

**PREPARED STATEMENT OF
THE FEDERAL TRADE COMMISSION**

on

Repair Restrictions

Before the

COMMITTEE ON BUSINESS AFFAIRS & LABOR

COLORADO GENERAL ASSEMBLY

Denver, CO

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Chair Amabile, Vice Chair Ricks, and members of the Committee, I am Christine Todaro, an attorney in the Federal Trade Commission’s (“Commission” or “FTC”) Bureau of Consumer Protection. I appreciate the opportunity to present the FTC’s testimony on manufacturer repair restrictions¹ and am honored to appear before a state legislature that has been at the forefront of expanding repair options for consumers.

When manufacturers impose obstacles to independent repair, they drive up the price that Colorado consumers must pay to fix a device and cause them to purchase a new device before the end of its useful life. Manufacturer repair restrictions also make it more challenging for Colorado’s small repair businesses to compete and cause the state’s landfills to overflow with unnecessary e-waste. The FTC supports HB 24-1121 because it protects Colorado consumers’ access to cost-effective repairs and advances the numerous benefits that flow from increased competition in repair markets.

This testimony is based on the findings in the Nixing the Fix Report (the “Report”)² – a report mandated by Congress and issued unanimously by the bipartisan FTC in May 2021 – as well as the Commission’s subsequent work to expand repair options for consumers.

Some of the main types of repair restrictions analyzed in the Report include manufacturers’ efforts to impede owners’ and independent repair providers’ access to spare parts, diagnostic tools, and repair instructions – the types of repair restrictions addressed by HB 24-1121. The Report also discussed a type of repair restriction that HB 24-1121 specifically

¹ This written statement presents the views of the Federal Trade Commission. My oral statements and responses to questions are my own and do not necessarily reflect the views of the Commission or of any Commissioner.

² *Nixing the Fix: An FTC Report to Congress on Repair Restrictions* (May 6, 2021), https://www.ftc.gov/system/files/documents/reports/nixing-fix-ftc-report-congress-repair-restrictions/nixing_the_fix_report_final_5521_630pm-508_002.pdf.

addresses – parts pairing – where some manufacturers require owners and independent repair providers to obtain the manufacturer’s approval before replacement parts can be fully integrated into a device.

For example, although Apple has expressed its general support for the right to repair,³ news reports indicate that Apple nevertheless continues to use parts pairing requirements that undermine the right to repair.⁴ These news reports state that Apple engages in parts pairing by requiring owners and independent repair providers to provide a device’s serial or IMEI number when ordering a replacement part and, for some products, also requiring that they telephone Apple to have the parts pairing process completed after the part has been installed.⁵

Manufacturers that engage in parts pairing hinder the ability of independent repair shops to stock and use both after-market parts and parts supplied by the manufacturer. Parts pairing also inhibits competition that would reduce the cost of repairing products, introduces artificial delays into the repair process, and may be a powerful motivation for consumers to replace rather than repair their products.⁶ And, as Janet McCabe, Deputy Administrator of the Environmental

³ Andrea Shalal, Stephen Nellis and David Shepardson, *Apple Backs Biden’s Push for Right-to-Repair Law*, Reuters (Oct. 24, 2023), <https://www.reuters.com/technology/apple-make-tools-parts-fix-phones-computers-available-nationwide-white-house-2023-10-24/>.

⁴ Tripp Mickle, Ella Koeze and Brian X. Chen, *You Paid \$1,000 for an iPhone, but Apple Still Controls It*, The New York Times (Nov. 12, 2023), <https://www.nytimes.com/2023/11/12/technology/iphone-repair-apple-control.html>.

⁵ Chris Welch, *Apple adds iPhone 14 line and M2 MacBooks to its Self Service Repair program*, The Verge (June 20, 2023), <https://www.theverge.com/2023/6/20/23766959/apple-self-service-repair-iphone-14-m2-macbooks>.

⁶ For many consumers, including Black and Hispanic consumers, consumers that live in rural areas, and consumers who earn less than \$30,000 a year who, according to PEW Research Center may be smartphone-only internet users, impediments to repair are far more than an inconvenience. *Mobile Fact Sheet*, Pew Research Center (Apr. 7, 2021), <https://www.pewresearch.org/internet/fact-sheet/mobile>. Consumers may decide that they can’t easily live without the device during the repair process and so they instead choose to replace it.

Protection Agency (EPA), recently noted, the right to repair extends the lifecycle of products — reducing waste and helping combat climate change.⁷

Manufacturers often defend their use of repair restrictions – including parts pairing – by claiming that the restrictions are needed to protect consumers and repair workers and prevent cybersecurity risks.⁸ The Nixing the Fix report debunked these claims, explaining that there is scant evidence to support manufacturers’ justifications for repair restrictions, including claims about the safety of repairs conducted by independent repair shops and owners and the security of consumers’ data.

Some manufacturers continue to insist that parts pairing is needed to protect owners’ safety and cybersecurity. Not all manufacturers, however, have taken this position.⁹

Thank you for the opportunity to provide the Commission’s views. The FTC remains committed to promoting competition and consumer choice in repair markets and welcomes the opportunity to work with Colorado legislators on this critical issue.

⁷ The White House, *White House Convening on Right to Repair*, YouTube (Oct. 24, 2023), <https://www.youtube.com/watch?v=Ug3DkX7VRy8&t=831s>.

⁸ Emma Roth, *Apple argues against right-to-repair bill that would reduce its control*, The Verge (Feb. 9, 2024), <https://www.theverge.com/2024/2/9/24067957/apple-right-to-repair-oregon-bill-parts-pairing-ban>.

⁹ Steven Nickel, *How Google is supporting repair and sensible right to repair legislation*, (Jan. 11, 2024), <https://blog.google/outreach-initiatives/public-policy/how-google-is-supporting-repair-and-sensible-right-to-repair-legislation/>.