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Sales of Chuseok Gift Sets Doubles in Department Stores ... Consumers Show Eased Concerns for Anti-Graft Act This Year

<http://news.donga.com/3/all/20170921/86431754/1>

Summary: Lotte Department Store, the leading department store chain in Korea, reported that its sales of gift sets offered for the coming Chuseok (Korean thanksgiving day) season this year since September 11 increased 81 percent from the same period last year. Hyundai Department Store and Shinsegae Department Store also reported 79 percent and 123 percent growth of Chuseok gift set sales. Implementation of the 'anti-graft act' that took place right before the Chuseok season last year resulted in a dramatic decline of gift set sales last year. However, marketers suggest that consumers have shown eased concerns for the act this year and increased spending on gift set purchases as a result.

30 Shipments of Imported Japanese Foods Tested Positive for Radiation Contamination Over the Last 3 Years, MFDS

<http://news.donga.com/3/all/20170920/86431148/1>

Summary: Korea Ministry of Food and Drug Safety (MFDS) reported that a total of 30 shipments of Japanese food products imported into Korea tested positive for radiation contamination over the last 3 years between 2014 - 2016. Products contaminated included tea, coffee, fresh seafood, dried fish, and chocolate. The number of contaminated shipments was on a decline from 15 in 2014 to 8 in 2015 and 7 in 2016.

"Korea-EU Free Trade Agreement Needs to be Amended to Allow EU Beef Exports to Korea", EU Trade Representative

<http://news.donga.com/3/all/20170920/86410281/1>

Summary: The EU Trade representative mentioned in a press interview on September 18 that it was planning to ask Korea to start a dialogue soon to amend the existing bilateral free trade agreement. The EU's primary issues to resolve will include lifting Korea's import ban on beef from EU countries. The EU representative pointed out that EU beef is safe under OIE standards and should have access to Korean market.

Shinsegae Food Launches Vegan Bread

<http://news.hankyung.com/article/2017091931301>

Summary: Shinsegae Food announced that it had gained official 'Vegan Bakery' certification from the U.K. Vegetarian Association (UKVA) on September 19. Shinsegae Food pointed out that it was the first vegan bakery certification that UKVA has issued to a Korean company. Shinsegae Food added that UKVA's certification is recognized by the Korea Ministry of Food and Drug Safety. Shinsegae Food will start to distribute its vegan bread to Starbucks and Smoothie King stores in Korea. It is reported that there are some half million vegetarians in Korea.

"Local Craft Beer will Lead the Beer Market in Korea Eventually" ... Garret Oliver, Brew Master of Brooklyn Brewery, Develops Local Recipes for a Partner Craft Brewery in Jeju Island, South Korea
<http://news.donga.com/3/all/20170916/86354807/1>

Summary: Garret Oliver, brew master of Brooklyn Brewery, visited Jeju island in early September to taste the outcome of the recipes that he developed on behalf of a partner craft brewery in the island (Jeju Brewery), including 'Jeju Wheat Ale'. Mr. Oliver is one of the pioneers of the American craft beer industry and established the concept of beer-food pairing for the first time in the industry. He received James Beard Award in 2014 for his lifelong leadership and contribution. Mr. Oliver pointed out evolvement of the taste of Korean beer consumers will lead to expansion of local craft beer industry that offers a wide diversity of beers based on local ingredients and ideas.



Maeil Dairy Co. Launches Healthy Yogurt Beverages Containing Kefir Grains, "Tibetan Mushroom"
<http://news.donga.com/3/all/20170916/86354807/1>

Summary: Maeil Dairy Co., a leading dairy processor in Korea, recently launched a new line of yogurt beverages under the brand name of KEFIR 12. The products contain so called "Tibetan Mushroom", Kefir grains. Kefir grains look like a mushroom but actually are a mixture of various lactic bacteria and yeast. Kefir grains were introduced to Korean consumers some years ago in a TV program as a healthy food consumed by Tibetan Buddhist monks. Many health conscious Korean consumers have already been incorporating Kefir grains in their diet.



Lotte Mart Decides to Withdraw from China due to Chinese Government's Business Restrictions over Political Dispute with South Korea

<http://news.donga.com/3/all/20170915/86338771/1>

Summary: Lotte Mart, a leading hypermarket store chain in Korea, has decided to withdraw from China as Chinese government continues to restrict the business. Lotte Mart has 112 stores in China but 87 of them have been forced to close the door by the Chinese government for unclear reasons since late last year. Lotte Mart believes that the business restriction is part of Chinese government's measures to cull South Korean government's decision to introduce American anti-missile defense system (THAAD) in Korea. However, THAAD is now placed firmly in Korea after a series of North Korean nuclear missile tests and the Chinese government's business restriction is likely to remain unchanged. Lotte Mart has designated Goldman Sachs to broker the disposal of all the 112 Lotte Mart stores in China. Lotte's loss from the withdrawal would amount to about \$1 billion.

COSTCO Korea to Keep Three Stores that were Going to be Returned to E Mart

<http://news.donga.com/3/all/20170913/86317646/1>

Summary: E Mart announced on September 13 that it had sold its remaining 3.3 percent share of COSTCO Korea that it had maintained since 1998 to COSTCO Korea. The deal included three E Mart properties that had been leased to COSTCO Korea over the years. E Mart (Shinsegae) was the joint venture partner of COSTCO Korea when COSTCO Korea entered the Korean market in 1994. The partnership ended in 1998 but E Mart still kept 3.3 percent share of COSTCO Korea and allowed COSTCO Korea to operate the first three COSTCO stores in Korea sitting on E Mart properties (Seoul-Yangpyung, Daejun, and Daegu store) under a 20 year lease contract. E Mart commented that the disposal of COSTCO shares and properties will generate additional funds for E Mart's new store opening projects.

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