

Gamania Digital Entertainment Co., Ltd.

1602nd Commissioners' Meeting (2022)

Case: Gamania Digital Entertainment violated the Fair Trade Law for posting false advertisements to market "Lineage M" online game

Keyword(s): Online game, probability, workshop

Reference: Fair Trade Commission Decision of June 9, 2022 (the 1602nd Commissioners' Meeting); Disposition Kung Ch'u Tzu No.111039

Industry: Software Publishing (5820)

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

Summary:

1. To market the "Lineage M" online game (hereinafter referred to as "the game in question"), Gamania Digital Entertainment Co., Ltd. (hereinafter referred to as "Gamania Digital Entertainment") invited gamers to attend the " 'Lineage M' NCSOFT Taiwan Workshop for Gamers" (hereinafter referred to as "the workshop") at the Nuzone Building in Da-an District, Taipei City in December 2019. The screen set up in the venue showed Question 17: "What are the probabilities of production, card drawing and synthesization? Are the probability settings of the Taiwanese version the same as those of the Korean Version?" The answer given on the spot showed that "The probabilities of the Taiwan version are the same as those of the Korean version." However, the production probabilities of the domestic version (hereinafter referred to as the "Taiwanese version") and that of the Korean version with regard to "Secret Instructions for Legend Production (engraving)" (hereinafter referred to "Purple Fabric") were dissimilar. Therefore, false advertisement was suspected.
2. Findings of the FTC after investigation:
 - (1) In November 2019, Gamania Digital Entertainment announced on a web page that gamers could sign up for the workshop to be held to create an opportunity for personnel from the Korean game production company to have direct dialog with domestic gamers and listen to their opinions and game experience feedback which could then be used as reference in improvement of the game in question in the future. Later in December of the same year, the company held the workshop and set up a screen on which questions were presented and the company's personnel answered questions to explain the content of the product in question.
 - (2) According to the Bureau of Industrial Development of the Ministry of Economic Affairs, game businesses often posted probabilities in advertisements to provide gamers with related information. Therefore,

when Gamania held the workshop, it was direct or indirect conveyance of information to the general or concerned public. Meanwhile, since the company claimed at the workshop that the probabilities of the Chinese Taipei version were exactly the same as those of the Korean one, it was a representation regarding the game product able to affect transaction decision. The practice was subject to the regulations in Article 21 of the Fair Trade Law. Hence, Gamania was the advertiser.

3. Grounds for disposition:

- (1) Since October 2019, the production probability of the purple fabric, a prop of the game in question, was that 201 materials to produce one purple fabric in the Korean version. The setting probability was 10%. However, the Taiwanese version needed 99 materials to make one purple fabric. The setting probability was 5%. The two figures were obviously different. Nevertheless, Gamania Digital Entertainment answered during the workshop in December 2019, “The probabilities of the Taiwanese version are exactly the same as those of the Korean version” and also commented that “As far as game probabilities and production are concerned...The Taiwanese version is the same as the Korean version...You don’t have to worry that we would alter the probabilities,” without explaining the setting difference between the Taiwanese and Korean versions. In consequence, it could mislead consumers to believe the probabilities were the same and make transaction decisions. Therefore, the representation made by Gamania Digital Entertainment at the workshop was inconsistent with the fact. It was in violation of Article 21(4) of the Fair Trade Law and Paragraph 1 of the same article was applicable *mutatis mutandis*.
- (2) After assessing the motivation and purpose behind the unlawful act of Gamania digital Entertainment, the illegal profits expected, the degree of harm to trading order and the duration, the profit gained, the business scale, operating condition and market position of the company, its past violations, its efforts to make rectification to the violation, and its cooperation in the investigation, the FTC cited the first section of Article 42 of the Fair Trade Law and imposed an administrative fine of NT\$2 million on the company.

Appendix:

Gamania Digital Entertainment Co., Ltd.’s Uniform Invoice Number: 89550029

Summarized by: Chen, Wei-Fan; Supervised by: Lai, Mei-Hua