Compliance & Risks

Webinar

Prepare to Repair: Right-to-Repair Rules in the US and the EU

29th of May, 2024



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Q&A Session

Slides & Webinar Recording



Webinar **Platform** Tips



Request a Demo



Meet the Team



Juliana Kecerová Senior Regulatory Compliance Specialist



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Mission Statement

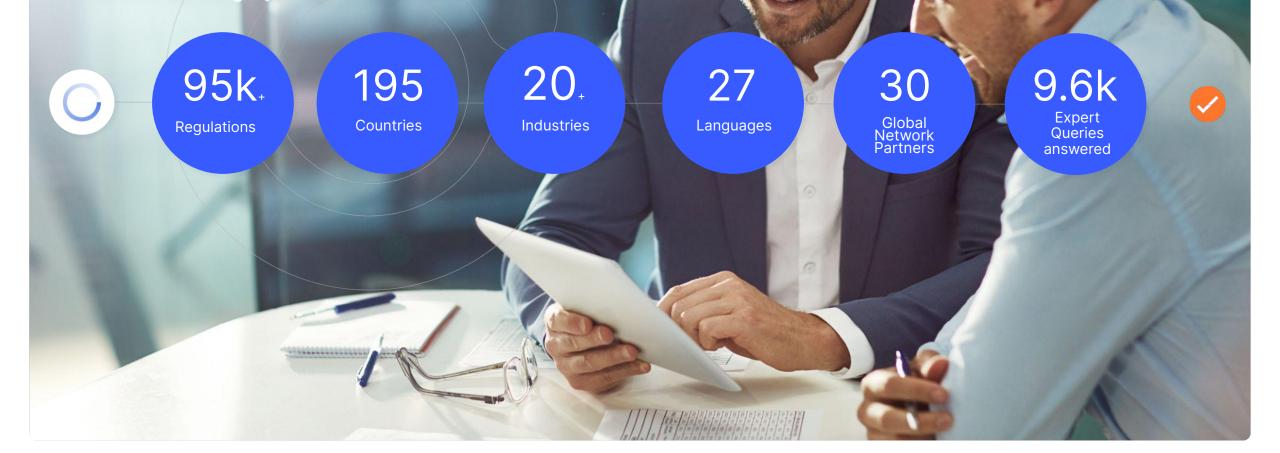
Ensure global companies have the tools & information to build safe, sustainable, products in a world full of change

Trusted by the World's Leading Brands









WHAT WE DO

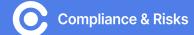
Unlocking Market Access

Keep on top of regulatory changes and their impact worldwide. Early warning alerts, impact probability, productivity workflow tools and so much more.





EU - Strengthening Right to Repair for Consumers



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EU Right to Repair

Directive for Common Rules Promoting the Repair of Goods (Adopted)

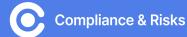
- Limited scope goods purchased by consumers applies to products for which the EU Ecodesign legislation lays down reparability requirements, i.e.
 - washing machines
 - dishwashers
 - refrigerators
 - vacuum cleaners
 - electronic displays
 - mobile phones and slate tablets
 - welding equipment
- Mandate the Repair of Goods for a defect **outside of legal guarantee period** of the seller
- Manufacturers make available free of charge information on their repair services in an easily accessible, clear and comprehensible manner
- Repairers may provide the consumer with a European Repair Information Form (voluntary basis) i.e. Standardised form, free of charge, for a quote for a repair service



EU Right to Repair - Producer Requirements

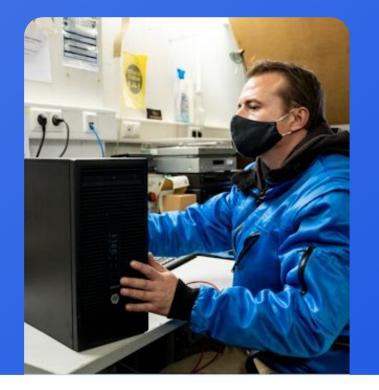
- 1. Manufacturer must (upon consumer request) repair the product (to extent covered by ecodesign regs.) unless repair is impossible. Manufacturer may also sub-contract the repair.
- 2. Applies to manufacturer/authorised rep (foreign manufacturer), importer or distributor
- 3. Standardised Conditions:
 - a. repair is free or charge or at a **reasonable** price;
 - b. repair is carried out within a **reasonable** time,
 - c. replacement good may be provided during the duration of the repair,
 - d. for impossible repair, a refurbished product may be offered.





EU Right to Repair - Producer Requirements

- Consumers must have access to list of prices for typical repair of products on a website
- Manufacturer cannot block the use of original or second-hand spare parts issued from 3D-printing, by independent repairers when those spare parts are in conformity
- Manufacturers cannot use any practices that hinder repair such as contractual clauses, hardware or software techniques that impede the repair of goods unless justified
- Manufacturers cannot refuse a repair for the sole reason that a previous repair was performed on the product by another repairer



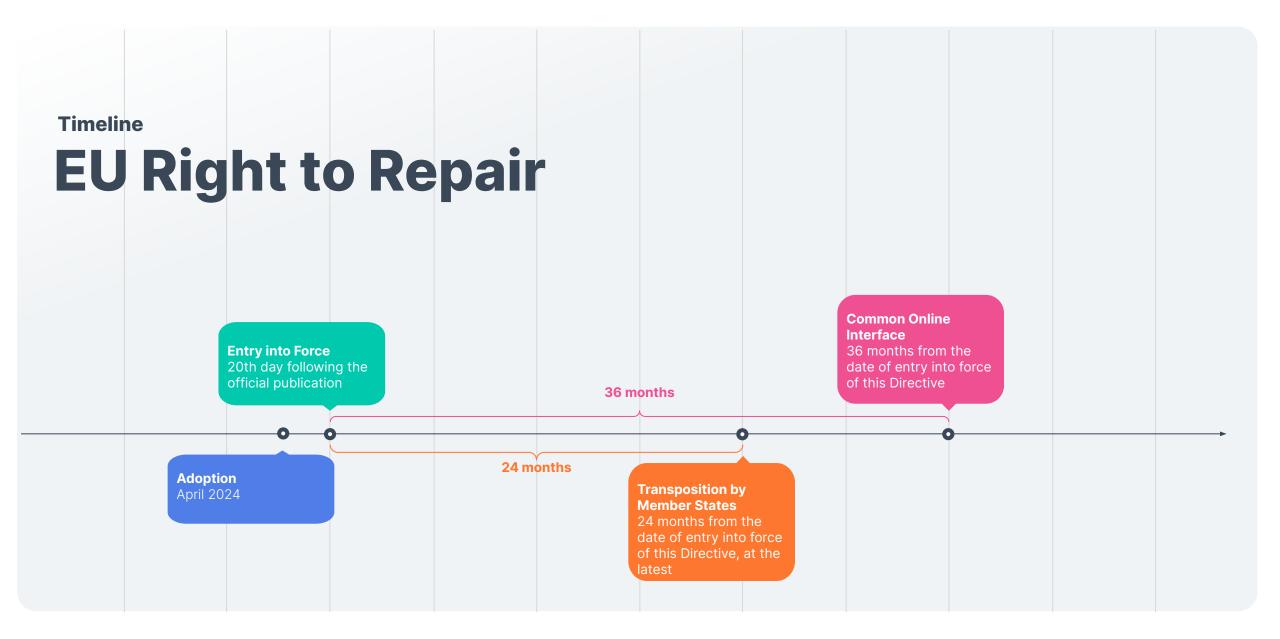


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EU Right to Repair

European Online Platform for Repair

- allow consumers to find repairers and/or sellers of refurbished goods
- a common online interface for the European online platform
- national sections based on a common online interface
- include links to national online platforms for repair
- ensuring the IT maintenance of the common online interface and respond to technical or other queries from users
- accessible for free for consumers
- voluntary registration for repairers







USA Right to Repair -Gaining Momentum

Recent Laws Approved in US States

New York: Digital Fair Repair Act, Senate Bill 4104 (In Force December 28, 2023)

- Original equipment manufacturer (OEM) make available to any independent repair provider and owner (consumer) of digital electronic equipment, on fair and reasonable terms, any documentation, parts, and tools needed to diagnose, maintain, or repair digital electronic equipment and parts
- Digital Electronic Equipment any hardware product w/ functions dependent on digital electronics embedded in or attached to the product - not including products sold under business-to-government or business-to-business contract and which are not sold at retail
- **Tool** any software program, hardware implement, or similar used to *diagnose, maintain* or *repair* equipment includes software that provides, programs, pairs a part, calibrates functionality, or performs any function required to repair/update equipment or part back to full function
- Documentation any manual, diagram, reporting output, service code description, schematic diagram, or similar required for diagnosis, maintenance or repair of equipment



Recent Laws Approved in US States

California: Right to Repair Act, Senate Bill 244 (In force January 1, 2024)

- Intended to provide a fair marketplace for the repair of *electronic and appliance products* also to prohibit intentional barriers and limitations to third-party repair
- Electronic or appliance product a product manufactured sold or used in California, as described in subdivision (h), (i), (j), or (k) of Section 9801 of the Business and Professions Code:
 - *Electronic set* television, radio, video camera, video game, computer system, photocopier, or fax machine used/sold for personal, family, household, or home office use, etc.
 - Appliance or major home appliance refrigerator, freezer, range, microwave oven, washer, dryer, dishwasher, trash compactor, or room air-conditioner used/sold for personal, family, household, or home office use, or use in private motor vehicles
 - Antennas and rotators used with antennas
- Includes products sold to schools, businesses, local governments, or using other methods outside of direct retail sale

Recent Laws Approved in US States California: Right to Repair Act, Senate Bill 244 (In force January 1, 2024) (Cont'd)

- Scenario #1: Every manufacturer of an *electronic or appliance product* with a wholesale price to the retailer, or to others outside of direct retail sale, of **not less than fifty dollars (\$50)** and **not more than ninety-nine dollars and ninety-nine cents (\$99.99)**, shall provide to *product owners, service and repair facilities, and service dealers, proper documentation* and *functional parts* and *tools*, to *diagnose, maintain, or repair a product* for **at least three years** after the last date a product model or type was manufactured (even if this exceeds the warranty period)
- Scenario #2: Every manufacturer of an *electronic or appliance product* with a wholesale price to the retailer, or to others outside of direct retail sale, of **one hundred dollars (\$100) or more**, shall provide to *product owners, service and repair facilities, and service dealers proper documentation* and *functional parts* and *tools* to *diagnose, maintain, or repair a product* for **at least seven years** after the last date a product model or type was manufactured (even if this exceeds the warranty period)



Recent Laws Approved in US States

Minnesota: Digital Fair Repair Act, Senate File 2744 (In force July 1, 2024)

- Original equipment manufacturer (OEM) make available to any independent repair provider or owner (consumer) of digital electronic equipment, on fair and reasonable terms, any documentation, parts, and tools, for diagnosing, maintaining, or repairing digital electronic equipment and parts
- Original equipment manufacturer individual or business selling or leasing to any individual or business new digital electronic equipment manufactured by, or on behalf of, OEM
- Necessary parts, tools, and documentation shall be available within 60 days after first sale in MN, includes any updates to information or embedded software
- Requirements do not:
 - cover parts, tools, or documentation no longer available to the OEM
 - require OEM to reveal trade secrets/license any intellectual property, except as needed
 - require OEM to make available parts, etc. related to cybersecurity, except as needed



Recent Laws Approved in US States

Oregon, Senate Bill 1596 (In force January 1, 2025)

Original equipment manufacturer (OEM) - make available to an owner (consumer) or an independent repair provider, on fair and reasonable terms, any documentation, tool, part or other device or implement that the OEM makes available to an authorized service provider for use in diagnosing, maintaining, repairing or updating covered equipment

First US state to outlaw "parts pairing" - prohibits software barriers used by electronics manufacturers to prevent or inhibit consumers, fixers, and repair pros from replacing parts

An OEM may not use *parts pairing* to:

- prevent or inhibit an independent repair provider or owner from installing or enabling functional replacement parts, this includes parts the OEM has not approved;
- reduce functionality or performance of consumer electronic equipment; or
- cause equipment to display misleading alerts/warnings that owner cannot immediately dismiss

Prohibition on *parts pairing* is intended to encourage harvesting of spare parts from defunct devices for use in other, salvageable devices - *crucial aspect of repairability*



Recent Bills Proposed in US States

Michigan, House Bill 4562 (Proposed May 16, 2023 - Legislature in session until Dec. 2024)

- According to C2P, approximately 71% chance of being approved
- OEM make available, for *diagnosis, maintenance,* or *repair*, to any independent repair provider or owner of the digital electronic equipment, on *fair and reasonable terms, documentation, parts,* and *tools*, including updates to information or embedded software

Ohio, Senate Bill 73 (Proposed Feb. 28, 2023 - Legislature in session until Dec. 2024)

- According to C2P, approximately 40% chance of being approved
- OEM make available for *diagnosis, maintenance,* or *repair* any *documentation, parts,* and *tools,* including updates to information or embedded software, on *fair and reasonable terms* to independent repair provider or equipment owner

Rhode Island, House Bill 7095 (Proposed Jan. 10, 2024 - Legislature in session until June 2024)

- According to C2P, approximately 11% chance of being approved
- Same types of proposed requirements as stated above for Michigan and Ohio, but also proposing *prohibition on parts pairing*

**On May 28, Governor of Colorado just signed House Bill 24-1121 to expand existing Right to Repair legislation to include digital electronic equipment.







South Korea

Bill on the Right to Repair (Proposed November 15, 2021)

- Notify "the right to repair" when consumers purchase the target products;
- Ensure that consumers have *no difficulty in obtaining the parts and equipment* necessary for the repair of their products;
- Provide product repair instructions;
- Ensure that necessary repair parts, connecting parts, repair equipment, etc. *can be easily obtained by anyone* without discrimination;
- Not give disadvantages or discriminate in the process of after-sales service because of the reason that consumers or repair businesses already repaired the products;
- Repair the products themselves, upon consumers' request;
- Report necessary information regarding the right to repair to the competent administrative agency periodically



Philippines Senate Bill No. 1481, 2022 (Proposed November 09, 2022)

- Optimize the use of any digital electronic product and encourage long-term usage
- Making available to consumers necessary information and tools to repair goods, on their own or through independent repair centers
- Allowing consumers to access and to select the best option from a range of repair and refurbished services



Brazil

Bill on the "Fair Repair Act" - amending the Consumer Protection Law No. 8.078/90 (Proposed October 25, 2023)

- Supplier is obliged to provide tools, parts and instructions both to consumers and independent professionals who repair or maintain their products
- Consumer may carry out the repair or maintenance directly or through a professional of his/her choice

Bill establishing the Right to Repair and the National Repair Incentive Policy (Proposed April 12, 2023)

- Provide for the consumer's right to repair of products and services
- Seller must add a degree of repairability to the list of information to be provided
- Inform consumers, in the instruction manual and on the packaging of the products, which components and accessories cannot be replaced in case of defect, damage or breakdown, or which are difficult to repair
- The National Incentive Policy for Repairability would implement a certification program which includes the use of a label indicating the degree of repairability for each product



New Zealand

Consumer Guarantees (Right to Repair) Amendment Bill (Proposed April 10, 2024)

- Manufacturer provides, upon the consumers' request, the information, spare parts, and tools necessary to diagnose, maintain, or repair goods
- Empowers consumers to request that suppliers repair goods rather than replacing them





Directive (EU) 2024/825 on Empowering Consumers to the Green Transition

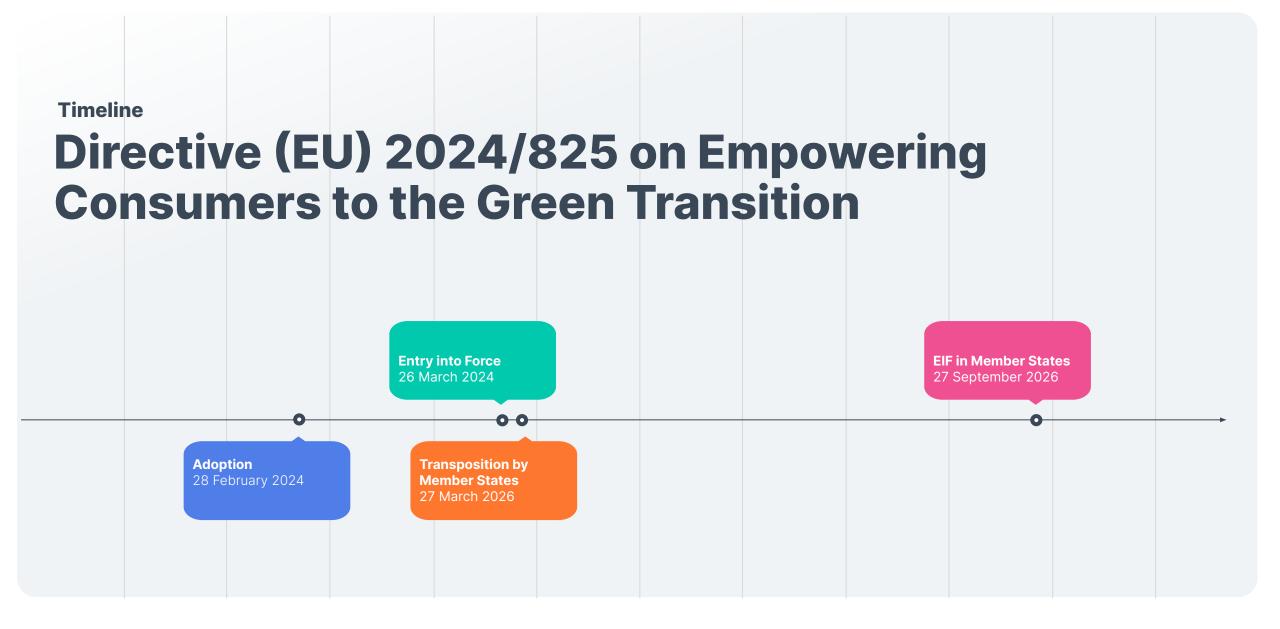
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Amends Consumer Rights Directive and Unfair Commercial Practices Directive (IN FORCE)

Consumer Rights Directive - amended regarding misleading or unfair commercial practices and actions to include false information in relation to environmental or social characteristics of the product and its circularity aspects, such as durability, reparability or recyclability.

- Prohibiting the presentation of products as allowing repair when *such repair is not possible*.
- Provide consumers with information on the existence and the conditions of after-sales services, including repair services, where such services are provided
- Information about the availability, estimated cost and procedure for ordering spare parts that are necessary to keep the goods in conformity, the availability of repair and maintenance instructions and repair restrictions
- Provide consumers with pre-contractual information about durability, reparability and the availability of updates. Information should be provided to consumers in a clear and comprehensible manner and in line with the accessibility requirements of Directive (EU) 2019/882.









Holistic Market Access Solutions

A Smarter Way to Manage Product Compliance



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Powerful Enterprise Technology

Extensive Global Regulatory Content

Holistic Market Access Solutions...

Team of Subject Matter Experts

Compliance & Risks







Accelerate your ability to

"Can I sell product X in market Y?"

Achieve market access

"Can I continue to sell product X in market Y when there is a change?"

Maintain market access

"What do I need to do to sell product X into a new market?"

Expand market access

Achieve, Maintain & Expand Market Access for all products in all markets



Achieve your business objectives, by ...



Demonstrating Compliance

For what is required



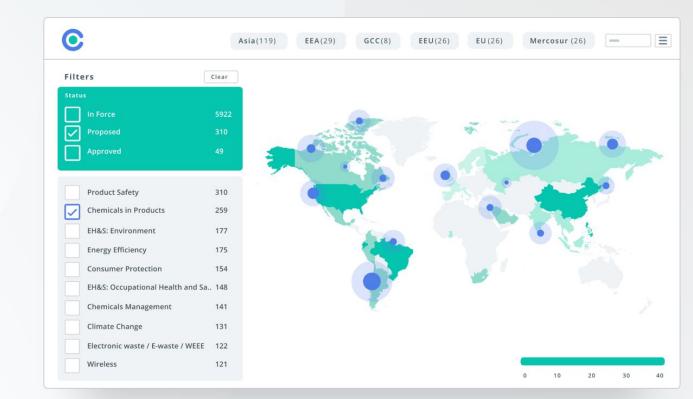
Driven by Global Regulations & Standards



TECHNOLOGY - C2P

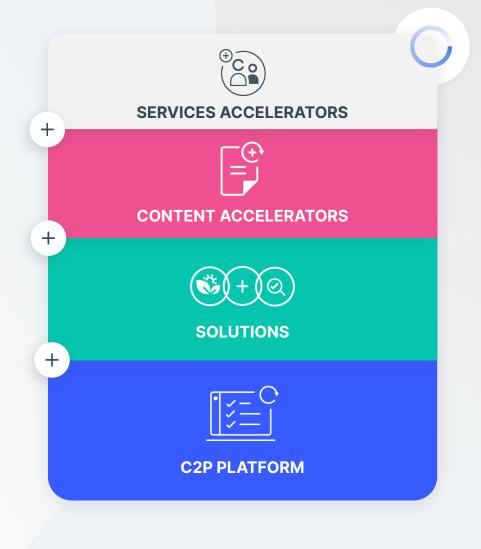
C2P - The Key to Unlocking Market Access

- Enterprise grade technology
- Cloud based platform
- Access to regulatory coverage in 195 countries
- Heatmaps with what's hot & where
- Intelligent search
- Al powered probability analysis
- Productivity tools to improve team collaboration



Technology - C2P Tailored to meet your needs...

- Comprehensive capabilities that enable enterprise-wide management of regulations, standards, requirements and evidence
- Add-on packages to accelerate market access through:
 - Product Compliance & ESG Compliance Solutions
 - Global regulatory content
 - Professional services

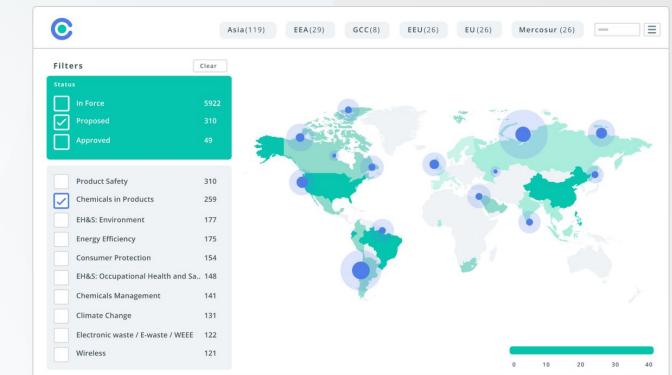




TECHNOLOGY - C2P

Manage everything in One Place...

- Design, build, and collaborate on new products with confidence
- Keep all compliance evidence up to date & live linked back to their Regulations, Standards & Requirements
- Continually monitor regulatory changes & keep ahead of proposed changes before they happen
- Integrate with other systems to enable streamlined business processes

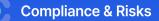






Q&A

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Thank You!



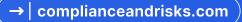
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Product Compliance Insights Roadshow

Expert Speakers | Industry Networking



