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Peacock, HMR Brand by EMART, Reports Million Unit Sales

<https://www.hankyung.com/economy/article/2019061814771>

Summary: EMART, the leading hypermarket grocery retailer in Korea, reported on June 18 that eight of its 'Peacock' branded home-meal-replacement products including hanwoo beef soup, spicy stew, shrimp fried rice, and sea vegetable soup, accomplished one million unit sales since launching in 2013. The top selling product under Peacock brand was the hanwoo (local Korean cattle) beef soup with 2.2 million unit sales. Total sales of Peacock brand program amounted to 250 billion won (about \$220 million) in 2018, up 10 percent from the previous year. EMART pointed out that Peacock brand products will see escalated sales in the coming years as more consumers gain experience with the products.

Australian Beef Exports to Korea Grew 3 Times in 30 Years

<https://www.hankyung.com/economy/article/2019061814811>

Summary: Australian Livestock Association (ALA) reported in its '30 Year Anniversary of Korean Market Development' event on June 18 that its beef exports to Korea grew three times over the years from 60,000 metric tons per year in the 1990's to 170,000 metric tons in 2018. ALA pointed out that Korean's per-capita yearly beef consumption has increased from 4.1 kg back in 1990 to 12.6 kg in 2018, which is much higher than Japanese (7 kg) or Chinese (4 kg) currently. ALA emphasized that Korean consumers are likely to expand beef consumption as their diet demands more diversified recipes.

Local Acreage for 'Shine Muscat' Surges ... Consumers Accept High Price for New Taste and Premium Quality

<https://www.hankyung.com/economy/article/2019061635791>

Summary: Korea Rural Economics Institute (REI) reported that the acreage for 'Shine Muscat (a.k.a. Mango grapes)' increased sharply in major grape growing regions in the country, reaching 1,867 hectares this year, up more than 100 percent from last year. For example, in Youngdong county, Gyeongbuk province, the leading region in Korea for grapes, the amount of farmland dedicated to Shine Muscat increased to 370 hectares this year, taking one third of total grape acreage in the country. The sharp increase of Shine Muscat acreage is mainly because of increased market demand for this new, premium grape variety among general consumers. According to major fresh fruit retailers, supply from local farms has yet to meet the surging consumer demand. It is notable that Shine Muscat is retailed at about 11,000 per 500 gram, which is over two times higher than the regular Campbell variety. On top of that, increasing volumes of Shine Muscat are exported to foreign countries, particularly in South Asian. As a result, acreage for Shine Muscat is likely to expand in the coming years.



SPC Samlip Becomes New Exclusive Import Distribution Partner in Korea for Kraft-Heinz

<https://www.mk.co.kr/news/business/view/2019/06/411501/>

Summary: SPC Samlip, a leading food and bakery processor in Korea under the umbrella of SPC Group, announced on June 12 that it established a partnership agreement with Kraft-Heinz to become the exclusive import distributor for Kraft-Heinz brands and products in Korea. Under the agreement, SPC Samlip will start to distribute 28 Kraft-Heinz brands and products, including A1 steak sauce, Kraft cheeses, Oscar Meyer bacons, and Planters nuts, from August 1. Dongsuh was the former exclusive partner for Kraft-Heinz in Korea for many years but the relationship ended earlier this year. SPC Samlip commented that the partnership with Kraft-Heinz will generate \$27 million of additional sales. Kraft-Heinz also maintains its own distribution business in Korea for catchup and mayonnaise products.

EMART Stages Promotion on Live Canadian Lobsters

<https://www.mk.co.kr/news/business/view/2019/06/410192/>

Summary: EMART, the leading discount grocery retailer in Korea, announced that it launched a special promotion on live Canadian lobsters on June 13. EMART imported \$6.3 million worth lobsters directly from a Canadian supplier to reduce the price. One lobster is offered at 9,900 won (about \$8.8). EMART added that the lobsters offered are spring season catch that provides more meat and softer texture.



Shinsegae Department Store Promotes Prune

<http://news.donga.com/3/all/20190612/95949680/1>

Summary: Shinsegae Department Store launched a sales promotion event on prune on June 11. The event offers bakery products incorporating prunes at a special price until July 31. Shinsegae pointed out that prunes are a healthy food with high amounts of dietary fiber and vitamins.



Local Fresh Onion Price Plunges due to Good Harvest

<http://news.donga.com/3/all/20190612/95949732/1>

Summary: Korea Agro-Fishery Marketing Corporation (aT) reported that price of local fresh onions plunged to 7,000 won (about \$6.4) per 20 kilogram bag in wholesale markets due to a good harvest.

Imports of Squid Soar as Local Catch Plunges

<https://www.hankyung.com/economy/article/2019061177371>

Summary: Korea imported 140,000 metric tons of squid in 2018, up almost 100 percent from 2015. The sharp increase of the imports was due to dramatic declines in local catch. The amount of squid supplied from local catch declined from 163,000 metric tons in 2014 to 46,000 metric tons in 2018. As a result, the price of one squid in local retail stores soared from 2,500 won in 2015 to 5,300 won in 2018. Korean sea food buyers are reportedly searching for additional supplies of squid from foreign origins.

ROKG Decides to Implement Transition to Volume-Based Liquor Tax Only for Beer and Rice Wine ... Other Categories will Stay under Value-Based Tax

<http://news.donga.com/3/all/20190606/95868147/1>

Summary: The Korean government's meeting with the ruling party on June 5th decided that the liquor tax on beer and rice wine would change from the current value-based system to a volume-based system as early as January 1, 2020. Other categories, including whiskey and fruit wine, will stay under the current value-based system. The transition to a volume-based liquor tax system is forecast to lower the retail price of locally brewed canned beer in retail stores by 415 won per liter. The transition is likely to promote higher quality beer in the market as the amount of liquor tax charged will be the same regardless of the product price. Part of the industry has expressed disappointment that their products were not included in the transition. Hawyo, the lead producer of premium soju (distilled spirits) in particular commented that the government decision not to include distilled spirits in the transition will force the local distilled spirit industry to focus on low quality, low price products.

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."