



Foreign Agricultural Service  
U.S. Agricultural Trade Office



## FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

Today's Date: **Tuesday, August 21, 2018**

For Coverage: **August 14 ~ 21, 2018**

### ***Retailers Launch Gift Sets for Coming Thanksgiving Day ... More Diversified Themes and Products, including Craft Beer and Exotic Agricultural Products***

<http://news.donga.com/3/all/20180821/91597115/1>

Summary: The Korean Thanksgiving Day is one month away (September 24) and retailers are again launching a good amount of gift set products targeting this largest shopping season of the year. The gift set products are already offered for reservations for early shoppers. Lotte Mart's reservation sales accounted for 35 percent of its total Thanksgiving Day gift set sales last year. Retailers have beefed up agricultural products in the gift sets this year, reflecting the revised Anti-graft Act that allows higher ceiling (100,000 won per set, about \$90) on agricultural products. According to EMART, gift sets between 50,000 won up to 100,000 won account for the majority of the sets they offer this year. The gift sets this year incorporate more diversified themes and products. For example, Hyundai Department Store offers gift sets that contain exotic local agricultural products served at the reception for the South-North Korean summit meeting earlier this year. Shinsegae Department Store offers gift sets of craft beer, targeting young shoppers.

### ***Hyundai Department Store Partners with Amazon to Build AI Store in Seoul***

<http://news.hankyung.com/article/2018082090481>

Summary: Hyundai Department Store (HDS) reported on August 20 that it has established a strategic partnership with Amazon to bring Amazon's artificial intelligence (AI) tools to its new store in Yeoido, Seoul, which is under construction with target to open at the end of next year. HDS pointed out that the new store will run without human staff but will provide more efficient, state-of-art shopping experiences to the shoppers.

### ***Seven Eleven Launches Vending Machine Store***

<http://news.hankyung.com/article/2018082088891>

Summary: Seven Eleven Korea reported that its 'Seven Eleven Express' has opened in four locations in Korea on August 20. Seven Eleven Express is a vending machine store that offers some 200 products, including take out foods and beverages. Seven Eleven pointed out that the Express store can expand into niche markets such as office buildings and public venues with minimum labor investment. Labor cost has become a key challenge to the convenience store industry in Korea as minimum wage mandated by the Korean government has continued sharp increases in recent years.



***Apple Harvest Forecast Down 14% ... Retail Price during Thanksgiving Day Season may Hike 30%***

<http://news.donga.com/3/all/20180819/91578744/1>

Summary: The Korean Rural Economic Institute (REI) has forecast that the apple harvest this year would decline 14 percent from last year to 467,000 metric tons. As a result, retail prices of apples in local retail stores during coming Thanksgiving Day shopping season in September would increase as high as 30 percent from last year. Retail companies are making efforts to secure additional supplies of apples in preparation for the Thanksgiving Day shopping season. At the same time, retail companies are likely to offer increased gift sets containing imported fruits this year.

***Cheap Imported Beer Expand Sales in Convenience Stores***

<http://news.hankyung.com/article/2018081952901>

Summary: The share of imported beer in convenience stores continues to expand, particularly due to introductions of cheap imported beer that are offered at 10,000 won (about \$9) for 4 cans or below. Imported beer took 56.3 percent of beer sales in Seven Eleven stores this year through June, which was a significant growth from 52.8 percent last year. Convenience stores have deployed aggressive efforts to offer more cheap imported beer in their stores to attract consumers. For example, Seven Eleven launched a Spanish beer in April this year which was offered at 5,000 won for 4 cans. Seven Eleven additionally launched an Indonesian beer in August at 10,000 won for 4 cans. These cheap imported beers are made from over 70 percent malt ingredients but are categorized as “other alcohol beverage” as they contain alginic acid, a compound originated from seaweed, as an ingredient. As a result, they are subject to only 30 percent liquor tax applied to other alcohol beverages, rather than 70 percent applied to regular beer. The lower liquor tax is the key for the lower retail price of these cheap imported beer.

***Korea and Japan Fail to Reach an Agreement on EEZ Fishing Quota Three Years in a Row***

<http://www.sedaily.com/NewsView/1S3DUBDFJV>

Summary: The bilateral negotiation between Korea and Japan on EEZ fishing quota for FY2018/2019 closed on August 16 without an agreement. Korean boats will have no fishing access in Japanese EEZ sea until June 2019 as a result (and vice versa for Japanese boats). This is the third year in a row that both countries have failed to come to an agreement. Korea and Japan reportedly maintained conflicting views on several issues in EEZ fishing quota, including illegal fishing by Korean boats and expansion of snow crab fishing quota for Japanese boats. Korea Ministry of Marine and Fisheries is planning to make last minute efforts to have follow-up negotiations with Japan.

***EMART Everyday Introduces New Store with No Check-out Counters***

<http://news.hankyung.com/article/2018081687971>

Summary: EMART Everyday, a grocery supermarket chain by EMART, announced that its store in Samsungdong Seoul will resume operation on August 17 after renovation. EMART Everyday pointed out that the new store will operate without conventional check-out counters. Shoppers will need to scan the electronic price tags on the shelf using a smartphone app when they pick out products in the store. Shoppers will pay for the purchases on the app once they have finished shopping. The app generates a receipt which needs to be scanned at the exit for shoppers to exit the store. Shoppers who do not want to use or have the app should use self check-out counters. EMART Everyday plans to introduce the no check-out counter system to its all 235 stores.

*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](http://www.fas.usda.gov) by clicking on “attaché reports.”*