

## The Latest on Korea's Investment Environment



### Sephora to open 1st shop in S. Korea

Sephora will open its first outlet in South Korea in October amid a growing interest in multi-brand beauty shops in the country.

Spread across 547 square feet, the store will be located at Parnas Mall in Gangnam in southern Seoul, featuring hundreds of cosmetics, skincare, body and fragrance brands, along with its own private label, Sephora Korea said. The store will officially open its doors on Oct. 24.

"Sephora will contribute to expanding the local beauty market by proposing a new standard," Kim Dong-ju, CEO of Sephora Korea, said in a press release.

Sephora plans to open six local stores and an official online store by 2020, as well as 13 additional stores by 2022, according to the company.

Sephora, part of the French luxury goods conglomerate LVMH, has nearly 3,000 stores worldwide. The beauty conglomerate has expanded aggressively in Asia, opening stores in Singapore, Thailand and India.

South Korean consumers in recent years have shown interest in beauty shops that house international beauty brands.

### Renault to continue investment in S. Korea amid labor dispute

The chief of Renault Samsung Motors Corp. has promised to continue investment in South Korea as the Korean unit of Renault S.A. serves as the R&D center for midsize vehicles for the French automaker.

In his meeting with Oh Keo-don, mayor of Busan Metropolitan City, Renault Samsung CEO Dominique Signora asked for joint efforts to resolve an extended labor dispute at the carmaker's only plant in Busan, 450 kilometers south of Seoul, the company said in a statement.

It is urgent for the company and the union to sign a wage and collective agreement deal for the year 2018 in order to secure production volume for the SM3 compact and the XM3 compact sport utility vehicle for exports to Europe, Signora said.

Renault will continue to invest in Renault Samsung as the Korean unit has played a pivotal role in developing the D-segment passenger car models such as the SM6 sedan and the QM6 sport utility vehicle for the French auto group.

The Busan plant is a core asset for Renault Samsung to remain competitive in Korea, he said.

Mayor Oh said Busan city will cooperate with Renault Samsung to resolve the labor dispute.

### China's top brewer debuts new brand in S. Korea

The China Resources Beer Corp. (CRB), China's top brewer, debuted a new beer brand in South Korea to cater to rising demand for diversified flavors and high quality, its local distributor said on March 17.

The Beijing-based brewer showcased a new lager called Super X with a 3.8 percent alcohol content in South Korea to target the younger population, following its launch in China in March 2018.

Hyunwon Korea, its local distribution channel, will start selling the beer at local discount chains and convenience stores next month, with plans to target local restaurants later this year.

China's No. 1 brewer made a foray into the Korean market as Chinese alcohol has enjoyed growing popularity in Chinese restaurants here. Tsingtao is the most famous Chinese beer brand in South Korea, as it is considered a good pairing for lamb skewers.

CRB's flagship Snow Beer is the world's top brand with a 6.1 percent market share by volume, but it is mostly sold in mainland China with a 26 percent share in the country as of 2017.

## What's Trending



### S. Korea vows to power 4th industrial revolution with 5G

On April 8, the South Korean government vowed to develop 5G as the key platform for the fourth industrial revolution as the next-generation wireless technology promises advanced connectivity for a wide range of industries and services.

The Ministry of Science and ICT said it has designated a number of information and technology sectors as the "strategic 5G" industries with potential to propel growth in high-tech areas, including smart factories, autonomous driving, smartphones, robots and drones.

It set a goal of creating USD 73 billion worth of exports and 600,000 jobs in the related fields by 2026.

The road map was announced after the nation's three mobile carriers launched their 5G service on Samsung Electronics Co.'s Galaxy S10 5G, becoming the world's first country to begin the commercial service.

"The government and industry will work together to get ahead of the 5G market and create meaningful changes that can change people's lives," ICT Minister Yoo Young-min said in an event celebrating South Korea's commercial 5G rollout at Olympic Park in southern Seoul.

Top carrier SK Telecom Co. has installed over 34,000 5G network stations nationwide, surpassing KT Corp.'s 30,000 and LG Uplus Corp.'s 18,000, according to the carriers. 5G networks require the deployment of more base stations than 4G LTE.

The 5G services will be available in heavily populated spots in the Seoul metropolitan area and other major cities for now because the carriers are planning to complete building network stations for 5G in 85 cities by the end of this year.

Telecom operators say their 5G technology will enable networks to handle far larger volumes of data with very low latency, which smoothes the way for everything from streaming 4K videos to autonomous driving and precise remote control of robots in factories.