Technical Tip

Topic	OEM Warranty Threats
Audience	Health system supply chain, procurement, legal, compliance, and clinical leadership teams
Product(s)	All regulated reprocessed SUDs used with OEM generators, consoles, and other capital equipment
Date	August 10, 2026

Issue

Issue 1: Some OEMs threaten to void equipment warranties when hospitals use reprocessed devices.

Some original equipment manufacturer (OEM) sales representatives tell hospitals that using reprocessed single-use devices (SUDs) with their electrosurgical generators, electrophysiology consoles, or other capital equipment will "void the warranty."

These threats can pressure hospitals to purchase only OEM-branded disposable devices, even when reprocessed alternatives are lawfully regulated and available.

Issue 2: Warranty threats can restrict competition and hospital choice.

OEMs may pair warranty threats with other forms of anti-reprocessing interference, including exclusive purchasing conditions, firmware or other technology that disables reprocessed devices, or withholding case support. These tactics can limit clinician choice, weaken supply chain resilience, undermine sustainability programs, and increase hospital costs.

A U.S. federal court has found that similar OEM conduct interfering with hospitals' use of reprocessed devices to constitute unlawful tying and monopolization. Hospitals should therefore treat warranty threats and related conditions as serious procurement, compliance, and competition concerns.

Hospitals should document, challenge, and report such conduct.

Technical Background

- **Why this matters for hospitals:** Reprocessing helps hospitals reduce purchasing costs, waste, and greenhouse gas emissions while strengthening supply chain resilience. Conditioning equipment warranties or support on exclusive use of OEM products can deprive hospitals of those benefits and may render them dependent on a sole supplier.

- **How warranty threats coerce hospitals:** An OEM may state that using a reprocessed device will void a generator or console warranty. This can discourage hospitals from purchasing lawful competing products even without a formal exclusivity provision.
- ***Reprocessing does not void warranties.*** In fact, threats that it does may violate the law. Here is what to know in different jurisdictions:
    - **United States:** The Sherman Antitrust Act prohibits monopolization and unlawful tying arrangements. The Clayton Act addresses exclusive dealing and tying practices that substantially lessen competition, while the Federal Trade Commission Act prohibits unfair methods of competition. Warranty conditions that tie support for capital equipment to purchases of OEM consumables, together with firmware blocking or device-disablement practices, may raise concerns under these laws.
    - **United Kingdom:** Chapter II of the Competition Act 1998 prohibits abuse of a dominant position, and the Enterprise Act 2002 authorizes the Competition and Markets Authority to investigate anticompetitive conduct. Warranty threats or technical restrictions that impede hospitals' use of lawfully remanufactured devices may restrict market access for competing reprocessors. UK medical-device requirements also regulate these devices, and OEMs should not misrepresent their legal or safety status.
    - **European Union:** Articles 101 and 102 of the Treaty on the Functioning of the European Union prohibit certain anticompetitive agreements and abuses of dominant position. Conditioning a generator or console warranty on use of unrelated OEM-branded consumables may constitute an improper supplementary obligation, while firmware blocking and similar technical barriers may unlawfully restrict competition. Article 17 of the EU Medical Device Regulation governs reprocessing of SUDs, and misleading or aggressive warranty threats may also implicate EU rules on unfair commercial practices.

    If you live or work in a different jurisdiction and would like to know whether the law protects your facility's right to choose reprocessed SUDs, please contact **info@amdr.org**.

Recommendations

1. **Protect competitive sourcing.** Continue evaluating regulated reprocessed devices based on safety, performance, compatibility, cost, sustainability, and supply resilience rather than unsupported OEM threats. For more guidance on how to protect your facility's right to choose which products to purchase, please see AMDR's SUD Reprocessing Policy Template, Procurement Checklist, and other resources for hospitals.
2. **Reject warranty-tying clauses.** Do not accept contract terms that condition equipment warranties, maintenance, technical assistance, or case support on exclusive use of OEM-branded disposable devices.

3. **Require warranty threats in writing.** Do not rely solely on verbal statements from sales representatives. An OEM should identify in writing the specific warranty language it believes applies, explain how use of a regulated compatible device caused or would cause the claimed warranty problem, and distinguish a legitimate equipment-failure determination from a blanket restriction intended to prevent use of competing consumables. Ask the OEM to identify the specific provision, the equipment covered, the conduct alleged to void the warranty, and the factual and legal basis for its position.
4. **Demand protection against technical interference.** Require written confirmation that software, firmware, or equipment updates will not disable or impede compatible regulated reprocessed devices. Address access to updates, service, and case support expressly in procurement agreements.
5. **Document all interference.** Preserve emails, contract language, sales presentations, meeting notes, screenshots, service communications, and statements from OEM representatives concerning warranty removal, device compatibility, firmware blocking, or withholding support. Please see AMDR's guidance on documentation and reporting for more information.
6. **Escalate internally.** Refer warranty threats and restrictive contract terms to legal counsel, compliance, supply chain leadership, and value analysis before changing purchasing practices or discontinuing a reprocessed product.
7. **Educate clinicians and procurement teams.** Make sure hospital personnel understand that OEM assertions about warranties do not by themselves determine whether a regulated reprocessed device is lawful, safe, compatible, or appropriate for purchase.

For More Information

If you are aware of a warranty threat or other interference with your facility's reprocessing program, please write to **info@amdr.org** or contact your AMDR-member commercial reprocessing partner. If requested, your anonymity will be honored.