

# Study on the Korean Poultry Market

## HS 0207

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

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### Table of Contents

#### [1. Introduction](#)

- [1.1 Import Growth Compared to Canadian Import Growth](#)
- [1.2 Import Liberalization](#)

#### [2. Regulations and Procedures](#)

- [2.1 Trade Regulations](#)
- [2.2 Tariff Rates](#)

- [2.3 Customs Classification](#)
- [2.4 Taxes Applicable to Imports](#)
- [2.5 Quarantine Inspection](#)
- [2.6 Customs Clearance](#)
- [2.7 Customs Clearance Procedures for Import to be Simplified](#)

### [3. Non Transparent Barriers](#)

- [3.1 Food Regulations](#)
  - [3.1.1 Korean Version of the US Food and Drug Administration](#)
- [3.2 Shelf Regulations](#)
- [3.3 Labelling Requirements](#)
- [3.4 Effect of Political Factors, Bilateral or Multi Lateral Agreements on Choice of Supplier](#)
- [3.5 Imported Goods are a Taboo for Korean Consumers](#)

### [4. Changes to the South Korean Consumption Pattern](#)

- [4.1 Income and Expenditures](#)
- [4.2 Main Trends](#)
- [4.3 Consumer Characteristics](#)
  - [4.3.1 Main Consumer Trends](#)
- [4.4 A Shift in Purchasing Power](#)
- [4.5 Expenditure on Food](#)
- [4.6 Examples of Product Imported](#)

### [5. Distribution](#)

- [5.1 Traditional Distribution Methods](#)
- [5.2 Past and Current Distribution Strategy](#)
  - [5.2.1 Agents](#)
  - [5.2.2 Distributors](#)
- [5.3 Examples of Marketing Channel Relationships](#)
- [5.4 Marketing Strategy Used by Companies to Enter or Maintain Market Share](#)
- [5.5 Five Ways to Help Your Agent](#)
- [5.6 Korea's Retail and Distribution Revolution](#)
- [5.7 Forecast](#)

### [6. Imports by Country 1990-1995](#)

### [7. Government Trade Promotional Activities in Korea](#)

### [8. Transportation](#)

#### **Appendices:**

[Appendix 1. Korea Statistics](#)

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

[Appendix 3. Importer by Product](#)

[Appendix 4. Screening Results](#)

## Tables

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

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

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

[Table 4. Exhibition Participants](#)

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

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

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

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

## Diagrams

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

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

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

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

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

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

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

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

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

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# 1. Introduction

## 1.1 Import Growth Compared To Canadian Import Growth

The importation of poultry into Korea has grown fairly steadily since 1990 when US\$10 million was imported compared to US\$53 million in 1995, despite the relatively high tariff applicable. It is expected that growth will continue steadily until 1997 and increase significantly after market opening in 1997. Imports of Canadian poultry have been inconsistent. In 1991 \$706,000 of poultry was imported from Canada however, this dropped to \$395,000 in 1993. In 1994 strong growth was again evident as Canadian poultry imported into Korea shot to \$722,000 however, in 1995 it again dropped to \$266,000, as illustrated in Diagram 1.

## 1.2 Import Liberalization

Korea is famous for its "Confucian" regulatory environment. Like Japan, Koreans expect officials to interfere in a wide range of areas not normally closely regulated in the west. This regulatory situation is compounded by the protection of the vested interest of existing producers and the existence of double standards for local and international producers.

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

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

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

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

[Return to Table of Contents](#)

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## 2. Regulations and Procedures

### 2.1 Trade Regulations

Poultry classified under HS 0207.12/.14 may only be imported by the recommendation of the Central Committee of Livestock Industry Co-op.

### 2.2 Tariff Rates

The tariff for poultry imports under HS 0207 in 1996 is 30%.

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), including those poultry importation.

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 poultry 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

All poultry imports must pass Korean National Quarantine under the Livestock Epidemic Law .

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

1. 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.

[Return to Table of Contents](#)

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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.

Food regulations are largely taken care of by the supplier.

### **3.1.1 Korean Version of the US Food & Drug Administration**

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

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

The Food & Drug Authority is being established to create an independent body to reduce unfounded allegations damaging industries. The recent controversy over Soy Sauce, which civil groups 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.

For example sliced turkey only has a nine months shelf life and slaughter of animal must occur onemonth before BoL date.

However, Korea is slowing bring 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

2. 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% of 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, except for the Livestock Epidemic Protection Law.

### **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 the 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 and increasing the acceptance of foreign food products.

[Return to Table of Contents](#)

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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, Daejon and Kwangju. Thus good distribution in 5 cities and the urban areas of Kyonggi-do access about 70% of the market.

#### **4.4 A Shift in Purchasing Power**

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

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

The new generation of housewife's 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 foreign food products in early 1996 found that Turkey and Duck were the main poultry products imported. Chicken is not imported at a significant level as domestic chicken is cheaper than the imported product, as illustrated in Table 1.

Turkey is imported to manufacture Ham and sausage products. Imported Turkey is mainly consumed at restaurants and hotels it is not generally available at the retail stores as illustrated in Table 1.

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

Co. Nos	Company Name	Product	Price	Amount Imported
69	Lotte Trading	Sliced turkey	CIF Pusan \$0.60 - \$0.95 / g \$0.85 /g currently	70, 40 ft containers per year
74	Luck one Agricultural Co. Ltd.	Duck	CNF, Pusan \$2.50 /kg	\$51,950 /year (US\$1 = 770 won)
16	Hotel Tourist des	Deluxe Turkey Breasts Skinless	4,567 Retail \$5.95 3 % - 5,5 % margin	
	Supply Centre	Deluxe Turkey Breasts Portion control	6 188 /kg Retail \$8.00 3 % - 5.5 % margi	1,411 (Unit: US\$1 1,000)

		Ready to Cook Turkey	6 188/kg Retail \$8.00	Poultry and Lamb
		Roast Boneless	3 % - 5.5 % margin	
		Ready to cook Turkey	6 266/kg Retail \$8,15	
		Portion control	3 % - 5.5 % margin	

[Return to Table of Contents](#)

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

Co. Nos	Company Name	Type of Company	Product	Packaging	Quantity	Customer
69	Lotte Trading	Importer	Sliced Turkey	Carton Box \$0.85	40 /lb	Food wholesalers, Manufacturers, mainly within the Lotte group e.g. Lotte Ham and Milk
74	Luck one Agricultural Co. Ltd.	Importer	Duck	Carton Box		Manufacturers , 30 % Wholesalers, 70 %
16	Hotel Tourist Supply Centre	Importer (Wholesalers)	Deluxe Turkey Breasts Skinless	Box	4,4 kg x 2 ea/box	Restaurants, Hotels
			Deluxe Turkey Breasts Portion Control	Box	2,6 kg x 3 ea/box	Restaurants, Hotels
			Ready to Cook Turkey Roast Boneless	Box	4,4 kg x 4 ea/box	Restaurants, Hotels
			Ready to Cook Turkey Portion Control	Box	2,1 kg x 4 ea/box	Restaurants, Hotels

[Return to Table of Contents](#)

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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.

### 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 the candidates either had a direct relationship with their suppliers or worked with their agent in Korea. Lotte Trading explained that they imported from a supplier who has an agent in Korea as it simplifies the process and minimizes misunderstandings. All relationships between suppliers and importers were at arms length. But it was at arms length.

Table 3 lists the types of marketing channel relationships particular Korean companies importing poultry 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, terms and conditions, specifications and the ability to alter the order to meet their needs. None of the respondents had experience or knowledge of pricing strategies being employed.

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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)
69	Lotte Trading	Importer	Agency in Seoul Arms Length	Carolina Turkey (USA)
74	Luck One Agricultural Co. Ltd.	Importer	Direct Arms Length	(China)
16	Hotel Tourist Supply Centre	Importer (Wholesaler) Manufacture	Direct Arms Length	(USA)

## 5.5 Five Ways to Help Your Local Agents

### 1. Make frequent visits

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

### 2. Hold many demonstrations

Participation in exhibitions and trade fairs will assist in building awareness of your product in the market. Participation in exhibitions and trade fairs in Korea will also increase your knowledge of your competitors and what your prospective customers are interested in buying. Table 5 lists recent participants at a food fair in Seoul. Participation in exhibitions will also help develop your relationship with your agent.

### 3. Increase the distribution of promotional brochures

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

### 4. Improve follow up on initial sales leads

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

### 5. Deliver on time

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

### Korea Tourist Supply Centre

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

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

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

**Table 4. Great American Food Show Exhibitors List organised by USATO (3 days)**

A&J Cheese Company	Little Lady Foods
Agrifoods International, Inc.	Longbottom Coffee & Tea Inc
Alaska Seafood Marketing Institute	Maple Leaf Farms
Alpha Star International,	Menehune/Hawaii Water Co
American Indian Honey Co.	Maine Lobster Promotion Council
American Foods Group	Mid-America International Agri-trade
American Sales International, Inc.	Council(MIATCO),
American Seafood Institute	Missouri Department of Agriculture
Arosi Enterprises, Inc.	Nalley's Fine Foods
Atlantic Coast Fisheries Corp	New Mexico Department of Agriculture
Avanmore Ingredients Corp.	North Carolina Department of
Bard Valley Medjool Date Growers	Agriculture
Beatrice Cheese Inc.	North Pacific Cannery & Packers
Bil-Mar Foods, Inc	(NORPAC)
B&M Lawrence & Co./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.	

[Return to Table of Contents](#)

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

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

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

Savoy Hotel Seoul, Seoul Hilltop Tourist Hotel, New Hilltop Tourist Hotel, Hotel Regent, River Park Hotel, Seoul Prince Hotel, Hotel Sunshine, City Palace Tourist Hotel, Seoul Tourist Hotel, Universal Tourist Hotel, Jamsil Tourist Hotel, The Kims Tourist Hotel, Clover Tourist Hotel, Hankang Tourist Hotel, Hanyang Tourist Hotel, Hotel Mirabeau, Niagara Tourist Hotel, Karak Tourist Hotel, Kaya Tourist Hotel, Dae Hwa Tourist Hotel, Rio Tourist Hotel, Boolim Tourist Hotel, Hotel Sam Ho, Samwha Tourist Hotel, Sangbong New Star Hotel, Sangwon Tourist Hotel, Hotel Giant, Centural Tourist Hotel, Eastern Tourist Hotel, Astoria Tourist Hotel, Alps Tourist Hotel, Air Port Tourist Hotel, L.A. Tourist Hotel, Tourist Hotel Yongdungpo, Seoul Y.M.C.A. Tourist Hotel, Tourist Hotel Sofia, Hotel Ruby, Jeon Poong Tourist Hotel, Hotel Cheon Ji, Hyejeon Tourist Hotel, Tiffany Tourist Hotel.

**Pusan**

Hyatt Regency Pusan, Paradise Beach, Westin Chosun Beach, Sorabol Commodore, Kukje Tourist Hotel, Grand Tourist Hotel, Nam Tae Pyung Yang Tourist Hotel, Tongnae Tourist Hotel, Mirabo Tourist Hotel, Royal Tourist Hotel, Pusan Tourist Hotel, Sapphire Tourist Hotel, Crown Tourist Hotel, Phoenix Tourist Hotel, Gwangajung Tourist Hotel, Empire Tourist Hotel, Neul Bom Hotel, Pusan Arirang Hotel, Paragon Hotel, Hotel Riveria, Dongil Tourist Hotel, Moon Hwa Tourist Hotel, Shin Tourist Hotel, Utopia Tourist Hotel, Dong Bang Tourist Hotel, Bando Tourist Hotel, Victoria Tourist Hotel, South Palace Tourist Hotel, Prima Tourist Hotel, Pusan Plaza Hotel, Silver Hotel, Kaya Tourist Hotel, Kwangjang Tourist Hotel, Green Beach Tourist Hotel, New Life Tourist Hotel, New 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>Incheon</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, Sunchon 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.

[Return to Table of Contents](#)

## 5.6 Korea's 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 increasing 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 manufacturers products in a region however, newly emerging wholesalers are 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)

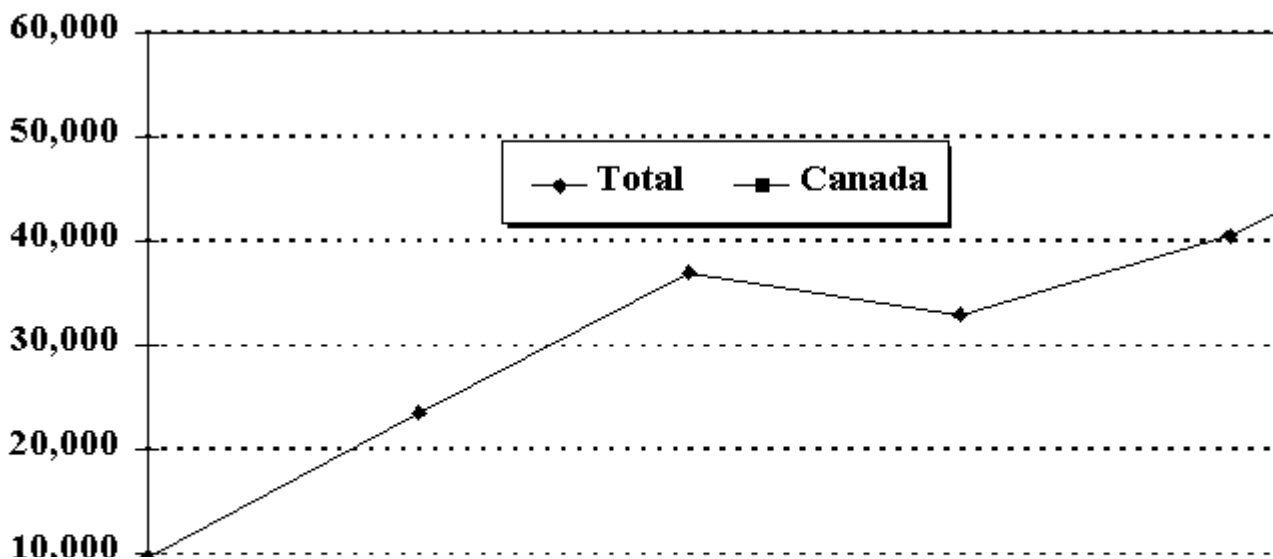
	1990	1993	1996	2000*
<b>Convenience store</b>	-	0.2	1.0	4.0
<b>Supermarket</b>	1.4	2.2	3.0	4.4
<b>Department store</b>	3.0	7.0	15.0	30.0
<b>Total retail sales</b>	41.0	5.0	82.0	123.0

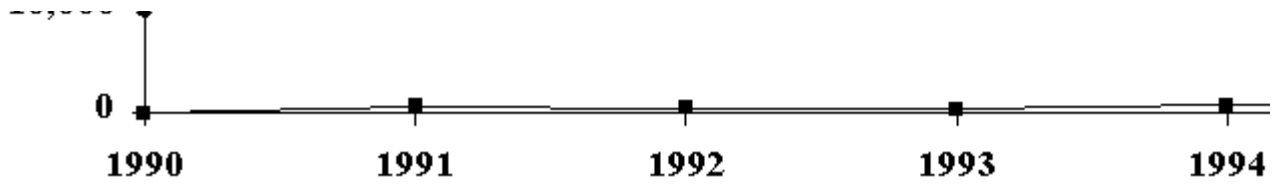
Source: The Korea Economic Daily, October 18, 1994.

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

[Return to Table of Contents](#)

**Diagram 1. Poultry (HS 0207) Imports 1990-1995**





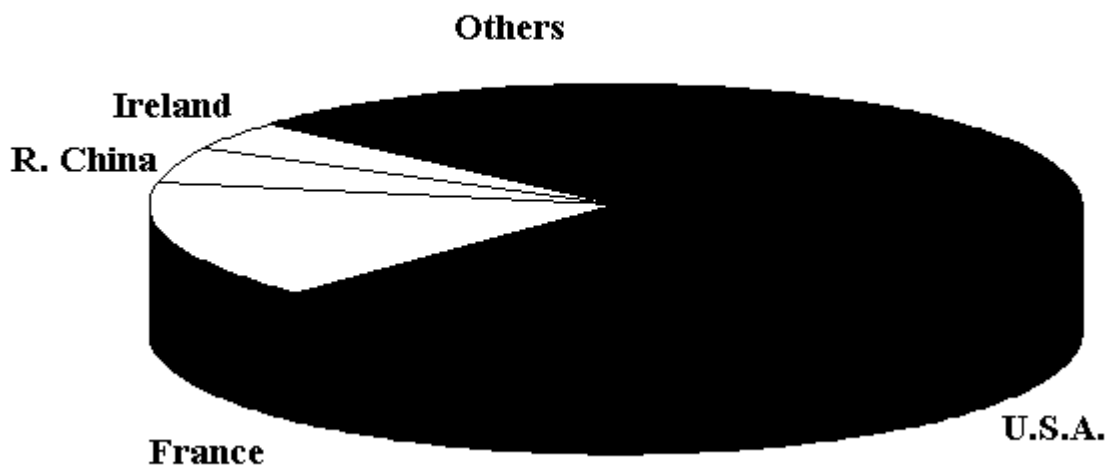
(Unit: US\$)

	1990	1991	1992	1993	1994	1995
<b>Total</b>	9,691	23,553	37,017	32,935	40,551	53,131
<b>Canada</b>	0	706	433	395	722	266

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)

**Diagram 2. Poultry (HS 0207) Imports by Country 1990**



(Unit:US\$ 1,000)

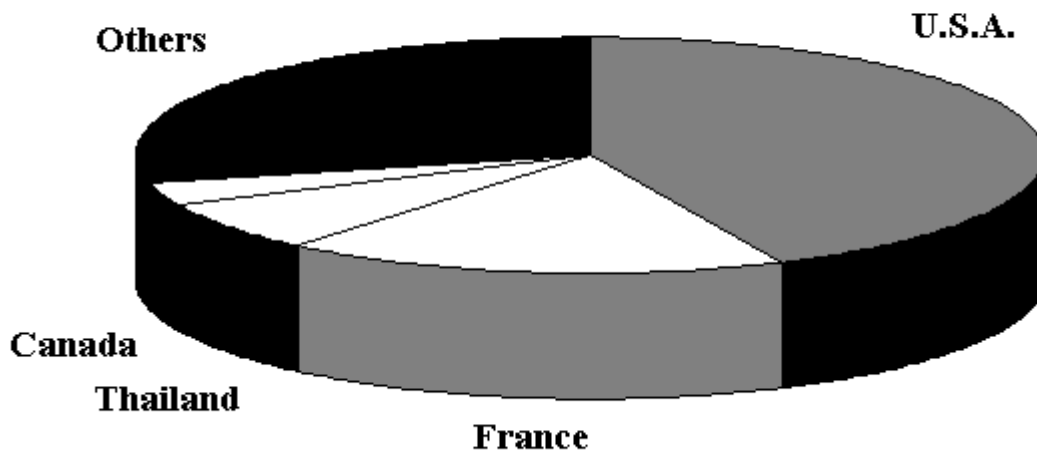
Country	USA	France	R. China	Ireland	Others	Total
<b>Value</b>	6,008	1,551	465	388	1,279	9,691
<b>%</b>	62,0 %	16,0 %	4,8 %	4,0 %	13,2 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)



**Diagram 3. Poultry (HS 0207) Imports by Country 1991**



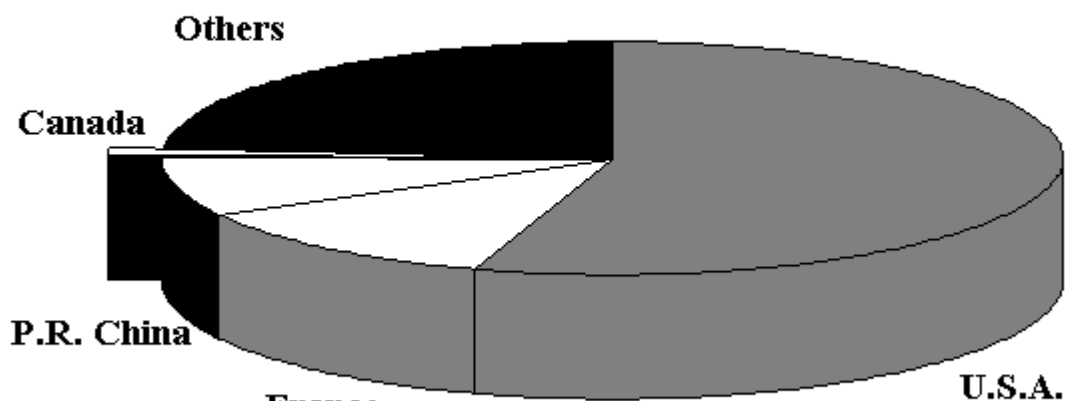
(Unit: US\$ 1,000)

Country	USA	France	Thailand	Canada	Others	Total
Value	10,119	4,236	1,647	706	6,825	23,533
%	43,0 %	18,0 %	7,0 %	3,0 %	29,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)

**Diagram 4. Poultry (HS 0207) Imports by Country 1992**

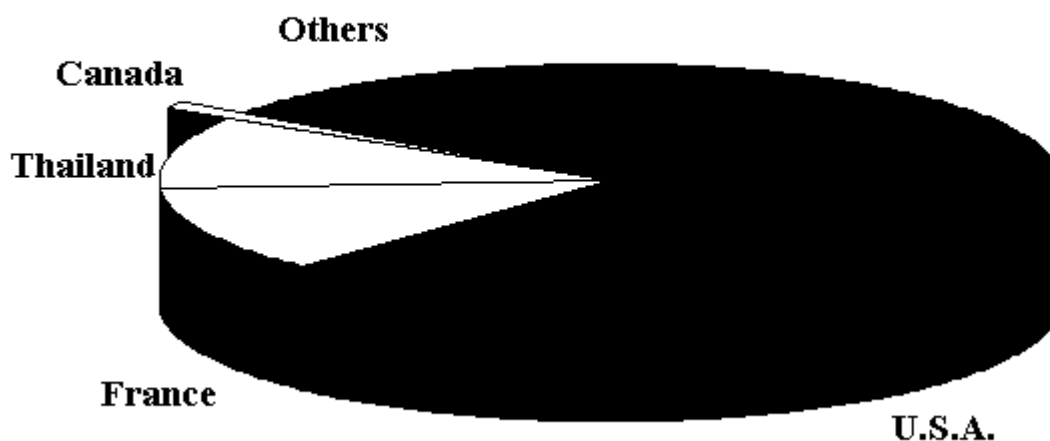


**f rance**

(Unit: US\$ 1,000)

Country	USA	France	P.R. China	Canada	Others	Total
Value	20,359	4,442	3,109	407	8,699	37,017
%	55,0 %	12,0 %	8,4 %	1,1 %	23,5 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

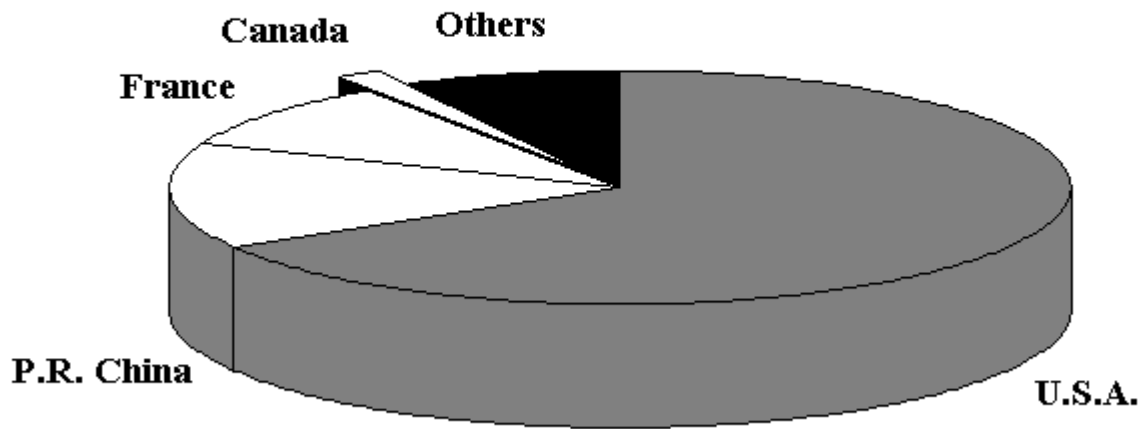
[Return to Table of Contents](#)**Diagram 5. Poultry (HS 0207) Imports by Country 1993**

(Unit: US\$ 1,000)

Country	USA	France	Thailand	Canada	Others	Total
Value	20,420	3,952	3,294	395	4,940	32,935
%	62,0 %	12,0 %	10,0 %	1,2 %	15,0 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)**Diagram 6. Poultry (HS 0207) Imports by Country 1994**



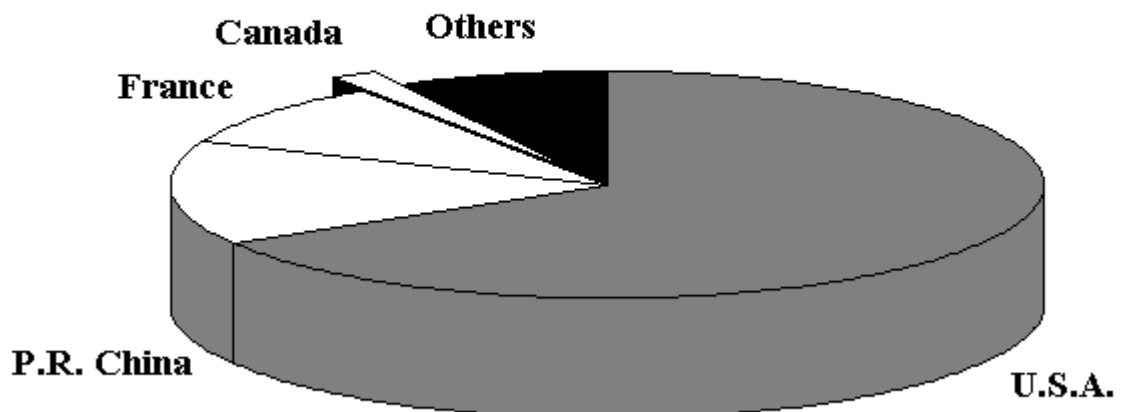
(Unit: US\$ 1,000)

Country	USA	P.R. China	France	Canada	Others	Total
Value	26,927	5,923	3,854	722	3,125	40,551
%	66,4 %	14,6 %	9,5 %	1,8 %	7,7 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)

**Diagram 7. Poultry (HS 0207) Imports by Country 1995**



(Unit: US\$ 1,000)

Country	USA	P.R. China	France	Canada	Others	Total
Value	35,831	10,520	4,858	266	1,656	53,131
%	67,4 %	19,8 %	9,1 %	0,5 %	3,1 %	100,0 %

Source : Statistical Yearbook of Foreign Trade.

[Return to Table of Contents](#)

## 6. Imports by Country 1990-1995

The imported poultry market of Korea has been dominated by the USA which has held on average over 50% of the market. However, in recent years the PRC has increased its market share to approximately 20% in 1995. France, Canada, Thailand and Ireland are minor exporters to Korea, as illustrated in Diagram 2 to 7.

**Table 8. Poultry**

Co. Nos	Company Name	Source	Government Trade Promotion Activities
69	Lotte Trading	USA	Have not had anyone contact them.
74	Luck One Agricultural Co. Ltd.	China	USA Embassy is very good in providing information
16	Hotel Tourist Supply Centre	USA	USA, Australian, N.Z. and French Embassy send information and arrange meeting

[Return to Table of Contents](#)

## 7. Government Trade Promotional Activities in Korea

### Embassy's actively marketing in Seoul :

- U.S.A.
- Australian
- New Zealand
- France

### Main marketing activities undertaken :

- Sending information, including brochures and catalogues about manufacturers/ products to importers/distributors
- Arranging meetings between manufacturers / suppliers with Korean importers/ distributors

[Return to Table of Contents](#)

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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 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.

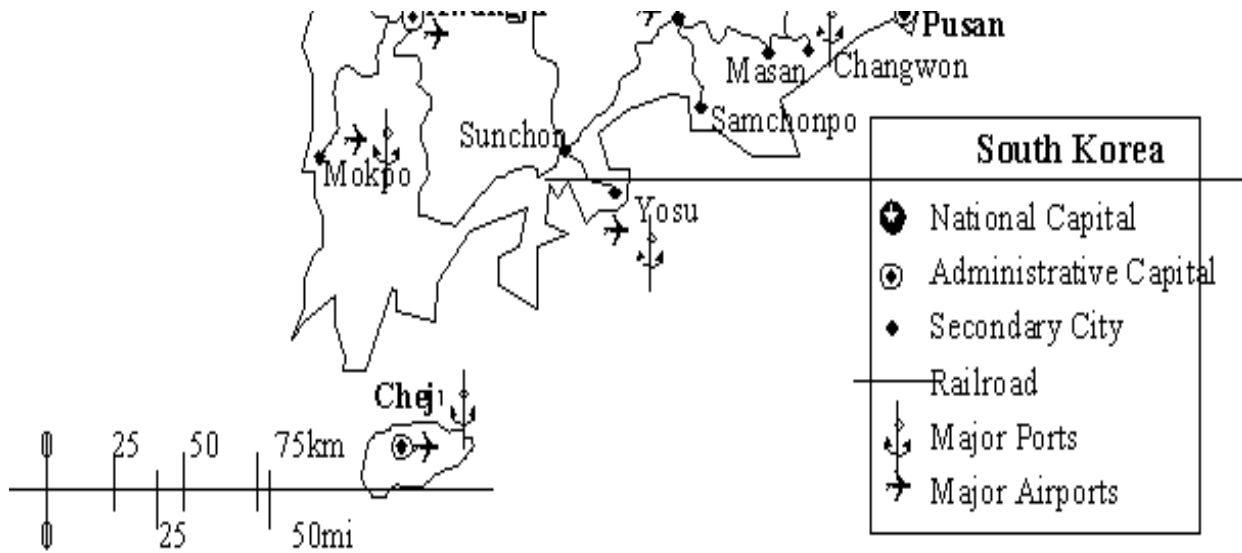
Incheon, located approximately 40km west of Seoul, is Korea's second major port. Although it is near the country's capital and main trade and business centre Incheon is far smaller than Pusan. The Incheon harbour, where six of the eight piers are used for international cargo, are accessible only through 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.

[Return to Table of Contents](#)

### Diagram 8 National Transportation





[Return to Table of Contents](#)

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

FROM USA		FROM EUROPE		FROM AUSTRALIA	
Los Angeles		Hamburg		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)
25cbm	50cbm	25cbm	20cbm	25cbm	20cbm
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

Labelling Qty (EA)

Bonded W/H (Hyonik)

**BEFORE CUSTOMS CLEARANCE** (Unit : Korea Won) (Ex-rate: US\$1 = KW783)

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
WHARFAGE	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	5,919,480	3,805,380	5,073,840	3,805,380	5,073,840
CUSTOMS RELATED CHG	95,470	134,620	95,470	118,960	95,470	118,960
BONDED STORAGE (1MTH)	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
OTHERS	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

**AFTER CUSTOMS CLEARANCE**

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 for 20' reefer container and only 40 ft.
- 2) Deposit of Waste Disposal: excude (if applied) `
- 3) Storage :

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

[Return to Table of Contents](#)



**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 rate						
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 transfert payments	0,6	0,6	0,7	0,7	0,7	0,7
Current-account balance	-4,8	-8,5	-3,8	0,2	2,2	5,7
as % of GDP	-1,3	-1,9	-0,7	0,0	0,3	0,7
<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 (%)	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

[Return to Table of Contents](#)

## APPENDIX 2

Product	Specific	Country	Value	
			1994	1995
Poultry (0207-)	Turkeys (0207-22-0000)	USA.	46,914	101,505
	Ducks, Geese and Guinea Fowls (0207-23-0000)	Pr. China	171,927	164,605
		France	7,496	-
		USA	308,809	402,591
	Fatty Livers of Geese or Ducks (0207-31-0000)	France	45,412	76,863
		Hungary	5,871	1,120
	Cuts (0207-41-1000)	France	-	27,121
		Thailand	-	230,406
		USA	-	7,176,187
	Offals (0207-41-2000)	Pr. China	-	6,660
	Cuts (0207-42-1000)	Canada	722,056	266,323
		Pr. China	173,950	294,078
		France	3,795,574	4,750,801
		UK	1,995,646	1,049,301
		USA	26,551,513	28,072,804
	Cuts (0207-43-1000)	Pr. China	5,577,008	10,054,236
		France	5,755	3,645
		Thailand	1,123,826	374,936
		USA	19,849	77,541

[Return to Table of Contents](#)

## APPENDIX 3

### Importer by Products

Products Code: (H S) 0207-21 IMPORTS

Products: Chichen (No Cut, Frozen)

Code	Company Name	Phone Number	Fax Number
11151803	Dae Seung Industries Co., Ltd.	(02)538-7426	(02)554-6734
11104221	Young Yook Nong San Co., Ltd.	(02)207-0606	(02)491-0931
13015776	Kyung Book Tong Sang Co., Ltd	(053)959-4340	(053)959-4342
193285	Korea Stork Trading Co., Ltd.	(02)561-5764	(02)564-3097
915133	Harim Co., Ltd.	(0653)862-2542	(0653)861-5525/
392622	Copa Trading Co., Ltd.	(02)565-5411/2	(02)565-5413
<b>(H S) 0207-22</b>	<b>Turkeys (No Cut, Frozen)</b>		
809067	Korea Tourist Hotel Supply Center Inc.	(02)458-3291-8	(02)452-7294
45560980	Cheongsong International Co.,Ltd.	(02)671-1347	
<b>(H S) 0207-23</b>	<b>Ducks, Geese and Guinea Fowls ( No Cut, Frozen)</b>		
809067	Korea Tourist Hotel Supply Center Inc.	(02)458-3291-8	(02)452-7294
45294043	Seol Sung Foods Co., Ltd.	(0334)72-7400	(0334)72-6399
12012710	Sam Il Trading	(051)514-8275	(051)514-8671
941286	National Services Co.,Ltd.	(02)702-0702	(02)715-4353
902153	Dae Jung International Trading Co., Ltd.	(051)465-6656	(051)465-6646
720627	Pan Pacific Trading Co., Ltd.	(0345)494-2670	(0345)494-1741
895686	Shin Kwang Co., Ltd.	(053)358-0033/8	(053)353-5127
<b>(H S) 0207-31</b>	<b>Fatty Livers of Geese or Ducks (Fresh, Chilled)</b>		
809067	Korea Tourist Hotel Supply Center Inc.	(02)458-3291-8	(02)452-7294,45
<b>(H S) 0207-41</b>	<b>Cuts, Meat Offal of Chicken (Frozen)</b>		
670090	Samsung Co., Ltd.	(02)751-2114	(02)728-4380
782160	Haitai Corporation Interation Inc.	(02)270-1600	(02)701-7573
11142005	Kookje Trasport Co., Ltd.	(02)512-3811	(02)512-3810
915133	Harim Co., Ltd.	(0653)862-2542	(0653)861-5525/
11104221	Young Yook Nong San Co., Ltd.	02)207-0606	(02)491-0931

741682	Taihan Sugar Ind. Co., Ltd.	(02)764-2600/26	(032)762-2484
193285	Korea Stork Trading Co., Ltd.	(02)561-5764	(02)564-3097
11151803	Dae Seung Industries Co., Ltd.	(02)538-7426	(02)554-6734
670083	Doosan Corporation	(02)759-6057	(02)755-5817
143156	Dae Yeon Foods Co., Ltd.	(0335)36-0123	(0335)36-0120
700317	Han Sung Industries Co., Ltd.	(051)413-6221/9	(051)413-3399
11152644	U.C.T Co., Ltd.	(02)517-0910	(02)547-0930
11097428	Hyeob Dong Industries Co.	(02)568-9705	(02)558-5888
11174040	Taepyeong Foods Industry Co., Ltd.	(02)995-4188	(02)995-4187
421407	Woo Il International	(02)534-0442/4	(02)594-5897
740793	Miwon Trading & Shipping Co., Ltd.	(02)368-8114	(02)782-0201
474241	Sam Won Nong Yeok Co., Ltd.	(02)464-8331/4	(02)463-1160
11018632	Hyeob Chang Melpilent Co., Ltd.	(02)203-1572	(02)203-1579
545314	Yoo Jin Grory	(02)521-6211/2	(02)521-6213
428194	A-Na Industry Co., Ltd.	(02)821-4891	(02)816-9219
<b>(H S) 0207-41</b>	<b>Cuts, Meat Offal of Chicken (Frozen)</b>		
11093363	Korea Meat Processing Association	(02)588-1264/5	(02)522-8712
13015776	Kyeongbuk Trading Co., Ltd.	(053)959-4340	(053)959-4342
11184717	Sam Woo Trading	(02)385-4080	(02)385-4081
<b>(H S) 0207-42</b>	<b>Cuts, Meat Offal of Turkeys (Frozen)</b>		
865599	Jin Ju Ham Co., Ltd.	(0523)387-5001	(0523)387-5008
258254	Jin Ju Co., Ltd.	(0461)741-9040	(0461)741-7535
672184	Lotte Trading Co., Ltd.	(02)3459-9600	(02)565-0613/5
831499	Lotte Shopping Co., Ltd.	(02)771-2500	(02)774-2949
670351	Cheil Foods & Chemicals Inc.	(02)726-8341/5	(02)726-8389
882637	Dai Beck Co., Ltd	(0572)33-9191	(0572)33-9191
900928	Sam Il Agri-marine Products Co., Ltd.	(051)261-7656	(051)263-9130

545314	Yoo Jin Grory Co., Ltd.	(02)521-6211/2	(02)521-6213
438122	Man Na Trading Co., Ltd.	(02)412-5041/2	(02)418-4984
300999	Dae Rim Foods Co., Ltd.	(02)523-4500	(02)523-8900
171661	Nam Bu Ham Co.	(02)672-3434	(02)672-3122
11053048	Sekee World Co., Ltd.	(02)730-0516/9	(02)720-7694
797296	Lotte Ham & Milk Co., Ltd.	(02)593-0122	(02)534-7663
962296	Jin Ro General Foods Co., Ltd.	(02)521-5143,58	(02)521-7770
941286	National Services Co., Ltd.	(02)702-0702	
424208	Lotte Food Co., Ltd.	(02)523-6431/5	(02)523-3454
432551	Jeil-Universal Ltd.	(02)633-6694	(02)671-4338
544810	Bo Rim Developing Co., Ltd.	(02)521-0181	(02)521-2579
11053709	Hwimyong Internaitonal Co., Ltd.	(02)567-8450	(02)567-8451
522368	Seong Boo Trading Co., Ltd.	(02)544-8377	(02)546-2987
700317	Han Sung Industries Co., Ltd.	(051)413-6221/9	(051)413-3399
12000205	San Sung Industries Co., Ltd.	(051)517-6200	(051)514-0027
294043	Seol Sung Foods Co., Ltd.	(0334)72-7400	(0334)72-6399
560980	Cheong Song International Co., Ltd.	(02)671-1347	
11079723	Dae Yeon Industry	(02)916-6900	(02)916-6901
426196	Yoo Jin Shipping Trading Co., Ltd.	(02)525-1272/3	(02)525-1271
	Korea Tourist Hotel Supply Center	(02)458-3291-8	(02)452-7294,
45474241	Sam Won Nong Yeok Co., Ltd.	(02)464-8331/4	(02)463-1160
970178	Ottogi Foods Co., Ltd.	(0343)21-2111	(0343)21-2140
11174040	Taepyung Foods Industries Co., Ltd.	(02)995-4188	(02)995-4187
11269869	Se Hwa Co., Ltd.	(0512)33-8500	(0512)33-9191
498571	Young Jin International Co., Ltd.	(02)402-0066	(02)402-6001
11142005	Kook Je Transport Co., Ltd.	(02)512-3811	(02)512-3810
11034164	Cheon Yang International Co., Ltd.	(02)579-3091	(02)578-8654/5
12001707	Seong Do Corporation Co., Ltd.	(051)314-8882/4	(051)311-6666

12000557	Leben Foods	(051)262-6201	(051)263-8597
11081494	Cros International Co., Ltd.	(02)276-1031/2	(02)276-1033
193625	Sam Rim Industrial Co., Ltd.	(02)552-3368	(02)563-2095
534655	Lotte Ham & Milk Co., Ltd.	(02)593-0122/8	(02)534-7663
876289	Dae Doo Co., Ltd.	(0662)651-9361	(0662)651-9408
975915	Miwon Farm Co., Ltd.	(0336)636-5769/	(0336)636-5768
670090	Samsung Co., Ltd.	(02)751-2114	(02)728-4380
290717	Dong Woo International Co., Ltd.	(02)739-9801	(02)737-7254
891738	Sung Woon Co., Ltd.	(051)464-6563	(051)865-2157
949453	Kaya Trading Co., Ltd.	(02)475-4541	(02)470-7371
<b>(H S) 0207-43</b>	<b>Cuts, Meat Offal of Ducks, Geese, Guinea Fowls (Frozen)</b>		
12000205	San Sung Industrial Co., Ltd.	(051)517-6200	(051)514-0027
851929	Ju Won Farms Co., Ltd.	(02)558-5141	(02)549-3395
902153	Dae Jung International Trading Co., Ltd.	(051)465-6656	
941286	National Services Co., Ltd.	(02)702-0702	(02)715-4353
398585	Rak Won Farms Co., Ltd.	(02)529-7676/8	(02)529-7679
12031214	Korea Keumkang Kongsu Co., Ltd.	(051)740-5838	(051)740-5840
12001707	Seong Do Corporation Co., Ltd.	(051)314-8882/4	(051)311-6666
12011375	Tae Hwa Trading Co.	(051)247-7896	(051)246-3383
12012710	Sam Il Trading Co.	(051)514-8275	(051)514-8671
11175498	Lee Trading Co	(02)607-8321	(02)607-8322
522368	Seong Boo Trading Co., Ltd.	(02)544-8377	(02)546-2987
598880	Han A Reum Trading Co.	(051)464-0245/6	(051)464-3843
11222363	Jin Hyung Distribution Co.	(02)201-6587	(02)201-6586
11060590	Sase Tong Sang	(02)823-8901	(02)814-4185
11172327	Eden Tong Sang Co., Ltd.	(02)467-0027	(02)467-0027
392622	Kopa Trading Co., Ltd. (02)565-5411/2,		(02)565-5413
598567	Weed Trading Co.	(051)466-6542	(051)465-7413

12039955	Chang Won Tong Sang Co., Ltd.	(051)628-8732	
448291	Jewoo Strading Co.	(051)513-3980/1	(051)515-1534
12003181	Choong Hwa Trading Co., Ltd.	(051)441-3672/4	(051)464-3955
809067	Korea Tourist Hotel Supply Center	(02)458-3291-8	(02)452-7294
4512001611	Yangjiwon Co., Ltd.	(051)247-9164	(051)242-7279
11203702	Dae Poong Foods	(02)298-0300	(02)281-0017
740793	Miwon Trading & Shipping Co., Ltd.	(02)368-8114	(02)782-0201
720627	Pan Pacific Trading Co., Ltd.	(0345)494-2670-	(0345)494-1741
93917	Seong Il Sang Woon Trading Co., Ltd.	(02)516-2907/9	(02)548-2906
194837	Chayang Foods Co., Ltd.	(02)489-5252	(02)472-5252
24000893	Korea Moolsan Co., Ltd.	(0522)76-4688	(0522)76-7290
294043	Seol Sung Foods Co.,Ltd.	(0334)72-7400	(0334)72-6399
332307	Dae Sung Foods Co., Ltd.	(0553)545-2194	(0553)545-8675
891800	Moo Rim Jin Heung Co., Ltd.	(051)246-2541/4	(051)244-0500
12017588	Seon Bo Trading Co.	(051)244-6233	(051)244-6234
12023343	Kaya Trading	(0523)377-6332	(0523)377-9325
534624	Nong Woo Sang Sa	(02)443-1637	(02)443-1639
544676	Halla Resources Co.	(02)405-6022	(02)406-7261
911993	Mi Sung Trading Co., Ltd.	(053)476-1521/2	(053)476-1523
12004539	Hae Won Trading Co., Ltd.	(051)441-5423/4	(051)441-5425
12010646	Sam Hwa Materials Co., Ltd.	(051)517-4911	(051)517-4911
11102467	Dae Bo Reum General Foods	(02)298-0300	(02)281-0018
11112767	Cha Yang Trading Co., Ltd.	(02)472-2525	(02)472-5252
11008671	Tong Cheon Trading Co., Ltd.	(02)572-7388	(02)572-7389
11056388	Coram Developing Co., Ltd.	(02)539-1616	(02)539-1125
11059628	Dae Ryuk International Co., Ltd.	(02)235-8303	(02)238-1035

[Return to Table of Contents](#)



**APPENDIX 4****Poultry**

Co. Number	Product Imported	Packaging	Size/ Quantity	Quality	Other Details	Source	Quantity imported		End-
							kg	\$ US	
2	Turkey	Carton box Vinyle	Different by company	N/A		USA China Canada		(4 bill) 20 %	Agent
	Pork	Vinyl Carton box	Different by company	Good		USA China Canada		(4 bill) 60 %	Agent
3	Chicken	Carton box				USA	Secret	Secret	
4	Duck	Carton box	Different by company			Australia N.-Z.	Secret	Secrète	Wholes Manufa
	Sheep (internal organs)	Carton box	Different by company			Australia N.-Z.			
5	Turkey	Carton box	18,14 kg			USA	2-3 containers		Manufa
42	Beef	Standard export box	Bulk			USA	60 ton per month		Wholes
	Pork					China			
	Chicken					Denmark			
	Duck (70 %)					Australia			
	Turkey								
44	Non-fat dried milk	Pack				Netherland			Manufa
						Denmark			

**Poultry**

<b>Co. No.</b>	<b>Company Name</b>	<b>Business Type</b>	<b>Tel,</b>	<b>Fax</b>	<b>Address</b>
2	National Service Co., Ltd.	Importer	702-0702	715-4353	
3	Kookjae Transport	Importer	512-3811	512-3810	14-3, Chamwon-dong, Seocho-ku
4	Daeboreum Foods	Importer	298-0300	281-0018	761-17, Majang-dong, Sungdong-ku
5	Borim Development Co., Ltd.	Importer	521-0181	521-2579	1444-1, Seocho-dong, Seocho-ku
42	Nackwon Farm Co., Ltd.	Importer	529-7676/8	529-7679	Yangjae-dong Seocho-ku
44	Kaya Trading	Importer	475-4541	470-7371	455-1, Seongnae-dong, Kangdong-ku
69	Lotte Trading Co., Ltd.	Importer	3459-9624	565-0613/5	Samsung-dong, Kangnam-ku

[Return to Table of Contents](#)

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Canada