



Foreign Agricultural Service
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Lotte Food to Enter Frozen HMR Market

<http://news.hankyung.com/article/2019022744901>

Summary: Lotte Food, a leading food processor in Korea, announced on February 27 that it launched nine frozen HMR products under the brand name of Chefood. Products launched included microwavable fried rice and pasta meals. Lotte Food pointed out that its Chefood brand's expansion into frozen products targets building more market share in the HMR market in Korea.

Hello Nature Targets Sharp Sales Growth with Opening of a State-of-Art Distribution Center ... Key Focus will be Early Morning Delivery of Fresh Foods

<http://news.hankyung.com/article/2019022601151>

Summary: Hello Nature, an established on-line grocery retailer, opened its first distribution center in Bucheon city that can process up to 10,000 orders a day. President Oh commented in a press interview that the distribution center will allow Hello Nature to double its sales this year to 40 billion won (about \$4 million USD). Hello Nature's main focus is fresh food products of premium quality. Hello Nature has implemented an early morning delivery service targeting busy families (with orders made the night before are delivered to consumers before 6:00 a.m. next morning). The company was acquired by BGF Retail, the leading player in the convenience store industry in Korea, in June 2018.

Shinsegae Group Launches SSG.COM in March ... Targets to Generate \$10 Billion Sales by 2023

<http://news.hankyung.com/article/2019022601111>

Summary: Shinsegae Group, the leading retail company in Korea that owns Shinsegae department store chain and EMART hypermarket grocery store chain among others, announced that its new, consolidated on-line retail business arm, SSG.com, will launch in March. SSG.com will bring together all of the separate on-line retail stores under Shinsegae Group (including shinsegae.com and emart.com) for more efficient marketing and operation. Shinsegae pointed out that SSG.com will expand its on-line business from \$3 billion this year to \$10 billion by 2023. To support this aggressive growth plan, Shinsegae is building new on-line distribution centers around the Seoul metropolitan area. Shinsegae added that SSG.com will also continue to work with its conventional retail outlets for maximum reach in the market.

ROKG Implements Laying Date Labeling Requirement for Fresh Eggs

<http://news.donga.com/3/all/20190224/94268620/1>

Summary: The Korean government's mandatory labeling requirement for marking laying dates on fresh eggs took effect on February 23. Under the requirement, all fresh eggs for retail distribution should have the laying date marked on the shell in addition to the code for origin farms.



National Assembly Agrees to Raise Target Price for Local Rice by 11.7%

<http://news.hankyung.com/article/2019022000821>

Summary: The Agricultural Committee under the Korea National Assembly has come to an agreement to recommend the government raise the target price for local rice (2019 crop) to 210,000 won or higher per 80 kilogram bag, up 11.7 percent from 2018 crop. The target price determines the amount of government subsidy given to local rice farmers as the difference between the target price and actual market price is paid to the farmers. The Korean government has budgeted 253 billion won this year for its agricultural price support subsidy program. The increase in the rice target price is likely to require the Korean government to increase the subsidy budget.

Lotte Mart Reports Loss in 4Q, 2018 ... Deploys Low Price Promotions to Attract Consumer Traffic

<https://kr.investing.com/news/economy-news/article-148579>

Summary: Lotte Mart, the second largest hypermarket grocery store chain in Korea, has reported that it saw an 8 billion won (about \$7 million USD) loss in the 4th quarter, 2018. Cash register sales declined 3 percent from the same quarter in the previous year to 1.5 trillion won (about \$1.3 billion USD). In an effort to bring back consumer traffic, Lotte Mart has deployed a series of low price promotions on key agricultural and food products, including fresh fruits, meat, seafood, and juices. Marketers forecast that large-scale hypermarket businesses will continue to face stagnant growth of sales and profit due to elevated competition from on-line retailers.

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."

