

## **3M Taiwan Ltd.**

1562<sup>nd</sup> Commissioners' Meeting (2021)

Case: 3M Taiwan Ltd. Violated the Fair Trade Law for posting false advertisements to market the 3M FA-T10AB air purifier

Keyword(s): Air purifier, Energy Label, false advertisement

Reference: Fair Trade Commission Decision of September 22, 2021 (the 1562<sup>nd</sup> Commissioners' Meeting); Disposition Kung Ch'u Tzu No.110064

Industry: Retail Sale via Mail Order Houses or Via Internet (4871)

Relevant Law(s): Article 21 of the Fair Trade Law

### Summary:

- 1, When marketing the 3M FA-T10AB air purifier (hereinafter referred to as "the product in question"), 3M Taiwan Ltd. (hereinafter referred to as "3M") claimed the product in question had been awarded the Energy Label by the Ministry of Economic Affairs. However, the FTC's investigation showed that the Energy Label certification for the product in question had expired. Therefore, it was false advertising.
2. Findings of the FCT after investigation:  
3M posted the claim of "Awarded the Energy Label" to advertise the product in question. However, according to the Bureau of Energy, the Energy Label certification for the product in question had expired on Nov. 6, 2019. Therefore, the FCT sent a written request in which it asked the company to provide FTC with its written defense and to explain it at the FTC.
3. Grounds for disposition:  
(1) When marketing the product in question on its website between Oct. 7 and Nov. 12, in 2020, 3M posted the claim of "Awarded the Energy Label by the Ministry of Economic Affairs." The wordings gave people the impression that the product in question would consume less energy compared to other air purifiers without the Energy Label. However, according to the Bureau of Energy, the Energy Label certification for the product in question had expired on Nov. 6, 2019 and no application had been filed to request for reinspections in order to regain the Energy Label. In Feb. 2020, the company was found to have the same violation. The Bureau of

Energy therefore sent a notification to the company in which it was asked to make corrections within a given period. Nonetheless, the company was found to have the same violation again in Oct. 2020. Apparently, 3M was aware that the Energy Label certification for the product in question had expired but still continued to post the claim that the product in question was awarded the Energy Label. The conduct could cause the general public to have wrong perceptions about the quality of the product in question or make wrong decisions. It was in violation of Article 21(1) of the Fair Trade Law.

- (2) After taking into consideration the motive and purpose of 3M to engage in the unlawful act, the inappropriate profit expected, the level of harm of the unlawful act to trading order, the duration of the unlawful act, the sales during that duration, the business scale of the company, the fact that it was the company's first violation and the unlawful act was already stopped, the degree of remorse and the level of cooperativeness throughout the investigation, the FTC cited the first section of the Article 42 of the Fair Trade Law and imposed on the company an administrative fine of NT\$100,000.

Appendix:

3M Taiwan Ltd.'s Uniform Invoice Number: 11833655

Summarized by: Chang, Wen-Hao; Supervised by: Hsieh, Hsiu-Lin