

UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

Office of the Chair

Remarks of Chair Lina M. Khan White House Convening on Right to Repair

October 24, 2023

Good afternoon, everyone. Thanks so much to Director Brainard and the White House National Economic Council for facilitating today's convening. And thank you to Director Perez and Deputy Administrator McCabe for your critical efforts in this space.

Changes in technology and more prevalent use of software have created fresh opportunities for companies to limit Americans' right to repair their own products. As both the FTC's work and public reporting have documented, companies too often will use a whole set of restrictive practices, including limiting the availability of parts and tools, using exclusionary designs and product decisions that make independent repair less safe, and making assertions of patent and trademark rights that are overbroad. These types of restrictions can significantly raise costs for consumers, stifle innovation, close off business opportunity for independent repair shops, create unnecessary electronic waste, delay timely repairs, and undermine resiliency.

As digital devices continue to become an essential part of navigating daily life, fighting to protect people's right to repair their own products is essential. At the FTC, we've heard about how people's right to repair their own products can even be a matter of life and death. We've heard from healthcare workers in hospitals worried that they would be unable to fix a ventilator because a manufacturer was seeking to deny access to repair it. We've also heard from farmers relying on tractors and other equipment about how repair restrictions have led to spoiled crops and missing out on critical income.

Makers of equipment and devices may be incentivized to limit repair opportunities so that they can extract recurring revenue or induce new purchases, rather than allow families and businesses to reap the benefits of an open and competitive repair market. We also hear some manufacturers defend repair restrictions, claiming that they're needed for safety and security reasons. The FTC has found, though, that all too often these claims are backed by limited evidence.¹ Accordingly, the FTC has committed itself to using all of our enforcement and policy tools to fight for people's right to repair their own products. We've brought a set of enforcement actions combatting unlawful repair restrictions, including against motorcycle manufacturer Harley-Davidson, grill maker Weber, and the manufacturer of Westinghouse outdoor power equipment.²

² Press Release, Fed. Trade Comm'n, FTC Takes Action Against Weber for Illegally Restricting Customers' Right to Repair (July 7, 2022), <u>https://www.ftc.gov/news-events/news/press-releases/2022/07/ftc-takes-action-against-</u>

¹ Press Release, FTC Report to Congress Examines Anti-Competitive Repair Restrictions, Recommends Ways to Expand Consumers' Repair Options (May 6, 2021), <u>http://ftc.gov/news-events/news/press-releases/2021/05/ftc-report-congress-examines-anti-competitive-repair-restrictions-recommends-ways-expand-consumers.</u>

Over the past year, there's been a groundswell of right to repair bills introduced in a whole set of states, and the FTC has been grateful for the opportunity to provide input on several of these efforts. We welcome the opportunity to work with state and federal legislators that are championing right to repair legislation, and recently, our staff testified before a California State Senate committee considering a bill that would create a "right to repair" for several types of consumer products.³ We were thrilled to see that bill signed into law earlier this month.

I'd like to give a special thanks to President Biden for his clear-eyed leadership on this issue, to state policymakers for their critical work, and to the independent repair community and advocates for being such vigorous champions of this work. The FTC will continue to use all of our authorities to fight unlawful repair restrictions, and we stand ready to support state and federal policymakers to further codify protections for people's right to repair.

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weber-illegally-restricting-customers-right-repair; Press Release, Fed. Trade Comm'n, FTC Takes Action Against Harley-Davidson and Westinghouse for Illegally Restricting Customers' Right to Repair (June 22, 2022), https://www.ftc.gov/news-events/news/press-releases/2022/06/ftc-takes-action-against-harley-davidson-westinghouse-illegally-restricting-customers-right-repair-0.

³ Press Release, Fed. Trade Comm'n, FTC Testifies Before California State Senate on Right to Repair (Apr. 11, 2023), <u>https://www.ftc.gov/news-events/news/press-releases/2023/04/ftc-testifies-california-state-senate-right-repair</u>.