

Trade Mission: South Korea

South Korea Overview

South Korea is a sophisticated market with a taste for high-quality, differentiated products and commodities. South Korea's gross domestic product (GDP) ranked 10th in the world in 2020. As Asia's 4th largest economy, it registered US\$1.54 trillion in GDP in 2020. South Korea's GDP shrank just over 1% in 2020 from a year earlier, the smallest decline in the OECD. South Korea's traditional strength in the steel and petrochemical industries has been weak in recent years. South Korea is looking for more technology-intensive industries to drive growth such as; healthcare (including medical devices, pharmaceutical, and biotechnology), defense, advanced manufacturing and information technology.

Top opportunities for Virginia exporters to South Korea include:

- Defense and Aerospace
- Medical Devices
- Advanced Manufacturing & Robotics
- Agriculture

Opportunities in South Korea

Defense and Aerospace

South Korea's defense budget is ranked 10th globally in 2020. South Korea's Ministry of National Defense has announced a 2021 defense budget of \$48 billion. The budget will mostly focus on supporting defense operations, education and training, improving personnel welfare, and reinforcing Korea's armed forces responses to non-traditional threats including infectious diseases and terrorism.

Opportunities for Virginia companies include: aircraft upgrades, high-tech sensors, radars and missile systems, MOR legacy parts and components, and optic devices.



Seoul, South Korea

Medical Devices

According to a report published by the Korea Medical Devices Industry Association, the size of the medical device market grew 14.5% year-on-year to \$7.8 billion in 2019 and has grown to an annual average of 10.3% over the past five years (between 2015-2019). The leading medical device products in Korea are diagnostic imaging, surgical equipment, and dental products. After the pandemic, the Korean government and local companies are aiming to support and accelerate the adoption of new technologies such as ICT and AI into the new medical device.

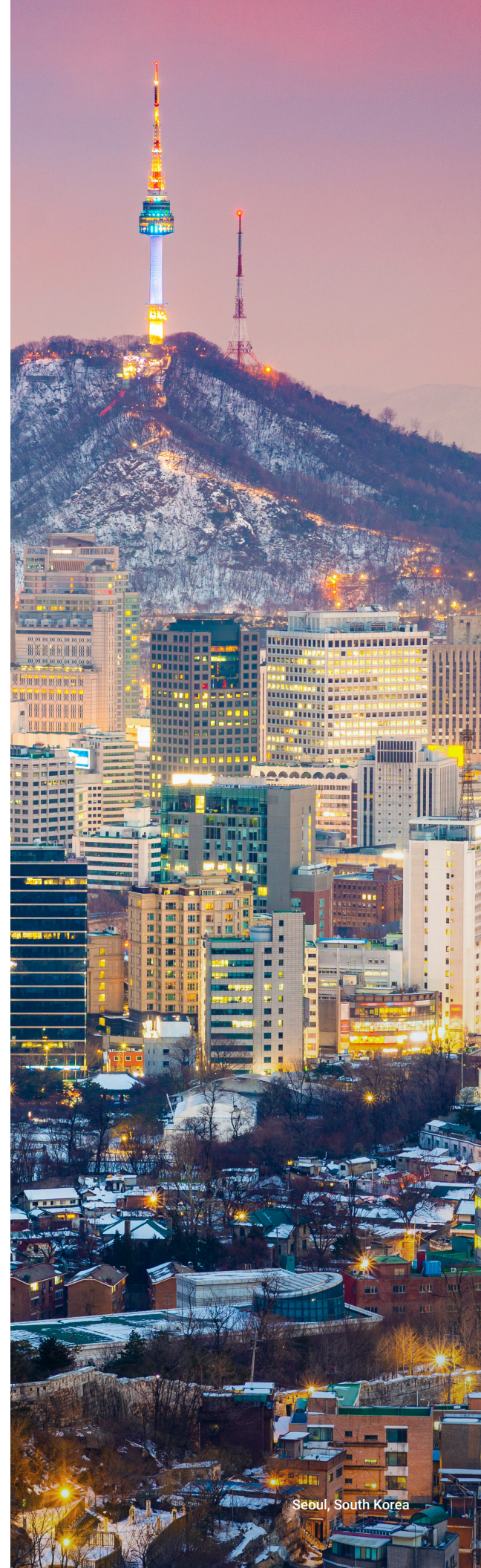
Opportunities for Virginia companies include: differentiated medical equipment, aged care-based products, and advanced medicines for dementia.

Advanced Manufacturing & Robotics

South Korea's market for smart factory is expected to reach \$12.76 billion by 2022. The market is the second fastest growing in Asia. Last year, South Korea announced its support of 1,000 smart factories combined with 5G and AI capabilities by 2025. With that, South Korea's conglomerates, small businesses, and foreign companies are being urged to make the smart factory transformation.

In the era of Industry 4.0, the robotics market also became an important sector for the nation's future growth engine. Currently, nearly 70% of the total robot market are industrial robots. The Korea SMEs and Startup Agency's report in 2019 pinpointed the largest demand for industrial robots worldwide as the automotive and electric & electronics industries; these industries are expected to accelerate the growth of the eco-friendly automotive market for electricity and hydrogen cars. Since the robot industry has become a key subject of Industry 4.0, the Korean government is spending \$15 billion to expand the business market by 2023.

Opportunities for Virginia companies include: sensors, robotics related parts & components, intelligent factories related products, and IoT.



Trade Mission Details

Objective:

The objective for this trip is to arrange and conduct quality meetings between you, our VEDP client, and potential sales partners (agents, representatives, or distributors) and/or customers in South Korea. Our ultimate goal is for these meetings to help you generate new sales for your company to customers in South Korea and to provide you with market intelligence only attainable by an in-country visit.

Trade Mission Dates

November 8–12, 2021

Registration Deadline

September 3, 2021

Schedule:

We will visit Seoul. However, there may be meetings in adjacent cities depending on your particular needs. Our consultants will ensure that your meetings are scheduled with the best contacts, regardless of their location. We will keep you apprised as your itinerary develops and suggest travel and logistics options for your itinerary.

The itinerary is planned as follows, and is subject to change:

Date	Day	Activity
September 3, 2021	Friday	Last day for registration
November 5, 2021	Friday	Latest day to depart United States
November 7, 2021	Sunday	Rest / Sightseeing
November 8, 2021	Monday	Trade Mission begins, Individual meetings
November 9–12, 2021	Tuesday – Friday	Individual meetings
November 13, 2021	Saturday	Return to United States



Frequently Asked Questions:

How many Virginia companies will participate?

The registration process is ongoing. Based on past trade missions, we expect 6-10 Virginia companies to participate.

What is the cost for my company to participate?

You must pay the trade mission participation fee of \$2,500 to the VEDP at the time of registration. The participation fee includes the following:

- Identifying, contacting and pre-qualifying local distributors, reps and/or partners and organization of your meetings with interested prospects
- Briefing on "Doing Business in South Korea"
- Your VEDP Trade Mission Leader and in-country consultant on hand during the week to ensure everything runs to plan

Additional *estimated* costs you will incur include (*but are not limited to*):

Expense	Estimated amount (\$)
Roundtrip airfare from Dulles to Seoul, economy class	1,500
Hotels (7 nights)	2,000
Meals	750
Airport transfers, taxis, public transportation & other miscellaneous items	500

How are the meetings organized?

The VEDP has engaged the services of Korea Business Services to identify, screen, and arrange meetings with potential partners for each of our trade mission delegates. Korea Business Services was selected through a competitive bidding process and has demonstrated extraordinary expertise, enthusiasm and commitment to the work of introducing Virginia companies to their markets. If you would like to learn more about Korea Business Services, please review their website: <http://kbsinc.co.kr/>.

In most cases, you will be traveling independently to the locations of the local companies with which you are meetings. Because most appointments will be held at the companies' locations, travel and other logistics may prevent each delegate from having a minimum of 3-4 meetings each day of the trade mission.

How will I get to my meetings?

For travel between meetings, our consultants will recommend the most effective method of transportation and provide information regarding train schedules and other travel logistics.

Will I need an interpreter?

When needed, interpreters will be provided by VEDP and are included in your registration fee.

How are airline and hotel reservations handled?

Airline tickets: You book (and pay for) your own airline ticket via local travel agent or online air travel website. If you do not have a travel agent, the Trade Mission Leader can recommend one for you.

Hotels: VEDP will select a hotel and, if possible, arrange for a block of hotel rooms. For efficiency and security all participants must stay in the same designated hotel in each city. Participants will be responsible for making their own hotel reservations using a group code provided by the Trade Mission Leader (if a block rate is available). You will pay all hotel room charges directly to the hotel.

How can I verify that South Korea is a good market for my company before we register for the trade mission?

Contact your local International Trade Manager or the Trade Mission Leader (see next page) **immediately!** We only want you to make the trip if we think there is good market potential in South Korea for your company. We can perform exploratory market research within a short period of time to verify market potential for you. The more time you give us, the better job we can do!

What are the entry requirements for South Korea? Will I need a passport or visa?

A passport is required with six months validity remaining. U.S. citizens do not need a business visa for South Korea for stays less than 90 days.

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Our company found it very useful to be able to have a pre-evaluated list of potential partners and to have all appointments arranged across the short time available. This has saved a lot of time and allowed us to proceed faster in selecting a new partner for an important market.

Trade Mission to South
Korea 2017

Registration:

How do I register to participate?

You can register and pay the trade mission fee online. You may do this visiting the following page on our website:

<https://south-korea-trade-mission-2021.eventbrite.com>.

Contact the Trade Mission Leader for more information:

Lee Sanderson

International Trade Manager

Phone: 804.545.5755

Email: lsanderson@vedp.org

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VEDP's in-country consultant did a great job identifying and vetting potential distribution partners. All our meetings were productive and focused. Overall, this trade mission was a very good experience and we will encourage other Virginia companies to participate.

Trade Mission to South
Korea 2017

Consultant Bio

South Korea

Ken Yang

Ken Yang has been offered his professional business development services for worldwide clients. He has over 27 years of experience in international trade, investment promotion, market development, market research, food & agricultural product promotion, and investment advisory services both for private and public businesses. Ken has been working with global businesses with professional knowledge in the various industry sectors including advanced manufacturing, healthcare & medical, pharmaceutical & life science, chemical, environmental & industrial machinery, information technology, alternative energy, electric and electronic, instrumentation, consumer goods, foods and agricultural products, hardwoods, and technology transfer.

Ken currently represents American State Economic Development Organizations including Virginia Economic Development Partnership, State Regional Trade Groups; food export promotion agencies; and higher education institutes. In addition, Ken has been working with various government organizations and private companies from Switzerland, Germany, Spain, Italy, UK, France, Brazil, and Mexico.

Ken received an MBA in International Business from Sogang Graduate School of Business Administration.