

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Korea - Republic of**

**Post:** Seoul ATO

### **Beer Market Report**

**Report Categories:**

Product Brief

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**Report Highlights:**

The imported beer market in South Korea continues robust growth due to strong consumer demand for diversified flavors and higher quality. Korea's beer imports totaled \$310 million in 2018, up 18 percent from the previous year. Imports from the United States amounted to \$35 million during the period, up an impressive 99 percent. While American beer faces elevated competition in Korea against export-oriented competitors, increased demand for premium quality craft beer among the opinion-leading beer consumer groups should expand export opportunities for American beer to Korea in the coming years.

The Korea International Beer Expo will be held March 21-23, 2019. ATO Seoul and the American Brewers Association plan to organize a 'Great American Craft Beer Showcase Seoul' booth in the show to present a variety of American craft beer.

**General Information:**

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## SECTION I: MARKET OVERVIEW

- South Korea's (herein after referred to Korea) beer imports totaled a record high, \$310 million in 2018, up 18 percent from 2017 (CIF value inclusive of freight and insurance). In terms of volume, imports totaled 388 million kilograms, up 17 percent. Despite the on-going slowdown of the Korean economy, Korea's beer imports have continued outstanding growth in recent years due to increased consumer demand for products with diversified flavors and higher quality.
- Korea's beer imports from the United States amounted to a record high, \$35 million in 2018, up 99 percent from 2017 (in terms of volume, totaled 42 million kilograms, up 89 percent). The United States grew into the fourth largest supplier of imported beer to Korea (from seventh in 2017) following Japan, China, and Belgium. The sharp import growth of American beer during 2017 and 2018 was largely due to Anheuser-Busch InBev's switch from local brewing in Korea to imports from its American breweries (ABInBev still brews some of its brands in Korea). At the same time, imports of American craft beer also continued solid growth as the demand for premium quality beer expanded.
- The amount of beer distributed in Korea totaled 2.2 trillion won (before liquor taxes, about \$2 billion, \$1 = 1,100 Korean won) or 2.2 billion liters as of 2016. Beer was the most consumed alcohol beverage in Korea by accounting for 43 percent of all alcohol beverages distributed in the market in value (or 60 percent in volume). Beer is likely to remain the leading alcohol beverage product in Korea in the coming years due to: increased value consumption under the downturn of the local economy (to the detriment of high-end liquor like whiskey); elevated consumer health concerns that favors products with less alcohol content (to the detriment of relatively higher alcohol whiskey and soju); diversified consumer taste; and increased alcohol beverage consumption among the female population.
- The Korean beer market has been dominated by domestic products as indicated by the fact that locally brewed beer accounted for 90 percent of all beer distributed in the market in value (or 91 percent in volume) as of 2016. It is notable that three large-scale local breweries (OB, Hite, and Lotte) have accounted for a majority of the domestic beer distributed in Korea as high entry barriers set by the Korean government limited establishment of additional large-scale local breweries. The limited competition environment led the large-scale local Korean breweries to maintain a conservative product portfolio over the years that focused on a limited assortment of low price, low flavor products.
- The Korean government has introduced a series of regulatory reforms in recent years to lower entry barriers and allow small-scale ("micro") breweries to emerge and meet increased consumer demand for diversity and quality. There are about 100 microbreweries in operation in Korea currently but the local microbrew industry is still in its infancy - they currently account for less than one percent of the overall beer market sales in Korea. Nevertheless, growth of the local microbrew industry should help reduce the influence of large-scale Korean breweries in the market while cultivating consumer tastes for premium quality imported beer.
- Korea offers an excellent export opportunity for American beer. Further introductions of large-scale American beer brands into the market should strengthen the value proposition of American beer to

the general Korean consumer. In addition, emerging demand for premium quality beer among the opinion-leading beer consumer groups should expand the market for American craft beer in Korea. The import duty on American beer phased out to zero percent on January 1, 2018 under the Korea-United States Free Trade Agreement (KORUS FTA). Additional Korean government regulatory reforms down the road, particularly the potential switch to a volume-based liquor tax, should further develop the market demand for higher quality beer.

## SECTION II: MARKET SECTOR OPPORTUNITIES AND THREATS

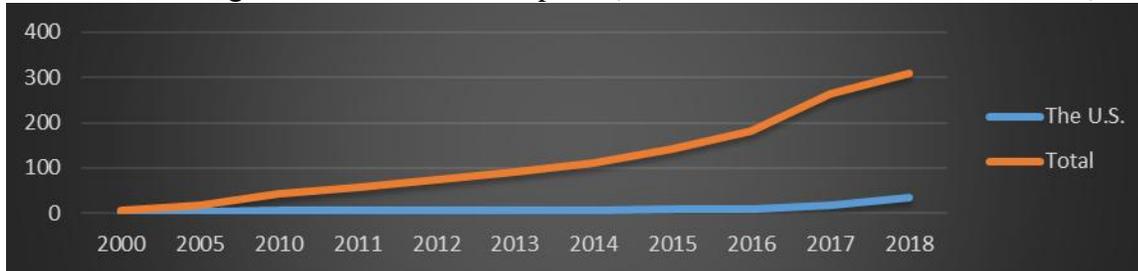
Table 1: Opportunities & Challenges in the Korean Beer Market

Opportunities	Challenges
Korea’s beer imports have continued robust growth in recent years. Korean beer consumers maintain strong demand for products of diversified flavors and higher quality.	The Korean beer market has been driven by large-scale local breweries that offer a strong portfolio of low priced products. Despite the rapid growth of imported beer, domestic beer still maintains a dominant share of overall beer sales.
There is emerging demand for premium quality beer among young professionals and affluent seniors. Many of these opinion-leading beer consumers are <b>well traveled</b> and recognize the United States as a leading origin of premium quality, craft beer in the world.	American beer faces elevated competition in Korea from many international competitors. They are export-oriented and deploy aggressive promotions in Korea to expand their market share.
Beer remains the most consumed alcohol beverage in Korea. Beer consumption has continued solid growth in recent years due to: increased value consumption under the downturn of the local economy; elevated consumer health concerns; further diversified consumer taste; and increased alcohol beverage consumption among the female population.	General beer consumers in Korea lack an understanding of and experience with premium quality American craft beer. Korean liquor taxes are value-based, meaning imported American craft beer is retailed at prices that are three to four times higher than in the United States.
Elimination of import duty on American beer under the KORUS FTA strengthens the value proposition of American beer in Korea.	American craft breweries in general have limited resources to divert their attention to export business. Korean buyer’s solid interest in bringing new American craft beer into Korea often finds a weak response.

### 1. KOREA’S BEER IMPORTS & COMPETITION

- Korea’s beer imports have more than tripled over the last five years. Considering increased consumer demand for products of diversified flavors and higher quality, Korea is likely to generate double-digit growth for beer imports in the coming years.

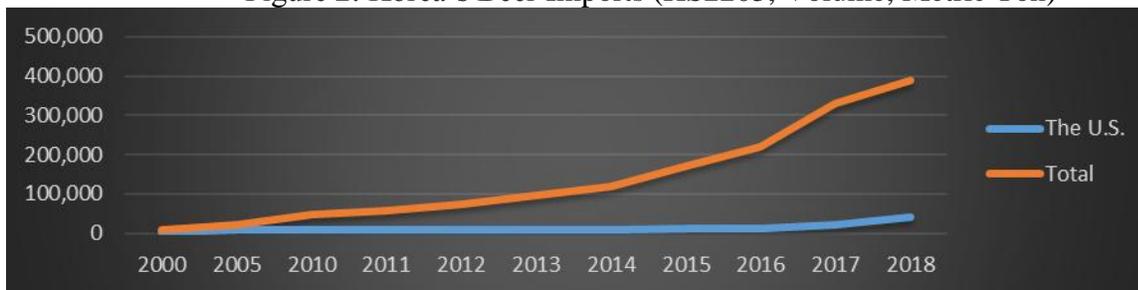
Figure 1: Korea’s Beer Imports (HS2203, CIF Value\*, \$Million USD)



Source: Korea Trade Information Service (KOTIS) Database, [www.kita.net](http://www.kita.net)

\*Note: CIF value is inclusive of freight and insurance

Figure 2: Korea’s Beer Imports (HS2203, Volume, Metric Ton)

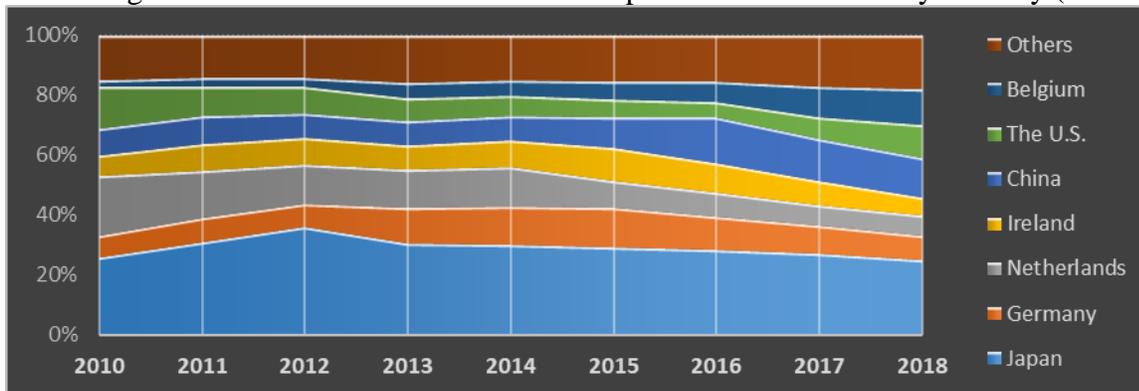


Source: Korea Trade Information Service (KOTIS) Database, [www.kita.net](http://www.kita.net)

- Japan remained the leading supplier of imported beer to Korea by shipping \$78 million in 2018, up 10 percent from 2017. Many of the leading Japanese breweries have developed direct business partnerships with leading Korean alcohol beverage companies for efficient marketing and distribution in Korea. Marketers also point out that, given Korean breweries' nearly exclusive focus on larger style beer over the years, Korean consumers are very familiar with its flavor profile. This situation is another key reason for Japanese beer’s early success in Korea (Japanese breweries’ main focus has also been lager-style beer). Japan is about the only major trading partner of Korea that has yet to establish a free trade agreement with Korea. As a result, Japanese beer is still disadvantaged by the 30 percent import duty upon entry into Korea. Nevertheless, Japan’s logistics advantage for shipping to Korea, as well as their aggressive pricing and consumer promotion strategy, has enabled Japanese breweries to take the leading market share in Korea’s imported beer market. Korea accounted for 70 percent of Japan's beer exports in 2018.
- China has rapidly emerged as a leading exporter of beer to Korea partly due to the rapid increase of Chinese tourists traveling to Korea as well as non-immigrant Chinese residents living in Korea under working visas. In addition, some of multi-national beer companies bring products from their Chinese breweries into Korea for lower cost. China remained the second largest supplier of imported beer to Korea by shipping \$41 million in 2018, up 8 percent from 2017. The 30 percent import tariff on Chinese beer is scheduled to phase out over a 20 year period under the China-South Korea Free Trade Agreement implemented in December 2015.

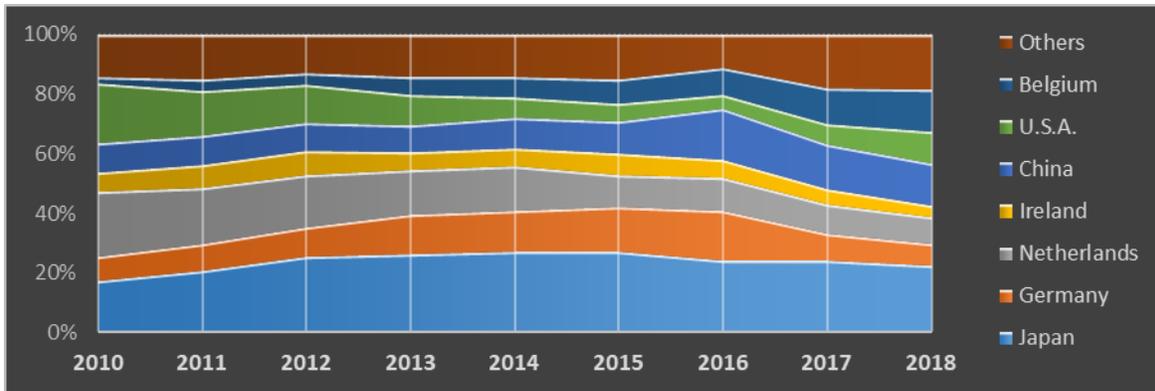
- Many Korean consumers harbor the traditional idea that Europe is the leading origin for quality beer around the world. As a result, many European countries, including Germany, the Netherlands, Ireland and Belgium, have established strong market shares in Korea’s imported beer market. Korea’s beer imports from key European suppliers in 2018 amounted to \$36 million for Belgium (up 41 percent from 2017); \$25 million for Germany (up 0 percent); \$18 million for Ireland (down 11 percent); and \$21 million for the Netherlands (up 9 percent). Imported beer from European Union (EU) countries enters Korea duty free under the Korea-EU Free Trade Agreement implemented on July 1, 2011.
- Despite elevated competition, Korea offers an excellent export opportunity for American beer. Some major, large-scale American beer brands, including Budweiser, Miller and Coors, have relaunched in Korea under partnerships with leading Korean alcohol beverage companies recently. Further introductions and marketing of large-scale American beer brands should expand the demand for overall American beer in Korea by strengthening the value proposition of American beer to general Korean beer consumers. At the same time, emerging demand for premium quality beer among opinion-leading beer consumer groups should expand the export opportunity for American craft beer to Korea. Many of these opinion-leading beer consumers are young professionals who are well traveled and recognize the United States as a leading origin of premium quality, craft beer in the world. According to a report by the American Craft Brewers Association (AOB), exports of American craft beer to the Asia-Pacific market totaled \$21.4 million in 2017, up 7 percent from the previous year, and Korea was one of the top three export markets in the region along with China and Australia.

Figure 3: Breakdown of Korea’s Beer Imports – Market Share by Country (Value)



Source: Korea Trade Information Service (KOTIS) Database

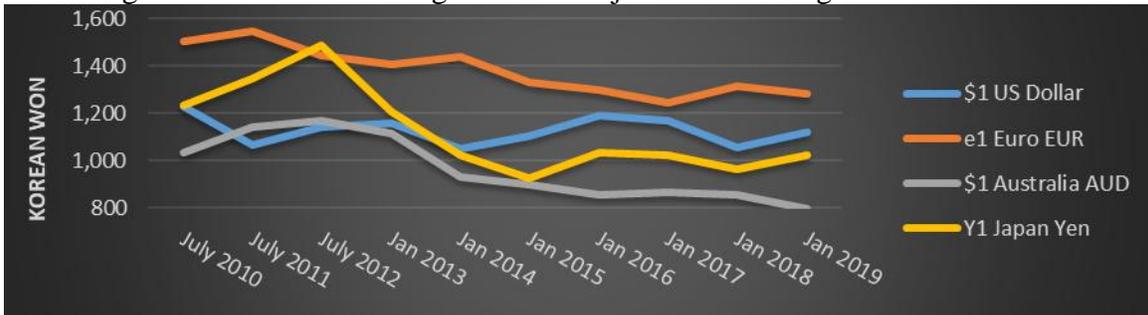
Figure 4: Breakdown of Korea’s Beer Imports – Market Share by Country (Volume)



Source: Korea Trade Information Service (KOTIS) Database

- The value of the Korean won has gone through significant shifts against major international currencies ever since the Asian financial crisis back in 1998. It is notable that the retail price of imported beer in Korea is directly affected by currency exchange rate shifts.

Figure 5: Shifts of Exchange Rate of Major Currencies against Korean Won

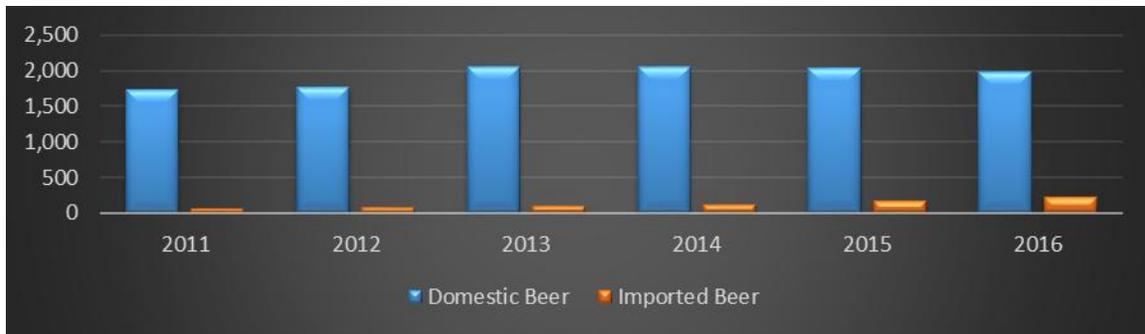


Source: Korea Hana Exchange Bank

## 2. DOMESTIC KOREAN BEER PRODUCTION

- Domestic breweries in Korea generated W2.0 trillion won of sales (net value of products supplied to the market exclusive of liquor taxes) in 2016, down 3 percent from 2015. In terms of volume, domestic breweries sold 2.0 billion liters in 2016, down 3 percent from 2015. Although domestic breweries continues to dominate the Korean beer market, domestic beer production is likely to see stagnant growth in the coming years due to increased competition from imported beer.
- The domestic beer industry has long been driven by two large-scale local breweries, Oriental Brewery Company Co., Ltd. (OB) and Hite-Jinro Co. (Hite). Industry data indicates that OB and Hite accounted for 60 percent and 26 percent of overall beer market sales in 2017 respectively. Lotte Chilsung, another large-scale domestic brewery, entered the industry by launching the ‘Kloud’ brand in 2014. Lotte Chilsung took 4 percent of the beer market in 2017.

Figure 6: Volume of Beer Distributed in Korea (Unit: Million Liters)



Source: Korea Alcohol Beverage Industry Association, Korea Wine & Spirits Importers Association

- It is notable that OB was acquired by Anheuser-Busch (AB) InBev in 2014. As a result, OB currently brews and bottles some of AB InBev's portfolio, including Hoegaarden and Budweiser (glass bottles), in Korea for local distribution. In addition, OB imports and distributes many AB InBev brands into Korea, including Budweiser (cans), Corona, Beck's, Stella Artois, Leffe and Löwenbräu. Hite-Jinro and Lotte Chilsung have also established import distribution partnerships with some of leading international beer companies to capitalize on increased market demand for imported beer.

Table 2: Overview of Leading Breweries in Korea

	Oriental Brewery Company (OB)	Hite-Jinro Co. (Hite)	Lotte Chilsung Co. (Lotte)
Major Brands	Cass, OB, Cafri	Hite, Max, Stout, Filite	Kloud, Fitz
Imported Brands	Budweiser, Hoegaarden, Corona, Beck's, Stella Artois, Leffe, Löwenbräu, Suntory	Carlsberg, Kirin, Singha, Kronenbourg, Tooheys Brothers	Miller, Coors, Bluemoon, Asahi
Internet Home-page	<a href="http://www.obbeer.co.kr">www.obbeer.co.kr</a>	<a href="http://www.hitejinro.com">www.hitejinro.com</a>	<a href="http://www.kloudbeer.com">www.kloudbeer.com</a>

- Korean regulation stipulates a very low minimum malt inclusion threshold (10 percent of total starch ingredients) in brewing beer. As a result, the leading domestic breweries use a large amount of non-malt grains such as wheat and rice to reduce costs and soften flavors. They have also focused on lager-style beer over the years, reflecting general Korean consumers' preferences for dry, refreshing taste. However, the evolving taste of local consumers has pressured local breweries to newly launch or expand production of ale type beer as well as products with more malt and hops. Nevertheless, the key strategy of large local breweries is to offer a limited assortment of low-price, low flavor beer targeting mass distribution.
- The Korean government maintains a high entry barrier for establishing a regular (large-scale) brewery license. This license is required for distribution of the product to off-premise retail stores (supermarkets and liquor shops), alcohol beverage wholesalers, and on-premise pubs and restaurants. A regular brewery license requires a minimum 250,000 liters of fermentation tank and 500,000 liters of holding tank capacity.
- The Korean government introduced a series of regulatory reforms since 2002 to lower entry barriers and allow small-scale ("micro") breweries to emerge and meet increased consumer demand for diversity and quality. In particular, reforms introduced in 2015 laid out a key milestone in the local

microbrew industry as it allowed microbreweries to distribute products outside their premises to non-affiliated restaurants and pubs. Another key reform took effect in 2018. It further expanded microbreweries' distribution reach to grocery retail stores and wholesalers. The number of microbreweries in Korea increased sharply from 58 in 2014 to 100 in 2018. Local microbreweries distributed a total of 9 million liters of beer, which accounted for 0.5 percent of the overall beer market sales in Korea as of 2017. Marketers point out that Korean government regulation still presents significant barriers for the microbrew industry to grow further. In particular, beer is subject to a high liquor tax (72 percent) which is based on the value (cost) of the product. Value-based taxation disadvantages higher cost microbreweries.

Table 3: Korean Government Regulations for Local Small-scale (Micro) Breweries

Category	Regulations
Production Facility & Equipment	1) Brew & Fermentation tank: Minimum 5,000 liters / Maximum 120,000 liters. 2) Filtration & sterilization process is required unless the product is distributed through temperature-controlled distribution chain.

### 3. ALCOHOL BEVERAGE MARKET TRENDS IN KOREA

- Korea is one of the leading markets in the world for per-capita alcohol beverage consumption. Drinking is considered an important part of social life and is often encouraged at social and business occasions. Although drinking is decreasing among the elderly population for health concerns, the market is gaining new drinkers from the young and female population.
- The amount of alcohol beverages distributed in Korea totaled W5.1 trillion won (about \$4.6 billion, net value of products exclusive of liquor taxes) or 3.7 billion liters in 2016, down 1 percent and 2 percent from the previous year respectively. Beer and soju (traditional Korean hard liquor distilled from sweet potato/tapioca/rice/other starch ingredients and then diluted to about 18 percent alcohol content) together accounted for 76 percent of the alcohol beverages distributed to the market in terms of value (or 85 percent in terms of volume).

Table 4: Net Value of Alcohol Beverages Distributed in Korea (2016, Billion Won)

Product Category	Local Products	Imported Products	Sub-Total
Beer	1,975	193	2,169
Soju	1,697	1	1,697
Distilled Spirits	24	200	224
Rice Wine	470	18	487
Fruit Wine*	102	206	307
Others	140	42	181
Total	4,407	659	5,066

Source: Korea Wine & Spirits Importers Association (based on Korea Tax Service data)

\*Note: Local products under Fruit Wine category includes all wine made from fruits. Imported fruit wine refers to grape wine only.

Table 5: Volume of Alcohol Beverages Distributed in Korea (2016, Million Liters)

Product Category	Local Products	Imported Products	Sub-Total
Beer	1,979	221	2,199

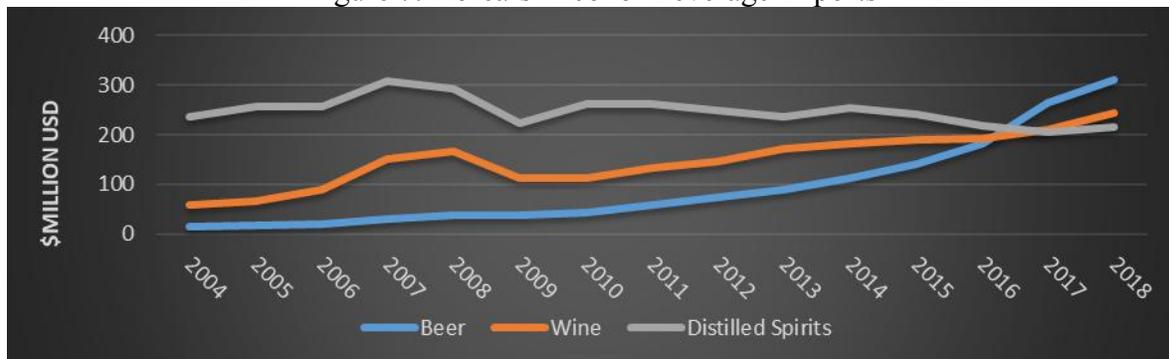
Soju	933	0	934
Distilled Spirits	4	25	30
Rice Wine	418	4	423
Fruit Wine*	17	38	55
Others	31	22	53
Total	3,383	311	3,694

Source: Korea Wine & Spirits Importers Association (based on Korea Tax Service data)

\*Note: Local products under Fruit Wine category includes all wine made from fruits. Imported fruit wine refers to grape wine only.

- Increased health concerns among the general public is increasing the demand for products with less alcohol content such as wine and beer. Soju showed steady performance in recent years mainly backed by continued launchings of new products that contain less alcohol.
- While local products dominate the market for beer and soju, imported products continue to lead the market for distilled spirits and fruit wine. While imports of distilled spirits are stagnating mainly due to increased health concerns, Korean consumers' strong demand for diversified flavors is likely to generate additional imports for wine, beer and sake (rice wine) in the coming years.

Figure 7: Korea's Alcohol Beverage Imports



Source: Korea Trade Information Service Database (Beer HS2203; Wine HS2204; Distilled Spirits HS2208)

#### 4. MARKET ENTRY STRATEGY

- By law, only licensed alcohol beverage importers are allowed to import alcohol beverages, including beer. There is no ceiling for the number of licenses issued, so any qualified candidate can obtain a license. There are over 500 licensed importers, but marketers estimate that only about 50 of them currently maintain an active business. Moreover, a dozen leading importers reportedly account for over 70 percent of total imports.
- Due to the on-going economic downturn, Korean alcohol beverage importers in general maintain a very conservative stance when it comes to launching new products. The importers may not react to new product offers from foreign suppliers unless the product in question indicates strong market potential particularly in terms of: international accliams earned by the product (awards, critics' favorable evaluations, etc.); value-quality proposition in comparison to leading products in the target market segment; and promotional support offered by the supplier.

- Korean traders highly value face-to-face contacts when developing business relationship with new foreign suppliers. Personal visits to Korea allow new-to-market suppliers to gain contacts with Korean importers as well as hands-on knowledge about local market trends. Contact information of Korean alcohol beverage importers is available from ATO Seoul upon request. Facility and equipment of ATO Seoul, including meeting rooms and a small kitchen are also available to new-to-market suppliers.
- Trade shows are an efficient venue for new-to-market American suppliers to develop contacts with a large number of Korean buyers. American beer suppliers are encouraged to consider the following food and beverage trade shows in Korea:
  - 1) Seoul Food & Hotel ([www.seoulfoodnhotel.co.kr](http://www.seoulfoodnhotel.co.kr)) is the leading food trade show held annually in Korea. This is the only show in Korea that is officially endorsed and sponsored by USDA/FAS. The up-coming 2019 show will be held May 21-24. For registration information, please contact the American Pavilion organizer, Oak Overseas ([rhood@oakoverseas.com](mailto:rhood@oakoverseas.com)).
  - 2) The Korea International Beer Expo (KIBEX, [www.beerexpo.kr](http://www.beerexpo.kr)) is an important annual event dedicated to beer. The 2019 show will be held March 21-23. ATO Seoul and the American Brewers Association plans to organize a 'Great American Craft Beer Showcase Seoul' booth in the show to present a variety of American craft beer.
- Various regional and industry organizations in the United States offer export assistance programs to their member suppliers targeting foreign markets. General tools offered by the organizations include trade delegations to key foreign markets and international trade shows.
  - 1) American Brewers Association (BA)  
736 Pearl Street, Boulder, CO 80302  
Telephone: 303-447-0816  
E-mail: [info@brewersassociation.org](mailto:info@brewersassociation.org)
  - 2) Food Export Association of the Midwest USA  
309 W. Washington St., Suite 600  
Chicago, Illinois 60606  
Telephone: 312-334-9200 Fax: 312-334-9230  
E-mail: [thamilton@foodexport.org](mailto:thamilton@foodexport.org)  
Website: [www.foodexport.org](http://www.foodexport.org)
  - 3) Western United States Agricultural Trade Association (WUSATA)  
2500 Main Street, Suite 110, Vancouver, WA 98660-2697, USA  
Telephone: 360-693-3373 Fax: 360-693-3464  
E-mail: [janet@wusata.org](mailto:janet@wusata.org)  
Website: [www.wusata.org](http://www.wusata.org)
  - 4) Food Export USA Northeast  
150 S. Independence Mall West, 1036 Public Ledger Building  
Philadelphia, PA 19106, USA

Telephone: 215-829-9111 Fax: 215-829-9777  
 E-mail: [jcanono@foodexportusa.org](mailto:jcanono@foodexportusa.org)  
 Website: [www.foodexportusa.org](http://www.foodexportusa.org)

- 5) Southern United States Agricultural Trade Association (SUSTA)  
 2 Canal Street Suite 2515, New Orleans, LA 70130, USA  
 Telephone: 504-568-5986 Fax: 504-568-6010  
 E-mail: [jim@susta.org](mailto:jim@susta.org)  
 Website: [www.susta.org](http://www.susta.org)

## SECTION III: MARKET ACCESS

### 1. IMPORT TARIFF AND TAXES

- Korea applies a complicated tariff and tax system to imported alcohol beverages. The table below summarizes tariff and local taxes applied to imported American beer as of 2018.

Table 6: Korean Import Tariff & Taxes on Imported American Beer

Product	Import Tariff	Liquor Tax	Education Tax	Value Added Tax
Beer	0%	72%	30%	10%

- The following table illustrates the effects of import tariff and local taxes on a bottle of \$1 (CIF import value) American beer imported into Korea:

Table 7: Effects of Import Tariff and Taxes

A	CIF* Invoice Value	\$1.000
B	Import Tariff: A x 0%	\$0.000
C	Liquor Tax: (A+B) x 72%	\$0.720
D	Education Tax: C x 30%	\$0.216
E	Subtotal: (A+B+C+D)	\$1.936
F	Value Added Tax **: E x 10%	\$0.194
G	Handling fees for customs clearance ***: A x 8%	\$0.080
H	Total cost of beer upon customs clearance: (E+F+G)	\$2.210

Note\*: CIF is an export price upon arrival in a port in Korea inclusive of insurance and freight cost. Value of one time use plastic keg container is recognized as part of the CIF product value. Freight cost should be high if the product is shipped in a temperature controlled sea container or air cargo.

Note\*\*: The paid Value Added Tax (VAT) is eventually refunded to the importer as the tax is carried over to the consumer.

Note\*\*\*: In addition to import tariff and taxes, additional cost of about 8 percent of CIF value will occur for miscellaneous expenses during the customs clearance process, including paperwork, inspection, warehousing, and transportation. The amount of this additional cost depends mainly on the kind of inspection to which the shipment is subject. For example, warehousing fee and inspection fee will increase significantly if a detailed chemical inspection is required instead of documentary inspection.

### 2. INSPECTIONS AND FOOD SAFETY STANDARDS

- Imported foods and beverages, including alcohol beverages, are subject to documentation and food safety inspection to enter Korea. For more information about Korean regulations and standards on imported products, please refer to [FAIRS Country Report \(Food and Agricultural Import Regulations and Standards\)](#) published by the Agricultural Affairs Office of the U.S. Embassy Seoul (available at [www.fas.usda.gov](http://www.fas.usda.gov) under Data & Analysis section).
- When a new food safety issue arises, the local authority may enforce additional safety standards and mandatory tests on the imported products associated with the risk. For example, Chinese distilled spirits were recently subjected to an additional chemical inspection for contamination by environmental hormones, a move based reports in the local press.
- The table below summarizes key Korean food safety standards for beer designated in the Korea Food Code and the National Tax Office Decree:

Table 8: Key Korean Food Safety Standards for Beer

Product	Issue	Standards
Beer	Major ingredients	Malt (barley and wheat), Hop, Water, Starch ingredients (including wheat, rice, barley, corn, potato, and starch) are allowed to brew beer.
	Methanol	0.5 mg/ml or less
	Alcohol content	(1) 25% (v/v) or less (2) Labeled alcohol content should be within 0.5% point from actual content measured
	Additives allowed	Aspartame, Stevioside, Sorbitol, Sucralose, Lactose, Acesulfame K, Erythritol, Xylitol, Milk, Milk powder, Milk cream, Casein, Arabic gum, Pectin, Carbon dioxide gas, Sugars, Caramel, Tannic acid, All coloring and flavoring agents allowed in the Korea Food Additive Code

### 3. LABELING

- Korean law requires a separate Korean language label on imported alcohol beverages. In most cases, the Korean language label (sticker) is attached to the back of the bottle manually by the importer in the duty-free warehouse before customs inspection. The Korean language label should contain the following information:
  - 1) Product name
  - 2) Country of origin
  - 3) Product type
  - 4) Product volume
  - 5) Importer's name and phone number
  - 6) Alcohol percentage
  - 7) Names of major ingredients
  - 8) Names of food additives used
  - 9) Bottling date (not required if shelf life is shown)
  - 10) Shelf life (expiration date)
  - 11) Mandatory health warning clauses
  - 12) Mandatory warning clause against liquor sales to minors

13) Name of designated distribution channel (only required on bottles sold in off-premise retail stores. Bottles sold in small retail stores should be marked “For Home Use”. Bottles sold in large-scale retail stores should be marked “For Large-scale Store Sales”. “Sales in Restaurants and Bars are Not Allowed” should also be marked. )

- Fruit images or photos are not allowed on the label of food and beverage products if the product contains synthetic flavors only. A beer label can include “Lite” only if the product contains 30 kcal of calorie per 100ml or less.
- Quality claims (such as organic, kosher, and halal) are not allowed on the label unless the product has been certified for the claim by the Korean authority. For processed organic food and beverage, Korea and the United States have established an equivalency agreement. As a result, American organic beer certified in the United States may be sold as organic in the Korean market and display the USDA organic logo without additional certification by the Korean authority.

## **SECTION IV: KEY CONTACTS AND FURTHER INFORMATION**

### **A. USDA/FAS Offices in Korea**

U.S. Agricultural Trade Office Seoul (ATO)

Korean Address: Room 303, Leema Building, 42 Jongro 1-gil, Jongro-gu, Seoul, Korea

U.S. Mailing Address: U.S. Embassy Seoul, Unit 15550-ATO, APO, AP 96205-5550

Telephone: +82-2 6951-6848                      Fax: +82-2 720-7921

E-mail: [atoseoul@fas.usda.gov](mailto:atoseoul@fas.usda.gov)

Internet homepage: [www.atoseoul.com](http://www.atoseoul.com)

Agricultural Affairs Office, U.S. Embassy Seoul (AAO)

Korean Address: U.S. Embassy, 188 Sejong-daero, Jongro-gu, Seoul, Korea

U.S. Mailing Address: U.S. Embassy Seoul, Unit 15550-AgAff, APO, AP 96205-5550

Telephone: +82-2 397-4297                      Fax: +82-2 738-7147

E-mail: [agseoul@fas.usda.gov](mailto:agseoul@fas.usda.gov)

U.S. Animal Plant and Health Inspection Service Seoul (APHIS)

Korean Address: Room 303, Leema Building, 42 Jongro 1-gil, Jongro-gu, Seoul, Korea

U.S. Mailing Address: U.S. Embassy Seoul, Unit 15550-APHIS, APO, AP 96205-5550

Telephone: +82-2 725-5495                      Fax: +82-2 725-5496

E-mail: [yunhee.kim@aphis.usda.gov](mailto:yunhee.kim@aphis.usda.gov)

Internet Homepage: [www.aphis.usda.gov](http://www.aphis.usda.gov)

### **B. Additional Sources of Information & Support**

(1) For information on the non-agricultural commercial and industrial products in Korea, please contact:

U.S. Commercial Service

Korean Address: U.S. Embassy, 82, Sejong-ro, Jongro-gu, Seoul, Korea

U.S. Mailing Address: U.S. Embassy Seoul, Unit 15550-USCS, APO, AP 96205-5550  
Telephone: +82-2 397-4535 Fax: +82-2 739-1628  
E-mail: [Seoul.office.box@mail.doc.gov](mailto:Seoul.office.box@mail.doc.gov)  
Homepage: [www.buyusa.gov/southkorea](http://www.buyusa.gov/southkorea)

(2) The American Chamber of Commerce in Korea (AMCHAM) offers a local network of American businesses by sector, through which its over 1,000 member companies can share market intelligence and collaborate on new business opportunities.

Address: 15F, Two IFC, 10, Gukjegeumyung-ro, Yeongdeungpo-gu, Seoul, 07326, Republic of Korea  
Telephone: +82-2 564-2040 Fax: +82-2 564-2050  
E-mail: [amchamrsvp@amchamkorea.org](mailto:amchamrsvp@amchamkorea.org)  
Homepage: [www.amchamkorea.org](http://www.amchamkorea.org)