

00049 13

**JOHNSON & JOHNSON
ONE JOHNSON & JOHNSON PLAZA
NEW BRUNSWICK, N.J. 08933-0026
TELEPHONE (732) 524-2455**

December 21, 2001

Public Avail. Date: 1/30/02 0225200207
Act Section Rule
1934 14(a) 14a-8

**Office of the Chief Counsel
Division of Corporate Finance
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549**

RECEIVED
OFFICE OF CHIEF COUNSEL
CORP
01 DEC
6

**Re: Johnson & Johnson Shareowner Proposal on "CERES Principles"
(Securities Exchange Act of 1934 - Rule 14a-8)**

Dear Ladies and Gentlemen:

This letter is to inform you that it is the intention of Johnson & Johnson, a New Jersey corporation ("J&J" or the "Company"), to exclude from its proxy statement and form of proxy for J&J's 2002 Annual Meeting of Shareowners (collectively, the "2002 Proxy Materials") a shareowner proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") received from John Harrington of Harrington Investments, Inc. (the "Proponent"). The Proposal seeks to have the Company *endorse the CERES Principles as a reasonable and beneficial component of their corporate commitment to be publicly accountable for environmental performance.*

The Proponent's letter, dated November 9, 2001, setting forth the Proposal and the Supporting Statement is attached hereto as Attachment A.

J&J hereby respectfully requests that the staff of the Division of Corporation Finance (the "Staff") concur in our opinion that the Proposal and the Supporting Statement may be properly excluded from J&J's 2002 Proxy Materials for the reasons and on the basis set forth below.

Pursuant to Rule 14a-8(j), enclosed herewith are six (6) copies of this letter and its attachments. Also in accordance with Rule 14a-8(j), a copy of this letter and its attachments is being mailed on this date to the Proponent, informing him of the Company's intention to exclude the Proposal and the Supporting Statement from the 2002 Proxy Materials. We intend to file our definitive 2002 Proxy Materials with the Commission on or about March 11, 2002. Accordingly, pursuant to Rule 14a-8(j), this

letter is being submitted not less than 80 days before J&J intends to file its definitive proxy statement and form of proxy with the Securities and Exchange Commission.

THE PROPOSAL

The Proposal calls on the Company to endorse the CERES Principles, which "establish an environmental ethic with criteria by which investors and others can assess the environmental performance of companies." (www.ceres.org). (The CERES Principles, as set forth on the CERES website, are included in Section D of the Legal Analysis discussion below.) The Supporting Statement addresses the "integration of environmental commitment into business operations...and the quality with which [the Company] manages its environmental performance." Another fundamental element of the Proposal, as explained in Proponent's letter, is environmental disclosure. As the discussion herein will show, all of these elements of the Proposal have been substantially implemented by the Company.

LEGAL ANALYSIS

We believe that the Proposal and the Supporting Statement may properly be excluded in their entirety from the 2002 Proxy Materials pursuant to Rule 14a-8(i)(10), because the Proposal has been substantially implemented. As discussed below, J&J already has in place substantial policies and procedures that address the issues and concerns of the Proposal, and has already undertaken and issued a report that constitutes the type of review and report that the Proposal seeks to implement.

The Proposal and the Supporting Statement may properly be excluded pursuant to Rule 14a-8(i)(10), which permits the exclusion of a stockholder proposal when a company has already substantially implemented the elements of the Proposal. Release No. 34-40018 (May 21, 1998) (the "1998 Release") notes that this rule merely reflects the interpretation adopted in Exchange Act Release No. 20091 (Aug. 16, 1983) under former Rule 14a-8(c)(10). Pursuant to the 1983 interpretation, the Staff has stated that a determination that the Company has substantially implemented a proposal depends upon whether its particular policies, practices and procedures compare favorably with the guidelines of the proposal. *Texaco, Inc.* (available Mar. 28, 1991).

J&J has already adopted policies and practices (including the Johnson & Johnson Worldwide Environmental Policy ("WEP") annexed hereto as Attachment B) and published a report entitled "Healthy People, Healthy Planet: 2000 Environmental, Health and Safety Sustainability Report" (the "Sustainability Report"), annexed hereto as Attachment C, that demonstrate its "environmental commitment and the quality with which it manages its environmental performance," as contemplated by the Supporting Statement. The Company therefore has already done, and continues to do, what the Proposal asks, thereby rendering the Proposal moot. ☺

When a company can demonstrate that it has already adopted policies or taken actions to address each element of a stockholder proposal, the Staff has concurred that the proposal has been "substantially implemented" and may be excluded as moot. *See, e.g., Nordstrom Inc.* (available Feb. 8, 1995) (proposal that company commit to code of conduct for its overseas suppliers that was substantially covered by existing company guidelines was excludable as moot). To the same effect, *see also The Gap, Inc.* (available Mar. 8, 1996). As discussed below, J&J's environmental policies and practices compare favorably with--and in some areas even go beyond--the substance of the CERES Principles, demonstrating that J&J has substantially implemented the Proposal, rendering it moot.

This letter and Attachments B and C demonstrate that J&J has substantially implemented the CERES Principles, however, the Company points out that the Staff does not require a company to have implemented a proposal in each of its precise details in order to be able to omit the proposal under Rule 14a-8(i)(10). *General Motors Corporation* (avail. March 4, 1996). The *General Motors* letter supports the principle that, regardless of the explicit detail of a proposal, a company is able to omit a proposal under Rule 14a-8(i)(10) if it has substantially implemented the "essential objectives" of the Proposal. J&J believes that it has more than met this standard in connection with the Proposal.

A. The Company's "Healthy People, Healthy Planet: 2000 Environmental, Health and Safety Sustainability Report" is a summary report of a review of the Company's international operations.

The Sustainability Report demonstrates the substantial implementation of the Proposal by showing the environmental commitment, the quality of management of environmental performance and the disclosure of environmental performance which the Proposal and the Supporting Statement seek to implement.

The Sustainability Report was prepared in accordance with the Sustainability Reporting Guidelines, dated June 2000, developed under the Global Reporting Initiative (the "GRI") (see inside cover of Sustainability Report). The GRI was established in late 1997, and is a global, multi-stakeholder effort to create a common framework for voluntary corporate reporting of the (1) environmental, (2) economic and (3) social performance.

The Proposal calls on the Company "to disclose information" about environmental "performance to the[ir] investors and other stakeholders" using the GRI Guidelines. In fact, the first three paragraphs of the Proposal advocate the adoption of the GRI Guidelines by the Company. In Proponent's letter, the Proponent wrote: "I am submitting a shareholder proposal asking the board of directors to endorse the CERES Principles and *to adopt the CERES disclosure format.*" (emphasis added) **The Sustainability Report demonstrates that J&J has adopted and actually discloses**

environmental performance information through use of the GRI Guidelines, thereby demonstrating implementation of the Proposal in that respect.

In the section on "Environmental Performance," the Sustainability Report examines the Company's policies and performance in the areas of reducing energy usage, reducing packaging materials usage, reducing water usage, reducing emissions, effluents and waste, increasing solid waste recycling, protecting biodiversity, implementing a product development model that fully integrates environmental considerations into product conceptualization and design, and complying with environmental regulations. Through the use of numerous easy-to-read charts and graphs, the Sustainability Report clearly illustrates the Company's performance for the reader. The Sustainability Report further details how J&J has made awareness, reporting and innovation in the area of environmental performance goals for its management and workers alike. The comprehensive and detailed nature of the Sustainability Report further indicate that the Company has already substantially implemented the Proposal.

B. The Company has adopted and implemented a policy on environmental policy which also demonstrates substantial implementation of the CERES Principles.

The Company has adopted a Worldwide Environmental Policy (the "WEP"), which sets forth the basic principles and commitments of J&J in environmental affairs. A copy of the WEP is attached as Attachment B. The guidelines and values contained in the WEP, which are supported by comprehensive internal procedures, practices and policies, also demonstrate that the Company has substantially implemented the Proposal and Supporting Statement.

The WEP demonstrates J&J's commitment to, as it states, "operating beyond compliance with all applicable laws and regulations by uniformly meeting Johnson & Johnson global environmental policies and standards, ISO 14001 environmental management system standards, and other voluntary principles."

The Company, through the WEP, has displayed its commitment to adhering to and abiding by principles which are substantially similar to much of the CERES Principles.

C. The Company has also adopted and implemented numerous and comprehensive policies, practices and procedures which further demonstrate substantial implementation of the CERES Principles.

In addition to the policies, practices, and disclosures shown in the Sustainability Report and the WEP, J&J has established comprehensive standards of environmental practices for its operating companies and facilities. For example, the Worldwide Environmental Practices were recently updated to address external manufacturers and supplier relationships.

D. Comparison of CERES Principles and the environmental policies implemented by J&J.

Following is a brief summary which highlights the CERES Principles and how the Company has substantially implemented these principles in its own policies, practices and reports, as shown in the Attachments:

1. **Protection of the Biosphere:** *We will reduce and make continual progress toward eliminating the release of any substance that may cause environmental damage to the air, water, or the earth or its inhabitants. We will safeguard all habitats affected by our operations and will protect open spaces and wilderness, while preserving biodiversity.*

Reference is made to the Johnson & Johnson Credo (the "Credo"), a copy of which is on the back page of the Sustainability Report, which states, "We must maintain in good order the property we are privileged to use, protecting the environment and natural resources." In addition, the intent of this Principle is reflected in many of the provisions in the WEP (see Policy Statement, "Integrating Environmental Goals" and "Utilizing Innovative Technologies"), and throughout the Sustainability Report.

2. **Sustainable Use of Natural Resources:** *We will make sustainable use of renewable natural resources, such as water, soils and forests. We will conserve non-renewable natural resources through efficient use and careful planning.*

This Principle has been implemented through the WEP, and reference is also made to pages 10-12 and page 14 of the Sustainability Report.

3. **Reduction and Disposal of Wastes:** *We will reduce and where possible eliminate waste through source reduction and recycling. All waste will be handled and disposed of through safe and responsible methods.*

This Principle has been implemented through the WEP ("Striving for Zero Waste"), and reference is also made to pages 11-12 and page 14 of the Sustainability Report.

4. **Energy Conservation:** *We will conserve energy and improve the energy efficiency of our internal operations and of the goods and services we sell. We will make every effort to use environmentally safe and sustainable energy sources.*

This Principle has been implemented through the WEP, and reference is also made to pages 10 and 14 of the Sustainability Report.

5. **Risk Reduction:** *We will strive to minimize the environmental, health and safety risks to our employees and the communities in which we operate through safe technologies, facilities and operating procedures, and by being prepared for emergencies.*

This Principle has been implemented through the WEP and the Credo language cited above, as well as through J&J standards of practice.

6. ***Safe Products and Services:*** *We will reduce and where possible eliminate the use, manufacture or sale of products and services that cause environmental damage or health or safety hazards. We will inform our customers of the environmental impacts of our products or services and try to correct unsafe use.*

This Principle has been implemented through the WEP. In addition, on page 12 of the Sustainability Report, the Company describes Design for Environment, a product development model to integrate environmental consideration into product design.

7. ***Environmental Restoration:*** *We will promptly and responsibly correct conditions we have caused that endanger health, safety or the environment. To the extent feasible, we will redress injuries we have caused to persons or damage we have caused to the environment and will restore the environment.*

This Principle has been implemented through the WEP, and reference is also made to pages 12 through 13 of the Sustainability Report. The Credo language referenced above also implements this Principle.

8. ***Informing the Public:*** *We will inform in a timely manner everyone who may be affected by conditions caused by our company that might endanger health, safety or the environment. We will regularly seek advice and counsel through dialogue with persons in communities near our facilities. We will not take any action against employees for reporting dangerous incidents or conditions to management or to appropriate authorities.*

This Principle has been implemented through the WEP and reference is also made to page 9 of the Sustainability Report ("Stakeholder Relationships"). Also, Company policies protect "whistleblowers".

9. ***Management Commitment:*** *We will implement these Principles and sustain a process that ensures that the Board of Directors and Chief Executive Officer are fully informed about pertinent environmental issues and are fully responsible for environmental policy. In selecting our Board of Directors, we will consider demonstrated environmental commitment as a factor.*

Johnson & Johnson's Policy on Business Conduct requires all senior managers of the Company's operating companies to certify annually that their operating companies comply with all applicable environmental laws and regulations. The Sustainability Report demonstrates the involvement of the Chief Executive Officer and other members of senior management in environmental affairs. The entire Board of Directors receives updates, at least annually, on the Company's compliance with environmental policies, rules and regulations. The Directors on the Board's Public Policy Advisory Committee receive frequent reports on environmental compliance.

10. ***Audits and Reports:*** *We will conduct an annual self-evaluation of our progress in implementing these Principles. We will support the timely creation*

of generally accepted environmental audit procedures. We will annually complete the CERES Report, which will be made available to the public.

The Sustainability Report itself evidences our implementation of this Principle. The Company conducts self-evaluations and reports these results.

Notwithstanding the foregoing, the Company expressly reserves the right to supplement this letter, including the above summary, by providing further evidence, if deemed necessary or advisable, to demonstrate that J&J has substantially implemented the CERES Principles.

A determination that a company has substantially implemented a proposal depends upon whether its particular policies, practices and procedures compare favorably with the guidelines of the proposal. *Texaco, Inc.* (available Mar. 28, 1991) The Company believes that the above summary and the Attachments show that its "particular policies, practices and procedures compare favorably with" the CERES Principles. Moreover, notwithstanding certain explicit details of the Proposal, the Company has substantially implemented the "essential objectives" of the Proposal. *General Motors Corporation* (avail. March 4, 1996). Accordingly, the Proposal has been "substantially implemented" and thus may be properly excluded from the Company's 2002 Proxy Materials pursuant to Rule 14a-8(i)(10).

Texaco, Inc. specifically addressed substantial implementation with the Valdez environmental principles (the forerunner of the CERES Principles). In the *Texaco* letter, the Staff said "the proposal presents the question of whether the Company should subscribe to guidelines which suggest operational and managerial programs be implemented and that provision be made [for] periodic disclosure as well as compliance review." (SEC letter dated March 6, 1991). We believe that the Sustainability Report, and the other policies and practices discussed herein, clearly show that Johnson & Johnson has met this burden—operational and managerial programs have been implemented and periodic disclosure and compliance review currently take place.

Finally, the Proposal asks the Company to demonstrate its "corporate commitment to be publicly accountable for environmental performance." In short, the Sustainability Report evidences that J&J has done so. For these reasons we believe that the Proposal has therefore been substantially implemented and may be excluded pursuant to Rule 14a-8(i)(10).

Notwithstanding the foregoing, the Company reserves the right to exclude the Proponent's proposal under other provisions of Rule 14a-8(i), and supplement this letter accordingly, if the Staff is unable to confirm that the Proponent does not meet the eligibility requirements to submit a proposal under Rules 14a-8(i)(10).

CONCLUSION

For the foregoing reasons, we respectfully request that the Staff concur in our opinion that the Proposal and Supporting Statement may be properly excluded from J&J's 2002 Proxy Materials.

If you have any questions relating to this request or if you require any additional information, please feel free to give me a call at Johnson & Johnson at (732) 524-2464. In the event that the Staff disagrees with the conclusions expressed herein, or requires any information in support or explanation of the Company's position, we would appreciate an opportunity to confer with the Staff before issuance of its response.

We request that you acknowledge receipt of this letter and the enclosures by stamping and returning the enclosed additional copy of the cover page of this letter using the enclosed self-addressed stamped envelope.

Thank you for your prompt attention to this matter.

Very truly yours,



Michael H. Ullmann
Corporate Secretary &
Assistant General Counsel

cc:

John Harrington
Harrington Investments, Inc.

Amy L. Goodman, Esq.
Gibson, Dunn & Crutcher LLP

ENDORSEMENT OF THE CERES PRINCIPLES FOR PUBLIC ENVIRONMENTAL ACCOUNTABILITY

WHEREAS:

Leaders of industry in the United States now acknowledge their obligation to pursue superior environmental performance and to disclose information about that performance to their investors and other stakeholders.

The integrity, utility, and comparability of environmental disclosure depend on using a common format, credible metrics, and a set of generally accepted standards. This will enable investors to assess environmental progress within and across industries.

The Coalition for Environmentally Responsible Economies (CERES) - a ten-year partnership between large investors, environmental groups, and corporations - has established what we believe is the most thorough and well-respected environmental disclosure form in the United States. CERES has also taken the lead internationally, convening major organizations together with the United Nations Environment Programme in the Global Reporting Initiative (GRI). The GRI Guidelines for standardizing environmental disclosure worldwide are already pilot-tested by 20 companies.

Companies which endorse the CERES Principles engage with stakeholders in transparent environmental management and agree to a single set of consistent standard for environmental reporting. That standard is set by the endorsing companies together with CERES.

The CERES Principles and CERES Report have been adopted by leading firms in various industries: American Airlines, Arizona Public Service, Bank America, BankBoston, Baxter International, Bethlehem Steel, Coca-Cola, Ford, General Motors, Interface, ITT Industries, Nike, Northeast Utilities, Pennsylvania Power and Light, Polaroid, and Sun Company.

We believe endorsing the CERES Principles commits a company to the prudent oversight of its financial and physical resources through: 1) protection of the biosphere; 2) sustainable use of natural resources; 3) waste reduction; 4) energy conservation; 5) risk reduction; 6) safe products/services; 7) environmental restoration; 8) informing the public; 9) management commitment; 10) audits and reports. (The full text of the CERES Principles and accompanying CERES Report form are obtainable from CERES, 11 Arlington Street, Boston Massachusetts 02116, (617) 247-0700 / www.ceres.org).

RESOLVED:

Shareholders request that the company endorse the CERES Principles as a reasonable and beneficial component of their corporate commitment to be publicly accountable for environmental performance.

SUPPORTING STATEMENT

Recent studies show that the integration of environmental commitment into business operations provides competitive advantage and improves long-term financial performance for companies. In addition, the depth of a firm's environmental commitment and the quality with which it manages its environmental performance are indicators of prudent foresight exercised by management.

Given investors' needs for credible information about a firm's environmental performance, and given the number of companies that have already endorsed the CERES Principles and adopted its report format, it is a reasonable, widely accepted step for a company to endorse those Principles if it wishes to demonstrate its seriousness about superior environmental performance.

Your vote FOR this resolution serves the best interests of our Company and its shareholders.



Attachment A

November 9, 2001

UJW
RSL

Ralph S. Larsen
Chairman & CEO
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, NJ 08933

Dear Mr. Larsen:

Harrington Investments, Inc., is a registered investment advisor managing assets for individuals and institutions concerned with a social as well as financial return. You may recall my letter of October 10, 2001 in which I expressed my interest in our firm's environmental performance and its relationship to long-term shareholder value. As shareholders, my clients and I hold the conviction that strong environmental performance is evidence of a well-managed company and is a real contributor to superior financial returns. To date I have not received your reply.

Therefore, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Act of 1934, I am submitting a shareholder proposal asking the board of directors to endorse the CERES Principles and to adopt the CERES disclosure format. I am the beneficial owner of 200 shares of Johnson & Johnson and the shares were purchased over a year ago and have continuously been held since then. I will continue to hold the shares through the date of the next annual stockholders meeting. Verification of ownership is enclosed.

It is my hope that we will enter into a dialogue about this matter directly with the company's senior officers to possibly reach some sort of an agreement so that the proposal's inclusion in our company's proxy materials for the 2002 annual meeting of shareholders could be avoided. Again, I want to stress that I am approaching the company not as a criticism of the company's performance, but out of the belief that standardized environmental disclosure is the wave of the future and that delivering better information to investors and other stakeholders is in everyone's best interest. I look forward to hearing from and to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "John Harrington", written in a cursive style.

John Harrington
President

Cc: Dan Bakal, Director of Outreach, CERES
Ariane Van Buren, Director of Energy & Environmental Programs, ICCR



MICHAEL H. ULLMANN
SECRETARY

ONE JOHNSON & JOHNSON PLAZA
NEW BRUNSWICK, NJ 08933-0026
(732) 524-2455
FAX: (732) 524-2185

January 18, 2002

VIA FEDERAL EXPRESS

RECEIVED
OFFICE OF CHIEF COUNSEL
CORPORATE FINANCE
02 JAN 29 PM 5:04

Office of the Chief Counsel
Division of Corporate Finance
Securities and Exchange Commission
450 Fifth Street, NW
Washington, D.C. 20549

RE: JOHNSON & JOHNSON SHAREOWNER PROPOSAL ON "CERES PRINCIPLES"
(Securities Exchange Act of 1934 - Rule 14a-8)

Dear Ladies and Gentlemen:

Reference is made to the letter dated December 21, 2001 submitted by Johnson & Johnson in connection with a shareowner proposal received from Harrington Investments.

As indicated on the attached letter, the shareowner proponent has withdrawn the proposal.

Accordingly, we are withdrawing our no-action letter request.

Sincerely,

Michael H. Ullmann

lap/Attachment
cc: Mr. J. Harrington, Harrington Investments



January 16, 2002

Michael Ullmann
Corporate Secretary
One Johnson & Johnson Plaza
New Brunswick, NJ 08933

Fax: (732) 524-2185

Dear Michael:

I am pleased to receive your letter of January 17, 2002, in which you state that Johnson & Johnson has committed Karl Schmidt, V.P. of Worldwide Environmental Affairs, or one his direct staff, to attend the CERES conference this April in Washington, D.C.

I also understand that you have agreed to continue a stakeholder dialogue between Johnson & Johnson and CERES in which both parties will discuss environmental reporting and the CERES coalition.

Based on these commitments, I am happy to withdraw the shareholder proposal submitted for inclusion in the company's 2002 proxy materials.

Sincerely,

A handwritten signature in black ink, appearing to read "John Harrington", is written over the typed name and title.

John Harrington
President

Cc: Chief Counsel, Office of Corporate Finance, The Securities & Exchange Commission
Alana Smith, Harrington Investments, Inc.
Dan Bakal, CERES
Ariane Van Buren, ICCR

00061
AK



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

January 30, 2002

Michael H. Ullmann
Secretary
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, NJ 08933-0026

Act 1934
Section 14A-8
Rule _____
Public Availability 1/30/2002

Re: Johnson & Johnson

Dear Mr. Ullmann:

This is in regard to your letter dated January 18, 2002 concerning the shareholder proposal submitted by Harrington Investments for inclusion in Johnson & Johnson's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the proponent has withdrawn the proposal, and that Johnson & Johnson therefore withdraws its December 21, 2001 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Sincerely,

Jennifer Gurzenski
Attorney-Advisor

cc: John Harrington
President
Harrington Investments, Inc.
1001 2nd Street
Suite 325
Napa, CA 94559