

New Law Modernizes Warranty Obligations

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We frequently help clients figure out how to deal with laws that are outdated, so it's nice to see when one of those laws gets updated to reflect current technology. Last month, President Obama signed the E-Warranty Act of 2015, which is designed to modernize the Magnuson-Moss Warranty Act of 1975.

For 40 years, manufacturers of certain consumer products have been required to include warranty terms on a printed document. (Check your car's glove compartment, for example.) The new law now permits manufacturers to post warranty information online, instead. Manufacturers who do that will have to provide a URL to the warranty terms, either on the product, its package, or its manual. They must also provide a non-Internet based method of obtaining the terms, such as a phone number or mailing address.

The FTC's Rule on Pre-Sale Availability of Written Warranty Terms still requires that written warranties on consumer products costing more than \$15 be available to consumers before they buy. Now, this requirement can also be satisfied by providing electronic access to the terms prior to sale.

The new law requires the FTC to revise its rules within one year, so stay tuned for future developments.