

## **Johnson & Johnson FY 2023 Earnings Nearly Double After The Pharmaceutical Giant Sued The Biden Administration Over Its Efforts To Lower Prescription Drug Costs For Americans**

**In August 2023, The U.S. Department Of Health And Human Services Announced The First 10 Drugs Subject To The Inflation Reduction Act's Medicare Drug Price Negotiation, Three Of Which Are Manufactured By Johnson & Johnson Subsidiary Janssen Pharmaceuticals.**

**In August 2023, The Department Of Health And Human Services Announced The First 10 Drugs That Would Be Covered Under The Inflation Reduction Act's Medicare Price Negotiation Provision.**

**August 2023: The U.S. Department Of Health And Human Services Announced The First 10 Drugs That Would Be Covered Under The Inflation Reduction Act's Medicare Price Negotiation Provision.** "For the first time, thanks to President Biden's Inflation Reduction Act – the historic law lowering health care costs – Medicare is able to negotiate the prices of prescription drugs. Today, the U.S. Department of Health and Human Services (HHS), through the Centers for Medicare & Medicaid Services (CMS), announced the first 10 drugs covered under Medicare Part D selected for negotiation." [U.S. Department of Health and Human Services, [08/29/23](#)]

**Three Of The First 10 Drug Prices Set To Be Negotiated With Medicare—Xarelto, Imbruvica And Stelara—Are Manufactured By Janssen Pharmaceuticals, A Subsidiary Of Johnson & Johnson.**

**Janssen Pharmaceuticals Is A Subsidiary Of Johnson & Johnson And Was Acquired In 1961.** [Johnson & Johnson, accessed [01/23/24](#)]

**Xarelto, Imbruvica And Stelara Are Products Of Janssen Pharmaceuticals.** [Janssen Pharmaceuticals, accessed [01/23/24](#)]

**Johnson & Johnson Is A Member Of The Pharmaceutical Research And Manufacturers Of America (PhRMA), Which Filed A June 2023 Suit Challenging The Biden Administration's Drug Price Negotiation Provision, Later Becoming The Third Major Pharmaceutical Company To File A Suit In July 2023.**

**In June 2023, The Pharmaceutical Research And Manufacturers Of America (PhRMA)—Big Pharma's Largest Trade Group And Lobbying Arm With Johnson & Johnson Represented On Its Board—Sued The Biden Administration Over Its Medicare Drug Price Negotiation Provision.**

**June 2023: The Pharmaceutical Research And Manufacturers Of America (PhRMA)—Big Pharma's Largest Trade Group And Lobbying Arm—Sued The Biden Administration Over The Inflation Reduction**

**Act's Medicare Price Negotiation Provision.** "The pharmaceutical industry's largest lobbying group and two other organizations sued the Biden administration over Medicare's new powers to slash drug prices for seniors under the Inflation Reduction Act. Pharmaceutical Research and Manufacturers of America, the National Infusion Center Association and the Global Colon Cancer Association argue that the Medicare negotiations violate the U.S. Constitution, in a complaint filed in federal district court in Texas." [CNBC, [06/21/23](#)]

**Johnson & Johnson Executive Vice President And Worldwide Chairman Jennifer Taubert Is On The PhRMA Board Of Directors:**



**Jennifer Taubert**

Executive Vice President,  
Worldwide Chairman,  
Pharmaceuticals  
*Johnson & Johnson*

[Pharmaceutical Research and Manufacturers of America, accessed [01/23/24](#)]

**In July 2023, Johnson & Johnson Became The Third Pharmaceutical Company To Sue The Biden Administration Over Its Medicare Drug Price Negotiation Mandate.**

**July 2023: "Johnson & Johnson Sued The Biden Administration Over Medicare's New Powers To Slash Drug Prices, Making It The Third Pharmaceutical Company To Challenge The Controversial Provision Of The Inflation Reduction Act."** "Johnson & Johnson sued the Biden administration over Medicare's new powers to slash drug prices, making it the third pharmaceutical company to challenge the controversial provision of the Inflation Reduction Act. [...] Earlier suits brought separately by Merck and Bristol Myers Squibb, as well as by the U.S. Chamber of Commerce and PhRMA, the pharmaceutical industry's largest lobbying group, made similar arguments." [CNBC, [07/18/23](#)]

**In Q4 2023, Johnson & Johnson Reported Net Earnings From "Continued Operations" Increasing 28%, With FY 2023 Earnings Nearly Doubling To Over \$35.1 Billion When Including Discontinued Operations Such As Its Consumer Brand Segment Which Was Spun Off Into Kenvue In May 2023.**

**In Q4 2023, Johnson & Johnson Reported Earnings From Its "Continued Operations" Increasing By 28% To Over \$4.1 Billion, A Nearly \$1 Billion Increase From Q4 2022.**

**In Q4 2023, Johnson & Johnson Reported Net Earnings From "Continued Operations" Of Over \$4.1 Billion, A 28% Increase YoY From Q4 2022:**

| (\$ in Millions, except EPS) | Q4       |          |          |
|------------------------------|----------|----------|----------|
|                              | 2023     | 2022     | % Change |
| Reported Sales               | \$21,395 | \$19,939 | 7.3%     |
| Net Earnings                 | \$4,132  | \$3,227  | 28.0%    |
| EPS (diluted)                | \$1.70   | \$1.22   | 39.3%    |

[Johnson & Johnson, [01/23/24](#)]

- Johnson & Johnson Noted That “Unless Otherwise Noted, The Financial Results And Earnings Guidance Included Below Reflect The Continuing Operations Of Johnson & Johnson.” [Johnson & Johnson, [01/23/24](#)]

**However, Supplemental Results Including Discontinued Operations, Such As Its Consumer Brand Segment That Was Spun Off Into Kenvue In May 2023, Showed Net Earnings Of \$35.1 Billion, Nearly Double Its 2022 Earnings Of \$17.9 Billion.**

However, Johnson & Johnson Reported Net Earnings Of Over \$35.1 Billion For FY 2023 When Including Discontinued Operations, Nearly Doubling From \$17.9 Billion In 2022:

|   | 2023      |                  | 2022      |                  | Percent Increase (Decrease) |
|---|-----------|------------------|-----------|------------------|-----------------------------|
|   | Amount    | Percent to Sales | Amount    | Percent to Sales |                             |
| [...]   |           |                  |           |                  |                             |
| Net earnings from Continuing Operations               | \$ 13,326 | 15.6             | \$ 16,370 | 20.5             | (18.6)                      |
| Net earnings from Discontinued Operations, net of tax | 21,827    |                  | 1,571     |                  |                             |
| Net earnings  | \$ 35,153 |                  | \$ 17,941 |                  |                             |

[Johnson & Johnson, [01/23/24](#)]

**May 2023: Kenvue "The New Spinoff Of Johnson & Johnson's Consumer Brand Segment" Debuted On The New York Stock Exchange As The Company Was Set To "Operate With Three Different Business Segments Of Its Own To House All The Brands."** "Kenvue (KVUE), the new spinoff of Johnson & Johnson's (JNJ) consumer brand segment, debuted on the New York Stock Exchange Thursday at \$25.53 per share. The stock closed at \$26.90 per share, up about 22 percent in its first day of trade. [...] Kenvue, which will be headquartered in Summit, N.J., will be the new home of brands such as Tylenol, Band-Aid, Motrin, Sudafed, and Neutrogena. The company, which was previously one of J&J's three business segments, will now operate with three different business segments of its own to house all the brands. Those are self care, skin health, and beauty and essential health." [Yahoo! Finance, [05/04/23](#)]