Invest Korea News

INVESTMENT PROMOTION CONFERENCE HELD IN JAPAN

The 2015 conference to promote investment from Japan in Korea was held April 20-23 in Tokyo and Nagoya, Japan. Kiwon Han, the head of Invest Korea (IK), and representatives of the Korea Automobile Manufacturers Association, Busan-Jinhae Free Economic Zone Authority, Saemangeum Development Agency and other organizations participated in the conference. Officials introduced trends in Korea’s auto industry and the main industrial complexes of Korea’s local governments. Investment conferences were also held with potential Japanese investors. The aim of the conference was to target Japanese auto parts companies with the potential to invest in Korea.

MOTIE & IK HOLD PROJECT MANAGER TRAINING

The Ministry of Trade, Industry & Energy (MOTIE) and IK held the 23rd foreign direct investment project manager training course April 20-24 at the Invest Korea Plaza in Seoul. The course provided essential business information for managers of FDI-related matters at local governments, free economic zone authorities, Invest Korea, public organizations affiliated with the local government and more. Participants also learned essential business skills, including those related to communicating and giving presentations.

Foreign Company News

DENSO KOREA COMPLETES NEW PLANT IN CHANGWON

Denso Korea Electronics, a subsidiary of a Japanese automobile parts supplier, has a new plant in Changwon, Korea.

Having signed an investment agreement with Changwon City in 2012, Denso purchased an industrial complex (82,845 m²) near Machang Bridge in Usan-dong and constructed an automobile electric parts production plant and a research institution. The newly built plant will produce dashboards, which will be supplied to car manufacturers at home and abroad.

Changwon City named the industrial complex “Changwon Denso Urban High-Tech Industrial Complex,” as Denso is the only company in the complex.

Started as Pungsung Precision Tube Co., Ltd. in 1976, Denso Korea Electronics is a medium-sized company with more than 700 employees and annual sales of KRW 400 billion (USD 372.3 million). Changwon City designated the days between April 13 and 21 “Denso Week” to celebrate the construction of the new plant.

BRITISH COMPANY BUILDS PLANT IN GYEONGGI PROVINCE

IMI, a British large-valve manufacturer, completed construction of a USD 20 million plant on March 31 in the Dangdong foreign-invested industrial complex in Paju, Gyeonggi Province. The plant is a fruit—the first, in fact—of a revised system for attracting foreign-invested companies in Gyeonggi Province.

IMI, which produces large valves for power plants and the petrochemical industry, established IMI CCI Korea in Gimpo in 1996. The plant in Paju will help IMI reduce extra expenses, including logistics costs and tariffs, and enter not only Korea’s large-scale plant market, but also the global market.

The province requested that the government revise the Foreign Investment Zone Operation Guideline in June of 2012, as it prevents foreign investors from investing more in the region. The government accepted the province’s request for a guideline amendment so that foreign-invested companies that have increased their investment can relocate their plants to or build their plants in industrial complexes for foreign investors. The province signed a business agreement with IMI to build a plant in Paju in November, 2012.

IMI, established in 1862, is one of the top 100 listed companies in the UK. Sales reached KRW 4 trillion in 2011. IMI CCI Korea has 200 workers and recorded sales of KRW 100 billion in 2012.

Korea News

KOREA HAS RECORD HIGH DRAM MARKET SHARE IN 2014

Korea accounted for 67.7 percent of the global DRAM market in 2014, its highest ever, according to data from IHS, Samsung Electronics held 40.4 percent of the market, which was an increase from 36.2 percent a year earlier, thanks to its 20-nanometer products. SK Hynix had a 27.4 percent market share last year due in part to its 25-nanometer DRAM lineup.

Government & Policy

TRADE MINISTER PROMISES SUPPORT FOR JAPANESE INVESTMENT

Minister of Trade, Industry & Energy Yoon Sang-jick last month promised more support for Japanese investors in Korea and to continue eliminating red tape. He spoke at a meeting in Seoul with the Seoul Japan Club, an organization of businesspeople from Korea and Japan.

The minister said the Korean government would endeavor to improve incentives for foreign investors who boost employment and development in Korea and that it would ease regulations to meet investors’ needs.

Fifty-eight recommendations related to boosting foreign investment in the country were made at the meeting. Some of them will be implemented in future policies.