# UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

# If you purchased dental supplies or equipment from Henry Schein, Patterson, Benco Dental Supply, or Burkhart Dental Supply, an \$80 million class action settlement may affect you.

A federal court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.

- There is a class action lawsuit known as *In re Dental Supplies Antitrust Litigation*, No 16-cv-696, against Henry Schein, Inc. ("Schein"), Patterson Companies, Inc. ("Patterson"), and Benco Dental Supply Company ("Benco") (collectively, "Defendants"), pending in the United States District Court for the Eastern District of New York.
- The settlement at issue is for the benefit of a Class of persons and entities defined as follows: All persons or entities that purchased Dental Products directly from Schein, Patterson, Benco, Burkhart, or any combination thereof, during the period beginning August 31, 2008 through and including March 31, 2016 (the "Class Period") (the "Class" or the "Settlement Class"). If you fall within the Settlement Class definition, you are a "Settlement Class Member."
- Under the proposed settlement, Defendants who each continue to categorically and emphatically deny the allegations and claims in the litigation, but have agreed to the settlement to resolve the case have collectively agreed to pay \$80 million to resolve all of the claims that were brought or could have been brought in the antitrust suit on behalf of the Settlement Class (the "Settlement").
- Burkhart Dental Supply Company ("Burkhart") was at one time named as a defendant in this lawsuit, but the case was subsequently dismissed as against Burkhart on personal jurisdiction grounds. Because Burkhart is no longer a defendant is this action, it is not paying any portion of the Settlement funds or otherwise participating in the Settlement. This does not, however, affect the ability of any class members who were Burkhart customers to participate in the Settlement.
- The Settlement offers cash payments to Settlement Class Members who file valid timely Claims.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT				
EXCLUDE YOURSELF	You may request to be excluded from the Settlement, and if you do, you will receive no payment from the Settlement. The deadline to exclude yourself from the Settlement is April 18, 2019. Excluding yourself from the Settlement is the only way to retain your right to sue Defendants on your own over the claims alleged in the lawsuit.			
ОВЈЕСТ	Write to the Court if you want to comment on or do not like the Settlement. You must provide specific reasons for your objection. <i>See</i> Question 6 of this notice below for more information. The postmarked deadline to object is April 18, 2019.			
GO TO THE FAIRNESS HEARING	The Court has scheduled a hearing to evaluate the fairness of the Settlement and Class Counsel's request for attorneys' fees, reimbursement of costs, and service awards for the named Plaintiffs to take place on May 22, 2019 at 10:00 a.m. (the "Fairness Hearing"). You may attend the hearing at your own expense, but it is not necessary. You may ask to speak in court about the fairness of the Settlement or any award of fees or costs or any award of service awards if you did not exclude yourself, but you must first notify counsel for the Class, counsel for the Defendants, and the Court by April 18, 2019. See Question 13-15.			
SUBMIT A CLAIM FORM	If the Court approves the Settlement and it becomes final and effective and you remain in the Settlement Class, you must submit a claim form online or through the mail by September 19, 2019 to receive a payment. Complete instructions on how to file a claim will be available online shortly.			

- These rights and options, and the deadlines to exercise them, are explained in this Notice.
- The Court in charge of this case still must decide whether to approve the Settlement. If it does, and after any appeals are resolved, payments will be distributed to those who submit qualifying Claims. Please be patient.

# UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

# **BASIC INFORMATION**

# 1. Why did I receive this Notice?

You have been sent this Notice because you have a right to know about a proposed Settlement of a class action lawsuit known as *In re Dental Supplies Antitrust Litigation*, Case No 16-cv-00696, and about your options for participating in it before the Court decides whether to give final approval to the Settlement. This Notice explains the lawsuit, the Settlement, and your legal rights.

The Honorable Brian M. Cogan of the United States District Court, Eastern District of New York is the judge overseeing this case. The persons or entities who sued, are called the "Plaintiffs" or "Named Plaintiffs." The person, persons, or entities that are being sued are called the "Defendants."

# 2. What is this lawsuit about?

The Defendants in this case are the three largest distributors of dental supplies and equipment (together "Dental Products") in the United States. Plaintiffs have alleged that the Defendants collectively account for between 80% -90% of all sales of Dental Products in the United States. The case involves an alleged nationwide agreement between the Defendants and another distributor, Burkhart, not to compete on price for the sale of Dental Products. Plaintiffs alleged that the Defendants coordinated to fix gross margins for Dental Products, boycott certain rivals, and to limit the interfirm hiring or "poaching" of each other's sales representatives. The Defendants and Burkhart categorically and emphatically deny these claims and assert that they did nothing wrong. The judge in this case has not decided who is right.

#### 3. Why is this a class action lawsuit?

In a class action like this one, the Named Plaintiffs (or the class representatives) sue on behalf of others who have similar claims. All the people who have similar claims are the "Class" or "Class Members." In a class action, one court resolves the issues in the lawsuit for all Class Members, except for those who choose to be excluded from (or "opt out" of) the Class. In this case, Arnell Prato, D.D.S., P.L.L.C., d/b/a/ Down to Earth Dental ("Down to Earth Dental"), Evolution Dental Sciences, LLC ("Evolution"), Howard M. May, DDS, P.C. ("May"), Casey Nelson, D.D.S. ("Nelson"), Jim Peck, D.D.S. ("Peck"), Bernard W. Kurek, D.M.D. and Larchmont Dental Associates, P.C., (collectively, "Kurek"), and Keith Schwartz, D.M.D., P.A. ("Schwartz") are the Named Plaintiffs that brought the case, and are also the Court-appointed representatives of the Class for purposes of this Settlement.

Every person or entity that meets the Settlement Class definition are members of the Settlement Class, except for those who choose to exclude themselves from the Class.

# 4. Am I a Member of the Settlement Class?

You may be a member of the Settlement Class and eligible to file a claim, object, or exclude yourself from this Settlement if you or your company purchased Dental Supplies and/or dental equipment from Henry Schein, Patterson, Benco, Burkhart Dental Supply Company Inc. ("Burkhart") or any combination thereof from August 31, 2008, until March 31, 2016 (the "Class

Period"). Excluded from the Class are Defendants and Burkhart, their subsidiaries, affiliate entities, and employees, and all federal or state government entities or agencies.

There are two groups of potential Settlement Class Members covered by the Settlement: Group 1 consists of Claimants who have at least some Dental Supplies purchases; Group 2 consists of Claimants whose purchases during the Class Period include *only* dental equipment. If you purchased either Dental Supplies or Dental Equipment from any of the Defendants during the Class Period, you are a Settlement Class Member and can file a claim.

# 5. What are the proposed Settlement and Plan of Allocation?

The Court has not found in favor of either Plaintiffs or Defendants. Instead, both sides have agreed to the Settlement. By agreeing to the Settlement, the parties avoid the costs and uncertainty of a trial, and if the Settlement is approved by the Court, Settlement Class Members who file claim forms ("Claimants") will receive the benefits described in this Notice. The Defendants categorically and emphatically deny all claims in this case and assert that they did nothing wrong. The lawyers appointed by the Court to represent the Class ("Class Counsel") believe that the Settlement is fair and in the best interests of the Settlement Class Members.

The Defendants – while denying any liability for the claims asserted by Plaintiffs in the litigation and believing that they have good defenses to those claims, but recognizing that continued litigation is likely to be expensive and time-consuming have agreed to pay \$80 million to resolve this case (the "Settlement Fund"). Court approved claims administration fees, class representative service awards, and attorneys' fees and expenses will be deducted from the Settlement Fund, and thus you have no obligation to pay them directly. The remaining funds ("Net Settlement Fund") shall be distributed as cash payments to Settlement Class Members who submit valid Claims (i.e., Claimants) according to the following process ("Plan of Allocation"). First, the Net Settlement Fund will be divided into two tranches: Group 1 and Group 2. Group 1 consists of Claimants who have made at least some purchases of Dental Supplies<sup>3</sup> during the Class Period (i.e., August 31, 2008, until March 31, 2016); Group 2 consists of Claimants whose purchases during the Class Period include only dental equipment. Because most Class Members purchased some Dental Supplies, the Net Settlement Fund will be allocated as follows: 99.25% to Group 1; 0.75% to Group 2. Payments will be made to Claimants on a pro rata basis in each Group based on Claimants' verified purchases in dollars of Dental Supplies (in Group 1) and Dental Equipment (in Group 2) during the Class Period. For more information on the Plan of Allocation, please consult website established the that has been for this Settlement: www.DentalSuppliesAntitrustClassAction.com.

<sup>&</sup>lt;sup>1</sup>"Dental Supplies" means consumable Dental Products used by dentists and dental laboratories, sometimes referred to as sundries or merchandise, and include items such as gloves, hand instruments, face masks, toothbrushes, anesthetic solutions, and the like.

<sup>&</sup>lt;sup>2</sup> Dental equipment means non-consumable Dental Products used by dentists and dental laboratories, and include items such as imaging devices, dental chairs and CAD/CAM systems

# OBJECTING AND EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

#### 6. How do I tell the Court if I do not like the Settlement?

If you are a Settlement Class Member (and do not exclude yourself from the Settlement Class), you can object to any part of the Settlement. To object, you must timely submit a letter that includes the following:

- 1) A heading that includes the case name and case number—In re Dental Supplies Antitrust Litigation, Case No. 16-cv-00696.
- 2) Your name, the name and address of the entity that is the Class Member, and if represented by counsel, the name, address, and telephone number of your counsel;
- 3) A signed statement stating, under penalty of perjury, that you purchased Dental Products directly from Schein, Patterson, Benco, or Burkhart at some point during the Class Period, *i.e.*, from August 31, 2008 to March 31, 2016, attaching proof of purchase;
- 4) A statement detailing all your objections to the Settlement with specificity and including your legal and factual basis for each objection;
- 5) A statement of whether you intend to appear at the Fairness Hearing, either with or without counsel, and if with counsel, the name of your counsel who will attend;

If you wish to object, you must file your objection with the Court and mail your objection to each of the following addresses, and your objection must be postmarked by **April 18, 2019.** 

Clerk of the Count  Clerk for the Honorable Brian M. Cogan United States District Court for the Eastern District of New York Courtroom 8D S 225 Cadman Plaza East Brooklyn, NY, 11201		Eric L. Cramer Berger Montague PC 1818 Market Street Suite 3600 Philadelphia, PA 19103	
Colin R. Kass Adrian Fontecilla Stephen R. Chuk PROSKAUER ROSE LLP 1001 Pennsylvania Ave., NW Suite 600S Washington, DC 20004	James J. Long BRIGGS AND P.A. 2200 IDS Cente 80 South Eighth Minneapolis, M	re, Comisel  MORGAN,  r  Street	Howard D. Scher Samantha L. Southall BUCHANAN INGERSOLL & ROONEY PC Two Liberty Place 50th S. 16th Street, Suite 3200 Philadelphia, PA 19102-2555

# 7. How do I request exclusion from the Settlement Class?

If you want to exclude yourself from the Settlement Class, you must request exclusion in writing, in the form and by the date set forth below. The Court will exclude from the Settlement Class all Settlement Class Members who submit valid and timely requests for exclusion. If you exclude yourself, you will not be able to receive any benefits from this Settlement; however, this is the only way you will retain your rights to sue the Defendants on your own based on the claims asserted in this lawsuit.

To exclude yourself from the Settlement Class, you must send a written request for exclusion by mail to the Settlement Administrator: In re Dental Supplies; c/o Settlement Administrator; P.O. Box 510; Philadelphia, PA 19105-0510.

Your request for exclusion must include (i) your business name and all historical business names you've operated under, your current business address and all historical business addresses you've operated under, and the signature of a principal of your business with authority to make legal decisions; (ii) a statement that you want to be excluded; and (iii) proof that you purchased Dental Products directly from Schein, Patterson, Benco, or Burkhart at some point during the Class Period, *i.e.*, from August 31, 2008 to March 31, 2016 (*e.g.*, an invoice) and thus are a Settlement Class Member.

You must mail your exclusion request by First Class U.S. mail, postage paid, postmarked no later than April 18, 2019. You cannot exclude yourself by phone or e-mail; your request must be in writing, signed, and sent by mail. If you exclude yourself, you cannot file a claim and will not receive a payment from the Settlement.

## 8. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object to the Settlement only if you do not exclude yourself from the Settlement Class. If you exclude yourself, you cannot object because the Settlement no longer affects your rights.

## 9. What am I giving up to stay in the Settlement Class?

By staying in the Settlement Class, you will give up your right to sue Defendants individually for claims related to its alleged violations of the federal antitrust laws, as set forth in the Complaint. That means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants for the claims asserted in this lawsuit against Defendants. More specifically, staying in the Settlement means you have agreed to be bound by the Settlement and all of its terms including the release of claims ("Release") contained therein. The complete Release is contained in the Settlement Agreement Sec. 25 which is available on the settlement website. www.DentalSuppliesAntitrustClassAction.com.

# THE LAWYERS REPRESENTING YOU

#### 10. Do I have a lawyer in this case?

The Court appointed the following law firms to represent you and the other Settlement Class Members:

Eric L. Cramer Berger Montague PC 1818 Market Street Suite 3600 Philadelphia, PA 19103

Richard A. Koffman Cohen Milstein Sellers & Toll PLLC 1100 New York Ave., NW Suite 500 Washington, DC 20005 Brent W. Landau Gary L. Smith, Jr. Hausfeld LLP 325 Chestnut Street Suite 900 Philadelphia, PA 19106

William C. Carmody Susman Godfrey LLP 1301 Avenue of the Americas New York, NY 100109

These law firms have also been appointed by the Court as Class Counsel. If you have questions concerning this Notice or the lawsuit, you may contact one of the law firms listed above.

## 11. How will the lawyers be paid?

Class Counsel will seek payment of attorneys' fees and costs and expenses from the Settlement Fund. Any payment of fees must be approved by the Court. Class Counsel will submit an application or applications (the "Fee and Expense Application") to the Court for attorneys' fees of up to 1/3 of the gross Settlement Amount (plus any interest earned thereon as part of the Settlement Fund), and reimbursement of all reasonably incurred expenses and/or future expenses to be expended in litigation on behalf of the Class not to exceed \$3,500,000. The fee and expense application, including the request for any class representative awards, will be filed with the Court and posted on the Settlement Class website on or before March 24, 2019.

## IF YOU DO NOTHING

## 12. What happens if I do nothing at all?

If you do nothing and the Court finally approves the Settlement, you will be part of the Settlement Class, and your interests with respect to the claims in this lawsuit will be represented by the Named Plaintiffs and Class Counsel. You will not be able to sue Defendants individually for any claims related to its alleged violation of the federal antitrust laws and you will be bound by the Release in the Settlement Agreement. If the Settlement is approved, you will need to file a claim form by September 19, 2019 using instructions available on the Settlement website and in a form that will be mailed to you in order to receive monies from the Net Settlement Fund.

# THE FAIRNESS HEARING

The Court will hold a hearing ("Fairness Hearing") to decide whether to approve the Settlement as fair, reasonable, and adequate as well as consider Class Counsel's requests for fees and expenses as well as service awards for the Named Plaintiffs to compensate them for their efforts on behalf of the Class.

# 13. When and where will the Court decide whether to approve the Settlement?

The Court has scheduled a Fairness Hearing on May 22, 2019 at 10:00 a.m. before Judge Cogan at the United States District Court for the Eastern District of New York, at the Courthouse, 225 Cadman Plaza E, Brooklyn, NY, 11201, Courtroom 8D S. The hearing may be moved to a different date or time without additional notice, so it is a good idea to check <a href="https://www.DentalSuppliesAntitrustClassAction.com">www.DentalSuppliesAntitrustClassAction.com</a> for updates. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and should be approved. The Court will also consider the requests by Class Counsel for attorneys' fees and expenses and for Service Awards to the Named Plaintiffs. If there are objections, the Court will consider them at that time. It is unknown how long these decisions will take.

# 14. Do I have to attend the hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. If you submitted your written objection on time to the proper addresses and it complies with all the other requirements set forth above, the Court will consider it. You may also pay your own lawyer to attend the hearing, but it is not necessary.

## 15. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, your timely filed objection or comment must include a statement of whether you intend to appear at the Fairness Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement.

## **GETTING MORE INFORMATION**

#### 16. Are there more details available about the lawsuit?

This Notice summarizes the lawsuit, the terms of the Settlement, and your rights and options in connection with that Settlement. There are more details regarding the Plaintiffs' claims and the Defendants' defenses in the various documents filed with the Court. This Notice, together with the Complaint, the Settlement Agreement, the Plan of Allocation, and other documents relating to the Settlement are or will eventually be posted at <a href="www.DentalSuppliesAntitrustClassAction.com">www.DentalSuppliesAntitrustClassAction.com</a>. Please review the Settlement Agreement for the complete details of the Settlement including the Release.

You may also obtain copies of documents filed in the lawsuit through the Federal Court's Public Access to Court Electronic Records ("PACER") system with registration and payment of the required fee, or by contacting Settlement Class Counsel.

# 17. How do I get more information?

You may contact the Settlement Administrator, Heffler Claims, and also Class Counsel (identified above). To do so, visit <a href="www.DentalSuppliesAntitrustClassAction.com">www.DentalSuppliesAntitrustClassAction.com</a>, or you may call 1-844-367-8807 for more information about this lawsuit.

PLEASE DO NOT CONTACT THE COURT.