

Information Disclosure and Fair Trade Act
— Focusing on Article 24 of the Fair Trade Act

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Abstract

This essay explores the issues on the information disclosure under the Fair Trade Act (FTA) of the Republic of China (ROC). Since the FTA's regulation of information disclosure is primarily provided in article 24, this essay is based on article 24 and the cases relevant to this provision.

Firstly, the essay introduces the meaning, type and function of information disclosure under article 24 of the FTA. Then the essay observes, from the perspective of economic analysis, the possible factors leading to and the problems resulted from information asymmetry.

Considering that article 24 of the FTA fails to lay down a systematic approach to address information disclosure, it is difficult to understand exactly why and how this issue is regulated. Therefore, this essay engages in the analysis of the cases which has been investigated and disposed of by the FTC. By this analysis, this essay attempts to synthesize valuable opinions on information disclosure and information asymmetry and clarify the legal regime in this regard.

Furthermore, by the comparison between the competition law of the ROC and that of Japan, the essay suggests that difference between two systems can be used as a reference when the FTC of the ROC considers amending article 24 of the FTA.

Finally, in light of the information asymmetry between endorsers and the readers of blogs, this essay discusses the legality of the recently developed phenomenon of blog

endorsement.

Keywords: Information Disclose, Information Asymmetry, Lemon Market, Deceptive Customer Inducement, Abuse of Dominant Bargaining Position, Misleading Representations, Consumer Generated Media , Material Connection.

