



Foreign Agricultural Service  
U.S. Agricultural Trade Office



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

Today's Date: **Thursday, May 11, 2017**

For Coverage: **April 25 ~ May 11, 2017**

### ***Korean Retailers Promote California Cherries***

<http://news.donga.com/3/all/20170510/84305056/1>

Summary: Shinsegae Department Store has announced with a sales promotion on May 10 that it started to offer new crop California fresh cherries. Other leading retail store chains have also started to offer the premium fruit with similar promotional events.



### ***Lotte Mart Launches Canadian Beef ... Retailers Look for Value Price Meat as Australian and American Beef Price Continues to Rise***

<http://news.donga.com/3/all/20170509/84283665/1>

Summary: Lotte Mart, a leading large-scale discount retail store chain in Korea, reported that it started to sell Canadian beef in the store since late April. Lotte Mart dropped Canadian beef from its store back in 2015 when imports of Canadian beef got banned due to an outbreak of BSE cattle in Canada. Lotte's decision to re-launch Canadian beef is due to high price of Australian and American beef. Lotte pointed out that price of American beef was likely to go up in the coming year as China had recently agreed to open the market for American beef.

### ***Cash-register Sales of Hypermarket Industry Marked 40 Trillion Won in 2016***

<http://news.donga.com/3/all/20170509/84283668/1>

Summary: According to Korea Chain Store Association (KCSA), cash-register sales of hypermarket industry marked 40 trillion won in 2016, up 1.8 percent from 2015. KCSA pointed out that it took 23 years for the industry to mark 40 trillion won sales and growth of the industry would be limited in the coming years mainly due to aggressive growth of on-line retailers. Leading players, including E Mart, have already started restructuring projects to close down or rehabilitate slow moving stores.

### ***Korean Local Beer Begin to Compete against Imported Beer by Price***

[http://biz.chosun.com/site/data/html\\_dir/2017/04/30/2017043001377.html](http://biz.chosun.com/site/data/html_dir/2017/04/30/2017043001377.html)

Summary: Korean domestic beer makers plan to launch 'light and low-priced beer' this summer instead of premium beer. Three years ago, the local beer industry was at war over premium beer, such as Lotte Chilsung Beverage's Kloud, Hite Jinro's Queen's Ale, and Oriental Brewery's Aleston, but has struggled since their initial launch. On the other hand, imported beer has dominated the premium beer market in Korea. Imported beer last year amounted to 180 million dollars, 2.5-fold increase over the level in 2012. Korean local brewers floundered in the premium market and are already targeting the low-end beer market this year, with familiar flavored and low-priced beer; Lotte Chilsung Beverage will launch its new product, 'Fitz Superclear', at the end of next month and Hite Jinro has already released 'Filite' last month.

#### ***Prices of Livestock Products Skyrocketed in April***

<http://news.naver.com/main/tool/print.nhn?oid=011&aid=0003025687>

Summary: According to data announced on May 2 by Statistics Korea, the price index for livestock products in April increased by 8.7% compared to the same period last year. In terms of the major items, egg prices went up by 52.3% over the same period last year, chicken by 9.7%, pork by 7.7%, and imported beef by 4.8%. An official from Statistics Korea explained that eggs are in short supply as the recent AI outbreaks have led to a mass culling of layers and the prices of livestock products rose relatively since there is a growing need for pork and chicken during the upcoming holiday season.

#### ***Korean Gov't to Invest 117 Billion Won to Expand Inland Aquaculture***

<http://news.donga.com/3/all/20170502/84166801/1>

Summary: The Ministry of Marine & Fishery (MMF) announced on May 1 that it had approved 117 billion won (about \$100 million USD) of budget to support the local inland aquaculture industry over the next five years. According to the plan, two additional large-scale inland aquaculture areas will be developed on rivers and lakes in Choongbuk and Junnam provinces. MMF pointed out that the new aquaculture areas will be producing fish in an environment friendly way by implementing new technologies that avoid use of antibiotics in the aquaculture farm. Part of the plan intends to develop the tourism industry around the aquaculture areas.

#### ***Leading Instant Noodle Companies Increase Retail Price***

<http://news.donga.com/3/all/20170429/84129449/1>

Summary: Leading instant noodle companies in Korea, Nongshim and Samyang Food, announced retail price increases from May 1. Samyang Food increased the price 5.4 percent and Nongshim 5.5 percent. The companies pointed out that the retail price increase was something unavoidable as the cost of ingredients and operation had increased significantly in recent years. The last time that both companies increased the price was back in 2012. Marketers assume that other instant noodle companies will also announce price increases sooner or later.

#### ***BBQ Increases Fried Chicken Price***

<http://news.join.com/article/21530746>

Summary: BBQ, the leading fried chicken restaurant franchise in Korea, announced that it will increase its retail prices by 5 to 12.5 percent from May 1. BBQ pointed out that it had been 8 years since it increased prices last time, and the decision to increase prices this time reflects the significant increase of operation cost over the years.

#### ***Dongwon Home Food to Open 300 HMR Retail Stores by 2021***

<http://news.donga.com/3/all/20170426/84092674/1>

Summary: Dongwon Home Food opened its first central kitchen facility in Seoul on April 26. In a press interview, Dongwon unveiled its aggressive HMR (Home Meal Replacement) business plan to open 300 retail outlets by 2021.

*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."*