

The Real Reason HP Does Not Have A Monopoly *And Why It Can't Require Use of Its Cartridges!*

It is traditional in our industry to cite the Magnusson-Moss Fair Trade Warranty Act as prohibiting OEM's from requiring the use of their cartridges to maintain their printer warranties.

There is an older and stronger case made by Section 14 of the Clayton Anti-Trust Act of 1914.

The Clayton Antitrust Act (1914)

The Clayton Antitrust Act is comprised of SS12, 13,14-19,20,21,22-27 of Title 15.

Sec. 14. Sale, etc., on agreement not to use goods of competitor (S3 of the Clayton Act):

It shall be unlawful for any person engaged in commerce, in the course of such commerce, to lease or make a sale or contract for sale of goods, wares, merchandise, machinery, supplies, or other commodities, whether patented or unpatented, for use, consumption, or resale within the United States or territory thereof or District of Columbia or any insular possession or other place under the jurisdiction of the United States, of fix a price charged therefore, or discount from, or rebate upon, such price, on the condition, agreement, or understanding, that the lessee or purchaser thereof shall not use or deal in the goods, wares, merchandise, machinery, supplies, or other commodities of a competitor or competitors of the lesser or seller, where the effect of such lease, sale, or contract for sale or such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce

The Act is enforced by antitrust unit of the FTC, the Bureau of Competition. Antitrust laws are also enforced by the Antitrust Division of the U.S. Department of Justice.

We suggest that you provide this sheet to your sales representatives as the authoritative reason why OEM's can not void their warranties for the use of remanufactured cartridges.

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