



Office of the Chair

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

**Statement of Chair Lina M. Khan
Joined by Commissioner Rebecca Kelly Slaughter
In the Matter of Harley-Davidson Motor Company Group, LLC
and MWE Investments, LLC
Commission File Nos. 2123140, 2223012**

June 22, 2022

Today the Commission announced actions settling charges that Harley-Davidson, LLC and MWE Investments, LLC (“Westinghouse”) have engaged in unlawful repair restrictions.

As stated in the complaints, the Commission charged Harley-Davidson, which manufactures motorcycles and related equipment, and Westinghouse, which makes and sells outdoor generators and related products, with unlawfully conditioning their warranties on the use of authorized parts in violation of both the Magnuson-Moss Warranty Act and the FTC Act. The Commission also alleged that Harley-Davidson failed to provide a clear description of warranty terms in a single document, a violation of the Disclosure Rule.

The consent orders obtained in these matters bar both manufacturers from continuing the unlawful tying of their warranties to the use of authorized service or parts and prohibit them from misrepresenting any material facts about the warranty. Importantly, the firms are also required to note clearly and conspicuously in public statements that using third-party parts or repair services will not void the warranty. They must also provide customers with clear notice alerting them of the change.

In July 2021, the Commission unanimously adopted a policy statement that committed the agency to prioritizing enforcement actions tackling unlawful repair restrictions.¹ Today’s enforcement actions—the first addressing unlawful repair restrictions since we adopted the

¹ Press Release, Fed. Trade Comm’n, FTC to Ramp Up Law Enforcement Against Illegal Repair Restrictions (July 21, 2021), <https://www.ftc.gov/news-events/news/press-releases/2021/07/ftc-ramp-law-enforcement-against-illegal-repair-restrictions>. This policy statement followed a July 2019 workshop that the FTC held on unlawful repair restrictions and a May 2021 report documenting the types of repair restrictions that firms frequently impose and the various arguments criticizing and defending them. See *Nixing the Fix: A Workshop on Repair Restrictions*, FED. TRADE COMM’N (July 16, 2019), <https://www.ftc.gov/news-events/events/2019/07/nixing-fix-workshop-repair-restrictions>; Press Release, Fed. Trad Comm’n, FTC Report to Congress Examines Anti-Competitive Repair Restrictions, Recommends Ways to Expand Consumers’ Repair Options (May 6, 2021), <https://www.ftc.gov/news-events/news/press-releases/2021/05/ftc-report-congress-examines-anti-competitive-repair-restrictions-recommends-ways-expand-consumers>.

policy statement—mark an important step forward, demonstrating our commitment to vigorously protecting Americans’ right to repair. We are grateful to the Bureau of Consumer Protection staff for their excellent work driving this effort forward.

Illegal repair 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—harms that can have an outsized impact on low-income communities in particular.² It is critical that unlawful repair restrictions continue to be a key area of focus for the Commission and that we continue to use all of our tools and authorities to root out these illegal practices.

² Remarks of Chair Lina M. Khan Regarding the Proposed Policy Statement on Right to Repair, at 1 (July 21, 2021), <https://www.ftc.gov/legal-library/browse/cases-proceedings/public-statements/remarks-chair-lina-m-khan-regarding-proposed-policy-statement-right-repair>; FED. TRADE COMM’N, NIXING THE FIX: AN FTC REPORT TO CONGRESS ON REPAIR RESTRICTIONS, at 4-5, 9-15 (2021).