVID-19-related nonprofit organizations.

"3M will continue to take action against those who exploit the demand for N95 respirators used by healthcare workers on the frontlines of the COVID-19 fight," said Denise Rutherford, 3M Senior Vice President, Corporate Affairs. "We will continue to work with state, federal and international law enforcement to root out illegal behavior and put a stop to it."

The Centers for Disease Control and Prevention reached out to 3M and reported that Geftico made the offers in March and April. 3M confirmed that Geftico was not affiliated with 3M and that such a quantity of 3M respirators did not exist as represented by the defendant.

3M is working with national and international law enforcement, state Attorneys General, and the largest online retail and tech companies in the world to identify illegal activity and help punish criminals. The goal is to prevent fraud before it starts and stop it where it is happening.

The Florida lawsuit is the latest in a series of legal actions 3M has filed over the past week in the fight against price gouging and counterfeiting.

On April 10, 3M filed a lawsuit against an alleged price gouger of N95s respirators in New York City alleging Performance Supply falsely claimed a business affiliation with 3M, and offered to sell \$45 million in N95 respirators to New York City government officials at inflated prices.

On April 10, 3M also filed a lawsuit in federal court in California against Utah-based Rx2Live, LLC for an alleged deceptive price gouging scheme against Fresno, Calif.-based healthcare provider Community Medical Centers, Inc. The lawsuit asserts that Rx2Live falsely claimed to be a 3M distributor offering millions of N95 respirators at inflated prices.

On April 10, 3M filed a lawsuit in Dallas County against a John Doe defendant for falsely claiming to be a "3M Company Trust Account" in Irving, Texas and able to sell millions of 3M-brand N95 respirators at inflated prices to New York City government officials.

"3M's legal team is taking strong action to protect 3M and the public against the conduct of those who seek to exploit 3M's brand and reputation and defraud others during this time of emergency and crisis," said Ivan Fong, 3M Senior Vice President, General Counsel & Secretary. "We stand ready to continue to investigate and take necessary legal actions against such unethical and unscrupulous actors in the marketplace."

3M has deployed its internal litigation team, working closely with volunteers from its network of outside counsel and resources in every part of the country.

In the Florida case, 3M is represented by a team from the law firm McDermott Will & Emery LLP including Wilson Chu, Michael Chu, Michael Weaver, Joseph Wasserkrug, Colin Stalter, and Kristin Taylor. In the New York and California cases, 3M was represented by Mayer Brown, led by Washington D.C. partner Carmine R. Zarlenga and

New York partners A. John P. Macini, Andrew J. Calica and Chicago partner Richard Bulger. In the Dallas County Case, 3M is represented by Dimple Desai Shah of Bowman and Brooke LLP.

3M has not changed the prices it charges for respirators as a result of the COVID-19 outbreak. The company is working with online retailers and technology companies such as Google, Amazon and Facebook to identify and remove counterfeiters and price gougers from their sites and refer them to law enforcement authorities.

Resources to fight fraud

3M has created a hotline to call for information on how to help identify authentic 3M products and to ensure products are from 3M authorized distributors. That number, in the U.S. and Canada, is (800) 426-8688.

If customers have concerns about potentially fraudulent activity, price gouging, or counterfeit 3M products, they can report their concerns at <u>3M's website</u>.

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