



# RIGHT TO REPAIR

The Federal Trade Commission (FTC) has decided to aggressively enforce the Right to Repair provisions of the Magnuson Moss Warranty Act. These provisions are intended to prevent manufacturers from unreasonably restricting customer options regarding warranty covered repairs.

The recent FTC policy statement (Policy Statement of the Federal Trade Commission on Repair Restrictions Imposed by Manufacturers and Sellers ([ftc.gov](https://www.ftc.gov))) has identified 8 examples of manufacturer/dealer conduct what has the potential for "restricting competition for repair services" "without reasonable justification." Those practices include:

- imposing physical restrictions on repairs, such as adhesives or proprietary screws that prevent product disassembly;
- limiting access to parts, manuals, diagnostic software, and tools to only manufacturers' authorized repair networks;
- designing products to make independent repairs less safe;
- limiting the availability of telematics information, which is information that a vehicle collects about its operation and transmits to a central location;
- asserting intellectual property rights in an "unlawful, overbroad manner";
- disparaging aftermarket or third-party parts and independent repair;
- using "unjustified" software locks, digital rights management, and technical protection measures; and
- imposing "restrictive" end user license agreements.

In addition, numerous class actions have been brought in the last three years on these issues. Manufacturers with repair and service policies should assess:

- their practices against the current enforcement environment, including the business justifications for any repair restrictions;
- how they communicate those restrictions to customers;
- customers' understanding of a product's lifecycle costs; and
- how (if at all) the repair restriction relates to the product's warranty coverage.



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