



# Oregon Bioscience Association

February 8, 2016

Senate Committee on Judiciary  
Attn: Senator Floyd Prozanski, Chair

The Oregon Bioscience Association (Oregon Bio) represents Oregon's \$4.1 billion bioscience industry. Bioscience and bio-technology is the fifth largest sector in the state and one of Oregon's steadiest economic engines. Over 700 bioscience related organizations employ approximately 15,000 Oregonians. Our members are committed to the advancement of the latest technology in medical devices and therapies, and the ethical use of such products.

We oppose SB 1576, as it would prohibit practices that are common and lawful throughout the United States and set a dangerous precedent for applying such regulations throughout our industry. SB 1576 establishes unfair business practices to regulate the distribution and pricing of contact lenses. The proposed legislation bars free market practices exclusively for the contact lenses industry that are essential for the strength, growth and prosperity of the life sciences industry sector.

SB 1576 seeks to commoditize the purchase and sale of contact lenses. Passage of this bill would eliminate an effective tool in helping bioscience companies in maintaining a reputable, well-trained and safe network of product distributors. This bill opens the door for the distribution of contact lenses (and potentially other medical devices in the future) to be sold to unqualified, or unethical, distributors. Preventing manufacturers from controlling distribution could lead to an escalation of fraudulent and unscrupulous individuals demanding manufactures sell to them. SB 1576 may also limit competition by imposing a "one size fits all" distribution strategy on all manufacturers.

By narrowly focusing on a single product category, this legislation also fails to meet a basic standard of fairness. States' unfair trade practices statutes generally apply to products and services in all industries. States have been reluctant to conclude that practices relating to one narrow product area should be banned while the identical practices in all other product and service areas should be lawful. The reason for this is clear: principles of competition are universal and should be governed by generally applicable laws on trade practices.

As the collective voice for the bioscience industry in Oregon, Oregon Bio asks you to oppose Senate Bill 1576 and the unnecessary administrative burdens it would impose.

Sincerely,

Dennis McNannay, Executive Director



**Oregon Bioscience**  
Association