

J&J Lands \$18M Judgment In Counterfeit Surgical Tools Suit

By **Andrew Karpan**

Law360 (July 21, 2023, 10:02 PM EDT) -- A Johnson & Johnson subsidiary landed an \$18 million default judgment in Illinois federal court Friday against a Pakistani employee of a medical device distributor who was on the receiving end of accusations of selling counterfeit surgical products that were "bacterially contaminated and critically defective."

U.S. District Judge John Robert Blakey signed off on the request from Johnson & Johnson's Ethicon brand to saddle Mudassar Shah with "\$18,000,000 in statutory damages." According to the suit from Ethicon, Shah had been an employee for a company called Advanced Inventory Management Inc. who "personally received counterfeit Ethicon products ... and delivered them to the company warehouse."



Geoffrey Potter

The legal fight between Ethicon and Advanced Inventory, which does business online as eSutures, dates **to 2020**. Representatives for eSutures agreed to a \$6 million deal in 2021 to end the claims directly against the business, which accused eSutures of selling "dangerous counterfeits of Ethicon products, including hemostats, surgical clips, and fixation devices that are designed to be left in the body after surgery."

According to Ethicon, "the counterfeit versions of these devices are bacterially contaminated and critically defective." In a statement, a Johnson & Johnson spokesman named Roy Albiani said the "substantial judgment" will "help deter illicit actors from continuing to sell counterfeits."

Shah, who was personally named in Ethicon's lawsuit, did not return a request for comment and had failed to show up to respond to the case against him by February 2021, after which a default judgment was entered against him.

A month later, Shah showed up in a federal court in Illinois and asked Judge Blakey to let him respond to the allegations from Ethicon. He would be representing himself.

"While living in Pakistan, it was not my duty to examine products physically," he wrote in a brief defense of his case that was filed that year. "No receipt of purchasing of counterfeited products has been placed on record ... through which I can be castigated," he pled.

Shortly after, Judge Blakey decided that "Shah had failed to establish good cause for his default or that he had a meritorious defense to the action."

Shah stopped showing up to court after this ruling came down. He failed to appear at a later hearing over how much the misconduct he could not contest would cost him.

"Despite receiving proper notice, defendant Shah failed to appear at the hearing on Ethicon's motion for entry of default judgment and a permanent injunction," observed Judge Blakey on Friday.

Ethicon is represented by Bradley J. Andreozzi and Matthew M. Morrissey of Faegre Drinker Biddle & Reath LLP and Geoffrey Potter, Aron Fischer, Timothy A. Waters, Joshua R. Stein and Jacqueline Lash of Patterson Belknap Webb & Tyler LLP.

Shah is representing himself.

The case is Johnson & Johnson et al. v. Advanced Inventory Management Inc. et al., case number 1:20-cv-03471, in the U.S. District Court for the Northern District of Illinois.

--Additional reporting by Dani Kass and Adam Lidgett. Editing by Andrew Cohen.