

Fei Xun Technology

1638th Commissioners' Meeting (2023)

Case: Fei Xun Technology violated the Fair Trade Law by posting false advertisements to market “HIGHLY glass top smart height-adjustable standing desks”

Keyword(s): False advertisement, height-adjustable standing desk, wireless charger

Reference: Fair Trade Commission Decision of February 22, 2023 (the 1638th Commissioners' Meeting); Disposition Kung Ch'u Tzu No. 112010

Industry: Manufacture of Metallic Furniture (3220)

Relevant Law: Article 21 of the fair Trade Law

Summary:

1. The FTC received complaints that Fei Xun Technology Office Equipment Co., Ltd. (hereinafter referred to as Fei Xun Technology) posted the wordings of “the only product in Taiwan certified by NCC,” “HL glass top smart height-adjustable standing desk: the only standing desk in Taiwan passing NCC certification; passing government certification – quality assured,” and “NCC/low electromagnetic waves/the only product certified by BSMI” to advertise the HIGHLY glass top smart height-adjustable standing desk on its company website and Facebook wall. The informers thought it was false advertising in violation of Paragraph 1 of Article 21 of the Fair Trade Law.

2. Findings of the FTC after investigation:

- (1) Fei Xun Technology stated that the wireless charger was an important component of the HIGHLY glass top smart height-adjustable standing desk. It was encased in the one-piece formed glass desk top. The wireless charger passed the test conducted by the National Communications Commission (hereinafter referred to as NCC) and the certification conducted by the Bureau of Standard, Metrology and Inspection (hereinafter referred to as BSMI).
- (2) Fei Xun Technology displayed the certificate for the wireless charge at the bottom of the company's website and therefore consumers would know that the certified product mentioned in

the advertisement was the wireless charger.

- (3) Fei Xun Technology claimed the product was “the only one in Taiwan” because the company had, before launching the product, searched online and found no other similar products with wireless charging devices. Therefore, it believed that only its glass top height-adjustable standing desk had the function. It was a pioneering product in the industry.
- (4) The FTC requested the NCC for its opinion. The reply was that the wireless charger of the product in question belonged to the category of controlled radio frequency devices and the test was only conducted on the radio frequency function. The height-adjustable standing desk or parts covered by the warranty, such as the body and the motor, were not included.
- (5) The FCT requested the BSMI for its opinion. The answer was that height-adjustable standing desks were not products to be inspected by the bureau. BSMI did not issue any certificate on the desks.

3. Grounds for disposition:

- (1) When marketing the product in question, Fei Xun Technology claimed on its company website that it was “the only product passing NCC certification” and “NCC/low electromagnetic waves/the only product certified by BSMI.” The company also posted on its Facebook wall an advertisement carrying the wordings of “HL glass top smart height-adjustable standing desk certified by BSMI” and “HL glass top smart height-adjustable standing desk: the only standing desk in Taiwan passing NCC certification.” The advertisements gave people the impression that the product in question was the only one passing the NCC’s low electromagnetic wave test and the only one certified by the BSMI. Being an electronic product, whether it had passed certification conducted by national professional institutions or government agencies would affect consumers’ confidence in the quality. Therefore, if the advertisement was inconsistent with the fact, it would cause trading counterparts to have wrong perceptions or make wrong decisions.
- (2) Fei Xun Technology provided proof of the wireless charger passing certification conducted by the NCC and received the certification for the product from the BSMI. Nonetheless, according to the NCC, the wireless charger of the product in question had indeed passed the test, but no tests had been

conducted on the standing desk or parts covered by the warranty, such as the body and the motor. Meanwhile, despite that Fei Xun Technology had registered the product to be inspected by the BSMI, height-adjustable standing desks were not products to be inspected by the BSMI. Hence, the BSMI couldn't have issued any certificate. In other words, the product in question was never certified by the NCC and BSMI, not to mention being the only certified product in Taiwan.

- (3) Fei Xun Technology made a profit due to the advertisements for the glass top smart height-adjustable standing desk. Since the company posted the advertisements, it should have fulfilled its obligation as the advertiser and make truthful representations. The content of the advertisements had to be consistent with the fact. However, without test reports for the height-adjustable standing desk, the company posted the wordings of “the only product in Taiwan certified by NCC,” “NCC/low electromagnetic waves/the only product certified by BSMI,” “HL glass top smart height-adjustable standing desk certified by the BSMI,” and “HL glass top smart height-adjustable standing desk: the only standing desk in Taiwan passing NCC certification.” The content of the advertisements was inconsistent with the fact. It could mislead consumers and cause them to make wrong transaction decisions. Therefore, it was a false and misleading representation with regard to quality of product in violation of Paragraph 1 of Article 21 of the Fair Trade Law.
- (4) As stated above, the claim of “a height-adjustable standing desk certified by the BSMI,” “the only product passing NCC certification” and other wordings were a false and misleading representation with regard to quality of product in violation of Paragraph 1 of Article 21 of the Fair Trade Law. The FTC imposed an administrative fine of NT\$100,000 on Fei Xun Technology.

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