

## Tesla launches Model Y in S. Korea

On Feb. 12, U.S. electric vehicle maker Tesla Inc. launched its compact sport utility vehicle (SUV), the Model Y, in S. Korea as it tries to boost sales in the country.

Tesla Korea said the Model Y is available in three trim levels here, with the starting price for the standard range model set at KRW 59.99 million (USD 54,191). The prices for the long-range model and the performance trim are to start from KRW 69.99 million and KRW 79.99 million, respectively.

Starting this year, S. Korea will give the full amount of government subsidies to electric cars that are priced below KRW 60 million,

meaning only those who buy the Model Y standard trim can get the subsidies in full.

The U.S. EV brand also launched the 2021 version of the Model 3 sedan. It will be available in three trims as well, with the price starting from KRW 54.79 million.

With the launch of new models, Tesla Korea said it will establish supercharger stations in 27 spots in the country and add a maximum eight maintenance centers nationwide by the end of this year.

The data also showed that imported EV sales reached 15,183 units in 2020, and Tesla represented 77.9 percent of them.

## Korean e-commerce giant Coupang heads to NYSE for IPO with dual-class shares

S. Korean e-commerce giant Coupang Inc. headed to New York for its initial public offering with expected valuation of over USD 50 billion will list shares with different voting rights.

According to Coupang's IPO plan, the company will employ a dual-class structure when listing its common shares on the New York Stock Exchange.

The multi-class share structure, popular in the U.S., is used by major tech firms like Google parent Alphabet Inc. The practice is not allowed in Korea, as such can leave some shareholders with no voting rights.

Coupang has shares categorized in ten different classes, with voting rights varying

by class. It is not known how much and what kind of shares each of the firm's key investors own. Its main backer is Japan's SoftBank Group Corp. and other key investors include Sequoia Capital and BlackRock Inc.

On Feb. 12 (local time in the U.S.), Coupang revealed that it recently filed for IPO with U.S. Securities and Exchange Commission. Coupang has been long expected to have its shares listed on the New York bourse.

Founded in 2010, Coupang is the largest e-commerce player in Korea with 14.8 million active customers as of the fourth quarter 2020. Revenue per active customer averaged USD 256 in the fourth quarter, up 59.0 percent from a year earlier.

## Trade & Commerce

### S. Korea's exports jump 69 pct in first 10 days of Feb.

S. Korea's exports jumped 69.1 percent on-year in the first 10 days of February on strong shipments of chips and autos amid the pandemic, customs data showed Feb. 15.

The country's outbound shipments stood at USD 18 billion in the Feb. 1-10 period, compared with USD 10.6 billion a year earlier, according to the data from the Korea Customs Service.

By sector, outbound shipments of memory chips, a key export item, advanced 57.9 percent on-year in the cited period, and exports of autos soared 102.4 percent.

Semiconductors accounted for about 20 percent of exports by S. Korea, home to Samsung Electronics Co., the world's largest memory chipmaker, and its smaller rival SK hynix Inc.

Exports of petroleum products rose 37.5 percent on-year amid rising oil prices, and those of telecommunication devices gained 88 percent.

By country, shipments to China—S. Korea's largest trading partner—jumped 65.7 percent on-year, and exports to the United States shot up 91.4 percent, the data showed.

In January, exports, which account for half of the S. Korean economy, rose 11.4 percent on-year on the back of brisk demand of chips and autos, the data showed.

The finance ministry forecast the country's overseas shipments to grow 8.6 percent on-year this year on strong shipments of semiconductors and cars.

## Industry

### Smart factories rise sharply, nearing 20,000

A growing number of factories in S. Korea have adopted smart solutions based on cutting-edge technologies to improve manufacturing efficiency, government data showed Jan. 14.

A total of 19,799 smart factories were registered in the nation till the end of 2020, up from 12,660 in 2019 and 7,903 in 2018, according to the data from the Ministry of Small and Medium-sized Enterprises (SMEs) and Startups.

A smart factory is defined as a factory where production processes are combined

with digital technology, smart computing and big data and advanced networks to create an agile, automated manufacturing environment.

Large companies, including chipmaker Samsung Electronics Co. and steelmaker POSCO, have collaborated with their contractors to streamline their manufacturing lines and adopt digital solutions, including 5G, robots and the Internet of Things.

The government aims to create 30,000 smart factories and 10 smart industrial zones by 2022 to upgrade the S. Korean manufacturing industry's competitiveness.

### S. Korea's online food market grows explosively in 2020 amid pandemic

S. Korea's online food market posted explosive growth in 2020 from a year earlier due to the fallout from the coronavirus pandemic, data showed Feb. 15.

The value of online food transactions in Asia's fourth-largest economy came to KRW 43.4 trillion (USD 39.2 billion) last year, up 62.4 percent from a year earlier, according to the data from Statistics Korea and industry sources.

The online food market surpassed the KRW 40 trillion mark last year after reaching USD 26.7 trillion the previous year. Last year's surge was attributed to a marked increase in contact-free consumption in the wake of the coronavirus outbreak.

Mobile shopping stood at KRW 35.1 trillion, or 70 percent of the total, with internet shopping taking up the remainder.

## Government & Policy

### S. Korea to increase number of eco-friendly cars to 7.85 mln by 2030

S. Korea said on Feb. 18 that the accumulated number of eco-friendly cars running in the country will reach 7.85 million by 2030, in line with its vision to go fully carbon-neutral by 2050.

The target will mark a sharp rise from 820,000 units tallied in the previous year, according to the Ministry of Trade, Industry and Energy. The emission of greenhouse gases from cars will also fall 24 percent over the period.

The announcement came as a part of the five-year fourth basic plan on promoting the eco-friendly automobiles. S. Korea has been making efforts to penetrate deeper into the future car industry in line with its green energy drive. As of 2020, S. Korea was the world's fourth-largest exporter of electric cars and the world's top producer of hydrogen fuel cell models.

To meet the new target, public organizations are obligated to purchase only

eco-friendly cars starting this year, while more incentives will be provided to the private sector as well.

S. Korea plans to install at least 120 fast-charging stations for electric vehicles this year, which would allow them to travel 300 kilometers after being charged for 20 minutes. Parking lots will be obligated to have at least 10 charging booths for every 200 cars starting in 2022. Hydrogen fuel cell cars will be able to reach charging stations within 30 minutes nationwide.

To make eco-friendly cars more affordable, S. Korea said it plans to slash the price tag by at least KRW 10 million (USD 9,200) by 2025 through tax incentives and developing home-grown parts.

Other major goals include releasing fully autonomous vehicles by 2024. Some 1,000 auto parts makers will be transformed as future-car related businesses by 2030 as well.