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July 9, 2026

# FTC Settles Right-to-Repair Monopolization Case Against Deere

On July 8, 2026, the Federal Trade Commission and five state attorneys general [announced](#) a settlement resolving their monopolization claims against Deere & Company (“Deere”). The settlement requires Deere to make its full suite of diagnostic and repair tools available to farmers and independent repair providers (“IRPs”) on “fair and reasonable” terms, effectively ending Deere’s practice of restricting its fully functional repair software to its authorized dealer network. Chairman Ferguson’s statement accompanying the settlement signals the current Commission’s willingness to negotiate remedies that deliver concrete, near-term relief rather than engage in protracted litigation.

## The FTC’s Complaint

In a January 2025 complaint, amended in February 2025, the FTC, joined by the attorneys general of Illinois, Arizona, Michigan, Minnesota and Wisconsin, filed suit against Deere in the Northern District of Illinois, alleging violations of Section 2 of the Sherman Act, Section 5 of the FTC Act and various state antitrust laws.

- **Computerization of agricultural equipment.** The government’s theory of harm centered on Deere’s control over an essential software diagnostic tool called Service ADVISOR. As Deere’s agricultural equipment became increasingly computerized, with numerous functions controlled by electronic control units (“ECUs”), repair of that equipment required a software tool capable of communicating with onboard systems to perform diagnostics, calibrations and reprogramming.
- **Monopoly power in the market for “restricted repairs” for Deere agricultural equipment.** The complaint alleged that Deere, the “dominant” manufacturer of large tractors and combines in the United States, unlawfully monopolized the service market for restricted repairs. The complaint defined restricted repairs as those involving reprogramming or engine recalibration that require the use of fully functional repair tools capable of enabling all repairs for Deere agricultural equipment. The complaint alleged that only Deere possessed the requisite information and knowledge to develop a fully functional repair tool (“Full-Function Service ADVISOR”) for Deere equipment.
- **Exclusionary conduct.** The complaint alleges that Deere makes its fully functional repair tools available only to its authorized dealers, and not to farmers or IRPs. While Deere did offer a degraded version called “Customer Service ADVISOR” to farmers and IRPs, that tool lacked critical capabilities, including ECU reprogramming, full diagnostic access and access to Deere’s troubleshooting database. Farmers and IRPs could not perform many essential repairs, allegedly forcing them to rely on Deere’s dealer network.
- **Anticompetitive effects.** The complaint alleged that this arrangement inflated repair costs, reduced farmers’ ability to obtain timely repairs during critical planting and harvest windows, and steered additional non-restricted repair business and parts sales into Deere’s dealer network. Internal Deere documents cited in the complaint reflected that the company viewed its repair restrictions as a mechanism for growing its parts business, which the complaint alleged accounted for a substantial percentage of Deere’s total operating profits.

## Denial of Deere’s Motion for Judgment on the Pleadings

On June 9, 2025, Judge Iain D. Johnston denied Deere’s motion for judgment on the pleadings.

- **Cognizable aftermarket.** The court held that the government adequately pleaded a cognizable aftermarket for repair tools and restricted repair services under *Eastman Kodak Co. v. Image Tech. Servs., Inc.*, 504 U.S. 451 (1992). The court noted that under *Kodak*, a cognizable aftermarket may be created where the customer is unable to determine the “all in” or lifecycle cost. Here, the court noted that even if some farmers knew of Deere’s repair restrictions at the time of purchase, they may not fully appreciate how those restrictions would affect them over the equipment’s lifecycle.
- **Monopoly power.** Deere had argued that it can’t monopolize the restricted repair market because its dealers, rather than it, perform the repairs. The court rejected this argument, holding that the relevant inquiry is whether the defendant has the “power to control prices or exclude competition,” not whether it formally participates as a seller. Because Deere exclusively controls who may access the ADVISOR tool, and thereby controls entry into and output in the restricted-repairs market, while reaping substantial profits through parts sales, the government sufficiently alleged monopoly power.
- **Anticompetitive conduct.** The court declined to require the government to slot its theory into a recognized antitrust category (such as “refusal to deal” or “tying”) at the pleading stage, emphasizing the Seventh Circuit’s instruction that courts “should stay focused on the effect” that conduct has on competition.

### Settlement in Parallel Private Action

On May 18, 2026, in a parallel private action brought against Deere by a putative class of farms and farmers, Judge Johnston preliminarily approved a settlement. *In re Deere & Co. Repair Services Antitrust Litigation*, No. 3:22-cv-50188, MDL No. 3030, ECF No. 340 (N.D. Ill. May 18, 2026). The settlement in the private action contains similar injunctive relief to that in the FTC settlement: Deere has agreed to make widely available “the digital tools required for the maintenance, diagnosis, and repair” of large agricultural equipment. The private settlement also includes a \$99 million settlement fund.

### FTC Settlement

The settlement, filed on July 8, 2026, resolves all claims between the parties. Its material terms include:

- **Access to repair resources.** Deere must make available to every equipment owner and IRP, on a license, subscription or purchase basis, repair resources equivalent to those it provides to its authorized dealers on “Fair and Reasonable Terms.” “Fair and Reasonable Terms” are assessed under a multi-factor test that includes, among other things, the net cost to Deere dealers for similar items, prices charged by other agricultural equipment manufacturers, and the ability of owners and IRPs to afford the item.
- **Scope of repair resources.** The defined “Repair Resources” encompass diagnostic trouble code viewing and clearing, ECU reprogramming, calibration, interactive testing, engine replacement, access to troubleshooting resources, emissions inducement overrides, offline-mode diagnostics and numerous other capabilities.
- **Future-proofing.** Deere must make any successor, upgraded or new repair tools available to owners and IRPs as soon as access is granted to over 50 percent of Deere dealer locations in the United States.
- **Non-discrimination.** Deere must instruct its dealers to actively promote and sell repair resources to all owners and IRPs, and not to discriminate or retaliate against any owner or IRP that purchases repair resources or performs its own repairs.
- **Payment.** Deere must pay the plaintiff states \$1,000,000 collectively within 30 days for costs and attorneys’ fees.

### Chairman Ferguson’s Statement

Chairman Ferguson, joined by Commissioner Meador, issued a statement accompanying the settlement that focused on:

- **Preference for settlement negotiations over a rush to court.** When the FTC filed the complaint in January 2025, in the waning days of the previous administration, Ferguson dissented. In this statement, Ferguson emphasized that the prior Commission’s decision to file suit “disrupted active settlement negotiations” that could have provided relief sooner, and instead “rushed to court.” He characterized the current settlement as delivering “real, tangible benefits to America’s farmers” now, “rather than at some unspecified time in the future after further costly litigation.”
- **Substance of the relief.** Ferguson highlighted three key features of the settlement: (1) the parity requirement ensuring farmers and IRPs receive the same repair resources as Deere dealers; (2) the “fair and reasonable terms” pricing constraint,

which expressly accounts for affordability; and (3) the future-proofing provisions that extend to any new repair tools Deere develops.

- **Agriculture and antitrust policy.** Ferguson invoked the historical connection between American farmers and the nation’s founding, framing the settlement as protecting “those that Jefferson designated as the nation’s most valuable and virtuous citizens.” He also noted farmers’ “pivotal role in shaping the nation’s earliest antitrust laws,” echoing recent remarks he made to a gathering of Texas corn producers.

### Practical Takeaways

- **The current FTC continues to signal that it favors settlement.** Chairman Ferguson’s statement is another indication that the FTC views settlement favorably as an enforcement tool, in not only merger cases, but also conduct cases. However, Chairman Ferguson signaled a preference for settlements that provide real, tangible benefits to consumers.
- **Bipartisan enforcement of right to repair cases.** While Chairman Ferguson’s statement focuses on his disagreement with how previous FTC leadership handled the case, notably, it was initiated under a Democratic majority FTC and continued and resolved under a Republican majority FTC.

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This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

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