



Foreign Agricultural Service  
U.S. Agricultural Trade Office

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

Today's Date: **Tuesday, February 19, 2019**

For Coverage: **February 1 ~ 19, 2019**

### ***Ediya Coffee Builds Its Own Roasting Factory***

<http://news.hankyung.com/article/2019021817551>

Summary: Ediya coffee, a leading café franchise in Korea that operates 2,500 stores nationwide, announced that a \$32 million project to build its own roasting factory in Pyeongtaek city started on February 18. According to Ediya, the roasting factory will streamline its coffee bean supply from foreign farms to stores. The factory will have the capacity to roast 6,000 metric tons of green beans a year upon opening in April 2020, which will place it as the largest coffee bean roasting facility in Korea. Additionally, the factory will process value added products such as instant coffee mixes and non-coffee beverages. Ediya added that the factory will be key for its expansion plan to have 3,000 stores by the end of this year.

### ***CJ Foodville Reports \$27 Million of Loss in 2018 ... Large-scale Family Restaurant Franchise Industry Faces Stagnant Growth due to Competition from HMR and Small Independent Restaurants***

<http://news.hankyung.com/article/2019021780841>

Summary: CJ Foodville, the leading restaurant-foodservice company in Korea, reported that it saw \$27 million of loss in 2018. According to CJ Foodville, the loss was mainly due to poor performance of its family restaurant business arms, VIPS steakhouses and Gyejulbobsang Korean buffet restaurants. CJ Foodville added that, on the other hand, its Tous les Jours bakery stores and Twosome Places cafés generated some profits. CJ Foodville's family restaurant business has continued weak performance since 2014. Marketers point out that large-scale family restaurant franchises are losing consumer traffic to HMR products in retail stores as well as to small, independent restaurants that offer trendy recipes.

### ***Lotte Mart Introduces Its First 'Omni Store'***

<http://news.donga.com/3/all/20190214/94115830/1>

Summary: Lotte Mart's new store in Keumchun, Seoul (opened in December 2018) is the first store that to implement Lotte's 'Omni Store' technologies. Omni Store allows consumers to walk in with a smart phone, scan the QR codes on the shelf to choose the products that they want, and then walk out. Products chosen by the consumer are delivered to home in 3 hours.



### ***Korean Retailers Launch Promotions on Tree Nuts Targeting 'Jung Wol Dae Borum' Day***

<http://www.asiatoday.co.kr/view.php?key=20190215010006358>

Summary: Korean retail stores have launched sales promotions on tree nuts targeting the coming 'Jung Wol Dae Borum' day (February 19). The first full moon day after lunar new year's day is designated as 'Jung Wol Dae Borum (first full moon day)' in Korea. Wishing for good health for the coming year, Koreans have a tradition of eating tree nuts along with other healthy foods on the day.



### ***POSCO-DAEWOO Acquires a Ukrainian Grain Export Terminal***

<http://news.donga.com/3/all/20190213/94096472/1>

Summary: POSCO-DAEWOO, a leading international trading company based in Korea, announced on February 13 that it had acquired a grain export terminal located in Mykolayiv port, Ukraine, from Orexim Group. According to POSCO-DAEWOO, the terminal has the capacity to ship 2.5 million metric tons of corn, sorghum, wheat, and soybeans per year. POSCO-DAEWOO pointed out that it was the first acquisition of foreign grain export terminal by a Korean company. According to the company, the acquisition was part of its strategy to become a leading grain distributor in Korea by securing 15 million metric tons of annual distribution capacity.

### ***ROKG to Allow Large-scale Business Groups to Enter Aquaculture Business***

<http://news.hankyung.com/article/2019021365921>

Summary: Korea Ministry of Marine & Fisheries (MMF) reported on February 13 that its 'Fishery industry reform plan 2030' includes liberalizations for the aquaculture industry, which will allow large-scale business groups (with \$10 billion or larger assets) to enter. MMF explained that entry of large-scale businesses will allow the local aquaculture business to evolve with modern facilities and technologies.

### ***EMART Reports Reduced 4Q Sales ... Hypermarket Grocery Store Industry Loses Young Consumers to On-line Retailers***

<http://news.hankyung.com/article/2019021224321>

Summary: EMART, the leading hypermarket grocery store chain in Korea, reported that its sales for 4th quarter 2018 amounted to 2.7 trillion won (about \$2.5 billion), down 6 percent from the same quarter in 2018. Other hypermarket retailers also reported negative sales growth during the quarter. The reduction of hypermarket retail industry sales is mainly due to the robust growth of on-line retailers. In particular, young consumers in 20s and 30s are reducing shopping trips to hypermarket retail stores.

### ***COSTCO Korea to Open Its 16th Store in Hanam City in March***

<http://news.hankyung.com/article/2019021046841>

Summary: COSTCO Korea has announced that its 16<sup>th</sup> store will open in March in Hanam city, Gyeonggi province. Hanam city is developing a sizable, new residential area. There will be other warehouse discount stores, including Traders and Home Plus Special, that will be opening in Hanam city this year. As a result, COSTCO Hanam will face high competition upon opening.

*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."*