Service Contract Sold Separately (Batteries Not Included)

Companies should use a conservative approach when offering protection plans for products, advises Weil, Gotshal & Manges LLP in its **Product Liability Monitor**.

The article points out that the terms “extended warranty” and “service agreement” are likely to cause confusion, in relation to the Magnuson Moss Warranty Act, which governs the terms of these warranties.

Two cases discussed in the article cover the differences in “service agreement” and “warranty” and how to avoid potential MMWA issues.

Read the article.