



# Study on the Korean Pasta Market

## HS 1902

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

Further assistance can be obtained by addressing requests directly to the Agriculture and Food Component, Commercial Section of the Canadian Embassy in Seoul. The Embassy is located on the 10th floor of the Kolon Building, 45 Mukyo-dong, Chung-gu, Seoul. The mailing address is:

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## 1. Introduction

### 1.1 Import Growth Compared To Canadian Import Growth

Pasta imports soared from \$7 million in 1990 to \$20 million in 1992 however, imports have resided a little to 15 million in 1994. Pasta imports bounced back in 1995 to reach \$22.5 million. Pasta imported from Canada was only recorded in the 1992 at \$11,000, as illustrated in Table 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 in 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.

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## **2. Regulations and Procedures**

### **2.1 Trade Regulations**

Products imported under the category of HS1902.20 are governed under the Livestock Epidemic Protection Law. Products including meat of milk making livestock can be imported only from the below designated areas, USA, Germany, UK, Ireland, Sweden, Denmark, Japan, Taiwan, N.Z., Australia, Finland and the Netherlands. However, there are no area restrictions if perfect sterilization has occurred.

### **2.2 Tariff Rates**

The tariff for pasta imports under HS 1902 in 1996 is 8%.

Tariff rates on most commodities have been reduced to the standard international levels. All import restrictions are scheduled to be phased out by July 1, 1997 in accordance with the General Agreement on Tariffs and Trade (GATT).

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 pasta 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

## **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.

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### 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.

##### 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 alleged 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.

Shelf life on some pasta products is only 3 months.

However, Korea is slowly bringing shelf life 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 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 1996.

Korea removed shelf life regulations on 207 food items in October, last year, but 139 kinds of food remain 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) Instructions for Usage

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

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

### **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.

Importing from Canada is more difficult than from the USA as it takes 15 days longer

### **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.

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## **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, Daejeon 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 pasta in early 1996 found that spaghetti and egg noodle are the main types of pasta imported, as illustrated in Table 1.

Pasta is mainly being consumed at hotels, restaurants and fast food restraints. However, an increasing demand is developing from the larger chain stores and department store, as illustrated in Table 2.

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**Table 1. Product, Price and Amount Imported**

Co. Nos	Company Name	Product	Price	Amount Imported
61	Chung Dam Trading Co., Ltd.	Pasta Products (Spaghetti )	Secret	Secret
16	Korea Tourist Supply Centre (Retail price with 3-5.5 % margin)  (US\$ 1 = 770 Won)	Egg Noodle	\$ 9.45  1/10 lb	
		Macaroni	\$11.65  20/50 g	
		Spaghetti	\$10.85  20/500 g	

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**Table 2. Packaging, Quantity and End Consumer**

Co. Nos	Company Name	Type of Company	Product	Packaging	Quantity	Customer
61	Chung Dam Trading Co., Ltd.	Importer	Pasta (Mainly Spaghetti)	Cellophane Pack	50 oz	Chain Stores  Restaurants

16	Korea Tourist Supply Centre	Importer/ Wholesaler	Egg Noodle Macaroni Spaghetti	Cellophane Vacuum Sealed Pack	1/10 lb 500 g 500 g	Restaurants Hotels
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## 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.

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

Co. Nos	Company Name	Type of Company	Marketing Channel Relationships	Exporting Company (Country)
61	Chung Dam Trading Co., Ltd.	Importer	Direct (arms length)	Ovade Marietta (Italy)
16	Korea Tourist Supply Centre	Importer Wholesaler	Direct	Pasta Zara (Italy)

### 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 all the candidates had a direct relationship with their suppliers but it was at arms length.

Table 3 lists the types of marketing channel relationships particular Korean companies importing pasta 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 and terms and conditions.

#### **5.5 Five Ways to Help Your Local Agents**

##### **1. Make frequent visits**

It is important 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 potential food exporters to Korea are participating in trade exhibitions to increase their awareness in the market, 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.

## **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 Incheon.

#### **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.

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**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 Canners & Packers
Bil-Mar Foods, Inc	(NORPAC)
B&M Lawrence & Co./USCola 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.	

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**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
<b>Total</b>	<b>88,045</b>	<b>123,260</b>	<b>147,909</b>	<b>170,096</b>	<b>195,612</b>	<b>224,953</b>

**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 Sunnam 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.
<b>Inchon</b>
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.
<b>Kwangju</b>
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.
<b>Taejon</b>
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.
<b>Kyunggi-do</b>
Kapyong Tourist Hotel, New Garden Tourist Hotel, Yakam Tourist Hotel, Saila Park Tourist Hotel, Koam Tourist Hotel.
<b>Kangwon-do</b>
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.
<b>Chungchonbuk-do</b>
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.
<b>Chungchonnam-do</b>

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.
<b>Chollabuk-do</b>
Naejangsan Tourist Hotel, Chonju Tourist Hotel, Dae Doon San Tourist Hotel, Victory Tourist Hotel, Hanover Tourist Hotel.
<b>Chollanam-do</b>
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.
<b>Kyungsangbuk-do</b>
Kyong ju Chosun Hotel & Chosun Country Club, Hotel Concorde, Kolon Hotel, Hotel Hyundai (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.
<b>Kyungsangnam-do</b>
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.
<b>Cheju-do</b>
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.
<b>Tourists Special Restaurants</b>

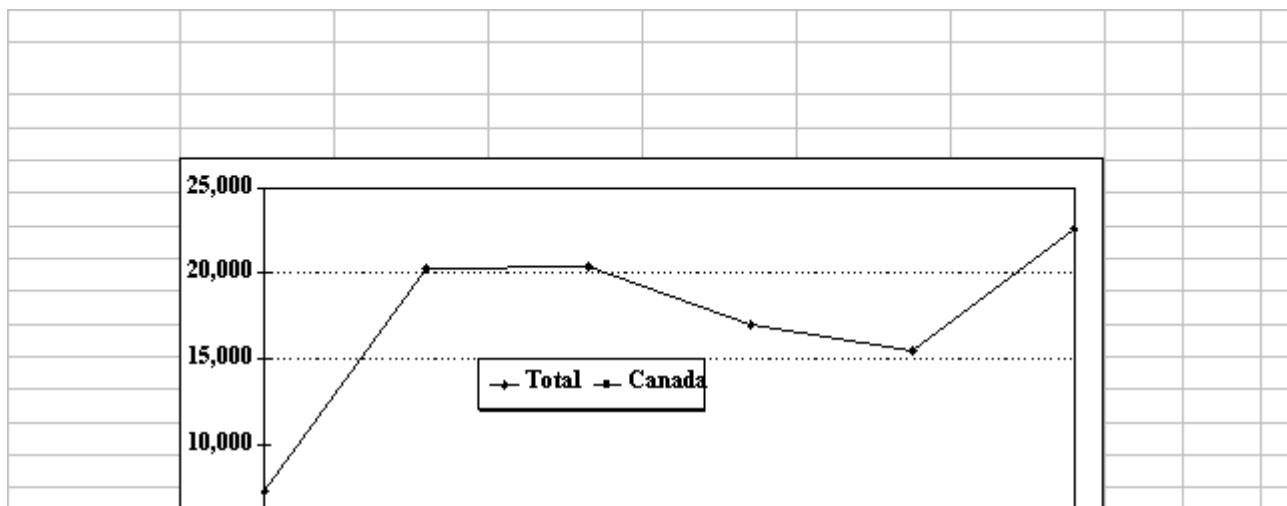
Guest Restaurants, Gomiyo, Gold Rush, Business Hall, In My Memory, Naijawon, Dae Lim Jung, L'abri, Denny's, Dong Shin Food, La Cantina, La Cucina, Rapalroma, Rai Pang Garden, London Pub, Myung-Moon House, Muse, Midopa Coco's Kunja, Midopa Coco's Dong Gyo, Midopa Coco's Dae Chi, Midopa Coco's Dae hak 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.

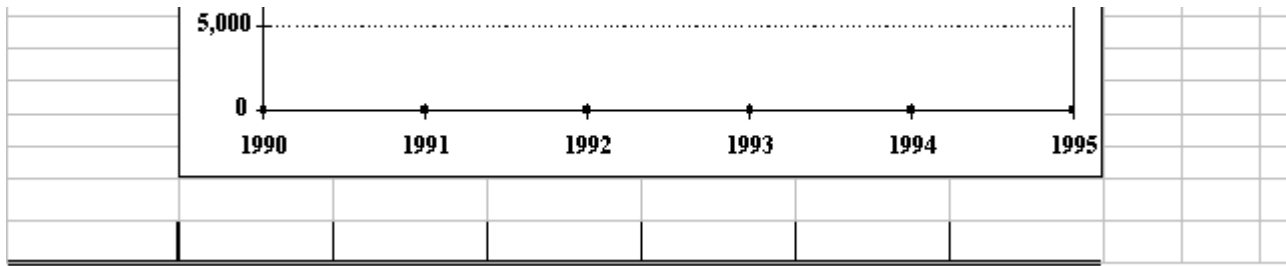
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## 6. Imports by Country 1990 - 1995

The main countries who exported pasta to Korea from 1990 to 1995 are the P.R.C. and Italy. Pasta imports from P.R.C. account for 70% to 80% while those from Italy are generally about 8%. USA, Taiwan, Malaysia and Hong Kong have also made significant exporters, as illustrated in Diagram 2 to 7.

### Diagram 1. Pasta (HS 1902) Imports 1990-1995





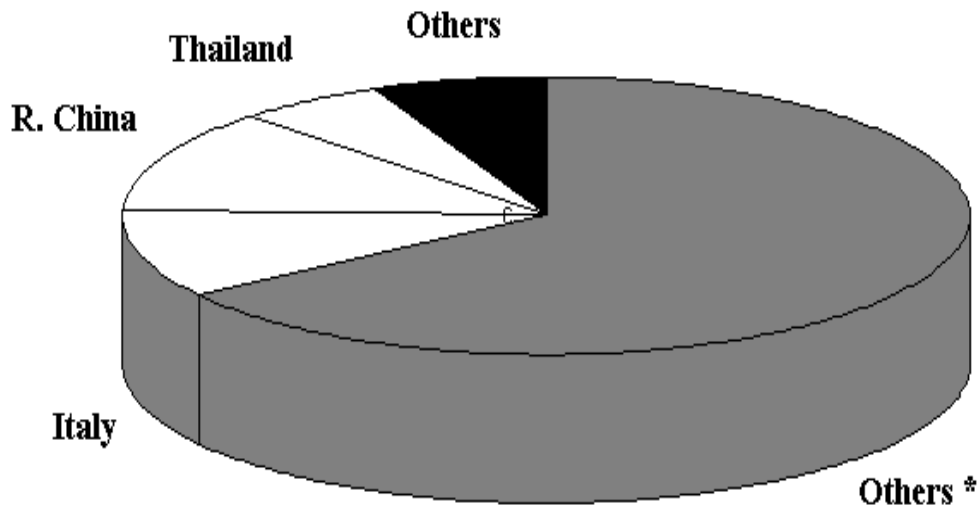
(Unit:US\$ 1,000)

	1990	1991	1992	1993	1994	1995
<b>Total</b>	7,228	20,360	20,393	17,085	15,558	22,594
<b>Canada</b>	0	11	0	0	0	0

Source : Statistical Yearbook of Foreign Trade.

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### Diagram 2. Pasta (HS 1902) Imports by country 1990

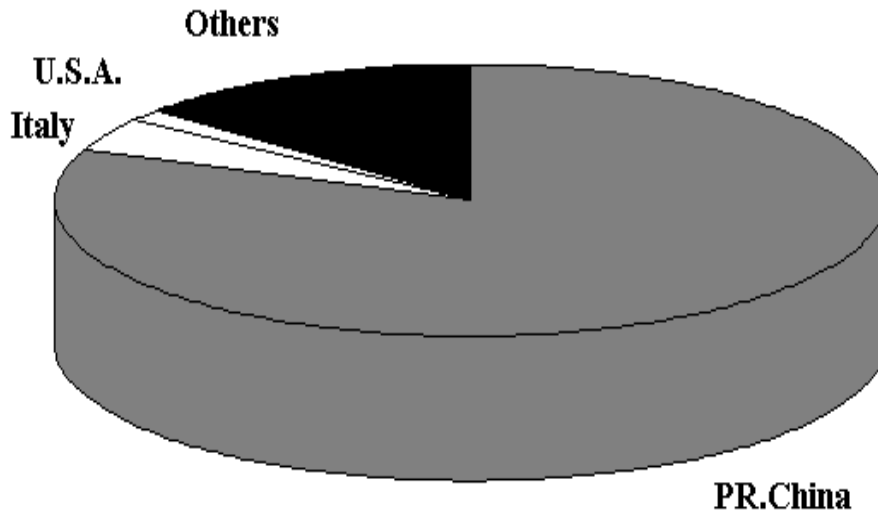


Country	Others*	Italy	R. China	Thailand	Others	Total
<b>Value</b>	4,626	723	867	390	477	7,228
<b>%</b>	64,0 %	10,0 %	12,0 %	5,4 %	6,6 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

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**Diagram 3. Pasta(HS 1902) Imports by Country 1991**

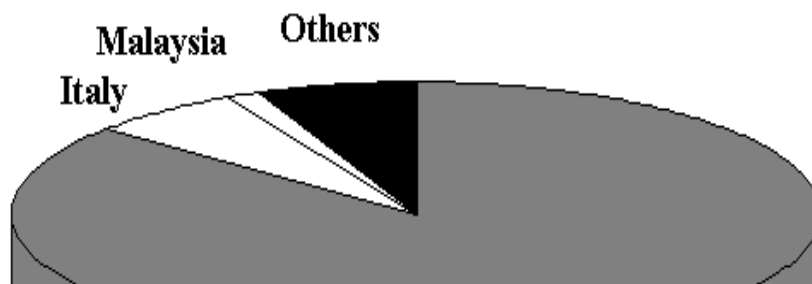


Country	PR. China	Italy	USA	Others	Total
Value	16,492	814	305	2,749	20,360
%	81,0 %	4,0 %	1,5 %	13,5 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

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**Diagram 4. Pasta (HS 1902) Imports by Country 1992**







(Unit:US\$ 1,000)

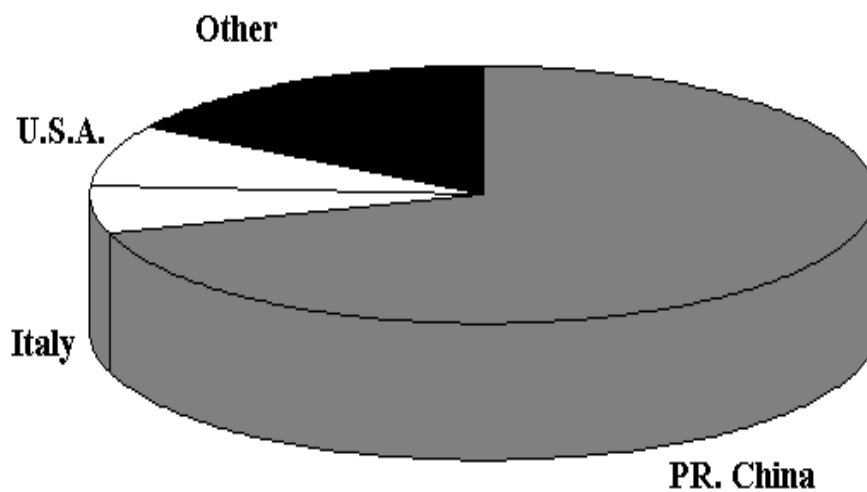
Country	PR. China	Italy	Malaysia	Others	Total
Value	17,538	1,244	306	1,305	20,393
%	*86,0 %	6,1 %	1,5 %	6,4 %	100,0 %

\* 79 % of Past imports is Chinese Vermicelli from PR. China.

Source : Statistical Yearbook of Foreign Trade.

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**Diagram 5. Pasta (HS 1902) Imports by Country 1993**



P

(Unit:US\$ 1,000)

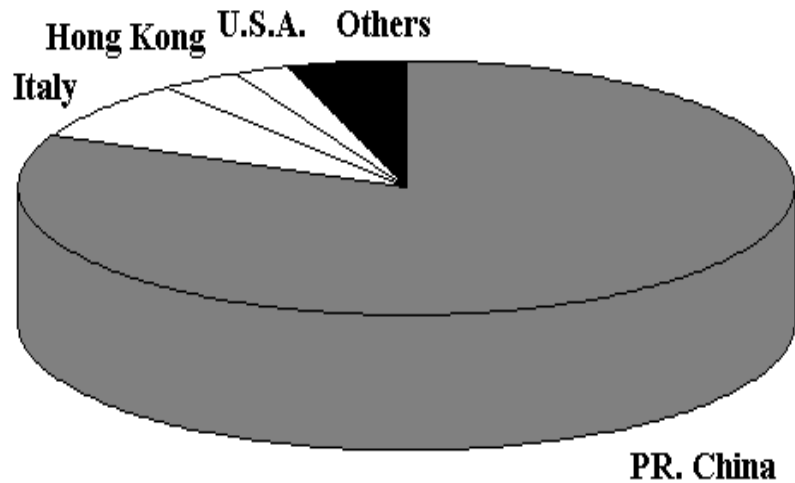
Country	PR. China	Italy	USA	Others	Total
Value	11,960	1,025	1,367	2,734	17,085
%	70,0 %	6,0 %	8,0 %	16,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

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### Diagram 6. Pasta (HS 1902) Imports by Country 1994



(Unit: US\$ 1,000)

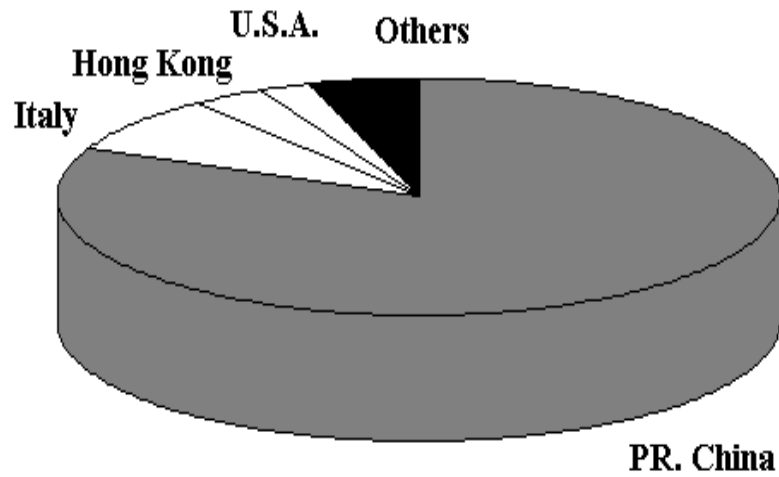
Country	PR. China	Italy	Hong Kong	USA	Others	Total
Value	12,716	1,207	509	338	788	15,558
%	81,7 %	7,8 %	3,3 %	2,2 %	5,1 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

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### Diagram 7. Pasta (HS 1902) Imports by Country 1995



(Unit: US\$ 1,000)

Country	PR.China	Italy	Hong Kong	USA	Others	Total
Value	18,415	2,022	538	620	999	22,594
%	81,5 %	8,9 %	2,4 %	2,7 %	4,4 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

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**Table 8. Pasta**

Co. Nos	Company Name	Source	Government Trade Promotion Activities
61	Chung Dam Trading Co., Ltd.	Italy	Spanish, U.K., Italy and USA Embassy's. Send information.  Some try to arrange interviews but avoids as doesn't want to jeopardize relationship with current supplier.
16	Korea Tourist Supply Centre	Italy	

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## 7. Government Trade Promotional Activities in Korea

### Embassy's actively marketing in Seoul :

- U.S.A.
- Italy
- U.K.
- Spain

### Main marketing activities undertaken :

- Sending information, including brochures and catalogues about manufacturers / products to importers and distributors

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## 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 be 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 country's 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 dwt ship, while the smaller accommodates a 10,000 dwt 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.

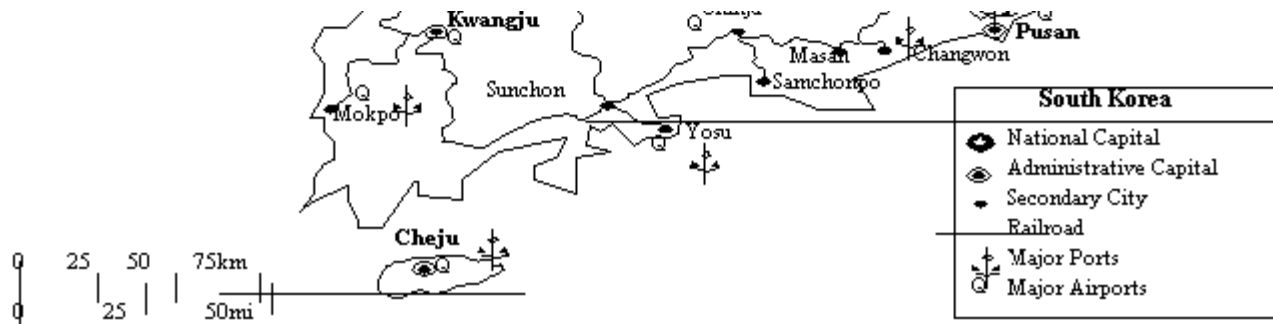
Typhoons can be expected from late July to September during the raining season in the Incheon region.

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## Diagram 8. National Transportation





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**Diagram 9. Comparative Estimation of Transportation Costs to Korea**

FROM USA		FROM EUROPE		FROM AUSTRALIA	
Los Angeles		Hambourg		Melbourne	
45 000	7 000	45 000	60 000	45 000	60 000
Dry (20 ft)	Reefer (40 ft)	Dry (20 ft)	Reefer (20 ft)	Dry (20 ft)	Reefer (20 ft)
25 cbm	50 cbm	25 cbm	20 cbm	25 cbm	20 cbm
20 000	30 000	20 000	18 000	20 000	18 000
INCHON	BUSAN	INCHON	BUSAN	INCHON	BUSAN

**Presumption for Calculation**

Import

Loading Port

CIF/CNTR (US\$)

Container

Volume

Labeling Qty (EA)

Bonded W/H (Hyonik)

**Before Customs Clearance** (unit : Korea Won) (Ex-rate : US\$1 = W783)

INVOICE AMOUNT	35,235,000	54,810,000	35,235 000	46,980,000	32,235,000	46,980,000
OCEAN FREIGHT	1,174,500	2,959,740	783,000	2,818,800	1,135,350	2,818,800
CARGO INSURANCE	34,530	53,714	34,530	46,040	34,530	46,040
I/L AND BANK-RELATED CHG	139,229	199,911	139,229	175,638	139,229	175,638
KOTRA	49,329	76,734	49,329	65,772	49,329	65,772
CABLE CHARGE	20,000	20,000	20,000	20,000	20,000	20,000
L/G FEE	10,000	10,000	10,000	10,000	10,000	10,000
OPENING COMMISSION	59,900	93,177	59,900	79,866	59,900	79,866
PUSAN PORT CHARGES	110,650	170,500	115,850	147,700	87,850	147,700
- THC	82,800	118,800	88,000	116,000	60,000	116,000
- CONT. TAX	20,000	40,000	20,000	20,000	20,000	20,000
- WHARGAGE	3,850	7,700	3,850	7,700	3,850	7,700
- DOCU FEE	4,000	4,000	4,000	4,000	4,000	4,000
BONDED TRANSPORT	343,000	113,000	343,000	113,000	343,000	113,000
CNTR DEVANNING/LIFT-OFF	150,648	281,700	150,648	155,880	150,648	155,880
CUSTOMS DUTY (8 %)	2,818,800	4,384,800	2,818,800	3,758,400	2,818,800	3,758,400
CUSTOMS VAT	3,805,380	5,919 ,80	3,805,380	5,073,840	3,805,380	5,073,840
CUSTOMS-RELATED CHARGE	95,470	134,420	95,470	118,960	95,470	118,960
BONDED STORAGE (1 MONTH)	245,000	910,000	245,000	455,000	245,000	455,000
LABEL/PRINTINGS	80,000	120,000	80,000	72,000	80,000	72,000
LABOR COST FOR LABELLING	800,000	1,200,000	800,000	720,000	800,000	720,000
GENERAL VAT	161,865	262,470	161,865	151,588	161,865	151,588
OTHER CHARGE	100,000	100,000	100,000	100,000	100,000	100,000
SUB-TOTAL (a)	45,543,951	71,990,346	45,162,851	61,210,184	42,459,201	61,210,184
<b>AFTER CUSTOMS CLEARANCE</b>						
LIFT-ON FOR DELIVERY	80,900	209,700	80,900	209,700	80,900	209,700
STORAGE (1 MONTH)	245,000	910,000	245,000	455,000	245,000	455,000
GENERAL VAT	32,590	111,970	32,590	66,470	32,590	66,470
SUB-TOTAL (b)	358,490	1,231,670	358,490	731,170	358,490	731,170
TOTAL (a + b)	45,902,441	73,222,016	45,521,341	61,941,354	42,817,691	61,941,354

\* Remark:

- 1) Imports from USA: no service fro 20' reefer container and only 40ft.
- 2) Deposit of Waste Disposal: exclude (if applied)
- 3) Storage :

7 pyong x W35 000, for 20' Dry & Cold  
14 pyong x W65 000, for 40' reefer

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## APPENDIX 1

**FORECAST SUMMARY****SOUTH KOREA (1)**

	1994	1995	1996	1997	1998	1999
<b>Real % Change</b>						
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
<b>Population and income</b>						
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
<b>Inflation (%)</b>						
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
<b>Financial Indicators</b>						
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
<b>External Trade (\$ bn) (1)</b>						
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 payment	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
<b>Foreign Indebtedness</b>						
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
<b>Real % Change</b>						
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
<b>Population and income</b>						
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
<b>Inflation (%)</b>						
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
<b>Financial Indicators</b>						
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
<b>External Trade (\$ bn) (1)</b>						
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 Transfer 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
<b>Foreign Indebtedness</b>						

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

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## Appendix 2

Product	Specific	Country	Value	
			1994	1995
Pasta (1902-)	Re-import (1902-00-0001)	Others	-	3,680
	Spaghetti	Australia	-	96,761
		Swiss	-	1,919
	(1902-11-1000)	Indonesia	28,428	114,783
		Italy	605,208	1,100,555
		Japan	-	9,561
		USA	29,198	8,436
	Macaroni	Swiss	-	1,800
	(1902-11-2000)	Indonesia	4,759	60,014
		Italy	510,661	777,908
		USA	-	4,675
	Other	Australia	6,371	55,554
	(1902-11-9000)	Swiss	1,415	3,836
		Hong Kong	5,648	-
		Italy	27,523	22,068
		Japan	11,222	2,177
		USA	-	1,908
	Noodles	Australia	6,131	23,590
	(1902-19-1000)	Pr. China	394,685	371,777
		Japan	8,324	62,434
		Thailand	26,641	-
	Chinese Vermicelli	Pr. China	11,927,295	16,797,549
	(1902-19-2000)			
	Other	Australia	24,806	64,763
	(1902-19-9000)	Swiss	10,866	14,406
		Pr China	191,233	637,826
		UK	-	1,146

		Hong Kong	1,407	4,613
		Indonesia	-	1,278
		Italy	58,482	107,691
		Japan	27,476	60,160
		USA	53,910	92,587
	Stuffed Pasta (Whether or not Cooked	Australia	-	1, 284
	or otherwise prepared)	Pr. China	199, 107	493, 637
	(1902-20-0000)	France	24, 504	-
		Hong Kong	501, 474	530, 267
		Netherlands	1, 888	-
		Thailand	-	22, 575
		Taiwan	115, 967	339, 197
		USA	212, 216	390, 930
	Ramen (1902-30-1010)	Singapore	8, 068	-
		Pr. China	-	1, 479
		Taiwan	-	10, 920
	Instant Noodles	Italy	2 ,175	6, 100
	(1902-30-1090)	Japan	7, 747	18, 612
		Netherlands	1, 963	-
	Other	Australia	3 ,409	24, 803
	(1902-30-9000)	Pr. China	3, 900	112, 939
		Germany	211, 814	-
		France	15, 641	-
		Indonesia	102, 947	-
		Hong Kong	-	2, 826
		Italy	3, 304	6, 697
		Japan	41, 419	3, 654
		Malaysia	36, 052	-
		Netherlands	7, 736	-
		Singapore	23, 035	-
		USA	42, 801	121, 906
		Viet Nam	29, 665	-

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## Appendix 3

### Importer by Products

Code: (H S) 1902-19 IMPORTS

**Products: Pasta (Not Cooked, Exept including the Bird's Egges)**

<b>Code</b>	<b>Company Name</b>	<b>Phone Number</b>	<b>Fax Number</b>
948399	Nara Distribution Co., Ltd.	(02)659-6211/2	(02)659-6213
902201	Soon Chang Distribution Co., Ltd.	(051)527-9900	(051)527-2300
13017486	Keryang Trading Co., Ltd.	(0562)72-4308/9	(0562)49-7400
11025324	Bosung Trading Co., Ltd.	(02)404-2581/2	(02)408-4071
11020361	Seong Bok Trading Co., Ltd.	(02)576-7612/3	(02)573-4587
536086	Wha Young Co., Ltd.	(032)547-6321/2	(032)547-3221
11129587	Mee Yang Ind. Co., Ltd.	(02)871-2449	(02)875-8327
14017128	Keum Yeob Foods Co., Ltd.	(032)542-8263	(032)548-3144
399302	Han Hwa Farm Co., Ltd.	(02)738-7602	(02)736-6957
169721	Sae Park Corporation	(02)551-5688	(02)551-5690
870072	Young Heung Foods Co., Ltd.	(0342)759-5900	0342)759-5700/
0821502	Shin Song Foods Co., Ltd.	(02)780-1400	(02)784-3216
852306	Jeil Trading Co., Ltd.	(02)273-1396	(02)273-8440
24000145	Hyun Yang	(0556)73-1717	(0556)73-6887
24004312	Sambo Corporation Ltd.	(0522)65-3574/5	(0522)65-3575
16003600	Seon Hwa Foods Co.	(042)257-6942	(042)255-8710
15000858	Hang Yang Agri & Fish Products Co.,Ltd.	(0561)749-4241	(0561)42-2418
11138129	South & East E & I Co., Ltd.	(02)571-4385	(02)571-4384
11202271	Dong Do Tong Woon Co., Ltd.	(02)784-8371/2	(02)784-8370
11098256	Korea China Co., Ltd.	(02)275-3184/5	(02)266-2416
522681	Hyun Joon Trading Co., Ltd.	(02)774-4051	(02)774-4053
590297	Dae Jung Trading Co., Ltd.	(0331)47-1508	(0331)47-1509
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	(0 2)452-7294
45943167	Cheon I Ind. Co., Ltd.	(0343)58-2271/3	(0343)56-6300
12020438	Keum San Distribution Co., Ltd.	(051)819-5780	(051)819-5783
710321	Sam Jin Trading Co., Ltd.	(02)968-5501/9	(02)961-5110/9
12032563	Green Corporation	(051)781-5412	(051)526-4905
16004566	Yong Sung Trading Co., Ltd.	(042)534-5408	(042)534-5409
730246	Kyung Nam Trading Development Corporation Ltd.	(051)463-6611/5	(051)463-6616
831293	Hyung Je Trading Co., Ltd.	(02)335-0671	(02)335-5407
437848	Sam Shin General Distribution Co., Ltd.	(032)654-6815	(032)665-3714
11128171	Il Cho Agri & Fish Products Co., Ltd.	(02)587-5631/4	(02)587-3304
14010509	Se Jong Trading Co., Ltd.	(032)551-6511	(032)551-6514

14011308	Young Jong Corporation Ltd.	(032)433-4123/4	(032)433-4124
11137049	Hab Jung Corporation Ltd.	(02)323-0697	(02)323-0695
853721	Dae Yang Inc.	(051)245-5451/2	(051)242-9731
11048909	Lee Woo Corporation Ltd.	(02)596-1873	(02)596-1875
986791	Oh Rin Yang Haeng Co., Ltd.	(02)777-2337/8	(02)753-4338
14004351	Dae In Trading Co., Ltd.	(032)468-0592/3	(032)468-0594
985424	Dae Young Industrial Co., Ltd.	(0336)34-9600	(0336)34-9601
13017808	Ha Rim Trading Co	(053)784-8343/4	(053)783-7550
12021282	Boo Ho Trading Co., Ltd.	(051)441-3488	(051)441-3489
12000218	Korea-China Trading Corporation Ltd.	(051)241-3886	(051)241-3887
11089528	Haepyo Unilever Co., Ltd.	(02)749-4321	(02)749-4323
931227	Hwa Dong Trading Co., Ltd.	(02)491-4458	(02)491-4459
16003233	Com Teq. Co., Ltd.	(042)823-6304	(042)823-6305
11240211	Woo Won Oriental Co., Ltd.	(02)769-1627	(02)769-1629
961486	G.B.I Co., Ltd.	(02)555-7491/2	(02)553-9639
12033966	Yoo Il Ind. Co., Ltd.	(051)464-2456	(051)464-3364
12018949	Seo Bong Corporation	(051)441-2130	
11269926	Do Yoo Co., Ltd.	(02)780-6666	(02)785-3791
167321	Shin Jin Corporation Ltd.	(0552)83-3991	(0552)83-5693
11032342	Seon An Trading Co., Ltd.	(02)226-3251/3	(02)226-3254
12011375	Tae Hwa Trading Co., Ltd.	(051)247-7896	(051)246-3383
21010600	Shin Woo Agriculture-Fishery Co.	(0342)731-4051	(0342)731-4055
12010662	Sae Seoul Corporation	(051)819-5103	(051)819-5104
11208525	Seong Woo I.C.L Co., Ltd.	(02)365-0581/2	(02)312-0153
390710	Seong Il Teq. Co., Ltd.	(02)895-2093/7	(02)809-1398
935089	Se Jin Supply Supply Co., Ltd.	(02)516-3362	(02)545-2372
16005761	Poong Nyeon Food Ind.	(042)626-2615	(042)672-3358
599418	Il Hwa Distribution Co., Ltd.	(051)516-1155	(051)517-1207
11040297	Kook Ma Trading Co., Ltd.	(02)664-5123	(02)666-5123
11208228	I Re Trading Co., Ltd.	(02)646-9424/5	(02)646-9426
530154	Woon Sung Corporation	(02)859-4478	(02)859-4479
16001958	Cheong Ji Ki Distribution Co.1	(042)625-6040	(042)624-9173
11055026	Dae Won Trading Co., Ltd.	(02)518-9071-5	(02)518-9070
12011234	Da Sol Trading Co., Ltd.	(051)244-9812	(051)244-9814
11104854	Tae Chang Food Ind. Co.	(0475)32-5311	(02)771-3589
490270	Doo Roo Industrial Co., Ltd.	(02)326-3891/3	(02)326-3894
11106788	Woo Dong Ind. Co., Ltd.	(02)466-5943/5	(02)466-5946

299701	Song Won Agricultural & Fishery Co., Ltd.	(02)966-6928/9	(02)959-0201
13004325	Karam Trading Co.	(053)756-9640/1	(053)756-9336
11217972	Bostock Ind.	(02)3461-4842	(02)576-2988
12008805	Seon Woo Commercial	(051)248-6517	(051)245-6628
13016744	Shin Poong Co., Ltd.	(053)984-0066	(053)984-6111
23487	A Joo Material Co., Ltd.v	(02)551-4678/9	(02)551-1184
27001101	Dae Bal Trading Co., Ltd.	(0654)446-7555	(0654)446-7570
24002769	Bo Myung Trading Co.	(0551)67-0222	(0551)45-0456
12024100	Dong Jin Sang Woon Co., Ltd.	(051)462-5511	(051)462-5510
399780	Yeyoung Commercial Co., Ltd.	(02)771-1071/4	(02)771-1075
24002194	Keum Mok Ind.	(0525)42-7974	
15003236	Maidas Co., Ltd.	(062)527-8363	(062)525-1960
11120498	Baek Song World Co., Ltd.	(02)749-4633	(02)749-4635
12001851	Keum Jung Trading Co., Ltd.	(051)462-4885	(051)462-5012
15003096	Sam Bo Commercial Co., Ltd.	(062)365-5717	(062)369-5717
539423	Wecare. Korea	(02)960-1171/2	(02)960-1173
11215080	Neulpooreun Food Ind.	(02)438-7273	(02)436-0351
771470	Sam Ho Mool San Co., Ltd.	(02)589-1114	(02)589-1006
289797	Kook Yoong Food Ind.	(02)902-8477	(02)991-0005
11036072	Keum Jin Sang Kong	(02)706-5335	(02)706-5333
11187271	Ssang Ryong Trading Co.	(02)474-1823	(02)473-6564
598787	Sang Myung Trading Co.	(051)805-7587/8	(051)816-4421
14013104	Jein Trading Co., Ltd.	(032)438-4288/9	
821038	Eun Jung Trading Co., Ltd.	(02)777-7471/3	(02)756-9200
670382	Hyosung Corporation	(02)771-1100	(02)754-9983
522007	CODIS	(0335)36-7318	
11128717	Joon Yong Trading Co., Ltd.	(02)654-8033/4	(02)654-8035
435187	Won Ho International Inc.	(02)547-7331	(02)547-7333
190604	Adamy Co., Ltd.	(02)713-2694	(02)703-1959
12027581	Haje Corporation	(051)868-4504	(051)868-4504
981734	Seok Kwang Trading Co., Ltd.	(02)568-6100/3	(02)556-2874
12028869	Hye Jin Corporation	(051)333-1871	(051)338-3536
12000979	A.B.C Trading Co., Ltd.	(051)465-0691	(051)465-0693
520690	Robana Co., Ltd.	(02)701-3631/3	(02)701-3634
984418	Kilte Co., Ltd.	(02)597-4444	(02)597-4447
862619	Semo Co., Ltd.	(02)742-6229	(032)578-2041
11056388	Koram Developing Co., Ltd.	(02)539-1616	(02)539-1125
293697	Yeon Hab Commercial Co., Ltd.	(02)318-2336	(02)318-2337

973498	Poong Yang Ind. Co., Ltd.	(02)702-0746	(02)702-0749
11090528	Poong Jin Sa	(02)775-4560	(02)756-9835
891518	Korea-America Trading Kong Sa	(051)466-6600/1	(051)466-6602
390208	Hanz & Spark Co., Ltd.	(02)553-7583/4	(02)553-7585
532248	Shin Young Creat Co., Ltd.	(02)585-2121/2	(02)584-4681
11151296	Doo Yang Ship Co., Ltd.	(02)550-1847	(02)557-8572
198022	Sang Won Trading Co., Ltd.	(02)815-0083/4	(02)814-9915
14003309	In Hwa Trading Co., Ltd.	(032)765-1398	(032)764-4663
490218	Bo Yang Engineering Co., Ltd.	(032)583-5470	(032)582-9133
596387	Boo Sung Trading Co.	(051)464-6081/3	(051)464-6083
596617	Sehan Ind. Co., Ltd.	(051)464-6040	(051)466-0710
11065946	Mae Lee Ind. Co., Ltd.	(02)322-1257/9	(02)322-3536/7
12024803	Tae Rim Corporation	(051)244-8564	(051)247-0137
11026868	Ho Rae Trading Co., Ltd.	(02)959-5736/7	(02)959-3440
16002278	Cheon An Trading	(0417)556-7721	(0417)555-0539
15001852	Nam Kyung Mool San Co., Ltd.	(062) 365-3030	(062) 365-3232
893657	Dae Rim Food Co., Ltd.	(062)951-7771	(062)951-9969
597056	Moa Trading Co.	(051)635-7205	(051)643-1652
11263180	Dong Kyung Food	(02)294-4056/7	(02)294-4057
534040	Han A Reum Commercial	(02)439-9929	(02)439-9928
11150369	Boobong Corporation	(02)594-1557	(02)536-3684
11195001	Cheong Bo Trading Co., Ltd.	(02)529-6561	(12 (02)3461-2079
15000785	Hankook Trading	(062)511-5200	(062)511-5201
598880	Han A Reum Trading Co.	(051)464-0245/6	(051)464-3843
12009167	Won Chang Trading Co., Ltd.	(051)416-3812	(051)412-3814
12016271	Koryeo Inter Trading	(051)312-2384	(051)312-2385
11069999	Sam Heung Co.	(02)972-9020	(02)973-9291
292124	Doo Do Corporation	(02)558-2628	(02)558-2629
11060884	Dae Jin Trading	(02)551-6541	(02)551-6540
428194	Ana Industrial Co., Ltd.	(02)821-4891	(02)816-9219
11036551	Seong Shim Life Trading Co., Ltd.	(02)217-6141	(02)217-6146
11078218	Boram Shipping Co., Ltd.	(02)269-2796	(02)264-3589
110859	Yang Ji Electronic Ind. Co., Ltd.	(02)823-1414	(02)824-7486
592350	Hwa Sung Food Co., Ltd.	(0339)52-3511/2	(0339)52-2880
71068	Cheon Song Ind. Co., Ltd.	(02)966-5801/3	(02)965-9338
672098	Kudeonk Trading Co., Ltd.	(051)462-5721/5	(051)462-9741

690290	Koryeo Trading Co., Ltd.	(02)551-3114	(02)551-3100
294218	Chin Heung Nong Rim Co., Ltd.	(02)962-4630	(02)964-8027
547006	Seon Bong	(02)545-6481	(02)515-5933
549468	KC Traing Co., Ltd	(02)786-2521/3	(02)786-2524
427676	Jeyang Corporation Ltd.	(02)562-9837/8	(02)552-9832
291266	Sung Soo Distribution Co., Ltd.	(0348)53-4816	(0348)53-4819
529433	Poong Jin Sa	(02)775-4560	(02)756-9835
391599	Dabo International	(02)561-4726	(02)561-4729
397847	Union Ploma Co., Ltd.	(02)323-4231	(02)323-4233
398695	Miryeo Ind. Co., Ltd.	(02)543-3038	(02)543-3039
11068273	Dong Sang Trading Co.	(02)234-4178	(02)234-4179
12011669	Jainette Trading	(0522)65-0907	(0522)69-4169
12012583	Inter Line Co., Ltd.	(051)248-2151/3	(051)248-2154
11124243	Nong Ga Co., Ltd.	(02)591-6343/5	(02)591-6345
12024647	Seong Lip Mool San	(051)464-6575	(051)464-6577
12001228	Duck Eun Trading Co., Ltd.	(051)441-0246	(051)441-0247
11134811	Bon Dee Food	(0341)989-2121	(02)501-3359
11050216	Yuro Ind. Co., Ltd.	(02)747-7052/5	(02)745-2810
11029955	Sam Shil Ind. Co., Ltd.	(02)475-3815.48	(02)483-9973
11173915	Neo International Co., Ltd.	(02)236-5067	(02)236-5069
12004261	Halla Trading	(051)758-2922/3	(051)758-2924
24003456	Tora J & K Co., Ltd.	(02)443-8986	(02)431-6981
192451	Dae Kyung Trading	(02)268-8072	(02)268-8616
193319	Seong Woo Hwa Sung Co., Ltd.	(02)784-2309	(02)784-1154
195142	Woo Il Jim Pack Co., Ltd.	(02)779-7251-5	(02)752-3920
900186	Wang Shin Industrial Co.	(051)414-0691/2	(051)414-3858
870175	Cheong Hak Foods Frozen Co., Ltd.	(0334)74-5631	(0334)74-5633
197308	Jinro International Co., Ltd.	(02)587-0943	(02)584-6868
871318	J Trading Co., Ltd.	(02)752-8686	(02)756-6465
874566	Shin Yang Trading Co.	(051)469-6527/9	(051)463-6218
883351	Se Jin Stone Industrial Co., Ltd.	(0653)862-2001-	(0653)862-2000
891422	Kyung Do Corporation Ltd.	(051)465-2224/6	(051)465-2226
970178	Ottogi Foods Co., Ltd.	(0343)21-2111	(0343)21-2140
751658	Seong Woo Commercial Co., Ltd.	(02)752-4642	(02)755-2559
761239	Dae Jin Trading Co., Ltd.	(051)469-2123	(051)462-3512



15000475	Young Lip Trading Co., Ltd.	(062)226-0162/3	(062)226-5059
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**Code:(H S) 1902-20 IMPORTS****Products: Stuffed Pasta**

Code	Company Name	Phone Number	Fax Number
540175	Dim Sum Korea Co., Ltd.	(02)798-9880	(02)798-5639
14003309	In Hwa Trading Co., Ltd.	(032)765-1398	(032)764-4663
11124470	Young Nam Korea Co., Ltd.	(02)573-9556/7	(02)573-9558
239479	Doo San General Foods Co., Ltd.	(02)708-5600	(02)747-2790/1
986337	Maeil Dairy Industry Co., Ltd.	(02)276-1551	(02)276-1550
11015178	Yuro Corporation	(02)592-4073/4	(02)592-4075
11209069	Korea Sangsa Co.	(02)3443-5363	(02)3443-5362
690290	Koryeo Trading Co., Ltd.	(02)551-3114	(02)551-3100
11092184	Seoho International Co., Ltd.	(02)518-1667	(02)518-1747
11182359	Seon Hae Mool San Co., Ltd.	(02)544-9170	(02)3442-4565
700128	Tae Heung Co., Ltd.	(02)776-8241/9	(02)744-2034
11049274	Codely International Co., Ltd.	(02)569-7236/8	(02)569-7239
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	(02)452-7294
45984401	Cheong Dam Distribution Co., Ltd.	(02)567-6885	(02)557-8247
11038360	Han Wool General Distribution Co., Ltd.	(02)322-8636	(02)338-4871/2
11119159	Numerowno Pacific Franchise Co., Ltd	(02)561-8033	(02)561-8102
398688	Dase Tong San Co., Ltd.	(02)586-9891	(02)586-9873
53000291	Unilever Korea Co., Ltd.	(042)630-6752	(042)635-2769
12003941	Il Woo Trading Co., Ltd.	(051)441-3792/3	(051)441-3793

**Code: (H S) 1902-30 IMPORTS****Products: Others Pasta**

Code	Company Name	Phone Number	Fax Number
11050609	Eskimo Trading Co., Ltd.	(02)359-7585/6	(02)356-5234
11104854	Tae Chang Food	(0475)32-5311	(02)771-3589
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	
4511015996	Na Rae Ind. Co., Ltd.	(02)722-0500	(02)734-0707
289797	Kuk Yoong Food	(02)902-8477	(02)991-0005
194253	Han Don Ind. Co., Ltd.	(02)756-5631	(02)755-5631
599418	Il Hwa Distribution Co., Ltd.	(051)516-1155	(051)517-1207
11137049	Hab Jeong Commercial Co., Ltd.	(02)323-0697	(02)323-0695
672861	Dae Woo Corporation	(02)759-2114	(02)753-9489

11078065	Soo Ra Trading Co., Ltd.	(02)960-3068/9	(02)959-6239
948399	Nara Distribution Co., Ltd.	(02)659-6211/2	(02)659-6213
831293	Hyung Je Trading Co., Ltd.	(02)335-0671	(02)335-5407
840174	Dong-A Pencil Co., Ltd.	(02)272-8624/5	(02)274-4075
895916	Hai Tai Ind. Co., Ltd.	(0475)33-7331	(0475)33-7337
930417	B-C Co., Ltd.	(0346)60-7700/7	(0346)60-7892
751469	Nong Shim Co., Ltd.	(02)716-1211	(02)716-5901
782160	Haitai International Inc.	(02)270-1600	(02)701-7573
11007645	Han Mek International	(02)253-2437/8	(02)253-2439
398688	Da Se Tong San Co., Ltd.	(02)586-9891	(02)586-9873
53000291	Unilever Korea Co., Ltd.	(042)630-6752	(042)635-2769
192808	Bae Woon Co., Ltd.	(02)753-6665	(02)755-2758
283607	Koryo Dang Co., Ltd.	(0342)735-7600	(0342)43-9394

**Code: (H S) 1902-40 IMPORTS**

**Products: Couscous**

Code	Company Name	Phone Number	Fax Number
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	(02)452-7294

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## APPENDIX 4

### Pasta

Co. Number	Product Imported	Packaging	Size/ Quantity	Other Details	Source	Quantity Imported		End-User
						kg	\$ US	
61	Pasta	Container		Moccagatta	Italy	12-13con		Hotels, Restaurants Wholesaler
62	Chinese Noodles Sauce	Box Box	500 g/20 ea	Shinson (OEM)	China Hong Kong		600 000 (total)	Agent, 70 % Dept. Store, Supermarket 20 %-30 %
63	Pasta	Container	1 kg (each)		China	50,000		Wholesaler
64	Chinese Noodle	Box	20 kg		China			
65	Starch	Box	18 kg		China			

66	Chinese Noodle	Box	20 kg	Hans & Sparks	China	2 cont	40,000	Wholesaler
67	Chinese Noodle	Box	20 kg		China	2-3 cont		Wholesaler
68	cold Nood	Box	20 kg		China	N/A	N/A	Export

### Pasta

Co. No.	Company Name	Business Type	Tel.	Fax	Address
61	Chung Dam Trading	Importer	567-6885	557-8247	699-27, Youksam-ding, Kangnam-ku
62	Shinsong Foods	Manufacturer	780-1400	784-3216	26-5, Yeoido-ding, Youngdeungpo-ku
63	Keum Jin Sang Kong	Importer	706-5335	706-5333	105-90, Kongduck-dong, Mapo-ku
64	Korea China	Importer	275-3184/5	266-2146	162-8, Eulji-4, Choong-ku
65	Kuk Yoong Foods	Importer	902-8477	991-0005	32-2, Suyu3-dong, Dobong-ku
66	Han's & Spark	Importer	553-7583	553-7585	Yeocksam-dong, Kangnam-ku
67	Hab Jung Trading	Importer	323-0697	323-0695	Habjung-dong, Mapo-ku
68	Seongahn Trading	Importer	226-3251/3	226-3254	

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Canada