



Foreign Agricultural Service  
U.S. Agricultural Trade Office



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

Today's Date: **Tuesday, June 4, 2019**

For Coverage: **May 8 ~ June 4, 2019**

### ***ROKG Considers Mixed Approach for Transition to Volume-Based Liquor Tax***

<http://news.donga.com/3/all/20190604/95832577/1>

Summary: The Fair Taxation Research Institute (FTRI) under the Korean government hosted a public hearing on May 3rd and suggested 'mixed approach' options for the potential transition to a volume-based liquor tax. Options suggested by FTRI basically intend to introduce the volume-based liquor tax system to beer and rice wine first and keep the existing value-based liquor tax system for other categories, including soju (local distilled spirits), fruit wine, and whiskey. Soju and other categories may transit to a volume-based system after a five year grace period, according to the FTRI's options. FTRI's suggestions reflect conflicting voices in the local alcohol beverage industry over the transition to a volume-based liquor tax system. The beer industry has been asking for a transition to the volume-based tax system as the existing value-based system favored imported products over domestic products. However, the soju industry is against the transition as the volume-based tax system is likely to increase the amount of tax charged to soju.

### ***87,126 Fried Chicken Restaurants in South Korea ... 8,700 Closed, 6,200 Newly Opened in 2018***

<http://news.donga.com/3/all/20190604/95832813/1>

Summary: According to a report by KB Bank, there was 87,126 fried chicken restaurants in operation in South Korea at the end of 2018. During the year, 8,700 existing stores went out of business due to increased competition but 6,200 new stores opened as the business still attracted new investors.

### ***Protein Food Market Expands ... Increased Attention to Health & Fitness among Young, Millennial Generation***

<https://www.hankyung.com/economy/article/2019060326241>

Summary: Major Korean food companies have expanded "high protein" processed foods in recent years, including protein powder, energy bars, shake beverages, and breakfast cereals. Marketers point out that increased attention to health and fitness among the millennial generation (who were born between 1980 and 2000) is the key force behind the outstanding growth of protein food market in Korea.

### ***Starbucks Korea to Open 3 New Reserve Cafés [Korean, OSY]***

<https://www.hankyung.com/economy/article/2019052832551>

Summary: Starbucks Korea reported that it would open three new 'Reserve' stores on May 29. As a result, the number of Starbucks Reserve cafés in Korea will increase to 52, which will position South Korea as the second largest market for the Reserve brand in the world, behind only China with 97 Reserve stores. Starbucks Korea introduced the Reserve brand in 2014 and the premium segment showed rapid growth due to increased local demand for specialty coffee.

***Taiwanese Food Companies Enter South Korea as More Koreans Travel to Taiwan and Develop Taste for Taiwanese Foods***

<https://www.hankyung.com/economy/article/2019052792491>

Summary: About a dozen Taiwanese food companies or brands have entered South Korea over the last couple of years as Korean consumers expand their taste for these Taiwanese foods, based on their personal trips to the island. The number of Koreans who traveled to Taiwan has tripled over the last five years to 1 million last year. For example, Hongruizen, a trendy Taiwanese sandwich restaurant chain has quickly expanded its business in Korea by opening 240 stores since its market entry in March 2018.

*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.*