3M Stops Fake N95 Scheme, Resolving Lawsuit Claims Against Sellers on Amazon

The resolution with these Defendants stops a fraudulent N95 scheme, results in a large donation to COVID-19 relief, and requires cooperation from Defendants in any further enforcement efforts by 3M

ST. PAUL, Minn.--(BUSINESS WIRE)-- In a federal court case brought by 3M in California against Defendants KM Brothers Inc., KMJ Trading Inc., Supreme Sunrise, Inc., and Mao Yu and third-party Zhiju USA, Inc., the court issued a stipulated consent judgment and permanent injunction that prohibits Defendants fraudulent activity as alleged by 3M, which included charging grossly inflated prices for fake, defective or damaged respirator products.

The resolution with these Defendants also requires payment to 3M for donation to a COVID-19 related charity. 3M plans to continue to pursue legal action against those who supplied the purported N95s to the Defendants.

3M and Amazon collaborated to identify and stop the fraudulent scheme and pursue legal action against the Defendants. The resolution of this lawsuit furthers the goal of combating respirator counterfeiting and price gouging and will result a sizeable donation by 3M and Amazon of more than \$192,000 recovered from the Defendants to Direct Relief's non-profit work to provide PPE to health workers.

3M has not, and will not, increase the prices of its respirators as a result of the pandemic. The damages 3M seeks in these enforcement efforts are for the harm these bad actors cause and to punish wrongdoers.

3M has filed 18 lawsuits to combat fraud, price gouging and counterfeiting in the U.S. and Canada to put a stop to unlawful profiteering from the pandemic in 3M's name.

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

To date, 3M has secured the removal of over 7,000 listings with fraudulent or counterfeit product offerings from e-commerce platforms around the world and over 10,000 false or deceptive social media posts.

3M is represented by law firms Norton Rose Fulbright US LLP and Pirkey Barber PLLC in this matter.

Resources to fight fraud

3M has launched a <u>website</u> that provides more information on these and other 3M efforts to fight respirator fraud, counterfeiting, and price gouging. This <u>website</u> includes details of 3M's enforcement activities, tips on how to spot fraudulent product offers, counterfeits, and price gouging, expectations of 3M's authorized distributors, and information on different types of 3M respiratory products. It also contains 3M's hotline phone numbers around the world and a place to report suspected fraud to 3M.

About 3M

At 3M, we apply science in collaborative ways to improve lives daily. With \$32 billion in sales, our 96,000 employees connect with customers all around the world. Learn more about 3M's creative solutions to the world's problems at <u>www.3M.com</u> or on Twitter @3M or @3MNews.

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