



Foreign Agricultural Service
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Shinsegae Group Secures \$1 Billion of Foreign Investments for its On-line Retail Business

<http://news.donga.com/3/all/20180128/88403260/1>

Summary: Shinsegae Group (a leading retail business conglomerate in Korea) reported on January 26 that it had secured \$1 billion in investments from international investor groups for its on-line business. Shinsegae Group pointed out that the asset will be spent to strengthen its on-line retail business capacity, including distribution centers. According to Shinsegae Group, on-line channels have been rapidly expanding the share in its overall sales. As of 2017, on-line channels accounted for 22 percent of the sales of Shinsegae Department Store division and 7 percent of E Mart (hypermarket grocery stores) division. Shinsegae Group targets to expand the overall on-line sales from 2 trillion won (about \$2 billion) to 10 trillion by 2023.

Decline of Rice Consumption Slowed Down in 2017

<http://news.donga.com/3/all/20180126/88370371/1>

Summary: Per capita rice consumption of Koreans amounted to 61.8 kg in 2017, down 0.1kg (or 0.2 percent) from the previous year. It is notable that the decline in 2017 was far less than previous years (for example, the annual decline in 2013-2016 was 1-2 kg). Marketers point out that expansion of quick meal solution products incorporating rice in the market could have supported overall rice consumption.

Shinsegae to Enter the U.S. Market This Year

<http://news.hankyung.com/article/2018012592841>

Summary: Shinsegae, a leading retail business group in Korea, is reportedly planning to enter the U.S. market with its 'PK Market' grocery store this year. Shinsegae is also working on a deal to acquire a food processing plant in Oregon which will be producing private label brand products for its PK Market USA stores. According to Shinsegae, PK Market USA stores will be "grocerant" stores that combine both grocery store and foodservice outlets and targeted to become the leading "Asian food" retailer in the industry.

McDonald's Korea to Operate a Special Store in Winter Olympic Site

<http://news.donga.com/3/all/20180125/88350247/1>

Summary: A special store by McDonald's Korea is under construction for operation during upcoming Winter Olympic season in February. The store in shape of McDonald's burger and fries set menu will offer fun and quality meals to people from around the globe. The store is located in the Olympic Park near the ice stadiums in Gangreung city.



Lotte Department Store Launches a Pet Care Consulting Shop, ZIPSA

<http://news.hankyung.com/article/2018012445471>

Summary: Lotte Department Store reported that its Gangnam store launched a pet care consulting shop, ZIPSA, on January 24. Lotte pointed out that ZIPSA is a place for serious pet owners to obtain catered consulting services and related products for their pets. ZIPSA has four 'pet consultants' who offer individualized consultations for various needs of pet owners, including medical, nutritional, and welfare programs.



"Health Is Everything", LOTTE Mart Declares to be a Store for Healthy Foods

http://biz.chosun.com/site/data/html_dir/2018/01/23/2018012303327.html

Summary: Kim Jong In, the president of LOTTE Mart (a leading hypermarket grocery store chain in Korea) announced in his speech for LOTTE Mart's 20th anniversary on January 23 that LOTTE Mart will depart from the old theme of large-scale retailer of low price and will become a store for healthy foods from now on. Under this new strategy, LOTTE Mart has launched 'Hav'eat', a premium private label brand for 14 different categories of healthy foods that include organic, environment-friendly, and health nutritional supplement products. Part of LOTTE Mart's new strategy will pay bigger attention to safety management of the supply chain. For example, LOTTE Mart will expand direct sourcing partnerships with reputable local farms for safer and better quality products.

Korea's Trade Deficit in Beer Reaches more than 100 Million Dollars in 2017

<http://www.yonhapnews.co.kr/bulletin/2018/01/20/0200000000AKR20180120040800030.HTML?input=1195m>

Summary: According to Korea Customs Service on January 21, annual imports of beer in 2017 reached 263 million dollars, an increase of 44.9% over the previous year, on the other hand, annual exports

during the same period amounted to 112 million dollars, nearly half of beer imports. For this reason, the beer trade deficit last year reached 151 million dollars, skyrocketing by 66.1% over the previous year. In addition, imported beers are expected to make inroads into the domestic market in Korea much faster than before, as tariffs on beer imported from the United States and the European Union are being abolished starting this year.

The information in this report was compiled by the [Agricultural Trade Office](#) (ATO) at the U.S. Embassy in Seoul, South Korea. The press summaries contained herein do NOT reflect USDA, the U.S. Embassy, or other U.S. government agency official policy or view point. U.S. food exporters can learn more about market opportunities in South Korea by reviewing ATO Seoul's [Exporter Guide](#) and other reports available at www.fas.usda.gov by clicking on "attaché reports.