



July 17, 2023

The Honorable Jim Jordan Chairman House Judiciary Committee 2056 Rayburn House Office Building Washington, D.C. 20515

The Honorable Darrell Issa Chairman Subcommittee on Courts, Intellectual Property, and the Internet 2108 Rayburn House Office Building Washington, D.C. 20515 The Honorable Jerrold Nadler Ranking Member House Judiciary Committee 2132 Rayburn House Office Building Washington, D.C. 20515

The Honorable Hank Johnson Ranking Member Subcommittee on Courts, Intellectual Property, and the Internet 2240 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Jordan, Ranking Member Nadler, Chairman Issa, and Ranking Member Johnson:

Ahead of the House Judiciary Committee's Hearing titled "Is There a Right to Repair?," I write on behalf of TechNet to share our concerns regarding proposals that mandate original equipment manufacturers (OEMs) of digital electronic equipment to provide independent repair providers with diagnostic and repair information, software, tools, and parts that would undermine consumer data privacy, security, and safety.

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. Our <u>membership</u> includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

Our members stand behind the quality of their products and services and develop them for a wide range of commercial, government, and consumer users. Their customers depend on these products to operate safely, securely, and accurately, whether they are being used to support banking and commercial transactions, transmit and store sensitive personal data, support industrial operations and medical applications, pursue outdoor and off-grid activities, or securely offer and deliver entertainment and other services. As businesses, government agencies, and consumers continue to increase their reliance on connected devices to help



deliver efficiency, convenience, and services, it is important to remain vigilant and focused on mitigating the risks associated with the safe and secure operation of those products.

Recently, there have been calls from State Attorneys General and public interest organizations for Congress to enact expansive repair legislation. During the 117th Congress, several proposals were introduced, among which would require OEMs to provide independent repair providers and device owners with access to diagnostic, maintenance, and repair equipment, as well as relevant documentation, parts, and tools. Unfortunately, instead of providing increased benefits to consumers, these proposals would undermine consumer privacy, safety, and security at a time when these issues are top-of-mind for American consumers.

Specifically, we are extremely concerned that these proposals require OEMs to provide unvetted, third-party repair providers with the ability to disable security-related functions or disable backdoor access to bypass locks on a device while imposing liability on OEMs for failure to provide such access. These legislative proposal runs counter to consumers' prioritization of increased cybersecurity and data security protections for their personal devices, an expectation that is in effect from the time of purchase.

Imposing design constraints that discourage these security protections violates consumers' privacy and cybersecurity expectations. In addition, according to a recent study, privacy violations in the context of computer or phone repair occurred during at least 50 percent of repairs.¹ Third-party repair conducted outside authorized repair networks poses fundamental risks to the integrity of these products. Requiring OEMs to provide unvetted, third-party repair networks the documentation, parts, and tools, irrespective of protections for trade secrets under federal law and existing agreements with authorized repair providers, undermines consumer confidence in the safety and security of digital products at a time when an overwhelming majority of consumers prioritize digital trust and will take their business elsewhere if that trust is violated.²

Manufacturers currently offer a range of services, including remote customer service and diagnostic support, product replacement programs, as well as authorized and affiliated repair networks. These offerings provide consumers with assurance that their products are manufactured and serviced by properly trained and vetted repair professionals who have the necessary skills to repair electronic products in a safe and reliable manner. Most consumer technology products are comprised of complex electronic components which require specialized training, clean room environments, and sophisticated test instruments to repair properly and safely. These products are tested and certified to meet stringent safety and

¹ No Privacy in the Electronics Repair Industry (November 2022) https://arxiv.org/pdf/2211.05824.pdf

² Why Digital Trust Truly Matters, (2022) https://www.mckinsey.com/capabilities/quantumblack/our-insights/why-digital-trust-truly-matters#/



performance standards. This is especially important for those products where consumers rely on the reliability and efficacy of safety of life functions, such as navigation and satellite communications devices for off-grid travel.

Certain types of repairs can be extremely detailed, complicated, and dangerous to individuals who lack the proper training. It is particularly important that products containing high-energy lithium-ion batteries are repaired only by trained professionals who understand and are able to mitigate the hazards associated with installing, removing, or replacing these batteries. In January 2021, the U.S. Consumer Product Safety Commission released a consumer safety warning that rechargeable lithium-ion battery cells, when "loose" and not installed in a device or part of an integral battery, are "potentially hazardous to consumers when handled, transported, stored, charged, or used to power devices" and "can overheat and experience thermal runway, igniting the cell's internal materials and forcibly expelling burning contents, resulting in fires, explosions, serious injuries, and even death."³

To ensure the reliability, durability, and safety of their products, manufacturers seek to ensure processes are in place so that those products are manufactured and serviced in specialized clean rooms by professionals who understand the intricacies of their products and have training and experience necessary to safely diagnose, maintain, or repair them for consumers without compromising those standards or undermining the reliability, safety, and security of their products. OEM customer service teams, in addition to authorized repair networks, not only include training requirements but also have the technical skills and test instruments to verify that the service products in question, and where necessary, repair parts and components, meet all necessary performance and safety specifications.

If an OEM's brand and warranty are to stand behind repair work and assume product liability, it is only reasonable that repair facilities demonstrate competency and reliability. OEMs' customer service operations, including authorized repair networks, ensure that product maintenance, repairs, and operations continue to meet OEM performance and safety standards, as expected by consumers. We urge Congress to avoid advancing legislation that would undermine consumer product safety, reliability, and security.

Sincerely,

Peter Chandler

Vice President, Federal Policy and Government Relations

³ CPSC Issues Consumer Safety Warning: Serious Injury or Death Can Occur if Lithium-Ion Battery Cells Are Separated from Battery Packs and Used to Power Devices (January 8, 2021)