Cheng Hsiang Shipping Co., Ltd. and
5 Other Companies

1755th Commissioners' Meeting (2025)

Case: Cheng Hsiang Shipping and five other enterprises applied for a five-year extension of the approval period for their concerted action involving coordinated scheduling, joint ticketing, and interchangeable tickets on the Donggang (Yanpu)–Xiaoliuqiu route
Keyword(s): Xiaoliuqiu; coordinated scheduling; joint ticketing; interchangeable tickets
Reference: Fair Trade Commission Decision of June 11, 2025 (the 1755th Commissioners' Meeting); Decision Kung Lien Tzu No 114002
Industry: Sea and Coastal Water Transport (5010)
Relevant Law(s): Articles 15 and Article 16 of the Fair Trade Act

Summary

1. The concerted action implemented by Cheng Hsiang Shipping Co., Ltd. and five other enterprises on the Donggang (Yanpu)–Xiaoliuqiu route, involving coordinated scheduling, joint ticketing, and interchangeable tickets, falls within the category of concerted actions specified in the Subparagraph 1 of the proviso to Paragraph 1 of Article 15 of the Fair Trade Act, namely, "unifying the specifications or models of goods or services for the purpose of reducing costs, improving quality, or increasing efficiency." The FTC had previously approved an extension of the approval period until July 1, 2025, by Decision Kung Lien Tzu No.109003 dated June 18, 2020. Considering it still necessary to continue implementing the aforementioned concerted action, the participating enterprises applied for another five-year extension of the approval period.

2. Findings of the FTC after investigation:

(1) Xiaoliuqiu, an offshore island, has no airport and no physical road connection to the main island. Its external transportation therefore depends entirely on passenger ferry services, with no alternative transportation available. Moreover, following the implementation of coordinated scheduling, joint ticketing, and interchangeable tickets

(excluding uniform fares) by the applicants on the Donggang (Yanpu)–Xiaoliuqiu route, consumers are able to choose a departure time and take a passenger ferry operated by any of the applicants freely. This arrangement increases convenience for residents and travelers by ensuring the availability of passenger ferry services during both peak and off-peak hours, thereby enhancing consumer welfare. It also effectively increases the passenger load factor of each ferry and helps the operators improve operational efficiency. The resulting savings in personnel and terminal-related costs can be used to replace and upgrade equipment. The arrangement can therefore contribute to the overall economy of Liuqiu Township, Pingtung County, promote the development of the offshore-island tourism industry, and benefit the overall economy and public interest.

(2) The FTC further considered that passenger ferry fares, sailing schedules, and service quality are regulated by the competent maritime authority pursuant to the Shipping Act and related regulations. In addition, consumers may choose services provided on the route by a company established with an equity investment from the Liuqiu Township Office of Pingtung County, as well as vessels operated by three other private operators. Therefore, the concerted action is unlikely to impair consumer interests or has any adverse effect of restricting competition on upstream or downstream enterprises. Accordingly, the concerted action is unlikely to give rise to significant competition concerns.

(3) After an overall assessment, the FTC determined that the concerted action implemented by Cheng Hsiang Shipping Co., Ltd. and five other enterprises on the Donggang (Yanpu)–Xiaoliuqiu route, involving coordinated scheduling, joint ticketing, and interchangeable tickets, satisfied the requirement under the Subparagraph 1 of the proviso to Paragraph 1 of Article 15 of the Fair Trade Act, concerning “unifying the specifications or models of goods or services for the purpose of reducing costs, improving quality, or increasing efficiency.” As the concerted action does not give rise to significant competition concerns and is beneficial to the overall economy and public interest, the FTC, pursuant to Article 16 of the Fair Trade Act, approved a five-year extension of the approval period, until July 1, 2030.

Appendix:

Cherng Shyang Shipping Co., Ltd.’s Uniform Invoice Number: 45125645

Fei Ma Shipping Co., Ltd.’s Uniform Invoice Number: 91395039

Tung Hsin Steamship Co., Ltd.'s Uniform Invoice Number: 91882930
Jing Chang Steamship Co., Ltd.'s Uniform Invoice Number: 91810155
Guan Guang Steamship Co., Ltd.'s Uniform Invoice Number: 90246378
Chung Yi Steamship Co., Ltd.'s Uniform Invoice Number: 91877964

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