

Perquiss Co.,Ltd.

1572nd Commissioners' Meeting (2021)

Case: Perquiss Co., Ltd. violated the Fair Trade Law for using the name of another company in a keyword advertisement

Keyword(s): Keyword advertisement, obviously unfair, mattress

Reference: Fair Trade Commission Decision of December 1, 2021 (the 1752nd Commissioners' Meeting); Disposition Kung Ch'u Tzu No.110081

Industry: Wholesale of Bedding (4443)

Relevant Law(s): Article 25 of the Fair Trade Law

Summary:

1. In February 2021, the informer entered the word "Joy Dream" to make keyword searches on Google. In the advertisement section the URL of Perquiss Co., Ltd. (hereinafter referred to as "Perquiss") appeared and below it was a keyword advertisement carrying the text of "Model Q Joy Dream anti-mite and antibacterial mattress recommended—anti-mite and antibacterial functions combined with multilayer pressure reduction material" that further connected to a link. It was illegal use of the informer's registered company name. Apparently, Perquiss exploited the efforts and achievements of another in violation of Article 25 of the Fair Trade Law.
2. Findings of the FTC after investigation:
 - (1) Between February 2 and March 16 in 2021, Perquiss purchased and posted the keyword advertisement in question on Google, using the company name of its competitor "Joy Dream" as the keyword. When consumers entered the word "Joy Dream," "Model Q" and "Joy Dream" would both appear along with the text of "anti-mite and antibacterial mattress recommended." The result could easily make Internet users think Model Q was the mattress brand name or sub-brand name of the informer and the informer recommended the mattress. They would think the two were the same company or they had to be related.
 - (2) The keyword advertisement was clicked 25 times during the period in which it was posted. Apparently, there were indeed consumers who originally searched for "Joy Dream" and then got directed to the website of Perquiss. In consequence, the opportunities for the

informer to make contacts with potential customers were reduced, and the economic profit behind the company name of “Joy Dream” was jeopardized. The practice was able to affect trading order on the marketplace.

3. Grounds for disposition:

Perquiss used the name of its competitor in the keyword advertisement. Search results would show the name of its product “Model Q” and the word “Joy Dream,” the company name of its competitor, along with the text of “Model Q Joy Dream anti-mite and antibacterial mattress recommended—anti-mite and antibacterial functions combined with multilayer pressure reduction material.” Internet users who searched with the keyword would be directed to the website of Perquiss. Consumers would think the two were the same company or they were somehow related. The practice was obviously unfair conduct of exploiting the efforts and achievements of another. It was able to affect trading order in violation of Article 25 of the Fair Trade Law. Therefore, the FTC imposed an administrative fine of NT\$100,000 on Perquiss.

Appendix:

Perquiss Co.,Ltd.’s Uniform Invoice Number: 52547749

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