

## The Use of Compatible Supplies Cannot Void Your Manufacturer Warranty

### **MAGNUSON-MOSS**

Warranty Improvement Act  
United States Code Annotated  
Title 15 Commerce and Trade  
Chapter 50 Consumer Product Warranties 15 Section 2302  
<http://www.ftc.gov/bcp/online/pubs/buspubs/warranty.htm>

(c) No warrantor of a consumer product may condition his written or implied warranty of such product on the consumer's using, in connection with such product, any article or service (other than article or service provided without charge under the terms of the warranty) which is identified by brand, trade or corporate name; except that the prohibition of this subsection may be waived by the Commission if:

1. The warrantor satisfies the Commission that the warranted product will function properly only if the article or service so identified is used in connection with the warranted product, and
2. The Commission finds that such a waiver is in the public interest.

#### **How This Affects You!**

The use of our printer cartridges does not void your printer warranty. The manufacturer of the printer you are using cannot void the warranty on your printer because you use a cartridge or refill kit manufactured by someone other than the printer manufacturer. This prohibition includes the use of compatible cartridges and remanufactured cartridges.

U.S. law also prohibits the manufacturers of your equipment from requiring the use of OEM ink or toner or charging extra fees if you use products other than OEM products with their equipment. Those requirements and/or fees are in violation of existing anti-trust acts:

The Sherman and Clayton Antitrust Acts  
(see also: Supreme Court decision: IBM vs. The United States 1936)  
[http://www.usdoj.gov/atr/public/div\\_stats/1638.htm](http://www.usdoj.gov/atr/public/div_stats/1638.htm)  
<http://www.ftc.gov/bcp/online/pubs/buspubs/warranty.htm>  
IBM vs. The United States  
(The Sherman and Clayton Antitrust Law)

The Supreme Court (IBM vs. The United States) held that IBM could not threaten customers with termination of their data processing equipment leases just because they did not use supplies manufactured by IBM. Such practice constituted a tying agreement and was found to be in violation of the Sherman and Clayton Antitrust Law.

#### **How This Affects You!**

Free choice of vendor allows for competition and keeps prices affordable. Your printer manufacturers are aware of lower priced supplies. Threatening to void warranties and add additional service call charges for use of compatible ink or toner are their way of trying to limit competition. Save this information to protect yourself against these illegal actions. Our manufacturer is Heiber Compliant! Feel safe with our product. The Heiber patents (U.S. Patent Nos. 5,223,068, 5,525,183, 5,407,518, 5,676,794) cover methods and equipment for the splitting and resealing of many of the popular HP models. As a result, any toner product purchased from us is compliant with these patents.

***The Sherman Antitrust Act is a USA Federal law prohibiting any contract, trust, or conspiracy in restraint of interstate or foreign trade.***

**The Sherman Act also provides that no person shall monopolize, attempt to monopolize or conspire with another to monopolize interstate or foreign trade or commerce. A felony, an individual violating these laws may be jailed for up to three years and fined up to \$350,000 per violation. Corporations may be fined up to \$10 million per violation.**

- Section 1 of the Sherman Act outlaws "every contract, combination . . . , or conspiracy, in restraint of trade," but long ago, the Supreme Court decided that the Sherman Act prohibits only those contracts or agreements that restrain trade unreasonably. What kinds of agreements are unreasonable is up to the courts.
- Section 2 of the Sherman Act makes it unlawful for a company to "monopolize, or attempt to monopolize," trade or commerce. As that law has been interpreted, it is not necessarily illegal for a company to have a monopoly or to try to achieve a monopoly position. The law is violated only if the company tries to maintain or acquire a monopoly position through unreasonable methods. For the courts, a key factor in determining what is unreasonable is whether the practice has a legitimate business justification.
- Section 5 of the Federal Trade Commission Act outlaws "unfair methods of competition" but does not define unfair. The Supreme Court has ruled that violations of the Sherman Act also are violations of Section 5, but Section 5 covers some practices that are beyond the scope of the Sherman Act. It is the FTC's job to enforce Section 5.