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The Confectionery Market in South Korea

July 1997

*(Également disponible en français sous le titre,
Le marché des confiseries in Corée du sud)*

**Prepared by the
Team Canada Market Research Centre
and the
Canadian Trade Commissioner Service**



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international



Agriculture and
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THE CONFECTIONERY MARKET IN SOUTH KOREA



EXECUTIVE SUMMARY

This report examines the market for confectionery in South Korea, including sugar and chocolate confectionery. The information contained in this report was drawn from secondary sources and from the experience and knowledge of the Canadian Embassy in Seoul.

Confectionery sales in South Korea are the highest in Southeast Asia, with total sales reaching C\$2.65 billion in 1995, an increase of 16.9% over 1991. Within the confectionery market, chocolate sales dominate with 70% of all sales in 1995. Between 1991 and 1995 the growth of sales in sugar confectionery was three times that of chocolate confectionery. As with other countries in the region, the confectionery market is dominated by domestic producers, with the three largest controlling approximately 75% of the market. Imports of both chocolate and sugar confectionery have increased substantially with total imports of C\$112 million in 1995. Forecasts for the next five years indicate that growth in sales of confectionery will slow and reach C\$2.73 billion by the year 2000.

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THE CONFECTIONERY MARKET IN SOUTH KOREA



MARKET OVERVIEW

Market size and projections

Confectionery sales in South Korea reached C\$2.65 billion in 1995, up 16.9% over 1991. However, the sales growth of the two types of confectionery differed significantly over this period. Chocolate confectionery experienced a 10.6% increase in value between 1991-1995 which resulted in a total sales value of C\$1.9 billion in 1995. Over the same period sugar confectionery sales increased 36.5% to a total value of C\$0.76 billion (Euromonitor, 1996).

The overall size and growth of the confectionery market is supported by rapidly improving economic conditions in South Korea. In 1995, the average income was C\$13 500 and is expected to climb to C\$20 000 by the year 2000. As income levels improve, South Koreans will have more money to spend on luxury items such as confectionery.

South Koreans tend to prefer pure milk and dark chocolate. Within the sugar confectionery segment, the most popular items include sugar-free and medicinal gums, as well as sugar candies with vitamins added or real fruit flavourings.

Forecasts indicate that the confectionery market may have reached its *plateau* with sales expected to grow only 4.3% to C\$2.73 billion by the year 2000 (Euromonitor, 1996). This may be attributed to the adoption of healthier lifestyles by South Koreans or by a switch to substitute foods. As consumer spending power increases, South Koreans may not consume substantially more confectionery, but they are likely to switch to premium confectionery items.

Table 1. Confectionery products sales in South Korea, 1991 to 1995 and projections to 2000

	<u>Sugar Confectionery</u>		<u>Chocolate Confectionery</u>	
	<u>Value</u> (in C\$ millions)	<u>Volume</u> (in '000 tonnes)	<u>Value</u> (in C\$ millions)	<u>Volume</u> (in '000 tonnes)
1991	\$553.38	119	\$1 716.28	128
1992	612.73	120	1 801.29	128
1993	705.76	121	1 886.30	126
1994	733.03	123	1 887.91	127
1995	755.49	125	1 897.53	128
1996	na	127	na	129
1997	na	130	na	130
1998	na	132	na	132
1999	na	134	na	134
2000	na	135	na	135
Growth:				
1991-1995	36.5%	5.0%	10.6%	0.0%
1996-2000	na	6.3%	na	4.7%

Source: Euromonitor , *The Market for Packaged Food in South East Asia*, 1996

The competitive environment

As Table 2 shows, the market is dominated by three domestic producers — Hatai, Lotte, and Tong Yang Dairy — who together control 75% of the confectionery market. These companies are part of larger conglomerates (known as chaebols) and, as such, have relatively strong distribution systems in place, and strong brand names - making it more difficult for foreign brands to capture significant market share.

Table 2. Confectionery market shares in South Korea, 1995

	Sugar Confectionery	Chocolate Confectionery	Total Sales
Haitai Confectionery Co.	30%	22%	\$514 million
Tong Yang Dairy Products	20%	22%	\$540 million
Lotte Confectionery	17%	37%	\$1096 million
Crown Confectionery	15%	16%	\$307 million
Others	18%	3%	

Source: Euromonitor , *The Market for Packaged Food in South East Asia*, 1996

Historically, imported goods have been taboo for Korean consumers because of the belief that the purchase of foreign goods over domestically produced goods had a negative effect on the overall economy. Also, some imported foods have been subject to false claims, by Korean consumer

groups, that they are unsafe.

Acceptance of foreign foods is growing as South Korean consumers look for higher quality and greater variety. Nevertheless, importers must be aware of a few criteria South Koreans use when purchasing food items. First, South Koreans are conscious of the shelf-life date printed on products. If it is close to the date of expiry, consumers are likely to pick another product. Second, they are extremely wary of additives in processed foods, and may avoid products with excessive additives. Finally, when imported goods are believed to be of higher quality, South Koreans expect them to command a premium price.

Imports of confectionery have risen in recent years. Sugar confectionery grew the most between 1991 and 1995, increasing 79.2% to C\$48.6 million (International Trade Data Bank). Spain and the United States continue to export the most sugar confectionery to South Korea, with close to 50% of the import market. The other countries in the top five exporters category are from Europe, which suggests that European sugar confectionery is regarded as being of highest quality by South Korean consumers.

Table 3. Top five exporters of sugar confectionery to South Korea, 1995 (in C\$'000)

Supplier	1991	1992	1993	1994	1995
World	\$27 086	\$25 183	\$33 380	\$38 107	48 553
Spain	12 800	5 112	10 053	12 601	10 822
USA	4 557	5 805	6 003	6 281	10 022
France	1 029	2 181	3 538	4 733	5 163
Germany	1 263	2 410	2 428	2 885	3 091
Netherlands	945	2 409	1 231	1 583	2 838
Canada	0	0	2	11	966

Source: International Trade Data Bank, TIERS

Chocolate confectionery imports grew 51% between 1991 and 1995 to reach C\$63 million. In 1995, the top two exporters were the United States and the Netherlands, with a 43.6% share of the import market. Australia, France, and Belgium-Luxembourg are also significant exporters of chocolate confectionery and had 27% of the import market in 1995 (International Trade Data Bank). In general, chocolate confectionery from Southeast Asia is 30% cheaper than that from Europe.

Many international companies, such as Kraft and Hershey's have chosen to enter the South Korean market via licensing agreements with local producers. In doing so, these companies avoid the sometimes onerous task of importing into South Korea and are better able to compete on a pricing basis with local products.

The Canadian position

South Korea is Canada's strongest confectionery market in Southeast Asia. Sugar confectionery exports totalled C\$0.98 million between 1991 and 1995, but the majority came in 1995 with exports of C\$0.97 million. This gave Canada approximately 2% of the total import market in 1995. Chocolate confectionery exports from Canada between 1991 and 1995, totalled C\$2.4 million, and were spread equally over each year. In 1995, Canadian exports of chocolate confectionery captured 0.5% of the import market (International Trade Data Bank).

Table 4. Top five exporters of chocolate confectionery to South Korea, 1995 (in C\$'000)

Supplier	1991	1992	1993	1994	1995
World	\$41 883	\$47 294	\$62 344	\$60 149	63 224
United States	10 500	16 122	14 178	13 042	14 156
Netherlands	10 087	10 467	14 138	9 258	13 393
Australia	721	3 275	13 523	10 413	6 248
France	597	1 544	2 859	5 174	6 139
Belgium-Luxembourg	1 076	1 232	1 569	2 471	4 683
Canada	286	396	936	371	371

Source: International Trade Databank, TIERS

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DISTRIBUTION CHANNELS

Overview of distribution system

The South Korean distribution system has been described as fragmented and inefficient. Very few companies have a national distribution system in place and therefore importers generally have to deal with a large number of wholesale distributors. Such inefficiencies add to the costs incurred by the final consumer. Consequently, Canadian exporters might consider it best to concentrate on certain regions rather than try to obtain nationwide coverage. As imported foods are generally most popular in the urban centres where 70% of the population resides, they are likely the best targets for Canadian exporters.

Importers and intermediaries

To gain long term success in this marketplace, Canadian companies are strongly encouraged to obtain South Korean representation. When making initial contact with potential buyers in South Korea, the Canadian exporter should ensure that they provide as much information about their products as possible. This should be followed up with a personal visit to provide the potential agent with further information such as price and shipping time, and to gain additional market information. Locating an agent should be undertaken with extreme caution and no supplier should select an agent without this personal contact. When formulating a contract, the Canadian exporter must ensure that there is a favourable escape clause should the agent prove to be unreliable.

Most Canadian companies enter into an arms-length relationship with agents in South Korea. A good local representative will provide a working relationship with government agencies and with local South Korean firms who have well-developed distribution networks.

Both importers and distributors generally get margins of 10 to 20 percent for imported foods. As many domestic producers ship directly to retailers, they avoid these mark-ups, making their products substantially cheaper than imported goods.

Retail distributors

In South Korea, there are over 2200 supermarkets which represent the majority of food product sales. Competition from more than 1800 chain convenience stores and 30 discount warehouse stores is increasing steadily. To combat this increasing competition, a number of supermarket chains have invested in discount supermarkets. Most retail distributors get margins of 20 to 30

percent above the prices they pay for goods from distributors.

Despite the large number of retail outlets in South Korea, only a few companies have national distribution systems in place. These are large, diversified Korean companies called *chaebols*. They are generally reluctant to import foods for fear of negative repercussions from anti-import groups. At the same time, small- to medium-sized Korean companies are eager to import food items but often lack the marketing expertise or distribution network to promote new merchandise. As most local food producers distribute their products directly to retailers, wholesalers have played a relatively small role in Korea and are underdeveloped when compared to some other countries in the region. This is gradually changing as the retail and wholesale market opens to foreign investors and local companies develop their distribution systems to prepare for new market entrants.

Confectionery is widely distributed in Korea through department stores, chain stores, and bakeries. Imported foods account for only 2 to 3 percent of turnover in supermarkets at a value of C\$136 million. Convenience stores may be good retail outlets to pursue as estimates indicate that 70% of their customers are under the age of 30 and 10% their sales are of imported food and beverages.

Food service operators

The Korea Tourist Hotel Supply Centre (KTHSC) orders products on behalf of the major tourist hotels in Korea. This private organization usually receives orders from tourist hotels and then solicits offers from suppliers and selects the lowest tender. Hotels can also specify a particular source for their products and KTHSC will source from that supplier. This organization is listed in Appendix D. Alternatively, Canadian exporters can deal with Food service outlets directly.

Promotional considerations

Foreign confectionery suppliers can increase their product recognition and brand awareness through effective advertising, attractive packaging, quality, and the actions of local agents. Advertising for confectionery is permitted, although the use of television for advertising is prohibited under current law with the exception of cable television. A new system will soon be introduced where all ad buyers will be sold air time in order of application, making it easier for foreign firms in the marketplace to place ads.

Print media is an important forum for advertising. South Korea has 23 major daily newspapers; thirteen of these are located in Seoul (they are all distributed throughout the nation) including two English language papers, *The Korea Herald* and *The Korea Times*. South Korea also has a wide range of weekly and monthly magazines with circulation ranging from an estimated 10 000 to 240 000. Many of these magazines are aimed at women.

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CONSIDERATIONS FOR MARKET ENTRY

The following section provides an overview of local standards and regulations, documentation, procedures, duties, taxes and tariffs which apply to imported confectionery. Canadian exporters, however, should contact their agent or importer in South Korea to obtain the most current information.

Local standards and regulations

Health, and food safety

Aside from regular quarantine and customs clearance procedures, there are no specific health requirements for confectionery if packaging and labelling requirements meet Korean standards.

At present, the South Korean government prescribes a pre-determined shelf-life for confectionery products. The short shelf lives assigned, accompanied with sometimes lengthy quarantine periods, often result in inadequate time for distribution and sale. The government has, however, removed shelf-life regulations on various food items.

Packaging and labelling

Korean and the language of the product's country of origin must be used in labelling. Stickers may be used in place of labels, but they should not be easily removable. The label should include the following:

- name of product;
- type of product;
- name of the importer, address and telephone number;
- importer's business registration number;
- dates of manufacturing or date of import (not mandatory);
- shelf life;
- country of origin;
- net weight or measurement;
- names of ingredients with percentages in descending order; and
- storage instructions.

Labelling should be completed before quarantine inspection at the port of arrival, however, labelling may be applied in a bonded warehouse.

The Government is in the process of making bar codes a requirement for all products and already 80% of packaged food items have bar codes. However, less than 10% of retail outlets have installed scanner systems.

Documentation and procedures

Required documentation

Every company wishing to trade with Korea must obtain an Import-Export Company Licence from the Ministry of Trade and Industry. Without such a licence, firms are not allowed to import into Korea. Licensed traders must prepare documentation for each import transaction. The minimum documentation requirements include the following: import permit, offer sheet, description of the product, purchase order and other documents as required by the terms of the letter of credit. Exporters should contact their local agent in order to get precise documentation requirements. Finally, special attention needs to be taken to ensure that all documentation related to imported products is complete and accurate. As these documents are subject to intense scrutiny, the smallest discrepancy may be grounds to refuse entry.

a) Import licence

All imports require licences. Import licences are granted only to registered traders.

Import licences are issued by the foreign exchange bank which issues the letter of credit or by the Ministry of Trade, Industry and Energy. Each item requires a licence, although one import licence can cover several shipments and one shipment can be under several permits. If the item is not listed on the import licence it may not be imported.

A pro-forma invoice is required in order to obtain an import license and opening a letter of credit. It must contain the following:

- a full description of goods in question;
- f. o.b. value of goods;
- insurance and freight, individually and totalled;
- issued in duplicate and authorized by a chamber of commerce (they require an additional notarized file copy); and
- two copies are presented to the South Korean Consulate for legalization.

b) Food registration

All food imports must be approved through a process of self specification, according to the Food Sanitary Law of South Korea. The first step in this procedure is have the product tested by the Korea Advanced Food Research Institute (KAFRI). KAFRI requires the following for each test conducted:

- Application form- 1 copy;
- Sample of product- 4 of each;
- Ingredient information- 1 copy;
- Result of testing already conducted- 1 copy; and
- Manufacturing process- 1 copy.

If the products pass this process, KAFRI issues a Testing Certificate. There is no cost involved in the testing procedure undertaken at the national testing institute, other than a revenue stamp or copying cost.

After the Testing Certificate is acquired, the importer must apply for a Self Specification Approval Certificate from the National Institute of Health (NIH) which requires:

- Application form- 3 copies;
- Testing Certificate- 3 copies;
- Ingredient information- 1 copy;
- Result of testing already conducted- 1 copy; and
- Manufacturing process- 1 copy.

This testing can take anywhere from one to three months to complete.

c) Shipping documents

The following shipping documents must be presented to customs officials by the agent/importer upon the entry of exported goods into South Korea:

- Packing list - one copy enclosed in the pertinent package and one sent with other documents. Must contain a full and concise description of items in the shipment;

- Documents from the seller that correspond exactly with the import permit (changing the model, type, specification or generation of a product after obtaining an import permit could make the permit invalid)
- Commercial invoice - must be signed and issued by the seller. A minimum of three copies must be certified by a chamber of commerce (one copy for its files). Two copies of the invoice and certificates of origin are then legalized for \$2 per document (the Consulate keeps one and returns the original); and
- Certificates of origin - certified by a chamber of commerce and presented to the South Korean Consulate. Method of payment must be shown on the certificate. If this is not by a letter of credit then this must be stated. If a letter of credit is used, then the credit number must appear and a copy of credit must be attached. The certificate of origin must also include the following:
 - description of goods
 - quantities
 - value
 - name and address of importer
 - name and address of exporter
 - marks and number
 - name of carrier etc.

Customs duties, tariffs and taxes

Importers must pay for 100% of the cost of imports including freight, insurance and customs duties before the products are released from customs. Chocolate confectionery and sugar confectionery are both subject to an 8% tariff with the exception of HS 1806.90.21 (chocolate materials of prepared dry milk) which has a tariff of 40% both of c.i.f. (cost, insurance, freight value). All food products are also subject to 10% value added tax. Some confectionery items, such as jujubes, are also subject to import quotas.

The Ministry of Finance will soon submit a bill to parliament to simplify customs clearance. Customs clearance can be a lengthy process in South Korea, especially for first time imports, which can take up to three months to clear through customs. Most products enter without problems or delays. Canadian exporters must be prepared for the unexpected. Clearance of a first shipment does not necessarily mean that further shipments will clear without impediment. A typical clearance time is 15 days. The Government is now implementing a system to reduce this to two to three days. This new system will enable traders to import and exports simply by filing a report with the customs authorities rather than acquiring formal permits.

Transportation and storage

South Korea has 62 936 kilometres of roads, of which 13 476 are national highways. It also has 3106 kilometres of railway, and 1609 km of inland waterways. Pusan, Inchon, Mokpo and Ulsan are the major shipping ports. Currently, there are over 100 licensed commercial bonded warehouses in South Korea; the maximum storage period allowed is 24 months.

South Korea is a member of the TIR Customs Convention. This means that freight shipments from other member nations are permitted to cross international borders without discharging cargo from road vehicles or containers at border points for customs inspection.

Shipping cases should bear the mark of the consignee, including port mark, and should be

numbered unless the contents of the packages being shipped are easily identifiable without numbers. Special marking requirements are as follows:

- consignee;
- contract number;
- end-user;
- port of discharge;
- item number and, if applicable, package numbers in sequence;
- commodity description;
- net and gross weight, cubic measurements; and
- shippers marks and/or trade marks, caution marks (if applicable) and any other marks required under contract.

Export financing and payment

The Korean government encourages an irrevocable and confirmed sight letter of credit, opened before shipment, as a method of payment for imports by Korean importers. Banks require most importers to pay 100% of the value of a letter of credit prior to issuance of the letter of credit.

Cultural and business practices

Canadian Exporters should be aware of the cultural nuances of doing business in South Korea. Face to face contact with a consistent representative is essential for Koreans. Also, the exchange of business cards plays an essential role in initial meetings and it is recommended that one side be printed in Korean. The Canadian Embassy can arrange to have business cards translated and back-printed in Korean at cost with a minimum three day turn-around time. It is important to create an official title even if one does not have one, as a lack of title is considered a puzzling omission by most Koreans.

Expect communication to fail frequently as Korean businesses are not accustomed to keeping associates informed. Fax customers daily until a reply is received. If there is still a lack of response contact the Canadian Embassy and request that it phone your Korean contact on your behalf. It is also advisable to rely on written communication, such as the fax machine followed by a letter, rather than the telephone.

Exporters should expect Korean contacts to request a lot of information, some of which may seem unrelated. Requests should be met, provided that they are not overly burdensome.

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APPENDIX A — STATISTICAL TABLES

Sugar confectionery exports to South Korea, 1991-1995 (in C\$)

Supplier	1991	1992	1993	1994	1995
World	27 086 130	25 183 130	33 379 500	38 106 750	48 552 630
Spain	12 799 880	5 112 250	10 052 630	12 600 500	10 822 630
United States	4 556 750	5 805 250	6 003 250	6 281 000	10 022 380
France	1 028 500	2 180 750	3 537 880	4 732 750	5 163 130
Germany	1 263 630	2 409 000	2 428 250	2 884 750	3 091 000
Netherlands	944 630	2 409 000	1 230 630	1 582 630	2 838 000
Mexico	64 630	537 630	796 130	948 750	2 710 130
Thailand	30 250	56 380	225 500	1 065 630	2 609 750
United Kingdom	1 496 000	1 390 130	1 140 130	1 142 750	1 614 250
Japan	438 630	638 000	782 380	1 194 880	1 419 000
China	455 130	618 750	1 040 880	1 256 750	1 320 000
-Canada	0	0	2 280	10 680	966 070
Belgium-Lux.	167 750	189 750	265 380	247 500	771 380
Italy	99 000	90 750	77 000	22 000	712 250
Switzerland	138 880	152 630	118 250	178 750	684 750
Malaysia	116 880	166 380	46 750	149 880	649 000
Australia	115 500	292 880	594 000	831 880	618 750
Argentina	209 000	166 380	154 000	138 880	354 750
Pakistan	166 380	195 250	225 500	226 880	331 380
Philippines	41 250	20 630	8 250	108 630	291 500
Other	2 953 500	2 750 000	4 686 469	2 222 318	1 562 555

Source: International Trade Databank, TIERS

Chocolate confectionery exports to South Korea, 1991-1995 (in C\$)

Supplier	1991	1992	1993	1994	1995
World	41 882 500	47 293 860	62 343 550	60 149 380	63 223 880
United States	10 499 500	16 121 880	14 177 630	13 041 880	14 155 630
Netherlands	10 087 000	10 466 500	14 137 750	9 257 875	13 392 500
Australia	720 500	3 275 250	13 523 130	10 412 880	6 248 000
France	596 750	1 544 125	2 858 625	5 174 125	6 139 375
Belgium-Lux.	1 076 625	1 232 000	1 568 875	2 470 875	4 683 250
New Zealand	2 924 625	739 750	6 083 000	5 167 250	3 638 250
Italy	162 250	154 000	501 875	1 570 250	2 554 750
Switzerland	589 875	298 375	807 125	1 472 625	2 213 750
Spain	1 804 000	3 712 500	1 683 000	1 278 750	1 563 375
Germany	838 750	756 250	268 125	855 250	1 377 750
South Africa	2 750	375 375	160 875	3 081 375	1 119 250
China	26 125	74 250	797 500	328 625	918 500
Malaysia	1 328 250	2 524 500	2 198 625	1 694 000	837 375
Philippines	0	121 000	148 500	276 375	743 875
United Kingdom	917 125	198 000	380 875	554 125	738 375
Brazil	0	217 250	0	229 625	613 250
Finland	713 625	228 250	126 500	1 086 250	391 875
~Canada	286 000	395 935	936 298	370 916	371 319
Austria	301 125	677 875	118 250	104 500	221 375
Japan	3 444 375	2 620 750	471 625	44 000	83 875
Singapore	4 261 125	501 875	349 250	261 250	31 625
Sweden	694 375	0	92 125	159 500	12 375
Other	607 750	1 058 170	954 002	1 257 084	1 174 181

Source: International Trade Databank, TIERS

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APPENDIX B — TRADE SHOWS AND PROMOTIONAL VENUES

Event/Venue	Description	Organizer
Seoul Food Seoul International Food Technology Exhibition	Korea Exhibition Centre in Seoul, Korea May 7-10, 1997 Annual trade show attracts 40 500, of which 500 are foreign visitors	Korea Trade Promotion Corporation 159 Samsdung-dong Kangnam-gu Seoul 135-729 Korea

of which 300 are foreign visitors.
 Exhibition space of 7000 m² holds
 338 exhibitors, 122 of which are
 foreign, of foods and beverages, food
 additives, food packaging, raw
 materials, food processing
 equipment, food packaging materials
 & machinery.

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APPENDIX C — CONFECTIONERY IMPORTERS IN SOUTH KOREA

Amfarco Limited
 Contact: Chung Young
 C.P.O. Box 4628
 Seoul, South Korea
 Established: 1971
 Employees: 10
 Telephone: (82-2) 752-2231
 Facsimile: (82-2) 757-2231

Comments: Imports a variety of consumer goods and foods, including candy and confectionery.

Doosan Industrial Company
 Contact: Kim Joon-Kyung
 Kwanghwamun, P.O. Box 280
 Seoul 110, Korea
 Established: 1826
 Employees: 590
 Telephone: (82-2) 759-6114
 Facsimile: (82-2) 754-6160

Comments: This large company imports a wide variety of items from crops to building materials, consumer goods and a variety of food items.

East West Korea Corporation
 Contact: Hong Sa Kwang
 401 Boeun Building 354-20, Seokyo-D
 Mapo-Ku 121-210, Seoul, Korea
 Telephone: (82-2) 338-9280
 Facsimile: (82-2) 333-9635

Comments: Imports nuts, candy, confectionery, and non-alcoholic beverages.

Na-Re Industrial Company Limited
 Contact: S.L. Lim
 Su Un Building, 88 Kyung Un-Dong
 Jong Ro-Ku, 110-31, Seoul, Korea
 Established: 1988
 Employees: 12
 Telephone: (82-2) 722-0500
 Facsimile: (82-2) 734-0707

Comments: Imports candy, confectionery, bakery

Cheon Ji Trade Company
 Contact: Choong Ho Lee
 18FL, 125 Byucksan BD, 12-5 DO.
 Yongsan-Ku, Seoul, 140-170, Korea
 Telephone: (82-2) 727-6091
 Facsimile: (82-2) 727-6090

Comments: Imports a variety of food items including confectionery.

East Gate Corporation
 Contact: Bang Young-Soo
 K.P.O. Box 1365
 Seoul, South Korea
 Established: 1981
 Telephone: (82-2) 784-1801
 Facsimile: (82-2) 784-6558

Comments: Imports consumer goods and foods, including confectionery.

Jewon International Corporation
 Contact: Grace Kim
 Jewon Building, 394-46, Suyu 3-Dong
 Kangbuk-Ku, Seoul, 132-073, Korea
 Established: 1979
 Employees: 50

Telephone: (82-2) 998-5151
 Facsimile: (82-2) 998-6678

Comments: Imports candy, confectionery, nuts, and a variety of prepared foods.

Nong Shim Company Limited
 Contact: Shin Choon-Ho
 C.P.O. Box 5558
 Seoul, South Korea
 Telephone: (82-2) 716-1211
 Facsimile: (82-2) 716-5901

Comments: Imports a variety of foods and food products.

Contact: Lee Kyun-Hee
 C.P.O. Box 3603
 Seoul, 100-636, Korea
 Established: 1986
 Employees: 80
 Telephone: (82-2) 571-3097
 Facsimile: (82-2) 579-2574
 Comments: Imports canned and prepared foods, candy and confectionery.

Samah International Corporation
 Contact: Lee Kyun-Hee
 C.P.O. Box 3603
 Seoul, 100-636, Korea
 Telephone: (82-2) 571-3097
 Facsimile: (82-2) 579-2574

Young Jin Company Limited
 Contact: Chong Gu Kim
 3FL, 170-11, Garak-Dong
 Songpa-Ku, Seoul, 138-160, Korea
 Telephone: (82-2) 402-0571
 Facsimile: (82-2) 402-0572
 Comments: Imports candy and confectionery.

Tae Jin Corporation
 Contact: H.I. Chun
 C.P.O. Box 10115
 Seoul, Korea
 Established: 1987
 Telephone: (82-2) 778-7818
 Facsimile: (82-2)
 Comments: Imports leather and food products.

Sungbo Trading Company
 Contact: Mi Ok Park
 Baikjae BD, 980-29, Bangbae-DG
 Seocho-Ku, Seoul 137-060, Korea
 Telephone: (82-2) 522-4411
 Facsimile: (82-2) 521-8667
 Comments: Imports candy and confectionery.

Tong Yang Confectionery Corporation
 Contact: Chul Kon Tam
 30-10, Munbae-Dong, Yongsan-Ku
 Seoul, 140-715, Korea
 Established: 1956
 Employees: 3900
 Telephone: (82-2) 713-5011
 Comments: This is part of one of Korea's largest *chaebols* with confectionery sales of \$514 million in 1995. In addition to producing confectionery, the company also imports bakery products, candy and confectionery.

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APPENDIX D — KEY GOVERNMENT CONTACTS AND SUPPORT SERVICES

Canadian government contacts

Department of Foreign Affairs and International Trade
 Korea and East Asia Division (PKE)
 125 Sussex Drive
 Ottawa K1A 0G2
 Telephone: (613) 996-2807
 Facsimile: (613) 996-1248

Canadian Embassy in The Republic of Korea
Mailing address:
 C.P.O. Box 6299
 Seoul 100-662
 Republic of South Korea

Street address:
 10th Floor, Kolon Building
 45 Mugyo-Dong, Jung-Ku
 Seoul 100-170
 Republic of Korea
 Telephone: (011)(82-2) 753-2605, 753-2608, 753-7290, 753-7293
 Facsimile: (011)(82-2) 755-0686, 756-0869

Agriculture and Agri-Food Canada
 Sir John Carling Building
 930 Carling Ave, Ottawa
 K1A 0C5
 Contact: Ann Kavanagh
 Phone: (613) 759-7535
 Email: kavanagha@em.agr.ca

Market Intelligence Division (TBS)
 Department of Foreign Affairs and International Trade
 125 Sussex Drive
 Ottawa K1A 0G2
 Telephone: (613) 995-1773
 Facsimile: (613) 944-0050

Canadian Export Development Corporation
 151 O'Connor St
 Ottawa, K1P 5T9
 Telephone (613) 598-2500
 Facsimile: (613) 598-2503

South Korean government offices

Korean Embassy to Canada
 151 Slater Street, 5th Floor
 Ottawa K1P 5H3
 Telephone: (613) 232-1715 or 232-1817

Korea Trade Promotion Corporation
 Suite 600, P.O. Box 9
 Thomson Building
 65 Queen Street West
 Toronto, Ontario
 M5H 2M5
 Telephone: (416) 368-3399
 Facsimile: (416) 368-2893

Ministry of Trade
 1, Choongang-Dong
 Kwachon, Kyonggi-Do
 Republic of Korea
 Telephone: (82-2) 503-7171
 Facsimile: (82-2) 504-9496

Drinking Water Management Division
 Water Supply and Sewage Bureau
 Ministry of Environment
 1, Joongang-Dong
 Kwachon-si, Kyonggido 427-760
 Republic of Korea
 Telephone: (82-2) 507-2454
 Facsimile: (82-2) 507-2456

Agricultural Products and Marketing Bureau
 1, Choongang-Dong
 Kwachon, Kyonggi-Do
 Republic of Korea
 Telephone: (82-2) 503-7200
 Facsimile: (82-2) 504-6658

Bureau of Customs and Tariff
 Ministry of Finance
 1, Joongang-Dong
 Gwachun
 Republic of Korea
 Telephone: (82-2) 503-92-96
 Facsimile: (82-2) 503-93-24
 Telex: (0801) 23243

Association of Foreign Trading Agents of Korea
 Contact: Dong Jin B.D.
 218 Hangkang-ro, 2-ga
 Yongsan-ku, Seoul 140-012
 Republic of Korea
 Telephone: (82-2) 792-1581
 Facsimile: (82-2) 785-4373

Chambers of commerce and industry associations

The Korea Development Bank
 10-2 Kwanchul-Dong
 Chongro-ku, Seoul
 Republic of Korea
 Telephone: (82-2) 398-6335
 Facsimile: (82-2) 723-4475

Association of Foreign Trading Agents of Korea
 Mr. C.S. In
 218, Hangangro 2-Ka
 Yongsan-Ku, Seoul, Korea
 Telephone: (82-2) 792-1581
 Facsimile: (82-2) 780-4337

Finance and Economic Board
 1 Jungang-Dong
 Kwachon
 Kyunggi-do, Korea
 Telephone: (82-2) 500-5424
 Facsimile: (82-2) 503-9273

The Industrial Bank of Korea
 50 Ulchiro 2-ka
 Chung-ku, Seoul
 Republic of Korea
 Telephone: (82-2) 729-4475
 Facsimile: (82-2) 729-7002

Korea Tourist Hotel Supply Center
 Contact: Mr. Yoo Hyo-Hee, President
 255-5, Nung-Dong
 Sugdong-k, Seoul, Korea
 Telephone: (82-2) 458-3291
 Facsimile: (82-2) 454-2547

Korea Cold Storage Ltd.
 13-8 Noryangjin-Dong
 Dongjak-Ku, Seoul, Korea
 Telephone: (82-2) 815-9331
 Facsimile: (82-2) 812-8808

Seoul Chamber of Commerce
 45, Namdaemunno 4-ga
 Chung-gu, Seoul
 Republic of Korea
 Telephone: (82-2) 757-0757
 Facsimile: (82-2) 776-8213, 757-9475
 Telex: CHAMBER K25728

Consultation Office for Overseas Companies (COOC)
 KOEX Building
 159 Samsong-dong
 Kangnam-Ku, Seoul 135-1311, Korea
 Telephone: (82-2) 551-1115, 551-1127
 Facsimile: (82-2) 555-7414, 551-1311

Korea Restaurants Supply Center
 168-26 Samsung-Dong
 Kangnam-Ku, Seoul, Korea
 Telephone: (82-2) 554-9092
 Facsimile: (82-2) 554-9093

Canadian banks in South Korea

The Bank of Nova Scotia
 C.P.O. Box 7783
 9th Floor, The Korea Chamber of
 Commerce and Industry Building
 #45, 4-ka, Namdaemoon-ro, Chung-ka
 Seoul, Korea
 Telephone: (82-2) 757-7171
 Facsimile: (82-2) 752-7189
 Telex: K29245 SCOTIAX

National Bank of Canada
 K.P.O. Box 584
 6th Floor, Leema Building
 146-1 Soosong-dong, Chongro-gu
 Seoul, Korea
 Telephone: (82-2) 733-5012
 Facsimile: (82-2) 736-1508
 Telex: K25043

The Royal Bank of Canada
 C.P.O. Box 5374
 #1, 1-ka, Chung-Ro, Chung-gu
 Seoul, Korea 110-121
 Telephone: (82-2) 730-7791
 Facsimile: (82-2) 736-2995
 Telex: K24834

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READER EVALUATION

Please help the Team Canada Market Research Centre to produce market reports which meet your information needs by completing this evaluation form and returning it by facsimile at (613) 943-8820. Thank you for your valuable input.

1. How did you obtain a copy of this market report?

- InfoCentre FaxLink system Government worldwide web site
 InfoCentre help line InfoCentre bulletin board system
 Local government office Other: _____

2. How would you describe this market report?

	Strongly agree	Agree	No opinion	Disagree	Strongly disagree
Useful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Complete	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Well organized	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Well written	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ideal length	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. In what form do you prefer to obtain these reports?

- Print Electronic

4. Based on the information in this report, what specific action(s) does your organization plan to take in this market? Check all that apply.

- Seek an agent/distributor Contact Canadian trade office abroad
 Visit the market Participate in a trade show abroad
 Do more research Nothing
 Other: _____

5. What other market reports would be of benefit to your organization? Please identify specific products and countries.

6. Which of the following categories best describes your organization? Check one only.

- Processor/manufacture Government
 Trading house Student/academia
 Export service provider Consultant
 Industry/trade association Other: _____

7. What were your organization's total sales last year, in Canadian dollars?

- Less than 10 million 10 million to 50 million
 More than 50 million Not applicable

Additional comments/suggestions for improvement: _____

OPTIONAL — The name of your organization is: _____

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