

FTC Announced Third Right to Repair Action in Three Weeks

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The FTC is focused on ensuring that consumers have options when it comes to repairing products. In 2019, they held a workshop to discuss manufacturer restrictions on repair rights. In a 2021 report, they concluded there was "scant evidence to support manufacturers' justifications for repair restrictions." After that, they issued a Policy Statement calling for more aggressive enforcement against manufacturers that impose these restrictions. Two weeks ago, we posted about settlements with Harley-Davidson and Westinghouse. Last week, the FTC announced a third settlement, this one involving Weber.

According to the FTC, Weber's warranty included terms that conveyed that the warranty is void if customers use or install third-party parts on their grill products. For example, the warranty on certain Summit grills stated: "[t]he use and/or installation of parts on your WEBER products that are not genuine WEBER parts will void this warranty, and any damages that result hereby are not covered by this warranty."

As we noted in our previous post, these types of restrictions violate the Magnuson Moss Warranty Act, which broadly prohibits companies from conditioning a consumer product warranty on the consumer's use of any article or service which is identified by brand name unless it is provided for free. Companies can, however, exclude warranty coverage for defects or damage *caused by* unauthorized parts or service.

As with the Harley-Davidson and Westinghouse settlements, Weber is prohibited from telling consumers that their warranties will be void if they use third-party parts, or that they should only use Weber-brand parts. Weber will be required to add specific language to its warranty saying, "Using third-party parts will not void this warranty." If the company violates these terms, the FTC will be able to seek civil penalties of up to \$46,517 per violation in federal court.

Companies that offer product warranties should take a close look at their warranty terms and related communications to ensure that they comply with the Magnuson Moss Warranty Act and developing federal and state laws specific to right to repair. We're likely to see more of these actions on the federal and state levels.