

Zimmer Holdings Shareholder Meeting Question
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My name is Justin Danhof, I am here as a proxy for my colleague David Almasi and I am representing the National Center for Public Policy Research – a free-market think-tank, based in Washington, D.C. Thank you for the opportunity to speak with you today.

Mr. Dvorak, last December, Drugwatch.com reported that Zimmer laid off 450 employees partly in anticipation of the Affordable Care Act's 2.3 percent excise tax on medical device companies that took effect on January 1. And MassDevice.com has reported that upwards of 43,000 jobs may be lost because of this tax. Originally intended as a revenue booster for ObamaCare, it is now seen by many as harming medical innovation and as employment for the medical device industry.

Currently, lawmakers from both sides of the political aisle support revoking the tax, they just differ on the means to do so. I want to present you with a financially responsible proposal to accomplish repeal of the medical device excise tax that I hope you will support.

The National Center for Public Policy Research offers a proposal that calls for repealing the medical device tax and replacing much of the revenue that would be lost by ending lavish subsidies on the wind industry. Our analysis shows that eliminating the wind production tax credit by not renewing it when it expires at the end of this year could replace over 60 percent of the revenue lost from repeal of the medical device tax.

Therefore, we are formally proposing to Congress that it repeal the medical device tax, and replace lost revenue with an end to wind subsidies.

So I want to first ask if you support full repeal of the medical device tax? And if so, I would like you to consider supporting our proposal as it is one that has appeal both to those lawmakers who are concerned about the problems with the medical device tax and those who are concerned about government deficits. Thank you.

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