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Businesses Blogging and the Effects of Non-Compliance

Duryana Binti Mohamed
International Islamic University Malaysia (IIUM), Malaysia
mduryana@iium.edu.my

Abstract: Presently, business blogging is gaining increasing on-line popularity. Some bloggers or business owners engage in this form of business for limited periods to test the marketability of their products, while others rely on it as the primary medium for marketing their products and services. Given that commerce is being conducted via blogs, some exploit this medium for fraudulent purposes. In Malaysia, there are legal rules and regulations governing online transactions or electronic commerce. However, to date these have not been updated to include specific provisions for business blogging. The legal issues that arise are whether owners of such commercial blogs should comply with the existing legal framework governing online transactions or electronic commerce and are thus liable to consumers under consumer laws. This paper discusses the above issues by examining the application of existing laws on business blogging and the effects of non-compliance.

Keywords: *Business blogging, online, laws, non-compliance, liability*

1. Introduction

There are various definitions of the term 'Business Blogging'. Many authors who wrote on the subject have associated their discussions with online business, e-business, or e-commerce. This situation implies that business blogging is part of online business and e-commerce. As it involves online buying and selling between parties, there is the possibility that the product information or services offered are inaccurate due to the irresponsible acts of the sellers. This situation can be controlled if owners of the blogs can be traced and identified based on their registered business address or place of residence. However, legal issues may arise if their registered business address is not mentioned and untraceable. In civil action, the registered business address or last known address of the defendant is very important in order to ensure effective service of court documents. The address must also be genuine. The question is should registration of a business address be made compulsory to all blog businesses? If the business is of small scale and on an ad-hoc basis, should they abide by e-commerce laws? What is the effect of non-compliance of the laws to such parties? If the owner of commercial blog commits illegal acts such as internet scam, under which law should he/she be liable? This paper discusses these issues by referring to the e-commerce laws, rules, and regulations available in Malaysia and other jurisdictions.

2. Literature Review

Blogging started in the US and then spread globally (Strother et al., 2009). Beginning from 1999, many authors wrote blogs offering their unique perspectives on issues. There are many books, articles, and websites relating to the benefits and risks of business blogging. Among them are books by Schaefer & Stanford (2013) and Gardner & Shane (2012) that wrote on blogging but overlooked the inclusion of regulations pertaining to business blogging. However, Holtz & Ted (2006) provided a comprehensive discussion in his book "Blogging for business". He discusses business blogging and legal considerations such as disclosure, defamation, intellectual property, and rights to privacy. This book highlights the effects of non-compliance of the laws on business blogs. Newson et al. (2009) discussed blogging and the role of law in social media. He defined the word 'blog', its categories, and the benefits of business blogging. Many have written on e-commerce, e-business, and internet laws. Among them are Saunders (2001) and Singleton (2006) who wrote on internet laws for business, and Bernstein et al. (1996) wrote on issues related to internet security and its policy, and the importance of securing user's services and business services. Terry Bernstein & others also discussed e-commerce, and legal and social issues in workplace. Awad (2007) wrote on e-commerce and mentioned the relevant legal issues. Cheeseman (2010) wrote on business and online

commerce including business ethics and international issues and Hedley & Tanya (2008) edited a book that consists of all laws on IT and e-commerce. Their views and laws are based on either the laws in the United States or English laws. All these books are relevant because they provide a discussion on internet commerce, which includes business blogs. Apart from books, there are useful sources from websites provided by Lawyers.com, out-law.com, and Digital business from the Australian government on business blogs and e-commerce. The article written by Strother et al. (2009) is very useful because she discusses the legal and ethical issues of corporate blogging.

In Malaysia, many have discussed e-commerce, intellectual property rights, and consumer protections but there have been no specific discussion on business blogs. Ding (1999) specifically discussed e-commerce laws, practice, and legislation on computer crime. Jayabalan (2012) focused on the importance of legislative measures in e-commerce and consumer protection but not on business blogs. Ida Madieha (2004) discussed trademark laws, infringement of trademarks, and solutions available to the owners of trade marks. Bant & Singh (2009) offered his views on the enforcement of intellectual property rights from a practical point of view. Rafidah's (2006) unpublished master thesis on e-commerce discussed the factors that influence the adoption and application of e-commerce in Small Medium Enterprises (SME) in Malaysia from economic perspectives, and Ranee (2001) discussed Malaysian SMIs in e-commerce. Mazlan's (2014) writing is more relevant to business blogs because he focuses on the requirement to register business blogs in Malaysia, setting up business blogs, and taxation of online businesses or e-commerce.

3. Methodology

This research is primarily based on library and online search. Books, journals, articles in newspapers, and periodicals are important sources of references. Online research is conducted on websites to find the latest information about blogging in business, its benefits, risks, and challenges. Unpublished materials such as conference papers and theses are also referred to. Discussions and surveys are conducted with the relevant persons especially with those who own business blogs. However, not all information is mentioned in this paper because this research is still in progress.

4. Results and Discussion

Blog is a term derived from web log. A blog is a website where information is displayed in date order, with the most recent information at the top of the page (Newson et al., 2009). 'Blogosphere' refers to "the set of all weblogs on the internet" and implies a globalised social community (The American Heritage Dictionary; Strother et al., 2009). There are many categories of blogs, which among others include business and professional, academic, entertainment, financial, and technology. For legal blogs, the writers are academics, law firm blogs, or personal blogs (Newson et al., 2009). This paper focuses on business blogs. Blogging for business has various benefits. Some of the main benefits include the blog owner can be his own publisher, inexpensive, he/she can interact with clients and industry, he/she can always keep in touch with their clients and the technology used by those around him/her, and he/she can earn a profit (Newson et al., 2009). In addition, business blogs are easy, effective, and time saving. For small businesses, they help to establish relationships with potential and new customers and connect people to their brand. There are various tips available online on how to setup and run the website as well as how to be successful in this business (Mc Comb, 1998; Pin, 2010). However, there are risks of using blogs for business. Issues on security threat and internet attacks must be taken into consideration. Apart from that, owners of business blogs must have knowledge on specific legal issues most likely to occur in internet business or business blogs.

The position of business blogs in Malaysia: Registration of a business plays a very important role in ascertaining the status of one's business. In Malaysia, the position of business blogs is still obscure, particularly for small businesses. There is no specific provision that requires them to register their online business. Although there are Registration of Business Act (RBA) 1956 and the Companies Act 1965, the RBA only provides for any registration of a Small Medium Enterprise (SME) and depends on the business structure and liability of the company. If the business blog is considered an SME, then they have to register under RBA. If they are not categorised as SMEs, registration is not compulsory. In fact, registration is confined to certain types of businesses. A business will be deemed an SME if it meets either one of the two specified criteria,

namely sales turnover or full-time employees whichever is lower. This means, the business blog will be categorised as an SME if its business involves manufacturing products where its sales turnover is RM50 million or less OR if it has 200 full-time employees or less. If less than that, they are not SMEs and thus are not required to register their business. The issue of registration was raised when 400 online businesses were charged for not registering their business with the Companies Commission of Malaysia (CCM). Nevertheless, the issue was resolved when the Malaysian Communication and Multimedia Commission (MCMC) confirmed that only online businesses related to the telecommunication industry such as selling networking services need to register with the MCMC (Mazlan, 2014). The CCM confirmed that all online businesses (whether on full time basis or part time basis) need to register with CCM based on the rationale that in so long as there is income, you need to register. However, CCM officers suggested that the blogger may register as a sole proprietor because it is cheaper (Mazlan, 2014). Once the business is registered, the owner has to comply with CCM's rules and is responsible to declare his/her income to the Inland Revenue Board of Malaysia (IRBM) for tax purposes.

Legal responsibility of blog business owners: Business bloggers must have some knowledge about the laws governing online business. If they fail to comply with the said laws or fail to follow certain rules, they may either be sued for wrongful acts or be ordered to stop from continuing their business. For instance, if it is proven that the seller has provided false information regarding their products, the buyer may sue the seller for breach of sales and purchase agreement or misrepresentation or even fraud under contract law. In business blogs or corporate blogging, liabilities of business blog owners or corporate bloggers can be established if the lawyers for the plaintiff/consumer can prove on the balance of probabilities that the defendant/seller (an individual or a company) has committed an unlawful or illegal act. To avoid this legal implication or legal risks, some corporations reserve the right to edit or omit blog postings if they are off-point, off-colour, or otherwise inappropriate (Strother et al., 2009).

Legal risks in corporate blogging: When a blog or website for a business is setup, the owner/blogger must be prepared to face any legal risks or legal problems that may arise from imprudent blog posts created by employees about the company. Not all blog owners know about the laws but they must at least be prepared and if possible, consult legal experts before starting the business. Goldman (2006), Strother et al. (2009), Awad (2007), and Holtz & Ted (2006) mentioned the legal risks in corporate blogging.

According to Goldman, the legal risks of corporate blogging are admissions-adverse evidence that may be introduced in litigation, trade libel-disparaging comments about competitors' products and disclosure of non-public information, trade secrets, patentable information and information that could manipulate stock price (securities fraud) (Goldman, 2006; Strother et al., 2009). Holtz & Ted highlighted primary legal issues in business blogs such as disclosure policies that should be made specific in the blog, the violations of trademark and copyright laws, defamatory comments posted by somebody else to your blog, violation of an individual's privacy, and termination of employees for making disparaging remarks about their boss (Holtz & Ted, 2006). Regarding the employees, this issue will not arise if the blog is operated and owned by an individual who owns a small-scale business. Other legal risks include damage to an individual or company's reputation, liability for infringement of intellectual property rights (by making copies from the content of one's blog post without permission), liability for defamation or illegal content (the opinion given may become defamation), and leaking confidential information (www.out-law.com). These risks are taken from the perspectives of an employer who may face legal suits due to comments or opinions made by employees in the company's blog or website. This is also known as internal blogging. Hence, it is important for business bloggers to know the laws, rules, and regulations related to online business. Below are the relevant laws on online business or blog business.

Laws regulating online business: In Malaysia, online businesses are categorised as e-commerce (Ding, 1999; Mohamed, 2011; Mazlan, 2014). Hence, the most appropriate laws should be e-commerce laws. These laws are relevant because the transaction involves the use of internet and network facilities. Among the e-commerce laws are the Electronic Commerce Act 2006 (ECA), Communication and Multimedia Act 1998 (CMA), Consumer Protection Act 2006 (CPA), Trade Marks Act 1976 (TMA), Trade Marks (Amendment) Act 2000, Copyright Protection Act 1997 (CPA), Personal Data Protection Act (PDPA), Trade Description Act 2011 (TDA), and Sales of Goods Act 1957 (SOGA). The objectives of these laws vary. The CMA deals with issues of

blog content, the TMA is for protecting the trademarks, the CPA is for protection copyright, PDPA is meant for protection of individual privacy and personal data, while CPA deals with issues on fraudulent acts and consumer protection. Each of these laws will be explained later. In cases related to business blogs, the CMA can be considered the most relevant law because it governs the use of a network facility or facilities and provides legal liabilities on those who fail to comply with the Act. Nevertheless, there is no specific provision on blogs, bloggers, and bloggers' liability in online businesses. Apart from these laws, conventional laws are still relevant. They include the Registration of Business Act (RBA) 1956, Companies Act 1965, Contracts Act 1950, the Defamation Act 1957, and Evidence Act 1950.

The consequences of non-compliance of e-commerce laws: Issues of non-compliance of the laws should be taken seriously especially for those who own a business. In business, there are laws that govern businesses such as laws on electronic commerce and credit cards and intellectual property (Pheng et al., 2014). The following discussions focus on e-commerce laws that govern the blog business and what the owners of the blogs (bloggers) should and should not do. If the bloggers fails to comply with the requirements provided in the Acts, they will face the consequences of their non-compliance. The following are the laws and effects of non-compliance to the said laws.

a) The Communication and Multimedia Act 1998: The CMA 1998 gives powers to the Malaysian Communication and Multimedia Commission (MCMC) to enforce its rights including monitoring internet content. Cyber Security Malaysia also assists the CMCM and they work together with the Royal Malaysian Police in detecting those who misuse the internet and network facilities. The owners of business blogs should know the implications of violating the Act. The Act provides a regulatory framework for the communication and multimedia industry in support of national policies. CMA deals specifically with the obligation to apply for a licence and compliance with the licence conditions as directed by the Commission (s.51). If anyone fails to comply with the direction of the Commission, they shall on conviction be liable to a fine not exceeding three hundred thousand ringgit (RM 300, 000) or to imprisonment for a term not exceeding three years or both (s.53). A person must provide information as required by the Commission and if they fail to comply with that instruction or direction, they shall on conviction be liable to a fine not exceeding twenty thousand ringgit (RM20, 000) or to imprisonment for a term not exceeding six months or both (s.74). The Act requires a person to provide correct information. If they give false or misleading information or evidence in response to the direction by the Commission, they shall be liable to a fine not exceeding twenty thousand ringgit (RM20, 000) (s.75). Other sections that provide a penalty for non-compliance are s.100 and s.109. It is important to adhere to the content code. Section 211 of the Act emphasises on the duty of the service provider not to provide products or services that are indecent, obscene, false, menacing, or offensive in character. Anyone who violates this section shall on conviction be liable to a fine not exceeding fifty thousand ringgit or to imprisonment for a term not exceeding one year or to both and shall also be liable to a further fine of one thousand ringgit for every day or part of a day during which the offence is continued after conviction. Internet scams violate the CMA. According to MyCert, there are twelve internet scams and those relating to business include sending bulk emails to internet users about business opportunities available online (Internet scam). In 2014, US officials said that Malaysia is a global hub for internet scams, especially love scams (Campbell, 2014) and Malaysia has become the new epicentre for online crime (Grudgings, 2014). Business bloggers should avoid doing this in marketing their business because it is against the law. In cases of counterfeiting, legal action may be taken against the suspect if there is proof of damage. The authorised officer (AO) or any officer appointed by the Commission has the power to investigate the case. If the offence falls within CMA, the AO may investigate the case based on the provisions mentioned in the CMA and Criminal Procedure Code (CPC). These include the power to intercept and power to require evidence from suspects and witnesses (s.255 and s. 256 CMA). If proven guilty, the person may be charged under the Act.

b) Personal Data Protection Act 2010 (PDPA): This Act applies to data users or business owners who obtain personal data from their clients (or data subjects) in commercial transactions. According to the Act, any business or data users intending to use the personal data of clients shall register their business with the Commissioner and get the certificate of registration. If they process personal data without a certificate of registration they shall, on conviction, be liable to a fine not exceeding five hundred thousand ringgit or to imprisonment for a term not exceeding three years or to both (s.16). If the registration has been revoked by the Commissioner but they continue to process the personal data they shall, on conviction, be liable to a fine

not exceeding five hundred thousand ringgit or to imprisonment for a term not exceeding three years or to both (s.18). They must surrender the certificate to the Commissioner within seven days. Otherwise, they shall, on conviction, be liable to a fine not exceeding two hundred thousand ringgit or to imprisonment for a term not exceeding two years or to both (s.19). Hence, certificate of registration is very important to every data users. Apart from that, data users must also comply with the Codes of Practice issued by the Commissioner. If they fail to comply with any provision of the code of practice they shall on conviction, be liable to a fine not exceeding one hundred thousand ringgit or to imprisonment for a term not exceeding one year or to both (s.29). Although data users are not allowed to disclose the personal data of data subjects, they are allowed to do so in certain cases as prescribed by the Act.

c) The Trade Description Act 2011: This Act provides better protection to the consumers. It prevents the bloggers from providing false trade descriptions and false or misleading statements, conduct and practices in relation to the supply of goods and services online. The 'goods' include ships, aircrafts, vehicles, animals, plants and crops and all kind of immovable property. The scope and meaning of trade description is mentioned in ss.6 and 7 of the Act. According to the Act, false or misstatements include a false price of goods or misstatement as to services and misstatement in advertisement. PART 11 (ss.5 to 12) of the Act provides on prohibition of false trade description. While PART 111 (ss. 13 to 21) provides provisions relating to misstatements other than false trade descriptions. A person is said to have committed an offence under TDA if they provide false descriptions to any goods and supplies or offer to supply any goods to which a false trade description is applied or in his possession, custody, or control for supply any goods to which a false trade description is applied. According to s.5 of the Act, if a person is found liable under the Act they will be fined for the amount of RM100, 000 or to imprisonment for a term not exceeding three years or to both and for second or subsequent offence the fine to be paid is not exceeding RM250, 000 or to an imprisonment for a term not exceeding five years or to both. For body corporate, the punishment is payment of fine amounting to RM250, 000 for first offence and for a second or subsequent offence the corporation has to pay a fine of RM500, 000.00. However, Part IV (ss.22-25) of the Act provides defences to a person or corporation charged for offences committed under Part 11 or Part 111. For example, section 23 of the Act provides defence of personal use for an individual or owner of a business blog charged under the Act. However, the corporation cannot use this defence of personal use when it is clear that the company has violated the Act.

d) The Electronic Commerce Act 2006 (ECA): ECA 2006 was enacted in 2006 with the intention to govern e-commerce activities. Section 3 of the Act clearly states that the Act shall apply to any commercial transactions conducted by electronic means. It also recognises the use of electronic message and electronic signature under Digital Signature Act 1997 in e-commerce. However, there is no specific provision on business blogs. Nevertheless, the Act is still relevant because in business blogs the internet is used as the main medium of communication including email messages. There is also no provision on penalty in the event of failure to follow the Act.

e) Sale of Goods Act 1957 (SOGA): Generally, sellers and buyers are subjected to SOGA and the Contracts Act 1950. If both parties entered into a contract to sell and deliver goods, it is the duty of the sellers to comply with the contractual terms. If the seller fails to comply with the contract, the buyer can sue him for breach of contract and claim for remedies provided by the Acts. SOGA and Contracts Act 1950 are both applicable to online sales and blog business.

f) The Copyright Act 1987 and the Copyright (Amendment) Act 2012: Copyright is one of the most popular issues in e-commerce and online business. Copyright is defined as the exclusive right given to the owner of a copyright for a specific period. Under the Copyright Act 1987, 'original' works owned by the real owner are protected and no one is allowed to infringe the copyright. There are works eligible for protection under the Act namely literary works; musical works; artistic works; films and sound recordings. However, to get the copyright protection to the above works, the owner must fulfil certain conditions such as sufficient effort has been expected to make the work original in character and the work has been written down, recorded, or reduced to a material form. The author should be a qualified person or the work is made in Malaysia or the work is first published in Malaysia. The Act was amended in 2012 and came into force on March 1, 2012. According to sections 26A and 26B of the Act 2012, owners of copyright shall voluntarily notify and register their copyright work with the Controller who will then register the copyright works under

Register of Copyright. By complying with this requirement, anyone may examine the Register of Copyright as determined by the Minister. For evidential purposes, the owners may produce the certified extracts of the Register of Copyright in court and the extracts shall be admissible as prima facie evidence. The new section 36A was inserted for the purpose of circumvention of technological protection measure while section 36B provides information, which identifies the works or author of the works. No person shall alter or remove any electronic rights information management without authority. Section 37 allows the owner of the works to take legal action for any infringement of copyright works and prohibited acts provided in the above two sections. However, for innocent infringement the plaintiff or copyright owners shall not be entitled for damages although the plaintiff will be entitled to statutory damages of not more than RM25, 000 for each work, and an account of profits (Ying and Sonia, 2012). In short, the amendment provides limitation of liability for service providers who provide services relating to, or provide connections for, the access, transmission or routing of data, or those who provide facilities for online services or network access. In cases of infringement by their users, the service providers are now afforded a safe harbour (Ying and Sonia, 2012). Thus, owners of copyrights works in business blog should comply with the above Act particularly section 41 of CA 1987 that provides on the criminal liability for copyright infringement.

i) Consumer Protection Act 1999 (CPA) & Consumer (Amendment) Act 2010 & Consumer Protection (Electronic Trade Transactions) Regulations 2012: Consumers buy online at greater risk compared to conventional methods of buying. The goods shown in the internet may not be of merchantable quality and personal details of consumers may be abused or tampered (Jayabalan, 2012). Thus, the online consumers deserve protection from such unethical sellers. The sellers in online businesses should not take advantage of the buyers by making false description of the products or goods and then provide the exemption clause or unfair contract terms. This is because the terms benefit the sellers. In Malaysia, the CPA was introduced in 1999 in order to protect the interest of the consumers. The 1999 Act was then amended in 2010 by adopting certain principle on unfair contract term from India (Amin, 2013). The CPA (Amendment) 2010 has given more chances to the consumers to claim under unfair contact terms, which has been used by the sellers in consumer contracts. Part IIIA of the 2010 deals specifically with unfair contract terms. In addition, the Government has introduced the National Consumer Policy and established the Tribunal for Consumer Claims Malaysia (TCMM) to deal with consumer related cases. Apart from the CPA 1999, there are few consumer related legislations in Malaysia namely, Hire Purchase Act 1967, Price Control and Anti Profiteering Act 2011, Control of Supplies Act 1961, Trade Descriptions Act 2011, Weight and Measures Act 1972, Direct Sales and Anti-Pyramid Scheme Act 1993, SOGA 1957, CMA 1998, PDPA 2010 and few other legislations (Sabri, 2014).

In 2012, Consumer Protection (Electronic Trade Transactions) Regulations 2012 was introduced to further protect the consumers who deal with online sellers. The 2012 Regulations were issued under s.150 of the 1999 Act. The 2012 Regulations imposed on all online business suppliers and online market operators to provide certain details about their business such as names of business, email address, their business registration number, method of payment and terms and conditions of sale (Yen, 2013). For offences and penalties, online traders should know that it is an offence if they fail to comply with the regulations. Any person will, on conviction, be liable to a fine of up to RM50, 000 or to imprisonment up to three years or both, and for a second or subsequent offence the person will be liable to a fine of up to RM100, 000 or to imprisonment up to five years or both. If a company commits the offence, it will, on conviction, be liable to a fine of up to RM100, 000, and for a second or subsequent offence a fine of up to RM200, 000. An additional fine of up to RM1, 000 will be imposed on any person or company for each day for which the offence continues after the conviction. Besides the criminal penalties, an aggrieved consumer may also lodge a claim with the Tribunal for Consumer Complaints for civil remedies against errant online traders (Yen, 2013). The claims can also be forwarded to Small Claims Court and Financial Mediation Bureau. These are some of the efforts taken by the Malaysian government to protect the rights of the consumers. However, for the sake of brevity, this paper covers certain Acts only.

g) The Trade Marks Act 1976 (TMA) and Trade Marks Regulations 1997 (TMR) & Trade Marks (Amendment) Act 2000: In Malaysia, the TMA came into force on 1st September 1983. According to s.3 of TMA, a mark is defined to include 'a device, brand, heading, label, ticket, name, signature, word, letter, numeral or any combination thereof' (s.3 (1)). The trademark distinguishes one brand from another. In an effort to protect their businesses, the owners of trademark can register their trademark with the relevant

authority. This will ensure that they may claim their rights in case of online infringement of trade mark (ss10 & 12). Online infringement of trademark may occur if the owners of blog business use other person trademark, symbol, or logo in his blog and claim that mark to be his. In this situation, the owners of the infringed trademark may sue the infringer in court and apply for an injunction or monetary damages or both (Ida Madieha, 2004). It is an infringement to use an identical trade mark in relation to similar goods and services, and a similar trade mark in relation to identical or similar services provided, where in each of these two cases, there exist a "likelihood of confusion" (Outlaw.com). In the context of blogging, your blog name, as well as any logo used in the blog, could be used as trade mark (Schreyer, 2014).

h) Goods and Services Tax Act 2014 (GSTA) or Value Added Tax (VAT): This Act came into force on 1st April 2015. It is considered an indirect payment of taxes from the consumers to the government through the sellers (Rashid & Norbaya, 2014). This Act imposes 6% tax on goods and services supplied in Malaysia and imported into Malaysia. The Royal Customs Department has been given the power to administer and enforce the Act. According to the Act 'business' includes any trade, commerce, profession, vocation or any other similar activity, whether or not it is for a pecuniary profit (s.3). This implies that GSTA is applicable to online business so long as the business fulfils the requirement mentioned in the Act. The Act also defines the meaning of 'owner', 'services', 'supply' and 'electronic service'. Section 9 of the Act explains the imposition of tax on any goods and services made and supplied in Malaysia and importation of goods into Malaysia. While 'data' in this Act includes any computer programme or part of computer programmes (s.89). This definition is mentioned under fraud offences. Part XI of the Act provides on offences and penalties to business owners. They include penalties for those who evade paying tax or have committed fraud or have provided incorrect return of the tax. In some cases, they may be prevented from leaving the country for failure to pay tax, penalty, or surcharge imposed on them (s.49). In serious cases, the business owner can be put in prison for non-payment of fine. In term of enforcement, a senior officer of a goods and services tax shall have all the powers as police officer as provided under the Criminal Procedure Code. (s.80). Thus, whoever violates the Act may be detained and arrested without warrant. Although this Act received many criticisms there are certain exemptions provided in the Act. Nonetheless, the effectiveness of this tax in Malaysia is yet to be known.

How to avoid legal suits? The owners of business blogs or corporate blogging may avoid legal actions, if they have a blogging policy or corporate blog policy in their companies. This policy will restrict the use of blogs and prevent their employees from committing copyright infringement or breach of confidential information or trade secrets (outlaw.com; Holtz & Ted, 2006). Apart from that, the owner should establish a clear moderation policy and understand the marketing campaigns and spam (Digitalbusiness). This includes understanding the CAN-SPAM law for e-marketing (lawyers.com). The domain name of your business blog should be registered because it is your property (lawyers.com). Then, choose the right e-commerce software especially for small business owners because they need to ensure online security and the importance of protecting their business from internet attacks and security threat (Bernstein et al., 1996; Awad, 2007). One of the top three software programmes in e-commerce is Volusion which offers advanced security and back-room tools, and integrates with Amazon.com to help boost sales or can go through third party providers such as eBay (Brooks, 2014). It was also suggested that the owner should provide a disclaimer policy in order to avoid being liable (Meddows, 2014; Strother et al., 2009) and monitor damaging blogs that contain damaging posts or nasty comments by an employee targeting certain people or business. Usually, dissatisfied employees or consumers against the employers or companies made these damaging remarks. Small businesses with one sole proprietor may also adopt self-regulations by complying with the proper ethics of business. However, the blogger or business owners should be aware that in some countries there is different internet policy and rules. For example, in China corporate bloggers including foreign businesses should comply with its censorship policy (Holtz & Ted, 2006). Survey results released by the European Union Chamber of Commerce in China shows that the onerous system of censorship known as the Great Firewall has affected companies based in the European Union but have offices in China (Wong, 2015). Although this incident occurred in China and involved big companies, the same policy shall apply to small business that uses the internet to engage in business blogging.

5. Conclusion

Business blogs offer many benefits and advantages to the owners of blog businesses or weblogs. However, there are disadvantages and certain legal risks that owners or bloggers must take into consideration before venturing into online business. The potential of being sued and possibility of internet attacks are always there if owners do not comply with e-commerce laws and do not take good security measures to protect the online business. Thus, the owners of business blogs should have some legal knowledge or consult their legal team in order to understand the e-commerce laws and the effects of non-compliance of those laws. They should be prepared to pay tax according to taxation law, the e-payment methods, the application of electronic signatures, the delivery liability issue, and the internet laws applicable in some countries. Their knowledge about the laws and other issues related to online businesses will at least prevent them from possible legal actions that may be taken against them by the buyer or those affected. In short, compliance with the laws, rules, and regulations including the internet policy of different countries are recommended before embarking on business blogging.

Recommendations: We recommend that there should be greater research on legal issues in business blogging and how to ensure the bloggers (business owners) comply with online laws, rules, and regulations. A list of registered business blogs, their types of business, address and the governing laws related to blogging in business should be made publically available online. For small businesses owned by one or two individuals, we suggest that they should also be listed in the website, so that people will know the numbers of business blogs operating in Malaysia and their types of business.

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