Reinhart

Paperless Product Warranties: Is Your Business Ready?

The Federal Trade Commission released its final rules implementing the E Warranty Act of 2015, which gives manufacturers of consumer products the option of meeting warranty requirements by posting warranty terms on the manufacturer's website, eliminating the substantial cost and environmental waste of including printed warranties with product packaging.

The E Warranty Act modernized and amended the Magnuson Moss Warranty Act—the federal statute which regulates consumer product warranties. The longstanding requirement under the Magnuson Moss Warranty Act was that for products costing more than $15, manufacturers were required to disclose warranty terms in a single document, generally either printed on product packaging or included within the packaging.

Starting October 17, 2016, manufacturers may meet those disclosure requirements digitally. The online method allows a manufacturer to provide consumers with a website address stating its warranty terms in a "clear and conspicuous manner." The website address may appear on the product, product packaging or within the product manual. The disclosure must include: (1) the manufacturer's website where the warranty terms are available for viewing; and (2) the phone number, mailing address or some other reasonable means of contacting the manufacturer so that the consumer can obtain a written copy of the warranty terms, if they want one. The new rules state manufacturers *must* still provide an alternative non online method for consumers to obtain a written copy of the warranty terms.

The rules require the given website address to provide consumers with sufficient information to readily locate the warranty for the specific product online. The posted online warranty may not generally refer to all of the manufacturer's products. The new rules do not alter any reporting, recordkeeping or other disclosure rules now required by law. However, if a manufacturer opts to comply with the internet option, then any required disclosures must appear in close proximity to where the text of the warranty terms appears online.

Manufacturers and retailers alike should note that the E Warranty Act does not eliminate the requirement that warranty terms be made available at the point of sale so that prospective consumers can see the warranty before buying the

POSTED:

Sep 27, 2016

RELATED PRACTICES:

Corporate Law
https://www.reinhartlaw.com/practices/corporate-law

RELATED SERVICES:

Commercial and Competition Law
https://www.reinhartlaw.com/services/commercial-and-competition-law

RELATED PEOPLE:

Guy R. Temple
https://www.reinhartlaw.com/people/guy-temple

Laura A. Brenner
https://www.reinhartlaw.com/people/laura-brenner

All materials copyright © 2025 Reinhart Boerner Van Deuren S.C. All rights reserved.

product. For products which do not include warranty information on the packaging, retailers generally meet this "pre sale availability" requirement by keeping a file of written manufacturers' warranties available at the retail location. Under the E Warranty Act, retailers can also meet the requirement by providing electronic access to warranty terms at the point of sale (*e.g.*, via an Internet-connected tablet or computer in the store). But in any case, retailers must still provide consumers with the actual warranty terms at the point of sale, and cannot simply refer consumers to the manufacturer's website.

The new rules are good news for manufacturers that would like to "go paperless." They should remember to make the conversion carefully and ensure compliance with all rules.

If you would like to know more about warranty content and disclosure requirements, or revise your warranty disclosure procedures to take advantage of the E Warranty Act, Reinhart's Commercial and Competition Law Group would be glad to help you. Please contact your Reinhart attorney or any member of the Commercial and Competition Law Group.

These materials provide general information which does not constitute legal or tax advice and should not be relied upon as such. Particular facts or future developments in the law may affect the topic(s) addressed within these materials. Always consult with a lawyer about your particular circumstances before acting on any information presented in these materials because it may not be applicable to you or your situation. Providing these materials to you does not create an attorney/client relationship. You should not provide confidential information to us until Reinhart agrees to represent you.

All materials copyright © 2025 Reinhart Boerner Van Deuren S.C. All rights reserved.