

SB723: Consumer Protection - Right to Repair
Wednesday, March 11
Finance
FAVORABLE

I recently joined the staff at The Repair Association (repair.org) to help represent the thousands of independent repair people across our country. I'm happy to testify in Maryland to help fight for the right to repair for Marylanders trying to get a fair shot at making a living in the tech repair industry, the consumers trying to find fast and affordable repair and for our planet which is being attacked daily by the overabundance of discarded electronics that could be fixed.

When I was a kid growing up in the 70's and 80's my Dad taught me how to fix things. We fixed things around the house, we fixed the car, we fixed the roof (*in the middle of a very hot summer*), we fixed the lawnmower too but when the TV broke we both carried it down to the car and took it to a local repair shop. Repair was in our blood but when it was above our pay grade, we took it to a local repair shop for a professional to work on.

Our family was a typical middle-class family in America enjoying what life offered us but respecting the fact that we needed to take care of the things we owned. Money was something we didn't just throw around. When my Mom wanted new chairs for the dining room because they were wobbly and worn out. Dad broke out the wood glue and Mom went to the fabric store (*25+ years later and we still sit on those chairs at Thanksgiving every year*).

LIKE MOST AMERICANS REPAIR WAS IN OUR BLOOD!

So much so that in 2006 I opened one the regions first cell phone repair shops in the back of one of the AT&T stores that I owned in the Washington DC area. Our shops had seen an increase in customers who needed their phones fixed but couldn't find anyone else to do it. It started as a simple service for our customers but once the carrier stores found out we could repair most phone issues they would send customers our way, and a new business was born.

A little over a year later my AT&T stores started to see a dramatic decline in business because Apple had made the decision that the iPhone, an exclusive AT&T product at launch, would only be sold at AT&T and Apple corporate stores. A decision that would force many small business owners like myself to sell their locations back to AT&T or to much larger chains, which is what I did in 2010.

I also tried to sell the phone repair business which has seen a dramatic increase in sales shortly after the iPhone launched in June of 2007. Despite growing sales and excellent profit margins no one was interested in buying the repair business at the time. Most dismissed the repair business and said that people would, "just buy a new phone". Little did they know.

I ended up spinning off the cell phone repair business, opened ten locations in the Washington DC region and at the height of our business grossed more than \$7 million one year. During our first three years in business we worked closely with the local Apple stores to help customers who couldn't be helped by Apple because they didn't complete any repairs in the Apple store at that time. We even had Apple employees visit our shops from time to time which we welcomed.

Unfortunately, in 2013 we started to see our relationship with Apple decline rapidly. We no longer saw a steady stream of customers come to our shop from the Apple stores. At the same time, we heard from parts vendors and other repair shops around the country that Apple's legal team was hard at work. Using customs

to seize shipments of parts from overseas while sending out threatening letters to companies that used any and all types of Apple branding (i.e., iPhone repair shop, iPod fixers, Apple 'n Mac, etc.).

Then one day, while I was meeting with a commercial real estate representative to discuss expansion plans, I received a frantic call from one of my stores that the “police” were there to search our shop. I asked to speak with them as the owner of the business, but they refused. It turns out that the same situation was happening at four of my locations at the very same time. These “police” officers came in without a warrant and demanded to search our shops. Three of my managers refused, one of which was placed in an armbar while being threatened with arrest, while a fourth manager had a panic attack and wet his pants.

At first, we thought it was an attempted robbery and called both the local police, who took a report. We soon found out that it was an ICE agent accompanied by an Apple employee trying to find anything we were selling with an Apple logo on it. In the one store that they did search they found less than a hundred dollars in very old parts that we didn't even realize we had.

No polite warning. No letter of inquiry. Just a very threatening encounter for my staff. Apple could have handled the situation much differently, but they wanted to send a message. That message was received loud and clear.

During that time Apple had also started doing basic repair work at their stores. A few of my best trained technicians even went to go work for them.

In the months that followed stress and anxiety surrounded my business. It seemed more difficult to get parts and our customers were getting impatient because we couldn't find what we needed to help them get their devices fixed as quickly as we had in the past.

As revenue declined rapidly, I decided to sell my shops to my remaining staff in 2016. Only two of them are still in business today. My once promising small business crushed under the foot of a huge multinational corporation because of an uneven playing field. They were Apple and I wasn't!

PEOPLE WANT TO FIX WHAT THEY OWN – REPAIR PEOPLE JUST WANT TO REPAIR

So much so that in the last 12 months 746,134 Marylanders went to iFixit (the world's largest online depository of repair guides) to find out how to fix what they own! No one knows how many thousands of people used one of the hundreds of independent repair shops in Maryland or called an independent on-demand service. These repair people serve their communities well by providing fast, friendly and affordable repair services much like the local auto repair shop.

Repair people just want an even playing field with the ability to purchase OEM parts (at a reasonable price), access to device schematics and any diagnostics or parts syncing software that is available. Independent repair people just want to compete in a space that is not dominated by a repair monopoly. In fact, in a soon to be released survey 89% of independent repair technicians said that they would be more successful if they had access to repair software from Apple or Samsung.

The tech repair industry is estimated to be anywhere from a \$20-40 billion dollar industry. It's gotten this far only because consumers want fast and affordable service. We live in and on-demand digital world where people want instant gratification from their service providers. The independent repair movement has done that for the last 10+ years. But its future is at stake. You can help!

Please understand that I don't blame big corporations for being big or successful, but I do blame government for letting them grow into monopolies that destroy hard working small businesspeople. Many of which have lifted themselves up to build a successful life for themselves and their families.

A MARYLAND SUCCESS STORY

Shortly after opening my first standalone repair shop I received a phone call from a representative at the Montgomery County Detention Center. They had a young man named Scott who had served his time and was now looking for employment as part of a work release program. His passion it turns out was taking apart cell phones and putting them back together. Always willing to give someone a second chance in life I agreed to interview him.

He showed a desire to work hard and learn the trade, so I hired him during the first interview. He promised me I wouldn't be sorry, and he was right. From day one he showed an amazing ability to fix anything and everything that came in our doors. He quickly rose in our organization and helped raise the bar for all my technicians. Soon we were repairing devices we never knew we could repair.

Scott quickly became a manager in our organization and was able to train additional techs to be their best as well and take on more challenges in the organization. When I promoted him to General Manager of our company, he asked me if I remembered that he was a convicted felon in the state of Maryland. I laughed and said no, because I really did forget. He had found his passion and he was that good that it just didn't matter any more to me or anyone else in the organization.

After our stores were raided by ICE, at the bequest of Apple, Scott had trouble functioning in our workplace. He confided in me that for the first time since he had been released from prison, he wanted to use drugs again. The stress and anxiety were too much for him. We tried everything we could but, in the end, he needed to move on from our now super stressful environment. It was tough for me but I wished him well and we parted ways.

A few months later he asked me to appear at his final judicial hearing on Montgomery County to be released from parole. I was happy to appear and speak on his behalf. The judge, who had originally sentenced him was overjoyed with the success his life had become and so was I.

As we parted ways for the last time, he confided in me that he really loved fixing things. That it was in fact in his blood. He looked in my eyes and he asked, "Why does Apple have to make it so damn hard?"

I couldn't answer him.

THE RIGHT TO REPAIR IS A FIGHT TO REPAIR

Repair people all over the world just want to help people repair what they own. They love what they do and how it makes them feel. Why not give them that opportunity?

Pass right to repair legislation now!

Sincerely,

Rob Link

Director at The Repair Association – Repair.org