Q&A With Bernd Reckmann
Honorary Ambassador of Foreign Investment for Korea Bernd Reckmann shares his thoughts on Korea’s strengths and potential to be a “first mover”

Bernd Reckmann, the head of Merck’s Performance Materials and Merck Millipore divisions, has been an Honorary Ambassador of Foreign Investment for Korea since 2013. The Germany native was responsible for the Merck businesses in Korea in 2005 and 2006. Mr. Reckmann shared his insights as a former foreign business leader here on Korea’s strengths as an investment destination, where he sees the country in five years and more.

I was mostly impressed by the strong “can-do” attitude of the Korean people. With their energy and dedication basically everything is possible and if not it will be made possible. The diligence, working ethics, good education and curiosity to always try something new have impressed me very much. In addition, I experienced them as very friendly, passionate and also warm-hearted.

What is Korea’s greatest advantage as an investment destination, and what would be the best way to promote it to German investors?

Korea is an attractive economy with a lot of world-leading companies. The Korea-EU Free Trade Agreement creates opportunities for investments and business. Despite this, Korea is a hidden champion in the public perception in Germany. Many people lack knowledge of technology and industry capabilities as well as of the great Korean culture. Communication therefore is key to creating interest among German investors.

You are a former Head of Strategic Innovation for Merck. According to the Bloomberg Innovation Index 2014, Korea is the most innovative country in the world. How does Korea appeal to German investors as a base of innovation?

Korean people are addicted to innovation. The people are smart, incredibly hard-working and well-educated. The perceived risk of new technologies, which slows down a lot of innovations in Germany, is not present in Korea. Innovation is appreciated as opportunity to improve the future. In addition, a positive framework for growth generated by the government helps Korean companies on their way to becoming world leaders. This success story of innovation in Korea is well known to Germans by Korea’s successful products, especially consumers’ electronics and cars.

What sector or industry in your country is most likely to invest in Korea, and why?

Based on the strong automotive companies in Korea and the leading semiconductor & display companies, it is very attractive for suppliers to these industries. Biotechnology could become a new field of activity and also attract German investment. In addition, a lot of business may explore Korea as an Asian hub because of its location and the existence of several free trade agreements.

What can Korea improve, to bring in more investment?

Korea should offer more room for small- and medium-sized companies in technology, manufacturing and services. A good balance between the speed of change and predictability and stability is important for foreign investors. This is especially valid for stability in the legal, tax and regulatory environment.

How do you envision Korea in the next five years?

I have strong faith in Korea’s future. I expect that society will develop also in line or following the new technological development. Topics like gender diversity, flexible working models, work-life balance and an aging society will drive changes in society. Korea may transform from an industrial-focused “fast follower” to a “first mover” in many areas. This also could enable a flourishing of technology start ups and SMEs, which could become more independent from large conglomerates and go global.

By Young Chang
young.chang@kotra.or.kr