



Study on the Korean Bakery Products Market

HS 1905

This study on the Korean bakery products is intended to provide information on the state of the Korean bakery products industry and provide suggestions of possible areas of opportunity for Canadian bakery product marketers. While every attempt has been made to ensure accuracy in this study, no responsibility can be accepted for errors or omissions.

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Table of Contents

- [1. Introduction](#)
 - [1.1 Import Growth Compared to Canadian Import Growth](#)
 - [1.2 Import Liberalization](#)
- [2. Regulations and Procedures](#)

- [2.1 Trade Regulations](#)
- [2.2 Tariff Rates](#)
- [2.3 Customs Classification](#)
- [2.4 Taxes Applicable to Imports](#)
- [2.5 Quarantine Inspection](#)
- [2.6 Customs Clearance](#)
- [2.7 Customs Clearance Procedures for Import to be Simplified](#)
- [3. Non Transparent Barriers](#)
 - [3.1 Food Regulations](#)
 - [3.1.1 Korean Version of the US Food and Drug Administration](#)
 - [3.2 Shelf Regulations](#)
 - [3.3 Labelling Requirements](#)
 - [3.4 Effect of Political Factors, Bilateral or Multi Lateral Agreements on Choice of Supplier](#)
 - [3.5 Imported Goods area a Taboo for Korean Consumers](#)
- [4. Changes to the South Korean Consumption Pattern](#)
 - [4.1 Income and Expenditures](#)
 - [4.2 Main Trends](#)
 - [4.3 Consumer Characteristics](#)
 - [4.3.1 Main Consumer Trends](#)
 - [4.4 A Shift in Purchasing Power](#)
 - [4.5 Expenditure on Food](#)
 - [4.6 Examples of Product Imported](#)
 - [5. Distribution](#)
 - [5.1 Traditional Distribution Methods](#)
 - [5.2 Past and Current Distribution Strategy](#)
 - [5.2.1 Agents](#)
 - [5.2.2 Distributors](#)
 - [5.3 Examples of Marketing Channel Relationships](#)
 - [5.4 Marketing Strategy Used by Companies to Enter or Maintain Market Share](#)
 - [5.5 Five ways to Help Your Agent](#)
 - [5.6 Korea's Retail and Distribution Revolution](#)
 - [5.7 Forecast](#)
 - [6. Imports by Country 1990-1995](#)
 - [7. Government Trade Promotional Activities in Korea](#)
 - [8. Transportation](#)

Appendix

[Appendix 1. Kora Statistics](#)

[Appendix 2. Import by Country in 1994](#)

[Appendix 3. Importer by Product](#)

Table & Diagram List

Tables

[Table 1. Product, Price and Amount Imported](#)

[Table 2. Packaging, quantity and End Consumer](#)

[Table 3. Type of Company, Marketing Channel Relationship, Exporting Company](#)

[Table 4. Exhibition Participants](#)

[Table 5. Hotel Supply Centre Current Status of Imports](#)

[Table 6. Hotel Supply Centre Customers](#)

[Table 7. Prospects of Korea's Retail Turnover by Type](#)

[Table 8. Source, Government Trade Promotion Activities](#)

Diagrams

[Diagram 1. Imports 1990-1994](#)

[Diagram 2. Imports by Country 1990](#)

[Diagram 3. Imports by Country 1991](#)

[Diagram 4. Imports by Country 1992](#)

[Diagram 5. Imports by Country 1993](#)

[Diagram 6. Imports by Country 1994](#)

[Diagram 7. Imports by Country 1995](#)

[Diagram 8. Diagram of Korea's Ports, Airports and Main Arterials](#)

[Diagram 9. Comparative Estimation of Transport Costs to Korea](#)

1. Introduction

1.1 Import Growth Compared To Canadian Import Growth

Imports of bakery products have shown huge growth from \$5million in 1990 to \$21 million in 1993. However, growth eased off a little in 1994 with only a \$2million increase to reach \$23 million. In 1995 imports of bakery products grew to \$27 million. Imports from Canada were only recorded at \$3,000 in 1991 however, strong growth was recorded from 1994 to 1995 resulting in Canadian imports growing from \$22,000 to \$478,000, as illustrated in Diagram 1.

1.2 Import Liberalization

Korea is famous for its "Confucian" regulatory environment. Like Japan, Koreans expect officials to interfere in a wide range of areas not normally closely regulated in the west.

This regulatory situation is compounded by the protection of the vested interest of existing producers and the existence of double standards for local and international producers.

The Korean government has a long history of what might be called semi liberalization of the food and drink market. This may be described as officially liberalizing an import, but actually surrounding the newly liberalized product with petty regulations which the importing companies take five years to lobby and fight to get reasonable market access.

This reflects the extremely conservative thinking in the Ministry of Health and Welfare which controls foods, beverages, cosmetics and pharmaceuticals.

Korea, under President Kim Young-sam, is actively pursuing globalisation and rapidly liberalizing its markets in a bid to join the OECD in the later part of 1996. Significant progress has been made in the last few years in terms of liberalization, although the area of food and drink is one of the areas where regulatory irregularities and sudden changes with an adverse impact to a foreign importer still exist. Exporters to Korea must expect a degree of regulatory frustration and be prepared for regulatory changes which may result in short term problems in the market.

Despite reduced import barriers, the Korean market is still difficult to access for foreign companies due to obstructive bureaucrats, non transparent regulations, the dominance of the Korean business environment by large conglomerates, called the chaebol and the language barrier, which complicate market access procedures.

[Back to Table of Contents](#)

2. Regulations and Procedures

2.1 Trade Regulations

None

2.2 Tariff Rates

The tariff for bakery imports under HS 1905 in 1996 is 8%.

The dutiable value of imported goods is the normal CIF price at the time when the import was declared.

Tariffs must be paid in Korean won before goods can clear customs.

2.3 Customs Classification

Tariff classification is based on the internationally recognised Harmonized Commodity Description and Coding System. Appendix 2 details customs classification for bakery imports.

2.4 Taxes Applicable to Imports

A value added tax of 10% is levied on the CIF value of the import plus the amount of

customs duty paid.

2.5 Quarantine Inspection

The following documents must be submitted to the Quarantine Office for quarantine inspection:

- 1) Application Form
- 2) Import License (I/L)
- 3) B/L copy
- 4) Invoice and Packing List
- 5) Self Specification Certificate
- 6) Product Information

According to bakery product importers the main problem associated with quarantine procedures is the long period, over two months, that quarantine takes to complete the first time the product is imported.

2.6 Customs Clearance

After passing through quarantine inspection, customs clearance procedure is required, for which the following documents must be submitted:

- 1) B/L copy
- 2) I/L
- 3) Invoice & Packing List
- 4) Offer sheet
- 5) Certificate of Origin
- 6) Insurance copy

2.7 Customs Clearance Procedures for Imports may be Simplified

It has been proposed that importers may be able to file import reports from the time the ship enters a local port, which will allow them to ship the goods to other places without storing them in bonded warehouses.

Customs officials believe the proposed revisions to the reporting system will contribute significantly to alleviating the logistics problems at the ports.

In 1993, the combined physical distribution cost of local manufacturers surged 18% to 3.1 trillion from 2.6 trillion won in 1992.

The government has also proposed that revisions may be made to enable importers to pay customs taxes after imported goods are taken away. At present, importers are issued import licenses only after customs taxes are paid.

[Back to Table of Contents](#)

3. Non Transparent Barriers

"Food regulations and shelf life are the greatest obstacles to importers of agri - food products" - most common response from foreign food importers in Korea.

Despite increased import liberalisation exporting to Korea is still very difficult due to non-transparent barriers such as food and shelf life regulations.

3.1 Food Regulations

All food and additive imports need to be approved through a process of self specification, according to Article 7 and 9 of Food Sanitary Law.

Self Specification Process

1. Before an application can be made to pass self specification the product must be tested by the " Korea Advanced Food Research Institute" (KAFRI)

An application for testing of products requires the submission of the following documents/samples listed below to KAFRI:

1. Application Form : 1 copy
2. Sample of Product : 3 or 4 ea
3. Product information

- Ingredient information : 1 copy
- Result of testing : 1 copy
- Manufacturing Process: 1 copy

A Testing Certificate is issued by KAFRI, if the products are passed.

2. Application for Self-Specification

After a Testing Certificate is acquired from KAFRI a Self Specification Approval Certificate can be applied for from the National Institute of Health (NIH).

Application for testing of products requires the submission of the following documents listed below to "National Institute of Health " (NIH):

- 1) Application form : 3 copies
- 2) Testing Certificate : 3 copies
- 3) Product information

- Ingredient Information : 1 copy
- Result of Testing : 1 copy
- Manufacturing Process : 1 copy

4) Self-Specification Approval Certificate is issued by NIH, if passed.

According to bakery product importers food regulations are the main problems when importing food products into Korea. The food regulations are extremely difficult as they cover bacteria, ingredients, preservatives and their combination rates as well as the manufacturing process, all in specific detail. Importers often find that potential suppliers do

not want to reveal such detail about their products due to fear of their products being copied.

Bakery product importers commented that food and shelf life regulations often effected their choice of supplier.

3.1.1 Korean Version of the US Food & Drug Administration

In April 1996 a Korean version of the US Food & Drug Administration will be established under the authority of the Ministry of Health and Welfare. However, the office will assume independence after a relevant law is enacted early next year. The Korean version of the US Food & Drug Agency will be authorized to examine, verify and estimate the safety of food, food additives, medicines and medical instruments. It will take charge of tests and evaluations of foods and drugs and the inspection of imported foods and drugs.

The Agency will have offices in Pusan, Incheon and Seoul.

The Food & Drug Authority is being established to create an independent body to reduce unfounded allegations damaging industries. The recent controversy over Soy Sauce, which civil groups alledged contained cancer or infertility causing substances, resulted in serious damage to the industry, despite WHO and the Ministry of Health advising otherwise.

3.2 Shelf Life

A common non tariff barrier used by the Korean authorities has been a short shelf life with long quarantine periods which result in inadequate time for distribution and sale by the time the product has completed transit and passed quarantine.

For example the shelf life on some bakery products is as little as 3 months.

However, Korea is slowly bring shelf line periods in line with Western countries as a result of persistent lobbying by countries supplying the products, particular the USA. As of March 1996, the shelf life rules on three food stuffs imported from the USA; namely butter, cheese and baby food were lifted. In July 1995, Korea has agreed with the US to ease the shelf life rules on canned food, vacuum packed meat and other food stuffs. Under the accord Seoul is also to exempt vacuum packed beef and pork imported from the USA from the expiration requirements, starting in July this year.

Korea removed shelf life regulations on 207 food items in October, last year, but 139 kinds of food are subject to the rule.

3.3 Labelling Requirements

A label of Korean Indications should be attached to each of the products in accordance with Article 10 of Korea Food Sanitary Law and Article 5 of its Enforcement Regulation.

Korean Indications required:

- 1) Product Name
- 2) Type of Product
- 3) Manufacturer
- 4) Importer

- 5) Business registration number
- 6) Manufacturing date
- 7) Weight or measurement
- 8) Shelf life
- 9) Ingredients
- 10) Storage conditions
- 11) Instruction for usage

Labelling should be completed before Quarantine Inspection at Arrival Port, however labelling can be put on in the bonded warehouse

3.4 Effect of Political Factors, Bilateral or Multi Lateral Agreements on Choice of Supplier

None of the respondents had experience or knowledge of political factors or any other agreements affecting their choice of supplier.

3.5 Imported Goods are a Taboo for Korean Consumers

Another obstacle many imported food products have had to tackle in the past has been an anti-foreign sentiment by the government and Korean civil groups. Most Koreans have been taught in the past that imports are luxury goods and therefore their consumption was not good for the well being of Korea. Government funded consumer groups routinely conduct "frugality campaigns" against overconsumption. Such campaigns are particularly detrimental to the sale of imported goods. Another tactic is to have consumer groups claim, usually without foundation that imported goods are unsafe, or that they cause mysterious illnesses or have unpleasant side effects.

Despite the government's xenophobic reaction in the past, to consumption of foreign goods the increasing wealth of Koreans is increasing consumer demand for improved quality and greater variety, thus reducing the effect of such campaigns.

[Back to Table of Contents](#)

4. The Changing South Korean Consumption Pattern

4.1 Income and Expenditure

Korea combines a large population with a high standard of living. Korea, in consideration of the size and wealth of this group, is the second largest of the Asian tigers, after Japan. The population of Korea is forecast to exceed 45 mill by early 1996. These statistics combined with the rapid economic growth rates of the past several decades has produced an economy large in size with substantial consumer potential in the late 1990.

By the end of 1995 per capita income reached \$10,000 per annum. Total average household spending rose 14.3% in 1994 to 1.3 million won. Meanwhile surplus disposable income (disposable income minus consumption expenditure) rose by 17.4%. Similar to many other Asian nations, South Korea has a high savings rate of around 30%.

Korea is becoming a more consumer orientated society. As a percentage of total imports,

the significance of consumer goods has increased steadily in recent years.

Purchasing power in Korea is not confined to a small middle class, in 1994, average income levels of the top 20% of wage earners were only 4.42 times greater than those of the bottom 20%. Compared to a ratio of 5.13 in 1985. Around 60% of Korean households believe they are part of the middle class.

4.2 Main Trends

The South Korean consumer market is characterized by seven main trends:

- three and a half decades of rapidly rising household incomes
- rapid urbanisation
- very rapid generational shifts
- strong nationalism supported by the Korean script and language
- excessive government interference
- lasting anti Japanese feeling (dating from colonial days 1910-1945) and latent anti Americanism
- desire for group activities and displays of conspicuous consumption

4.3 Consumer Characteristics

The average Korean is 30 years old and the average population gets approximately one year older each year. An important feature is a growing ageing segment of the population as approximately 3 million people were born just after the Korean war and are now aged between 35 and 45. The average Korean is well educated and enjoys a rapidly growing income.

4.3.1 Main Consumer Trends

1. An increased number of dual income households

The percentage of the working population in employment has increased steadily reaching 20 million in 1994. Female participation rate rose significantly in the 1980s and has stabilised in the 1990s at 47%. This has resulted in an increased number of dual income households who have a shortage of time and thus demand greater convenience.

2. Increasing retired population

The dependency ratio is currently at 41.5% however, it will dramatically increase over the next 5 to 10 years as the size of the retired population increases. This will result in the creation of an increasing number of aged people with substantial purchasing power.

3. Increased tourism

Since the late 1980s Koreans have been allowed to travel abroad without any restrictions resulting in huge growth in Korean tourism. The growth of tourism is increasing Koreans exposure to Western products, fashions and consumption habits. Koreans are increasing their knowledge and experience about the different varieties of shopping and products.

4. Leisure will be more important

Leisure is becoming increasingly important to South Koreans. The South Korean consumer will spend an increasing proportion of their time away from the workplace.

5. Increased urban concentration

More than 80% of Koreans live in urban areas. Almost 45% of the population live in the Greater Seoul area, Seoul and the cities of Kyonggi-do. Another 10 million (25%) live in the four major cities of Pusan, Daegu, Daejon and Kwangju. Thus good distribution in 5 cities and the urban areas of Kyonggi-do access about 70% of the market.

4.4 A Shift in Purchasing Power

In the past, the housewives in the 35 to 50 year old age group enjoyed the dominant portion of buying power. However, Korea is no longer a mass market. Distinct groups are emerging with significant purchasing power. Such segments are referred to as Generation X, Generation Y, and Missies. These groups have become extremely important buyer groups.

The generation X has become a major force in the market place in the 1990s. Its emergence has affected a variety of product markets such as automobiles, consumer electronics, apparel, cosmetics, foods, eating out, and cigarettes.

The new generation of housewives aged between 25 and 35 are also establishing their own identity, known as the Missy group. The Missy group can be categorised as individualistic, proactive and trendy. An increasing number of housewives tend to identify themselves as a missy.

These younger generations are illustrating a strong value of uniqueness, individuality, newness, fashion and design, brand and convenience. Young Koreans are health conscious and demand greater variety and better quality in food, apparel and consumer products. There is an increasing desire to purchase Western products by the younger generation of whom an increasing proportion have studied or at least travelled overseas.

4.5 Expenditure on Food.

In a recent survey conducted by eight leading advertising agencies it was determined that Korean consumers do not mind spending money on food.

·In a survey of 6,000 people aged 13 to 59 across the nation, 52.7% replied that they did not regret spending money on food.

·52% preferred food manufactured using pollution free methods even at higher prices.

·80% checked the shelf life of a product before purchasing it and half of them were wary of additives found in processed foods.

·More than half of them preferred vegetables to meat

·42% of respondents in their teens and 22.4% of all female respondents preferred Western cuisine to Korean compared to 7.7% of respondents aged 50 or over and 16.5% of all males.

·39% prefer to patronise restaurants recommended by word of mouth, while 39% prefer

restaurants with a good atmosphere despite higher prices.

·Koreans expect imported products to command a premium price

·Expenditure on eating out in 1994 rose by 25%, comprising about 30% of all expenditure on food.

·On the frequency of eating kimchi 85.8% of subjects in their 40s said it should be eaten at every meal, but only 58.6% of teenage respondents agreed.

4.6 Imported Foods Being Consumed and Where?

A survey conducted of importers of products in early 1996 found that a large variety of biscuits, pudding and cake mixes and bakery ingredients were being imported, as illustrated in Table 1.

Bakery products are widely distributed in Korea to hotels, restaurants, convince stores, department stores, chain stores, industrial and window bakeries and other food manufacturers, as illustrated in Table 2.

Table 1. Product, Price and Amount Imported

Co. No s	Company Name	Product	Price	Amount Imported
70	Dong Book	Biscuits	N/A.	N/A.
46	Hanhwa	Frozen Pizza	Secret	4 (40ft Container)/month
45	Jeil Family	Butter Cookies	\$23 8 ea./700 g	0.3 (\$3,6 mill)
			\$23 12 ea./1 lb	Total Snacks/year
		Chips Ahoy	\$19 12 ea./12 oz	
16	Korea Tourist Supply Centre (Retail prices with a margin 3 -5,5 %)	Molasses	30,660 \$ 39,80	
		Blueberry Pie Filling	59,020 \$ 76,65	
		Cherry Pie Filling	49,980 \$ 64,90	
		Lemon Pie Filling	29,750 \$ 38,65	
		Pudding Chocolate	41,400 \$ 53,75	n.d.
		Puddin, Pistachio	44,220 \$ 57,45	
		Pudding Vanilla	41,920 \$ 54,45	
			Peanut Butter	224,100 \$ 31,30

36	Samlip Oil & Fats Co., Ltd.	Peanut Butter	Secret	
		Oil (Soybean, Corn, Palm)	Secret	
1	Jewon International Corp.	Cocoa + Chocolate Products	Secret	US\$ 14 mill Co. Turnover (Bakery /Pastry Ingredien Products)
		Pastry Premixes	Secret	
		Frozen Fruit Puree + IQF	Secret	
		Compound Butter	Secret	
		Decoration Chocolate	Secret	
		Bread Improver + Releasing Agent	Secret	
		Canned Pie Filling	Secret	
		Cake Premixes	Secret	
		Sugar Products	Secret	
		Bread Premixes	Secret	
		Non-Dairy Whipping Cream	Secret	
		Marzpan	Secret	
		Gelatin	Secret	
		Glazing Products	Secret	
		Spray Dried Egg Powders	Secret	
48	Montblanc Trading Corporation	Bread Improver	US \$53.41 / 25 kg C.I.F. Pusan (US\$1 = 780 W)	Secret
		Premixes	US \$42,75 /25 kg (US \$1 = 780 W)	Secret

Table 2. Packaging, Quantity and End Consumer

Co. Nos.	Company Name	Type of Co.	Product	Packaging	Quantity	Customer
70	Dong Book	Importer	Biscuits	Tin	1 lb	100 %, to Wholesaler _ CVS, Chain Store, Retail Store, Supermarket
46	Hanhwa	Importer	Frozen Pizza	Paper Box (Clear Lid)	12 inch- 27.6 oz 9 inch - 92 oz	60 %, discount store and Dept Store 40 %, wholesaler
45	Jeil Family	Importer, Wholesaler	Butter Cookies	Tin	1 lb 2 lb	50 %, dept. Store, Super Chain 30 %, Wholesaler 20 %, Agent
			Chips Ahoyt	Box	12 oz	
16	Korea Tourist Supply Centre	Importer, wholesaler	Molasses	Can	6/#10	Hotels, restaurants
			Blueberry, Pie Filling	Can	6/#10	
			Cherry, Pie Filling	Can	6/#10	
			Lemon Pie Filling	Can	6/#10	
			Pudding Chocolate	Can	12/24 oz	
			Pudding Lemon	Can	12/24 oz	
			Pudding Pistachio	Can	12/28 oz	
			Pudding Vanilla	Can	12/28 oz	
			Peanut Butter	Can	12/11 lb	
36	Samlip oil & Fats	Manufacturer	Butter	Jar		10 %, CVS, Direct 10 %, Dept. Store, Direct 80 %, Agent

			Oil (Soybean, Corn, Palm)			Themselves and other manufacturers (New York, Crown, Koryeodang)
1	Jewon International Corp.	Importer		Bulk	Bulk	-Industrial Bakeries confectioneries -Window Bakeries - Hotels - Restaurants - Catering Institutes
48	Montblanc Trading Corp.	Importer (Agent for Boehninger Ingelheim Bachmittel Gmbt)	Bread Improver	Paper bag Vaccuum Sealed	25 kg	Bakeries via Wholesalers and their Distributors
			Premixes	Paper bag Vacuum Sealed	25 kg	Bakeries via Wholesaler and their Distributors

[Back to Table of Contents](#)

5. Distribution

The most critical problem for imported products in the past has been in achieving adequate market distribution. However, this may lessen due to the revolutionary changes occurring in the distribution and retail market in the late 1990s.

5.1 Traditional Distribution Methods

Historically, the distribution industry in Korea has been characterised by:

- A high level of industry wide fragmentation as expressed by too many undercapitalised small players and their low productivity.
- A vast difference between traditional types of retailing and modern types such as department stores, supermarkets and convenience stores; and traditional retailers having a large percentage of total retail turnover.
- A high degree of vertical integration led by manufacturers in the form of a franchised retailing and wholesaling; and wholesalers weaker role in the distribution system and their

lack of national coverage capability

- Outdated and complex channel structure and high distribution costs, especially for farm produce and seafoods; and
- Restrictive and complicated regulations and the government's lack of policies to boost the distribution sector.

This has made it extremely difficult for foreign food suppliers to gain adequate market coverage.

5.2 Past and Current Distribution Strategy

To achieve a 70 or 80% distribution rate, a company must cover:

100 Department stores
 2,000 Large supermarkets
 3,000 Convenience outlets
 12,000 Small and Medium Supermarkets
 120,000 Corner stores

Since most of these are not organised in chains and not served by distribution companies, small foreign companies and small Korean companies are unable to access the majority of the market. To gain access to the market these companies have four options:-

- Piggy back on a large company with an existing distribution system
- Use one of the select number of distribution companies
- Create a distribution system based on agencies
- Assume that 50-60% of the market can be covered if the first 5 to 10 outlets are covered.

This has the advantage that the convenience stores (CVS) outlets are served by central distribution, and 450 of the 2,000 large supermarkets are organised in chains.

5.2.1 Agents

The traditional way to organize distribution was to create a small sales force to service department stores, CVS stores and large supermarkets and create a franchised system of agents throughout the rest of the country. This can be effective even with a low volume of goods. One import company created massive sales for a premium food product through seven agents located outside Seoul.

However, managing agents is a major problem. These agents submit cash, bonds or property as a mortgage, but frequently run into financial difficulties which often leaves the companies with uncollected debt. It is customary to advertise for agents in the newspapers. Agents must provide their own capital and security and are given an exclusive area franchise in return.

5.2.2 Distributors

The emergence of some professional distribution companies in Korea is a recent phenomenon. Examples of such companies which are, with the exception of EAC recently established are:

- East Asiatic Company (EAC)
- Columbus
- Kelex
- Yu one

5.3 Marketing Channel Relationships.

A survey conducted of importers of foreign food products in early 1996 found interviewees had either a direct relationship with their suppliers or were working through their agent, but it was at arms length.

Table 3 lists the types of marketing channel relationships particular Korean companies importing have with their foreign suppliers.

5.4 Marketing Strategy Used by Companies to Enter or Maintain Market Share.

None of the respondents had experience or knowledge of pricing strategies being employed. Usually price is negotiated according to quantity, quality and terms and conditions.

Table 3. Type of Company, Marketing Channel Relationship, Exporting Company

Co. Nos	Company Name	Type of Company	Marketing Channel Relationships	Exporting Company (Country)
70	Dong Book	Importer	Direct firm manufacturers Arms Length	Kelson (Denmark, Holland)
46	Hanhwa	Importer	Hanhwa' Branch, USA office purchases directly from supplier and exports to Hanhwa, Korea R'ship betw. Hanhwa + supplier is at arms length.	USA
45	Jeil Family	Importer/ Wholesaler	Direct from wholesaler or manufacturer at arms length.	Nabisco USA, Denmark)
16	Korea Tourist Supply Centre	Importer/ wholesaler	Direct arms length	Carriage House Felbro Brand Nugget Brand
36	Samlip Oil & Fats	Manufacturers	Direct arms length	USA

1	Jewon International Corp.	Importer/ wholesaler	Direct arms length	Cacao Berry (France) Patis France (France) Boiron(France) Comelco (Belgium) Luijckx (Holland) Sonneveld (Holland) Allied Mills (UK) Lebbe (Belgium) Backaldrin (Austria) Pritchff Foods (UK) Odense (Denmark) DGF (Germany) Frucaps (Holland) MG Yualdbaum (USA)
48	Montblanc Trading Corp.	Importer (Agent for Boehringer, Ingleheim, Bachmittel, Gmbt)	Exclusive agent for Boehringer, Ingleheim, Bachmittel. Representatives visit regularly and assist with organising Demonstratins, and exhibitions sometimes they pay for exhibition.	Boehringer, Ingleheim, Bachmittel, Gmbt (Germany)

5.5 Five Ways to Help Your Local Agents

1. Make frequent visits

It is important to productively support your agents efforts as building a market for foreign products in Korea is not easy, even for Korean agents. It is very important that exporters to Korea build a close relationship with their agent as Korean commercial environment is heavily built on close personal relationship. A close relationship with your agent will also improve communications.

2. Hold many demonstrations

Participation in exhibitions and trade fairs will assist in building awareness of your product in the market. Participation in exhibitions and trade fairs in Korea will also increase your knowledge of your competitors and what your prospective customers are interested in buying. Many food exporters are actively promoting their food, as illustrated in Table 5. Participation in exhibitions will also help develop your relationship with your agent.

3. Increase the distribution of promotional brochures

Promotional brochures are an essential selling tool in Korea. Promotional brochures should be in Korean for maximum benefit.

4. Improve follow up on initial sales leads

Exporters to Korea should make it clear that they are open to suggestions and requests from their agents in methods and tactics in following up leads. Korean agents need to know that you are supportive of time spent in following leads.

5. Deliver on time

Failure to deliver on time not only results in your agent losing face and thereby undermines your relationship, but it also jeopardises your sales. To avoid failing to deliver on time you may need to stockpile your products in Korea to ensure that your agent has a steady supply.

Korea Tourist Supply Centre

The Korea Tourist Supply Centre is an important importer of foreign food products. As illustrated in table 6 The Korea Tourist Supply Centre imports a wide variety of foreign food products and expects demand to increase. Many foreign food products are introduced to the Korean consumer through the hotels, their restaurants, other restaurants and the fast food chains which the Korea Tourist supply centre supplies, as listed in table 7.

The Korea Tourist Supply Centre is an organisation established by the major hotels in Korea who are shareholders in the organisation. The Korea Tourist supply centre acts as a central purchasing unit of foreign products and applies only a minimal margin of between 3 - 5.5%.

However, hotels and restaurants are allowed to purchase from other wholesalers. Further details are provided in Appendix 2.

Table 4. Great American Food Show Exhibitors List Organised by USATO

(3 days)

A&J Cheese Company	Little Lady Foods
Agrifoods International, Inc.	Longbottom Coffee & Tea Inc
Alaska Seafood Marketing Institute	Maple Leaf Farms
Alpha Star International,	Menhune/Hawaii Water Co
American Indian Honey Co.	Maine Lobster Promotion Council
American Foods Group	Mid-America International Agri-trade
American Sales International, Inc.	Council(MIATCO),
American Seafood Institute	Missouri Department of Agriculture
Arosi Enterprises, Inc.	Nalley's Fine Foods
Atlantic Coast Fisheries Corp	New Mexico Department of Agriculture
Avanmore Ingredients Corp.	North Carolina Department of
Bard Valley Medjool Date Growers	Agriculture
Beatrice Cheese Inc.	North Pacific Cannery & Packers
Bil-Mar Foods, Inc	(NORPAC)
B&M Lawrence & Co./US Cola Inc.	Oregon Department of Agriculture
CA Department of Food & Agriculture	Quest International
California Seafood Council	Rakingham Poultry
California Table Grape Commission	Sabroso Company
Cherry Marketing Institute, Inc.	Schwan's Food Asia
City of Vernon.	Sargento Foods, Inc
Crystal Lake Cheese Factory	Seafood Exchange Seoul, Inc
Dean Foods, Co.	Smithfield International
DXR International, Inc.,	Stokely USA
Eastern Imports/Exports Inc,	Supervalu International
Flos-Aquae LLC	The Brice Group
Florida Dept of Citrus	The Chocolate House
Friday Canning Corporation	US Dairy Export Council
Gerber Agri, Inc.	US Meat Export Federation
GF Exports Inc	USA Poultry and Egg Export Council
I.B. Yoke Korea Co., Ltd	Very Fine Products Inc
I can't believe its Yogurt, Ltd	Western American Foods, Inc
Idaho Potato Commission	Wild Blueberry Association of North
Illinois Department of Agriculture	America
International Basics, Ltd.	Wisconsin Department of Agriculture
Interstate Gourmet Coffee Roasters	
John Morrell and Company.	
J.R. Simplot Company	
Johnsonville Foods	

Kee International Corp
Klamath Blue Green Algae
Lee Enterprises Inc.

Table 5. Hotel Supply Centre Current Status of Import

(Unit: US 1,000)

Category	Record 1994	Forecast for 1995	Forecast for 1996	Forecast for 1997	Forecast for 1998	Forecast for 1999
Juice	1,747	2,445	2,934	3,374	3,880	4,462
Coffee & Tea	398	557	668	768	883	1,015
Fruit & Vegetable	2,818	3,945	4,734	5,444	6,261	7,200
Butter & Cheese	4,582	6,414	7,696	8,850	10,178	11,704
Seafood	9,766	13,672	16,406	18,867	21,697	24,952
Other Food	12,773	17,882	21,458	24,677	28,379	32,636
Beef	53,177	74,448	89,337	102,738	118,149	135,871
Lamb & Poultry Meats	1,411	1,975	2,370	2,726	3,135	3,605
Equipments	1,373	1,922	2,306	2,652	3,050	3,508
Total	88,045	123,260	147,909	170,096	195,612	224,953

Table 6 Customers of the Korea Tourist Supply Center**Seoul**

Seoul Renaissance Hotel, Seoul Hilton International, Grand Hyatt Seoul, Swissotel Seoul, The Swiss Grand Hotel, Sheraton Walker Hill Hotel & Towers, The Westin Chosun Seoul, Seoul Plaza Hotel, Hotel Inter-Continental Seoul, Hotel Lotte Co. Ltd, Hotel Lotte World, Hotel Shilla Co., Ltd, The Ritz Carlton Seoul, Sejong Hotel, Hotel New World, Seoul Royal Hotel, Hotel President, Seoul Garden Hotel, Seoul Palace Hotel, Hotel Sofitel Ambassador, Novotel Ambassador Seoul, Hotel Riveria Seoul, Emerald Tourist Hotel, Koreana Hotel, Tower Hotel, Ramada Olympia Hotel Seoul, Hotel Capital, Hotel Riverside, Kyungnam Tourist Hotel, Green Grass Tourist Hotel, New Kookje Hotel, Hotel New Seoul, Chamsil New Star Tourist Hotel, Hotel Dong Seoul, Mommoth Tourist Hotel, Hotel Victoria, Hotel Samjung, Seoul Tourist Hotel, Hotel Green World, Seoul Rex Tourist Hotel, Hotel Seokyo, Poongjun Hotel, Young Dong Tourist Hotel, Hotel Amiga, Yoido Tourist Hotel, Hotel Marguerite, Hotel Moksan, Crown Tourist Hotel, Pacific Hotel, Prima Tourist Hotel, Hamilton Tourist Hotel, Hotel Manhattan, Holiday Itaewon Hotel, Kimpo New Star Hotel, Bukak Park Tourist Hotel, New Oriental Tourist Hotel, Dynasty Tourist Hotel, Metro Hotel, Hotel Green Park, Brown Tourist Hotel

Savoy Hotel Seoul, Seoul Hilltop Tourist Hotel, New Hilltop Tourist Hotel, Hotel Regent, River Park Hotel, Seoul Prince Hotel, Hotel Sunshine, City Palace Tourist Hotel, Seoul Tourist Hotel, Universal Tourist Hotel, Jamsil Tourist Hotel, The Kims Tourist Hotel, Clover Tourist Hotel, Hankang Tourist Hotel, Hanyang Tourist Hotel, Hotel Mirabeau, Niagara Tourist Hotel, Karak Tourist Hotel, Kaya Tourist Hotel, Dae Hwa Tourist Hotel, Rio Tourist Hotel, Boolim Tourist Hotel, Hotel Sam Ho, Samwha Tourist Hotel, Sangbong New Star Hotel, Sangwon Tourist Hotel, Hotel Giant, Centural Tourist Hotel, Eastern Tourist Hotel, Astoria Tourist Hotel, Alps Tourist Hotel, Air Port Tourist Hotel, L.A. Tourist Hotel, Tourist Hotel Yongdungpo, Seoul Y.M.C.A. Tourist Hotel, Tourist Hotel Sofia, Hotel Ruby, Jeon Poong Tourist Hotel, Hotel Cheon Ji, Hyejeon Tourist Hotel, Tiffany Tourist Hotel.
Pusan
Hyatt Regency Pusan, Paradise Beach, Westin Chosun Beach, Sorabol Commodore, Kukje Tourist Hotel, Grand Tourist Hotel, Nam Tae Pyung Yang Tourist Hotel, Tongnae Tourist Hotel, Mirabo Tourist Hotel, Royal Tourist Hotel, Pusan Tourist Hotel, Sapphire Tourist Hotel, Crown Tourist Hotel, Phoenix Tourist Hotel, Gwangajung Tourist Hotel, Empire Tourist Hotel, Neul Bom Hotel, Pusan Arirang Hotel, Paragon Hotel, Hotel Riveria, Dongil Tourist Hotel, Moon Hwa Tourist Hotel, Shin Tourist Hotel, Utopia Tourist Hotel, Dong Bang Tourist Hotel, Bando Tourist Hotel, Victoria Tourist Hotel, South Palace Tourist Hotel, Prima Tourist Hotel, Pusan Plaza Hotel, Silver Hotel, Kaya Tourist Hotel, Kwangjang Tourist Hotel, Green Beach Tourist Hotel, New Life Tourist Hotel, New Sungnam Tourist Hotel, Dae-A Tourist Hotel, Dong Hwa Tourist Hotel, Rio Rio Tourist Hotel, More Tourist Hotel, Mokhwa Tourist Hotel, Moonhwa Onchun Tourist Hotel, Sam Hwa Tourist Hotel, Sea Side Tourist Hotel, Yong Jin Tourist Hotel, Woojeong Tourist Hotel, UN Tourist Hotel, Korea Tourist Hotel, Tourist Hotel Korea City, Clover Tourist Hotel, Tower Tourist Hotel, Tae Yang Tourist Hotel, Tae Jong Dae Tourist Hotel, Prince Tourist Hotel, Hill Side Tourist Hotel.
Taegu
Taegu Prince Hotel, Taegu Grand Hotel, Taegu Park Hotel, Hotel Kumho, Garden Tourist Hotel, New Samil Tourist Hotel, New Young Nam Tourist Hotel, Taegu Soosung Hotel, Taegu Crown Tourist Hotel, Hotel Ariana Taegu, Dongin Tourist Hotel, Dong Taegu Tourist Hotel, Crystal Tourist Hotel, Hotel Taegu, Hill Side Tourist Hotel, Hwang Kum Tourist Hotel, Hwang Sil Tourist, Kukje Tourist Hotel, Taegu Hill Top Tourist Hotel, Dongsan Tourist Hotel, Apsan Tourist Hotel, Union Tourist Hotel, Palkong Tourist Hotel, New Jongro Tourist Hotel, Royal Tourist Hotel, Emerald Tourist Hotel, Empire Tourist Hotel, Arirang Tourist Hotel, Dong Bang Tourist Hotel, Palkong Tourist Hotel.
Incheon
Hotel Songdo Beach, Hotel Galaxy, Royal Tourist Hotel, Olympus Tourist Hotel, New Star Tourist Hotel, Bosung Tourist Hotel, Bu Pyung Tourist Hotel, Tourist Hotel Seohae Paegun Tourist Hotel, Soo Bong Tourist Hotel.
Kwangju
Mudeung San Spa Resort Hotel, Kwangju Grand Hotel, Kwangju Palace Hotel, Kukje Tourist Hotel, Shinyang Park Hotel, Mudeung New World Tourist Hotel, City Hall Tourist Hotel, Koreana Tourist Hotel, Riverside Tourist Hotel, Tourist Hotel Grand Prix, Taedok Hotel lotte, Hotel Riverai Yousong, Yousong Hotel.
Taejon

Tourist Hotel Picasso, Hotel Hongin, Kyong Won Tourist Hotel, Hotel Chateau, Hotel Expo, Hotel Adria, Tourist Hotel Kye Ryong San Maek, Daelim Tourist Hotel, Taejon Tourist Hotel, Dong Yang Tourist Hotel, Life Tourist Hotel, Lucky Tourist Hotel, Mugungwha Tourist Hotel, Sae Seoul Tourist Hotel, Princess Tourist Hotel, Prince Tourist Hotel, Family Tourist Hotel, Hot Spring Tourist Hotel, You Soung Royal Tourist Hotel, Hanil Tourist Hotel, Hotel Miranda, Ichon Tourist Hotel, Seoul Hof Tourist Hotel, Rasung Tourist Hotel, Puchon Grand Tourist Hotel, Kissan Ihwa Tourist Hotel, Dongsuwon Tourist Hotel, Spring Tourist Hotel, Seolbong, Kwachon Tourist Hotel, New Korea Tourist Hotel, SungNam Tourist Hotel, Brown Tourist Hotel, Diana Tourist Hotel, Grand Tourist Hotel, Sucksan Tourist Hotel, Songtan Tourist Hotel, Evergreen Tourist Hotel, Young Chon Tourist Hotel, Oasis Tourist Hotel, Youlim Tourist Hotel, New Prince Tourist Hotel, Hangju Tourist Hotel, Pyongtaek Tourist Hotel, Greenpia Tourist Hotel, Rivage Tourist Hotel.
Kyunggi-do
Kapyong Tourist Hotel, New Garden Tourist Hotel, Yakam Tourist Hotel, Saila Park Tourist Hotel, Koam Tourist Hotel.
Kangwon-do
Hotel Sorak Park, Yongpyong Resort Dragon, Valley Tourist Hotel, Kang Nung Tourist Hotel, Nagsan Tourist Hotel, Hotel Newsorak, Chunchon Sejong Tourist Hotel, Donghae Sun Beach Tourist Resort, Hongchun Tourist Hotel, New Donghae Tourist Hotel, Rio Tourist Resort, Kyongpo Beach Tourist Hotel, Donghae Tourist Resort, Sokcho Beach Tourist Hotel, Chunchon Tourist Hotel, Taebaek Tourist Hotel, Royal Tourist Hotel, Sambuyeon Tourist Hotel, Sorak Tourist Hotel, Royal Tourist Hotel, Koreana Tourist Hotel, Imperial Tourist Hotel.
Chungchonbuk-do
Soknisan Tourist Hotel, Suanbo Sang Nok Hotel, Suanbo Park Hotel, Waikiki Suanbo Tourist Hotel, Chung ju Myong Am Park Hotel, Jeung Pyong Park Tourist Hotel, Chungju Tourist Hotel, Chunju Imperial Tourist Hotel, Suanbo Tourist Hotel, Chung Ju Royal Tourist Hotel, Pastel Tourist Hotel, Lee Ho Tourist Hotel, Chin Chun Tourist Hotel, Tanyang Parl Tourist Hotel, Dae Ho Tourist Hotel, Eum Sung Tourist Hotel, Chechon Tourist Hotel, Jinyang Tourist Hotel.
Chungchonnam-do
On-yang Grand Park Hotel, Jeil Tourist Hotel, Paradise Dogo Hotel, On-Yang Tourist Hotel, New Korea Tourist Hotel, Dogo Neulbom Tourist Hotel, Westin Hotel, Hoseo Tourist Hotel, New Gaya Tourist Hotel, Togo Royal Tourist Hotel, Kongju Tourist Hotel, Kongju Riverside Tourist Hotel.
Chollabuk-do
Naejangsan Tourist Hotel, Chonju Tourist Hotel, Dae Doon San Tourist Hotel, Victory Tourist Hotel, Hanover Tourist Hotel.
Chollanam-do
Yosu Beach Hotel, Shinan Beach Tourist Hotel, Chowon Tourist Hotel, Chirian Plaza Hotel, Yosu Park Tourist Hotel, Keum Gang Tourist Hotel, Daihwa Tourist Hotel, Yosu Sejong Tourist Hotel, Suncheon Royal Tourist Hotel, Yosu Tourist Hotel, Baek je Tourist Hotel.
Kyungsangbuk-do

Kyong ju Chosun Hotel & Chosun Country Club, Hotel Concorde, Kolon Hotel, Hotel Hyundae(Kyonju), Kyongju Hilton Hotel, Sygnus Hotel, Choyang Kyongju Spa Tourist Hotel, Ocean Park Tourist Hotel, Rio Tourist Hotel, Kimchon Grand Hotel, Baek Am Resort, Sae Jae Tourist Hotel, Kumi Tourist Hotel, Andong Park Tourist Hotel, Sobaksan Tourist Hotel, Kumi Prince Tourist Hotel, Mandarin Tourist Hotel, Sun Prince Tourist Hotel, Sungryu Park Tourist Hotel, Pulguksa Tourist Hotel, Olympus Tourist Hotel, Chun Woo Hwang Shill Tourist Hotel, Pohang Beach Tourist Resort, Kyongju Tourist Hotel, Grand Royal Tourist Hotel, Kim Chon Tourist Hotel, New Riverside Tourist Hotel, Kyongju Park Tourist Hotel, Donghae Beach Tourist Hotel, Sang Dae Hot Spring Tourist Hotel, Juwangsan Tourist Hotel, Hyupsung Tourist Hotel, Palace Tourist Hotel, Ullung Marina Tourist Hotel.

Kyongsangnam-do

Ulsan Koreana Tourist Hotel, Diamond Tourist Hotel, Pugok Royal Tourist Hotel, Dong Bang Tourist Hotel, Kimhae Tourist Hotel, Lotte Crystal Hotel, Pugok Tourist Hotel, Masan Royal Tourist Hotel, Savoy Tourist Hotel, Pugok Hawaii Tourist Hotel, Changwon Tourist Hotel, Chung Mu Tourist Hotel, Haeinsa Tourist Hotel, Okpo Tourist Hotel, Ulsan Tourist Hotel, Olympic Tourist Hotel, Riverside Tourist Hotel, Masan Arirang Tourist Hotel, Pugok Garden Tourist Hotel, Chungmu Hanryeo Tourist Hotel, Crown Tourist Hotel, Samchonpo Beach Tourist Hotel, Tae Hwa Tourist Hotel, Tongdosa Tourist Hotel, Olympia Tourist Hotel, New Sam Hwa Tourist Hotel, Canberra Tourist Hotel, Jungang Tourist Hotel, Park Tourist Hotel.

Cheju-do

Hyatt Regency Cheju, Cheju Grand Hotel, Cheju Silla, Cheju Namseoul Hotel, Seogwipo KAL Tourist Hotel, Hotel Lagonda, Cheju Prince Hotel, Cheju Oriental Hotel, Cheju KAL Tourist Hotel, Mosu Tourist Hotel, Hotel Cheju Royal, Cheju Pearl Tourist Hotel, Cheju Seoul Tourist Hotel, Island Tourist Hotel, Sun Beach Hotel, Paradise Hotel Sogwipo, Cheju Palace Hotel, Green Tourist Hotel, Raja Tourist Hotel, New Kyung Nam Tourist Hotel, Hawaii Tourist Hotel, Simong Tourist Hotel, Cheju Mariana Tourist Hotel, Cheju Continental Tourist Hotel, Cheju Honey Tourist Hotel, Tamra Tourist Hotel, Cheju Grace Hotel, Cheju Milano Tourist Hotel, Seogwipi Lions Tourist Hotel, Seogwipo Park Tourist Hotel, Sea Side Tourist Hotel, VIP Park Tourist Hotel.

Tourists Special Restaurants

Guest Restaurants, Gomiyo, Gold Rush, Business Hall, In My Memory, Najawon, Dae Lim Jung, L'abri, Denny's, Dong Shin Food, La Cantina, La Cucina, Rapalroma, Rai Pang Garden, London Pub, Myung-Moon House, Muse, Midopa Coco's Kunja, Midopa Coco's Dong Gyo, Midopa Coco's Dae Chi, Midopa Coco's Dae hak Ro, Midopa Coco's Myeong il, Midopa Coco's Mia, Midopa Coco's Bang Bae, Midopa Coco's Sang gye, Midopa Coco's Seoul Univ., Midopa Coco's Seo Cho, Midopa Coco's Seok Chon, Midopa Coco's Seong Nae, Midopa's Coco's Shing Sa, Midopa Coco's Yang Jae, Midopa Coco's Yeok Sam, Midopa Coco's Isoo, Midopa Coco's Cheong Dam, Sambo Hanwooli Co., Ltd, Chalet Swiss, Champaign, Seok Chon SeokParang, Sa Im Dang, Sky Lark Non Hyun, Seung Woo McDonald, Shin McKang Nam, Shin Mc Noryangjin, Shin Mc Dae Chi, Shin Mc Dae Chon, Shin Mc Myung Dong, Shin Mc Mia, Shin McYangjae, Shin Mc Itaewon, Shin Mc Jam Shil, Shin Mc Jong ro, Shin Mc, Shin Mc Hanyang, Seagrams, Sea Horse, Athen, Asado, A.-Won Plaza Laconia, L.A. Palms, Woo Jung, Rose Garden, Burger King Kukje, Burger King Itaewon, Junmangdae Restaurant, Jung il Poom, Jeonju Central Hall, Karise, Crystal Palace, Tower Gourmet, T.G.I. Fridays Nonhyun, T.G.I. Fridays Daechi, T.G.I. Fridays Dongkyo, Patio Ponderosa, Pallse, Hardees Namyeong, Hardee's Myeongdong, Hardees Myeongdong 2GA, Hardee's Myeongdong Jungang, Hardee's Banpo, Hardees Aekyung, Hardees Jongro, Asohoka Korea, Myeongbo Plaza, Hyung Je, Ocean Tower, McKim Kwang an ri, McKim Dong Rea Onchun, McKim

Pusan Theater, McKim Onchun Jang, McKim Jungang, McKim Haewoondae, Lanave Restaurant, My House, Encore, Midopa Coco's Joan, Shin McDong Inchon, Hardees Pupyung, La Rosa, Venecia, JJ Mahoney, Melrose Restaurant, Seong Woong Manna, Hardees Taejon Kyo Bo, Hong Myung Garden, Midopa Coco's Kwang Myung, Midopa Coco's Puchun, Midopa's Coco's Suwon, Midopa Coco's Anyang, Midopa Coco's Pyung Chon, Athen, Walker Hill Myung Wolkwan Puchun, Joongang Development Co., Ltd., Cafe Tomorrow, Hongik Restaurant, Dong Wha House, McKim Ulsan Modeney.

5.6 Koreas Retail and Distribution Revolution

However, Korea is currently in the middle of a distribution, retailing revolution. Companies considering, planning or exporting to Korea now, should plan in consideration of a more concentrated and sophisticated distribution system and retail market.

Five Main Trends are Forcing Change in the Distribution and Retail Market

1. Consumers are more sophisticated and have greater needs

Greater fragmentation of consumers in terms of socio culture and economic factors; and thus a rapid transformation to "micro markets" from the past "mass market". Korean consumers are no longer satisfied with retailers offerings which lack variety, good quality and value nor are they happy with the limited selections of shopping places available.

2. Retail and distribution market liberalisation

In the late 1980s licensing for foreign organisations was liberalised resulting in several leading department stores and general merchandising stores developing professional managerial and merchandising techniques and skills from the Japanese. American and Japanese convenience store operators (CVS) also moved into the market through licensing agreements with a Korean partner. The larger department stores and CVSs have continued to achieve growth rates of 20% per year however, the small department stores and supermarket chains have begun to struggle.

The mid 1990s is being marked by the emergence of discount stores, price clubs and a variety of membership warehouses for all types of products including computers and apparel as well as groceries and household goods. Kims club, managed by New Core Department Store, sells daily commodities at cheaper than wholesale prices to both consumers and retailers who are members. In addition, Kim's club is open 24 hours a day.

As of the 1 January 1996 the domestic market was opened to foreign retailers and wholesalers. This will cause the market to become increasingly competitive resulting in more efficient methods of distribution and merchandising being adopted as the wave of foreign retailer and wholesalers enter the market. WalMart, KMart, Fleming and Jetro are seriously considering entering the market and Makro has already opened its first cash and carry store in Inchon.

3. Failure of traditional distribution, wholesaling methods to keep up with growth

Convenience stores have grown rapidly over the recent decade reaching 1,741 outlets by the end of 1994. This has resulted in the need to establish a new system of wholesaling as their distribution systems have failed to keep up with the growth.

The traditional "daerijom" exclusively distributed a single manufacturer's products in a region however, newly emerging wholesalers carry multiple brands. For example Columbus, a vendor to convenience stores offering a range of products, has recently established itself.

Apparently 14,000 small and medium wholesalers and manufacturers have already formed 37 co-operative associations to build their own distribution complexes.

4. Large conglomerates see profitability in distribution, retail

During the 1980s many chaebols such as LG, Hanyang, Hyundai, Sunkyong, Haitai and Jinro began to diversify into distribution business. Sixteen of the top thirty conglomerates have selected distribution as one of their core businesses.

Many have or are still investigating the opportunities of partnering a foreign retailer, distributor.

5. Continued growth of Korea needs improved logistics

Korea Land Development Corporation recently initiated five large scale projects for distribution complexes in five major regions including Seoul, Pusan, Taegu, and Kwanju. These complexes will accommodate wholesale markets for agricultural and fishery products, distribution centres for manufactured goods, truck terminals, and warehouses.

Around 80% of packaged food items and some 10% of non food items have adopted the bar coding system, however only 7.6% percent of retail outlets have installed the POS system

5.7 Forecast

By the year 2000, sales of discount stores, warehouse clubs, and hypermarkets will reach US\$10.4 million, accounting for 6% of national retail turnover in 2000.

The growth of department stores will slow towards the year 2000 however, their aggregate sales will reach \$38.9 million. The success of the department stores will depend on their ability to capture a niche target market and move away from competing directly with the price clubs.

It will become increasingly difficult for the smaller supermarket chains and traditional Ma & Pa stores to compete.

Wholesale trade will become more modernized. Co-operative or voluntary types of vertical marketing systems will increase amongst small and medium size wholesalers and retailers. More large scale wholesale firms will be formed through mergers and acquisition as well as internal development with licensing.

Korea's distribution channels will rapidly change over the next 10 years requiring foreign suppliers to formulate and implement a new set of marketing and distribution strategies.

Strategies need to be market driven, and customer orientated as competition becomes more intensified and develops in a global direction.

Table 7 : Prospects of Korea’s Retail Turnover by Type

(Unit: Trillion Won)

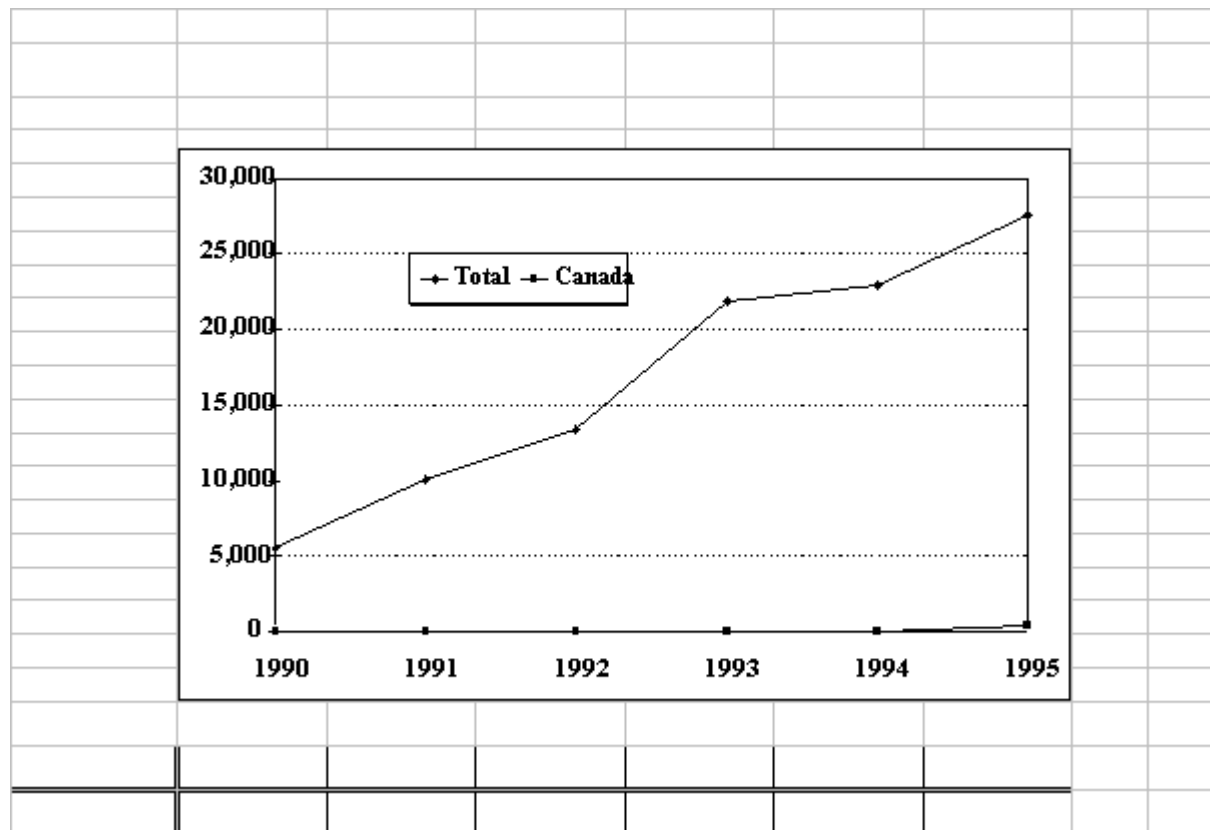
	1990	1993	1996	2000*
Convenience store	-	0.2	1.0	4.0
Supermarket	1.4	2.2	3.0	4.4
Department store	3.0	7.0	15.0	30.0
Total retail sales	41.0	5.0	82.0	123.0

Source: The Korea Economic Daily, October 18, 1994.

*Sales of discount stores in 2000 is forecast to reach 8 trillion won.

[Back to Table of Contents](#)

Diagram 1. Bakery Products (HS 1905) Imports 1990-1995



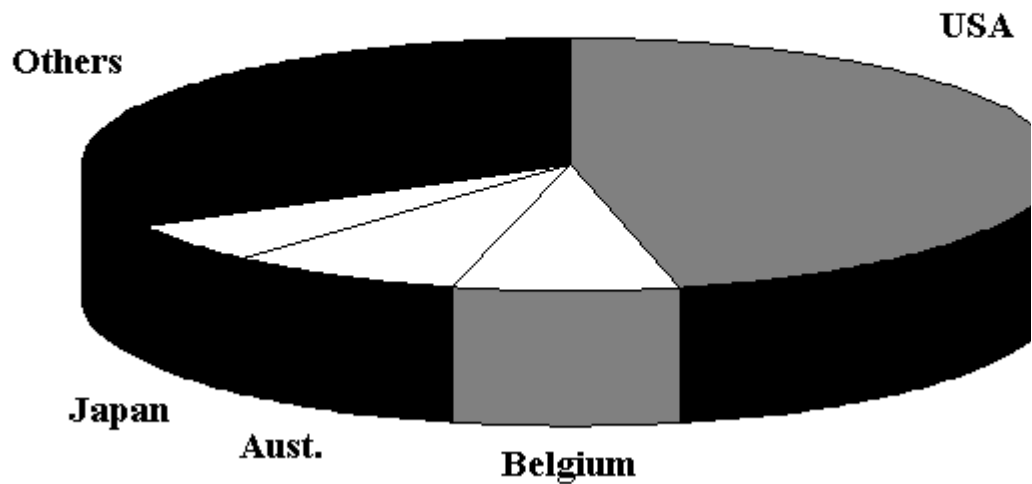
(Unit: US\$ 1,000)

	1990	1991	1992	1993	1994	1995
Total	5 579	10 079	13 385	21 942	22 987	27 629
Canada	0	3	0	0	22	478

Source : Statistical Yearbook of Foreign Trade (annuaire statistique sur le commerce extérieur).

[Back to Table of Contents](#)

Diagram 2. Bakery Products (HS 1905) Imports by Country 1990



(Unit: US\$ 1,000)

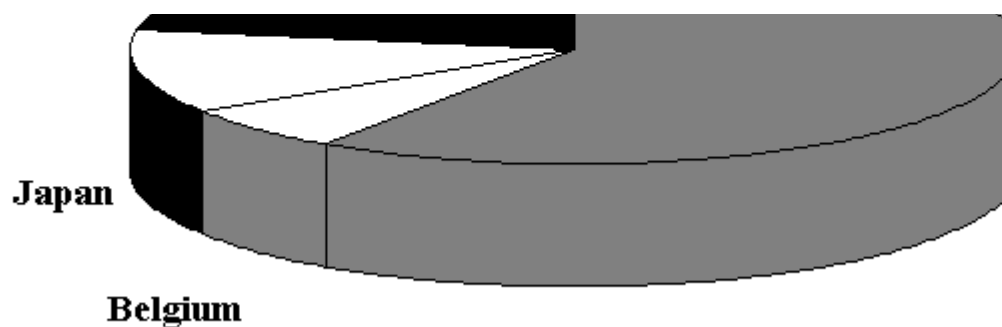
Country	USA	Belgium	Australia	Japan	Others	Total
Value	2,734	446	446	312	1,953	5,579
%	49,0 %	8,0 %	8,0 %	5,6 %	35,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

Diagram 3. Bakery Products (HS 1905) Imports by Country 1991





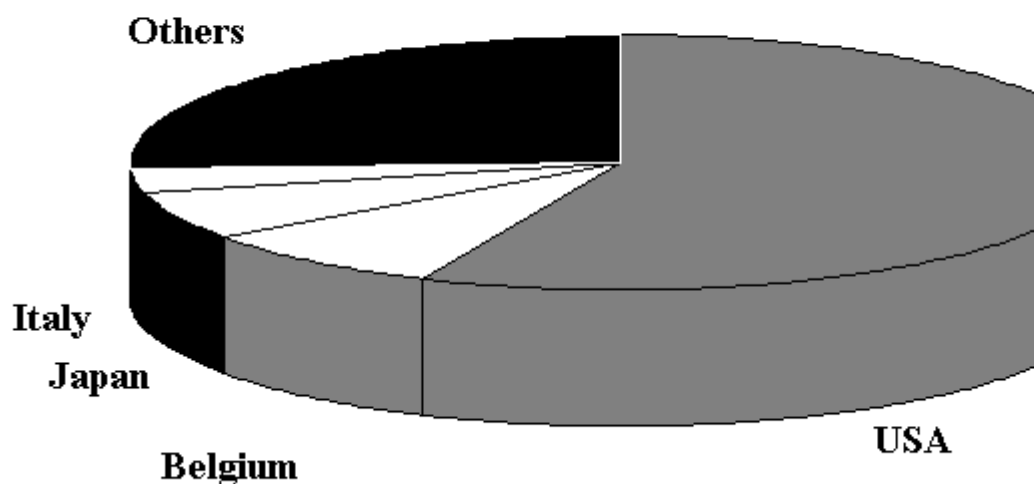
(Unit: US\$ 1,000)

Country	USA	Belgium	Japan	Others	Total
Value	5,644	605	1,109	2,117	10,079
%	56,0 %	6,0 %	11,0 %	21,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

Diagram 4. Bakery Products (HS 1905) Imports by Country 1992



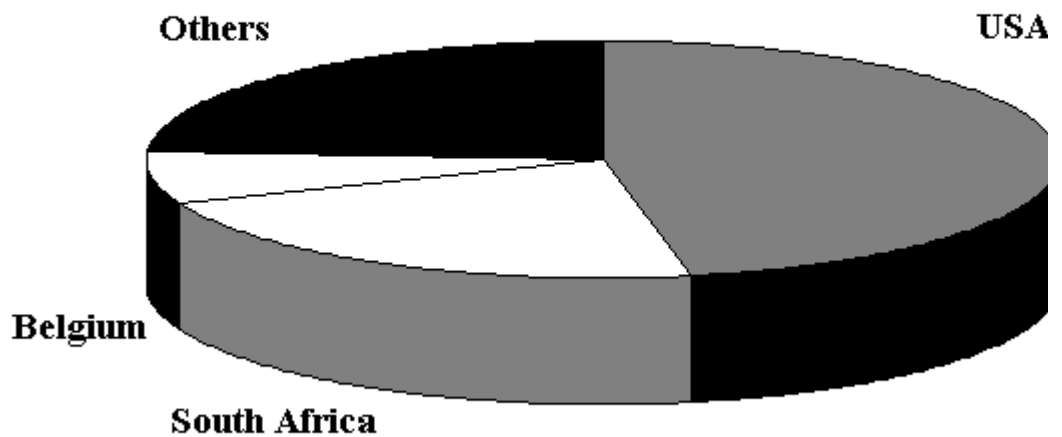
(Unit: US\$ 1,000)

Country	USA	Belgium	Japan	Italy	Others	Total
Value	7,589	1,111	803	428	3,453	13,385
%	56,7 %	8,3 %	6,0 %	3,2 %	25,8 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

Diagram 5. Bakery Products (HS 1905) Imports by Country 1993



(U nit : U S\$ 1, 00 0)

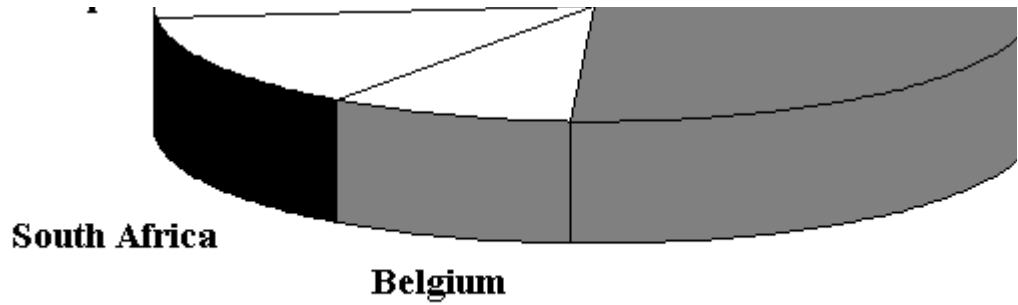
Country	USA	South Africa	Belgium	Others	Total
Value	10,313	4,827	1,536	5,266	21,492
%	47,0 %	22,0 %	7,0 %	24,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

Diagram 6. Bakery Products (HS 1905) Imports by Country 1994





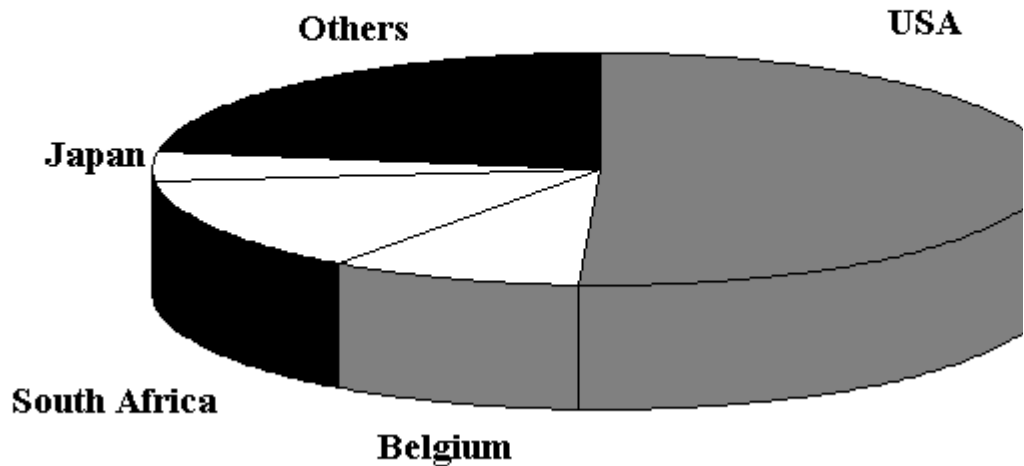
(Unit: US\$ 1,000)

Country	USA	Belgium	South Africa	Japan	Others	Total
Value	11,669	2,108	3,064	997	5,149	22,987
%	50,8 %	9,2 %	13,3 %	4,3 %	22,4 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

Diagram 7. Bakery Products (SH 1905) Imports by Country 1995



(Unit: US\$ 1,000)

Country	USA	Belgium	South Africa	Australia	Others	Total
Value	10,852	1,994	2,535	2,874	9,374	27,629
%	39,3 %	7,2 %	9,2 %	10,4 %	33,9 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Back to Table of Contents](#)

6. Imports by Country 1990 - 1995

The main countries exporting to Korea from 1990 to 1995 are the USA, Belgium, South Africa, Aust and Japan, as illustrated in Diagram 2 to 7. The USA has held 50% of the import market until 1995 when it dropped to 39%. The other four countries usually hold around 10%.

Table 8. Bakery Products

Co. Nos	Company Name	Source	Government Trade Promotion Activities
70	Dong Book	Denmark	Italy, Spain and the UK Embassys are very active in Seoul. They provide a lot of catalogues, samples, trade shows and arrange meeting with suppliers when they are in town.
46	Hanwha	USA	USA Embassy sends them a list of manufacturers of confectionery, beverage and other food every month. Select suppliers through food/pizza show/fair and through Pizza Today (Pizza Professional Magazine).
45	Jeil Family	USA	USA and Australia Embassy sneed a lot of information and invitations to exhibitions, displays. Went to large fair in Bangkok several years ago.
16	Korea Tourist Supply Centre		
36	Samlip Oil & Fats	USA	USA Embassy provides the most useful info very fast, very easily. Send invitations to trade shows and arrange metings with suppliers. Australian Embassy: Send information, invitations to trade shows + organises meetings with suppliers. French + Germans also send some information + invitation to trade show.
48	Montblanc	Germany	USA sends a lot of information, trade fair, exhibition invites. French, Aust. also.
1	Jewon International Corp.	France Belgique Hollande	- European companies previously had export subsidies however, these have ceased thus price is increasing. - US companies paid 50% of Korean importers promotional activities. The US company is reimbursed

			by Ex/Im Promotional administration for this expense.
		R.-U.	
		Autriche	- European companies generally provide assistance for marketing/promotional activities but it depends on the value of the order and the account.
		Danemark	
		Allemagne	- US, French, Belgium and Danish Embassys send brochures and invitations to exhibitions.
		É.-U.	- Malaysia Embassy , French and Agriculture Trade Office (USATO) of America regularly send information about products/companies and invitations to exhibitions, trade shows.

[Back to Table of Contents](#)

7. Government Trade Promotional Activities in Korea

Embassy's actively marketing in Seoul :

- USA, Particularly Agriculture Trade Office (ATO)
- Australian
- French
- Belgium
- Danish
- Spain
- Italy
- Malaysia

Main marketing activities undertaken :

- Sending information, including brochures and catalogues about manufacturers / products to importers and distributors
- Participating and organising trade shows, seminars and exhibitions
- Inviting importers to exhibitions, trade shows, seminars
- Arrange meetings between manufacturers, suppliers with Korean importers / distributors
- US companies paid 50% of Korean importers promotional activities. The US company is reimbursed by ex / im promotional administration for this expense
- European companies previously export subsidies however, these have ceased thus price is increasing

[Back to Table of Contents](#)

8. Transportation

Air

Korea has 3 international airports, Kimpo (near Seoul), Kimhae (near Pusan), and Cheju (on the resort island), plus 9 domestic airports. Kimpo, located 25km west of downtown Seoul, handles 95% of international cargo, and 85% of the international passenger tariff and 37% of domestic traffic.

Korea is currently constructing a new international airport, which is expected to be partially completed by 1997 and provide a hub for NE Asia air traffic. The new airport will be twice as far from the city (56km). However, it will not be subject to the curfews which currently restrict traffic into Kimpo from 11pm to 6am, and it will be serviced from Seoul by both expressway and railway. Its closer proximity to Incheon port will also improve co-ordination between air and sea freight shipments.

Air cargo can be co ordinated through Kimhae airport located only 17km from Pusan port or through Kimpo International airport which is located 32km from Incheon seaport.

Over 30 air cargo carriers including national carriers Korean airlines and Asiana Airlines as well as North American carriers Air Canada, Continental, Delta , Northwest and United. European carriers include Air France, Alitalia, British Airways, KLM and Swissair as well as several Asian carriers. All major cargo carriers Federal Express, United Parcel Service and Nippon cargo service Kimpo.

Ports

Nearly all of Korea's international container traffic goes through Pusan, as well as half of its domestic shipping. Containerized, bulk and general cargo can all be handled at Pusan, the major port of South Korea. Tanker, ore bulk, container and ro-ro berths are available for specialized connections.

Pusan port is notorious for delays and waiting periods. Delays and the resultant increases in logistics costs have resulted in importers demanding the government address the problem. A survey from the Bank of Korea estimated logistics had increased 11.5% from 1985 to 1995 compared with GNP growth of 8.8%. As a result, the government enacted the Private Capital Inducement Act in 1995 in order to facilitate infrastructure building by inviting private enterprises for investment in distribution complexes, truck terminals, public warehouses and ports. The full affect of this has not been felt yet. However, for Korea to continue its export growth infrastructure and logistic and distribution facilities will have to addressed.

Importers can minimise the delays and logistic difficulties through prior bookings and detailed organisation of shipment and documentation. Customs and quarantine in Pusan has a higher incidence of damage to stock than Incheon due to the huge volume of imports through this point of entry.

Typhoons can occur between June to September in the Pusan region.

Incheon, located approximately 40km west of Seoul, is Korea's second major port. Although it is near the countries capital and main trade and business centre Incheon is far smaller than Pusan. The Incheon harbour, where six of the eight piers are used for international cargo, are accessible only through locks. The larger of the two locks accommodates a 50,000 dwf ship, while the smaller accommodates a 10,000 dwf ship.

Containerized, bulk, and general cargo can all be adequately handled by existing port equipment. Ore, bulk, tanker, liquefied gas, specialised goods and ro-ro terminals are available.

Typhoons can be expected from late July to September during the raining season in the Incheon region.

[Back to Table of Contents](#)

Diagram 8 NATIONAL TRANSPORTATION

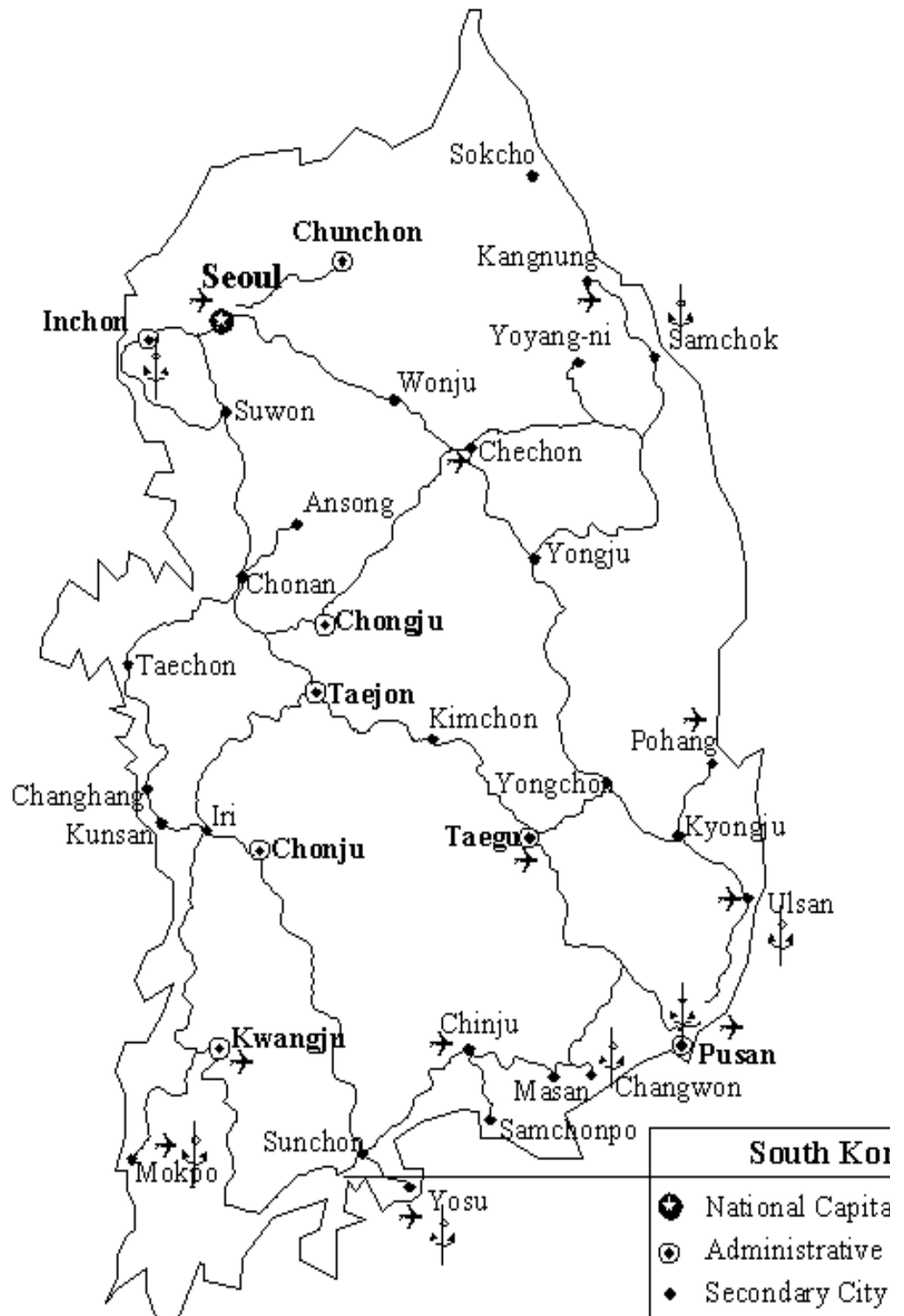




Diagram 9 - Comparative Estimation of Transportation Costs to Ko

Diagram 9 - Comparative Estimation of Transportation Costs to Ko						
<i>Presumption for Calculation</i>						
	Import	FROM USA		FROM EUROPE		FROM
	Loading Port	L.A		Hamburg		M
	CIF/CNTR (US\$)	45000	7000	45000	60000	45000
	Container	Dry (20ft)	Reefer (40ft)	Dry (20ft)	Reefer (20ft)	Dry (20ft)
	Volume	25cbm	50cbm	25cbm	20cbm	25cbm
	Labeling Qty(EA)	20000	30000	20000	18000	20000
	Bonded W/H (Hyonik)	INCHON	BUSAN	INCHON	BUSAN	INCHO
BEFORE CUSTOMS CLEARANCE			(Unit : Korea Won) (Ex-rate : US\$1=K.W78)			
INVOICE AMOUNT		35,235,000	54,810,000	35,235,000	46,980,000	32,235,0
OCEAN FREIGHT		1,174,500	2,959,740	783,000	2,818,800	1,135,3
CARGO INSURANCE		34,530	53,714	34,530	46,040	34,5
I/L AND BANK-RELATED CHG		139,229	199,911	139,229	175,638	139,2
KOTRA		49,329	76,734	49,329	65,772	49,3
CABLE CHARGE		20,000	20,000	20,000	20,000	20,0
L/G FEE		10,000	10,000	10,000	10,000	10,0
OPENING COMMISSION		59,900	93,177	59,900	79,866	59,9
PUSAN PORT CHARGES		110,650	170,500	115,850	147,700	87,8
- THC		82,800	118,800	88,000	116,000	60,0
- CONT TAX		20,000	40,000	20,000	20,000	20,0
- WHARFAGE		3,850	7,700	3,850	7,700	3,8
- DOCU FEE		4,000	4,000	4,000	4,000	4,0
BONDED TRANSPORT		343,000	113,000	343,000	113,000	343,0
CNTR DEVANNING/LIFT-OFF		150,648	281,700	150,648	155,880	150,6

CUSTOMS DUTY (based on 8%)		2,818,800	4,384,800	2,818,800	3,758,400	2,818,8
CUSTOMS VAT		3,805,380	5,919,480	3,805,380	5,073,840	3,805,3
COSTOMS-RELATED CHARGE		95,470	134,620	95,470	118,960	95,4
BONDED STORAGE (1 MONTH)		245,000	910,000	245,000	455,000	245,0
LABEL/PRINTINGS		80,000	120,000	80,000	72,000	80,0
LABOR COST FOR LABELLING		800,000	1,200,000	800,000	720,000	800,0
GENERAL VAT		161,865	262,470	161,865	151,588	161,8
OTHER CHARGE		100,000	100,000	100,000	100,000	100,0
SUB-TOTAL (a)		45,543,951	71,990,346	45,162,851	61,210,184	42,459,2
<i>AFTER CUSTOMS CLEARANCE</i>						
LIFT-ON FOR DELIVERY		80,900	209,700	80,900	209,700	80,9
STORAGE (1 MONTH)		245,000	910,000	245,000	455,000	245,0
GENERAL VAT		32,590	111,970	32,590	66,470	32,5
SUB-TOTAL (b)		358,490	1,231,670	358,490	731,170	358,4
GRAND-TOTAL (a+b)		45,902,441	73,222,016	45,521,341	61,941,354	42,817,6

* Remark :

(1) Import from USA : no service for 20' reefer container and only 40ft

(2) Deposit of Waste Disposal : exclude (if applied)

(3) Storage :

7pyong, W35,000, for 20' Dry & Cold

14pyong, W65,000, for 40' reefer

[Back to Table of contents](#)

APPENDIX 1 - FORECAST SUMMARY SOUTH KOREA (1)

	1994	1995	1996	1997	1998	1999
Real % Change						
GDP	8,4	9,0	7,7	7,7	7,5	7,3
Private consumption	7,4	7,4	6,6	6,5	6,0	6,0
Government consumption	4,4	4,7	5,5	6,0	6,0	6,0
Gross fixed investment	11,7	13,5	8,0	7,6	8,5	7,5
Exports of goods and services	16,2	18,0	14,0	13,0	12,0	11,0
Imports of goods and services	21,8	19,7	12,0	10,9	10,9	10,0
Change in stocks (% of GDP)	0,4	0,7	0,6	0,6	0,7	0,9

Population and income						
GDP (\$bn)	379,6	455,3	525,5	603,5	688,8	779,4
Population (million)	44,5	44,8	45,2	45,6	46,0	46,4
GDP per head (\$)	8 540	10 150	11 620	13 220	14 960	16 780
Real GDP per head (% of change)	7,4	8,1	6,7	6,8	6,6	6,4
Inflation (%)						
Consumer prices	6,2	5,2	5,0	4,8	4,5	4,5
Average earnings in manufacturing	12,5	11,5	11,0	11,0	10,5	11,0
Financial indicators						
Exchange rates						
W : \$	803,5	767,0	750,0	735,0	720,0	710,0
W : 100 Ø	787,7	842,9	862,1	875,0	878,0	887,5
Corporate bond yields (%)	13,0	14,0	13,0	13,0	13,5	14,0
External Trade (\$ bn) (1)						
Merchandise exports	93,7	118,9	141,9	167,4	195,1	226,9
Merchandise imports	-96,8	-125,9	-144,1	-165,2	-190,3	-218,1
Trade Balance	-3,1	-6,9	-2,2	2,2	4,8	8,8
Invisible credits	22,2	28,5	33,2	38,0	43,1	49,0
Invisible debits	-24,5	-30,7	-35,5	-40,7	-46,4	-52,8
Invisible balance	-2,3	-2,2	-2,3	-2,7	-3,3	-3,9
Net transfer payments	0,6	0,6	0,7	0,7	0,7	0,7
Current-account balance	-4,8	-8,5	-3,8	0,2	2,2	5,7
as % of GDP	-1,3	-1,9	-0,7	0,0	0,3	0,7
Foreign indebtedness						
Total debt (\$ bn)	56,5	69,0	76,4	79,3	80,4	81,2
as % of GDP	13,0	15,1	14,5	13,1	11,7	10,4
total debt-service ratio (%)	8,5	8,4	8,9	8,5	7,6	6,6

1) total may not add due to rounding.

Source : Korea Associates

FORECAST SUMMARY SOUTH KOREA (2)

	1994	1995	1996	1997	1998	1999
Real % change						
GDP	8,4	9,5	8,4	7,7	8,4	8,4
Private Consumption	7,4	8,4	7,4	6,5	7,4	7,4
Government Consumption	4,4	5,0	5,0	6,0	5,0	4,5
Gross fixed investment	11,7	15,0	9,0	7,6	11,0	11,0
Exports of goods and services	16,2	18,0	14,0	13,0	12,0	11,0

Imports of goods and services	21,8	19,7	15,0	13,0	12,0	11,0
Change in stocks (% of GDP)	0,4	0,7	0,6	0,6	0,7	0,9
Population and income						
GDP (\$ bn)	379,6	455,3	525,5	603,5	688,8	779,4
Population (million)	44,5	44,8	45,2	45,6	46,0	46,4
GDP per head (\$)	8 540	10 150	11 620	13 220	14 960	16 780
Real GDP per head (% change)	7,4	8,1	6,7	6,8	6,6	6,4
Inflation (%)						
Consumer Prices	6,2	5,2	5,0	6,0	5,0	4,5
Average earnings in manufacturing	12,5	11,5	11,0	11,0	10,5	11,0
Financial Indicators						
Exchange rates						
W : \$	803,5	775,0	760,0	760,0	760,0	735,0
W : 100 Ø	787,7	800,9	820,1	820,0	820,0	887,5
Corporate bond yields (%)	13,0	14,0	14,0	13,0	13,5	14,0
External Trade (\$ bn) (1)						
Merchandise exports	93,7	118,9	141,9	167,4	195,1	226,9
Merchandise imports	-96,8	-125,9	-145,1	-167,2	-197,3	-228,1
Trade Balance	-3,1	-6,9	-3,2	0,2	-2,2	-2,7
Invisible credits	22,2	28,5	33,2	38,0	43,1	49,0
Invisible debits	-24,5	-30,7	-35,5	-40,7	-46,4	-52,8
Invisible balance	-2,3	-2,2	-2,3	-2,7	-3,3	-3,9
Net transfert payments	0,6	0,6	0,7	0,7	0,7	0,7
Current-account balance	-4,8	-8,5	-4,8	-1,8	-4,8	-5,9
as % of GDP	-1,3	-1,9	-0,7	0,0	0,3	0,7
Foreign indebtedness						
Total debt (\$bn)	56,5	69,0	78,0	82,0	89,0	97,0
as % of GDP	13,0	15,1	14,5	13,1	11,7	10,4
Total debt-service ratio (%)	8,5	8,4	8,9	8,5	7,6	6,6

1) Total may not add due to rounding.

Source : Korea Associates

[Back to Table of contents](#)

APPENDIX 2 - IMPORT BY AGRI-FOOD

Product	Specific	Country	Value					
			1994	1995				
Bakery Products (1905-)	Re-import (1905-00-0001)	Taiwan	3,044	-				
	Sweet Biscuits (1905-30-1000)	Austria	-	6,325				
		Belgium	1,943,737	1,865,953				
		France	5,192	3,503				
		UK	29,423	20,358				
		Hong Kong	-	23,624				
		Thailand	-	13,249				
		USA	-	36,294				
	Waffles and Wafers (1905-30-2000)	Austria	644,950	61,508				
		Australia	657,070	1,544,373				
		Belgium	15,991	-				
		Swiss	5,379	-				
		Pr. China	105,282	-				
		Germany	67,915	173,805				
		Denmark	45,576	32,741				
		Spain	72,922	95,725				
		Finland	9,206	-				
		France	48,897	160,867				
		Hong Kong	231,625	175,785				
		Indonesia	32,892	8,896				
		Italy	60,051	-				
		Malaysia	9,805	5,375				
		USA	109,554	83,900				
		Phil. R.	-	92,012				
	South Africa	2,960,775	2,525,660					
	Rusks, Toasted Bread and Similar Toasted Products (1905-40-0000)	USA	5234	76,364	Bread (1905-90-1010)	Australia	-	7,733
						Pr. China	-	2,640
		Hong Kong	-	34,001				
		USA	-	14,880				

	Ship's Biscuits	Japan	240,085	242,517	
	(1905-90-1020)	USA	-	6,592	
	Pastries and Cakes (1905-90-1030)	Austria	14,711	-	
		Australia	144,407	163,475	
		Canada	-	9,360	
		France	3	-	
		UK	1,369	-	
		Turkey	35,419	-	
		USA	772,983	1,578,336	
	Bakery Products (1905-)	Biscuits, Cookies and Crackers	Australia	16,010	1,170,043
			Belgium	148,760	127,800
Canada			21,550	456,095	
Swiss			3,026	1,247	
Chile		(1905-90-1040)	-	10,048	
Pr. China			32,671	32,468	
Germany			481,377	1,215,559	
Denmark			529,158	1,700,145	
Spain			101,596	87,273	
Finland			-	56,448	
France			112,683	321,529	
UK			69,768	98,213	
Hong Kong			78,836	93,024	
Italy			139,220	55,314	
Japan			499,202	567,072	
Mexico			72,684	-	
Malaysia			388,165	75,223	
Netherland			195,199	170,013	
Newzealand			4,071	-	
Portugal			-	19,129	
Sweden			69,055	15,681	
USA			8,241,202	7,318,152	
South Africa			103,663	9,071	
Bakers Wares of Rice (1905-90-1050)		Japan	7,961	578,521	
		Thailand	-	274,139	
		Taiwan	-	1,322,328	

Other (1905-90-1090)	Austria	-	289,048
	Australia	14,891	3,858
	Canada	-	12,890
	Swiss	10,851	4,683
	Pr. China	340,758	150,673
	Germany	-	6,470
	France	2,271	1,283
	Hong Kong	19,471	48,091
	Italy	-	26,991
	Japan	159,653	208,083
	Sweden	8,018	-
	Singapore	69,055	52,624
	Taiwan	17,116	-
	USA	2,511,066	1,734,248
	Others	2,069	-
	Rice Paper (1905-90-9020)	Thailand	13,627
	Viet Nam	27,773	29,875
Others (1905-90-9090)	Austria	3,881	-
	Australia	60,968	4,810
	Swiss	-	3,385
	Pr. China	12,769	2,898
	Indonesia	-	201,233
	Japan	20,600	6,000
	Singapore	2,464	-
	USA	29,078	3,234

[Back to Table of contents](#)

APPENDIX 3 - Importer By Products

Code: (H S) 1905-30 IMPORTS

Products: Sweet Biscuits , Waffles and Wafers

Code	Company Name	Phone Number	Fax Number
437563	Family Foods Co., Ltd.	(02)675-9769	(02)675-9768
11045627	Yoon Bo Tong Sang Co., Ltd.	(02)561-5071	(02)556-1156
11040903	Korea Rotus Co., Ltd	(0344)902-8011	(0344)902-8015
11019910	Seon Han Mool San	(02)575-7810	(02)575-7811

392505	G.N.F Co., Ltd.	(02)578-0044	(02)578-2266
11100038	Cheong Nong Co., Ltd.	(02)571-7086, 7	(02)571-6913
672184	Lotte Corporation Co., Ltd.	(02)3459-9600	(02)565- 0613/5
11002921	Marony Distribution Co., Ltd.	(02)424-3638	(02)424-4736
191696	Yucomachant Co., Ltd.	(02)990-6100	(02)990-6120
740793	Miwon Trading & Shipping Co., Ltd	(02)368-8114	(02)782-0201
11117605	Anam Trading Co., Ltd.	(02)941- 2286,22	(02)941-2298
930417	Bingrae Co., Ltd.	(0346)60- 7700/7	(0346)60-7892
11229995	G & G Enterprise Co., Ltd	(02)594- 7124/5	(02)594-7126
432757	Columbus Cor., Ltd.	(0336)636- 3181	(0336)636- 3930
831121	Yoo Tong Enterprise Co., Ltd.	(02)701-5050	(02)716-7730
11015996		(02)722-0500	(02)734-0707
21010431	Koryeo Distribution Co., Ltd.	(0331)281- 6511	(0331)281- 6516
11101118	Seoul International	(02)608- 7508/9	(02)608-0043
11175047	Coco Strading	(02)3442-3162	(02)3442-3165
432135	Y.S Mool San Co., Ltd.	(02)563-7872	(02)563-0148
11071136	Sam Jin Tong Sang	(02)523-8111	(02)551-4690
11099138	Drim & Drim Co., Ltd	(02)518- 7673/4	
972932	Jinwon International Co., Ltd.	(02)783- 4972/3	(02)784-8170
809067	Korea Tourist Hotel Supply Center	(02)458-3291- 8	(02)452-7294
45700290	Hai Tai Confectionery Co., Ltd.	(02)709-7680	(02)790-8127
972554	Core Tongsang Co., Ltd.	(02)736- 8266/7	
11047410	To Rim Distribution Co., Ltd.	(02)401-1852	(02)409-7574
425908	Lotte Sam Kang Co., Ltd	(02)6390-114	(02)6390-293
540539	Keonyoung Yanghaeng Co., Ltd.	(02)723- 1081/2	(02)723-1080
771793	Hong Sung International Inc.	(02)717-7266	(02)717-1127
782160	Haitai International Inc	(02)270-1600	(02)701-7573
980759	Kimkook Corporation Co., Ltd.	(02)548- 9762/4	
(H S) 1905- 40	Rusks, Toasted Bread and Silmilar Toasted Products		

351687	Pasteur Powdered Milk Co., Ltd. v	(0372)42-4755	(0372)42-8748
11038360	Han Wool General Distribution Co., Ltd.	(02)322-8636	(02)338-4871/2
(H S) 1905-90	Others Bakery Products, Wafers,...		
782160v	Haitai Internaitonal Co., Ltd.	(02)270-1600	(02)701-7573
11054553	Choil Distribution Co., Ltd.	(02)739-1945-6	(02)732-9172
751469	Nong Shim Co., Ltd	(02)716-1211	(02)716-5901
11219455	Hwa Shin Distribution Co., Ltd.	(02)443-1784/6	(02)448-7146
432757	Colombus Corp., Ltd.	(0336)636-3181	(0336)636-3930
831121	Yoo Tong Enterprise Co., Ltd.	(02)701-5050	(02)716-7730
11009441	Han Hwa Industrial Co., Ltd.	(02)548-6581/2	(02)548-6580
11117605	Anam Trading Co., Ltd.	(02)941-2286,22	(02)941-2298
896324	Han Nong Co., Ltd.	(0418)44-0660/1	(0418)44-0662
11171106	Asan Mool San	(02)521-9380	(02)597-8772
11019910	Seon Han Mool San Co., Ltd.	(02)575-7810	(02)575-7811
940139	Hae Cheon Sang Sa	(02)551-4050	(02)551-2335
670382	Hyosung Corporation		(02)754-9983
812944	Shinsegae Department Store Co., Ltd.	(02)550-9351/3	(02)550-9393/4
537229	Sam Kyung Plaza Co., Ltd.	(02)578-8383	(02)578-8385
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	(02)452-7294
45432135	Y.S Mool San Co., Ltd.	(02)563-7872	(02)563-0148
935089	Se Jin Supply Co., Ltd.	(02)516-3362	(02)545-2372
11138640	Hwa Am Tong Sang	(02)779-1258/9	(02)753-3336
11071008	Taitan Trading Co. Ltd.	(02)542-9487/8	(02)543-0127
731551	Wharim Trading Co., Ltd.	(02)774-6844	(02)777-4987
862561	Misong Tong Sang Co., Ltd.	(02)420-9618/9	(02)420-9617
428675	Jeil Family Co., Ltd.	(02)742-0041	
672184	Lotte Trading Co., Ltd.	(02)3459-9600	(02)565-0613/5
11053048	Seki World Co., Ltd.	(02)730-0516/9	(02)720-7694
730435	Crover Luggage Mfg. Co., Ltd.	(02)464-0411	(02)463-4023

855255	Kosilk Corporation	(02)702-3016/9	(02)715-7687
792064	LG Mart Co., Ltd.	(02)787-1114	(02)785-1329
11013640	Keun Joo Trading Co., Ltd.	(02)319-2277	(02)319-1700
11100038	Cheong Nong Co., Ltd.	(02)571-7086, 7	(02)571-6913
11252445	New Town Developing Co., Ltd.	(02)590-5190	(02)534-2930
11078320	Ji San Intel Co., Ltd.	(02)679-1881/4	(02)679-6328
11009793	Dae Bong Foods Co., Ltd.	(02)544-0070	(02)548-2202
11064600	Bio Cosmo Co., Ltd.	(02)547-9061/2	(02)516-0521
391551	J.N Trading Co., Ltd.	(02)753-7661/3	(02)753-7664
863285	Hyolim Limited.	(02)565-8611/5	(02)565-8610
11047410	To Rim Distribution Co., Ltd.	(02)401-1852	(02)409-7574
1038360	Han Wool General Distribution Co., Ltd.	(02)322-8636	(02)338-4871/2
523398	Woo Sung Department Store Co., Ltd.	(02)553-3111	(02)558-5087
11002921	Marony Distribution Co., Ltd.	(02)424-3638	(02)424-4736
948117	Dong Book Trading Co., Ltd.	(02)717-6924/5	(02)701-5220
398468	Family Products Co., Ltd	(02)421-5474	(02)421-5476
596617	Se Han Industrial Co., Ltd.	(051)464-6040	(051)466-0710
11216566	Jin Yang Agri-Fish Products Co., Ltd.	(02)416-3222	(02)416-4345
11015996	Narae Industries Co., Ltd.	(02)722-0500	(02)734-0707
870546	Seo Won Trading Sang Sa	(02)563-8431/3	(02)563-8434
11019431	Tae Hwa International Co., Ltd.	(02)563-7903/4	(02)563-7905
420439	Sang San Materials Co., Ltd.	(02)552-7655	(02)555-4176
11235932	Hye Young Trading Co.	(02)774-9149	(02)774-6061
297411	Jewon International Co., Ltd.	(02)998-5151	(02)998-6678
11119625	Shin Joo Tong Sang	(02)945-8261/2	(02)945-8260
731049	Min Kyung Industries Co., Ltd.	(02)752-7155	(02)755-1207
522681	Hyun Jun Trading Co., Ltd.	(02)774-4051	(02)774-4053
901453	Time Trading Co., Ltd.	(051)463-0933	(051)463-0935
436038	Deubo Industrial Co., Ltd.	(02)543-8771	(02)542-1436
792150	Hanhwa Distribution Co., Ltd.	(02)410-7114	(02)414-0025
392505	G & F Co., Ltd.	(02)578-0044	(02)578-2266
191768	Se In FM	(02)522-2351	(02)522-2355

11169534	Hwanil Foods Co., Ltd.	(0348)944-3645	
902586	Kirin Co., Ltd.	(051)783-7830	(051)783-7845
11107095	Good One Sang Sa	(02)703-0365	(02)703-0364
540175	Dim Sum. Korea	(02)798-9880	(02)798-5639
21010431	Koryeo Distribution Co., Ltd.	(0331)281-6511	(0331)281-6516
11095945	Kim & Lee Co., Ltd.	(02)951-6782/3	(02)951-6784
498571	Young Jin International Co., Ltd.	(02)402-0066	(02)402-6001
12024803	Tae Rim Sang Sa	(051)244-8564	(051)247-0137
946140	Hwa Joong Industrial Co., Ltd.	(02)774-9148/9	(02)774-6061
901570	Il Shim Trading Co., Ltd.	(051)246-4779	(051)245-0794
27001086	Ho San Confectionery Co., Ltd.	(0658)42-5774	(0658)42-9734
11033886	Yeocheon Commercial	(02)508-2309	(02)539-2287
11119159	Numerowno Pacific Frachize Co.	(02)561-8033	(02)561-8102
700128	Tae Heung Co., Ltd.	(02)776-8241/9	(02)744-2034
12007613	Art Trading Co.	(051)208-4498	(051)208-0385
11092366	Bentron	(02)3453-0181/4	(02)508-3411
11068455	Bora Mool San	(02)547-3633	(02)547-3634
877604	B-R Korea Co., Ltd.	(0446)877-5031	(0446)877-5029/
192066	Sam Young Comunication Teq. Co., Ltd.	(02)783-1282	(02)785-7274
989561	Yang Woo International Co., Ltd	(02)585-6656	(02)586-6656
11165804	Amoco Co., Ltd	(02)568-9820	(02)567-8976
428194	Ana Industrial Co., Ltd.	(02)821-4891	(02)816-9219
670454	Kolon International Corp.	(02)311-8244	(02)311-8951
831499	Lotte Shopping Co., Ltd.	(02)771-2500	(02)774-2949
11162858	Dae Chang Trading Co.	(02)992-4010	(02)992-4011
11148982	Yokoo Land Co., Ltd.	(02)395-2140/1	(02)391-9104
431019	Tae Young Trading Co.	(02)567-9991/3	(02)567-9994
11135131	Dae Ji General Foods Co., Ltd.	(02)597-9000	(02)597-9009
12003516	Kent	(051)417-4123	(051)417-2308
840174	Dong-A Pencil Co., Ltd.	(02)272-8624/5	(02)274-4075
11049274	Kodely International Co., Ltd.	(02)569-7236/8	(02)569-7239

11049795	Cheon Ha Corporation Ltd.	(02)882-0521-2	(02)889-5496
14003309	In Hwa Trading Co., Ltd.	(032)765-1398	(032)764-4663
431143	Woo Bo Ind. Co., Ltd.	(02)365-1431/4	(02)365-1435
987989	Kishin America Co., Ltd.	(02)324-2890,33	(02)335-1963
812133	Seon Myung Trading Co., Ltd.	(02)273-4836	(02)273-3994
11124470	Young Nam Korea Co., Ltd.	(02)573-9556/7	(02)573-9558
11133674	Mont Blanc Corporation Ltd.	(02)412-9268	(02)413-2631
690362	Lotte Confectionery Co., Ltd.	(02)670-6331/9	(02)675-6600
540539	Keon Young Yang Haeng Co., Ltd.	(02)723-1081/2	(02)723-1080
541325	Coutco	(02)517-5620	(02)518-8577
543842	Korea-China Economy Trading Co., Ltd.	(02)514-6852	(02)514-6855
560045	Hyang Do Corporation Ltd	(0523)378-4244	(0523)378-3530
592202	Seo Young Ind. Co., Ltd.	(032)676-5588	(032)676-1919
800729	Nam Hae Ceramics & Trading Co., Ltd.	(0527)354-2607	(02)488-6525
800808	Dae Woo Ship Ind. Co., Ltd.	(02)779-0761	(02)756-4390
670708	Keyang Mercantile Co., Ltd.	(02)752-5640	(02)752-2277
771793	Hong Sung International Inc.	(02)717-7266	(02)717-1127
740793	Miwon Trading & Shipping Co., Ltd.	(02)368-8114	(02)782-0201
741534	Seo Cheon Enterprise	(032)437-6022	(032)437-6030/
1841771	Ampaco Co., Ltd.	(02)752-2231	(02)757-5457
710321	Sam Jin Trading Co., Ltd.	(02)968-5501/9	(02)961-5110/9
525877	Yeonbang International Co., Ltd.	(02)718-4797	(02)703-5396
529433	Poong Jin Sa	(02)775-4560	(02)756-9835
529990	Se Joo Industrial Co.	(02)584-7911	(02)582-1096
535489	Seok Je Trading Co., Ltd.	(02)692-1163	(02)692-1279
597908	Dong Ah Trading Co., Ltd.	(051)466-4063	(051)466-4065
598347	Dong Shin Trading Development Corporation Ltd.	(051)804-6491/2	(051)804-6493
11039200	J.B.K Co., Ltd.	(051)804-6491/2	(02)409-1650
976756	Choil General Corporation Ltd.	(02)512-2100/5	(02)512-2107
886028	Woo Il Co., Ltd.	(0434)535-2636	(0434)535-3395

891518	Korea-America Trading Kong Sa	(051)466-6600/1	(051)466-6602
891800	Moo Rim Development Corporation Ltd.	(051)246-2541/4	(051)244-0500
946205	Golden Bell Corporation	(02)588-6831/3	(02)588-6834
853628	Dong Yang Trading General Corpor., Ltd	(051)466-7111/2	(051)463-8877
4864796	Yoo Sang Trading Co., Ltd.	(02)416-6636	(02)413-6504
870072	Young Heung Foods Co., Ltd	(0342)759-5900	0342)759-5700/0
942254	Tae Kwang Trading Co., Ltd.	(02)558-1036/8	(02)558-1039
874047	Dong Sung Tong San	(02)757-8441/6	(02)757-8445
876519	Hosan Co., Ltd.	(0658)42-5774/5	(0658)42-9734
861184	A.C.T Korea	(02)594-4300	(051)804-6491/2
11042895	Tae Young Triple Co., Ltd.	(02)707-2902/4	(02)707-2905
194253	Han Don Industrial Co., Ltd.	(02)756-5631	(02)755-5631
276724	Cheong Woo Foods Co., Ltd.	(0346)65-1924/5	(0346)65-1925
437563	Family Foods Co., Ltd.	(02)675-9769	(02)675-9768
440402	Jumpo Corporation Ltd.	(02)587-9412/3	(02)586-8201
191562	Dynesty Distribution Co., Ltd.	(02)932-3161/5	(02)935-6843
425908	Lotte Sam Kang Co., Ltd.	(02)6390-114	(02)6390-293
420271	Best Food Miwon Co.,Ltd.	(0331)283-7351	(0331)283-7350
393229	Han Cho Distribution Co., Ltd.	(02)753-0551	(02)757-0553
498753	Hagendaz Korea Co., Ltd.	(02)790-8500	(02)798-5079
499068	Mastar Food Korea Co., Ltd.	(02)542-2155	(02)545-2691
298582	Doo Ol Trading Co., Ltd.	(02)538-1471	(02)538-1475
11018520	Kira Trading Co., Ltd.	(02)242-3623/4	(02)242-3625
11079187	Korea Kersterm	(02)588-2962	(02)587-8879
11008387	Kilsang Pharm. Co., Ltd.	(02)831-1324-5	(02)831-1326

[Back to Table of contents](#)

APPENDIX 4 - BAKERY PRODUCT

Co. Number	Product Imported	Packaging	Size/ Quantity	Quality	Other Details	Source	Quantity Imported	
							kg	\$ US
1	Bakery Products	Many				Many		
6	Pizza				Nestle	USA	A Little	N/A.
7	Dumpling	Package			Winner Dole	Hong Kong		500,000 pe annum
8	Sweet Potato Starch	Paper Box	10 kg			N.Korea		
20	Chocolates Cookies				Nestle	Swiss USA Canada		
40	Bakery Materials					USA		
48	Materials, Bakery	Pack			Beringer Ingelheim	Germany	300 ton	400 mill.
49	Donuts Frozen snack Carrots					USA	800,000	
70	Cookies	Completi on Package			Celsel	Holland Denmark		200,000 à 300,000

Bakery Products

Co. No.	Co. Name	Business Type	Tel.	Fax	Address
6	Dorim Distribution Co., Ltd.	Importer	401-1852	409-7574	86-9, Okeum-dong, Songpa-ku
7	Dimsum Korea	Agent	798-9880	798-5639	739-8, Hannam-dong, Yongsan-ku

8	Dae Chang Trading Co., Ltd.	Importer	992-4010	992-4011	Suyu-dong, Dobong-ku
32	Doo Ol Trading Co., Ltd.	Importer	538-1471	538-1475	949-4, Daechi-dong, Kangnam-ku
40	Newmerow Pacific Franchise	Agent	561-8033	561-8102	
48	Montblanc Trading Corporation	Importer	412-9268	413-2632	RM501, Dongnam Bldg. 195-6, Chamshilbon-dong, Songpa-ku
49	Misong Trading Co., Ltd.	Importer	420-9618/9	420-9617	
70	Dong Book Trading Co., Ltd.	Importer	717-6924	701-5220	#901, Jeil Bldg, 256-13, Kongduck-dong Mapo-ku
1	Jewon International	Importer/ Wholesaler	998-5151	998-6678	Jewon Bldg. 394-46, Suyu3-dong, Kangbuk-ku

[Return to Table of contents](#)

Canada