



The Florida | Korea Report



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“FLOR/KOR” “플로리다-한국 경제협력 위원회”

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Final Reminder: 2017 Florida-Korea Summit to be held in Miami March 17

Florida Korea Economic Cooperation Committee (‘FLORKOR’) will present its next Florida Korea Business Summit Program in partnership with PortMiami this coming March 17. PortMiami is hosting the event at its Cruise Terminal B from in Miami, FL, on from 9:00-11:00 am, followed by the FLOR/KOR Annual Meeting of Members and networking and business card exchange time from 11:00 am-noon .

This summit program connects business, government, economic development, and tourism and education leaders with the very top officials of Korea government and companies interested in expanding ties with the state and the host city of Miami. **Mr. Chang Kyu Kim, Minister Counselor for Trade, Industry and Energy at the Korean Embassy will participate as**

the keynote speaker of this year’s summit, and Mr. Chris Hart, President and CEO of Enterprise Florida and Florida Secretary of Commerce, has been invited to participate as well. This year’s summit is presented in partnership with Enterprise Florida, The Florida Department of Economic Opportunity, PortMiami and with additional support from the Korea Trade Center - Miami (KOTRA). This important statewide gathering of Florida-Korea business and community event provides a unique opportunity for businesses to network with leading Korean companies. Korea is the world’s fifteenth largest economy and one of the most vibrant of East Asia. It is also one of Florida’s largest trading partners - with over \$2.2 billion in bilateral trade in 2015. Some 35 key Korean companies and organizations have



Minister Chang Kyu Kim, Minister Counselor for Trade, Industry and Energy, Embassy of the Republic of Korea in the U.S.

chosen to invest in Florida’s economy statewide, and Miami has a Korea Trade Center and an Honorary Korean Consulate General.

Online registration is now up on our website. To register, please click [here](#). Registration and admission to this year’s summit is free,

however, advance registration is required due to space limitations and event arrangements. We look forward to your participation on March 17. Feel free to contact us with any questions or for more details in the meantime.

Who Will Replace President Park?

The South Korean Parliament has voted to impeach President Park Geun-hye and the country’s eight-member Constitutional Court voted unanimously to uphold Ms. Park’s impeachment and removed her from office. South Korea will hold a snap election to replace former President Park Geun-hye on May 9, the country’s acting president said at a cabinet meeting, formally setting a date for a poll that is expected to usher in a government with dramatically different political priorities.

The acting president, Prime Minister Hwang Kyo-ahn, also said that he won’t run in the presidential race. The following is a list of potential candidates to replace Ms. Park.

MOON JAE-IN, 63

Democratic Party leader

As the likely presidential candidate of the main opposition party, the liberal Mr. Moon tops opinion surveys of potential replacements for Ms. Park. As a student activist in the 1970s, Mr. Moon was jailed for opposing the dictatorship of Ms. Park’s father, President Park Chung-hee. He had been a friend and

ally of President Roh Moo-hyun since the 1980s. Mr. Moon supports the country’s alliance with Washington, but he has argued that it needs a more “balanced diplomacy”.

LEE JAE-MYEONG, 51

Mayor of Seongnam

A rising star among progressives, Mr. Lee calls himself the Bernie Sanders of South Korea. But he is more like President-elect Donald J. Trump in one respect: He uses Twitter, too. He has a huge audience there and has used his pointed comments to attack Ms. Park and her policies. He was one of the first major politicians to address the crowds of antigovernment demonstrators who have filled central Seoul on recent weekends. He says that Ms. Park “should be handcuffed” on criminal charges the moment she leaves office. Before running for mayor, he worked as a lawyer defending labor activists and political dissidents.

AHN CHEOL-SOO, 54

People’s Party leader

A millionaire software mogul who leads a small opposition party, Mr. Ahn became a political

star for his plain talk about equality and justice and his searing criticism of the existing political parties and big business. “Bill Gates wouldn’t have become Bill Gates if he were born in South Korea,” Mr. Ahn once said, accusing Samsung, Hyundai and other major corporations of creating “zoos” where they have shackled small entrepreneurs with slavelike contracts.

PARK WON-SOON, 60

Mayor of Seoul

As mayor of the capital, Mr. Park is considered the second most powerful elected official in South Korea after the president. A former human rights lawyer, he is seen as a leader of the civil society movement and founded the country’s most influential civil and political rights group. He has won many landmark legal cases, including South Korea’s first sexual harassment conviction. A tireless critic of what he calls growing social and economic inequality.

Sources: Wall Street Journal 3-15-17 & NYT 12-9-16

Samsung taps liner service from Mexico to Miami to avoid border



The Port of Miami

A new all-water container service moving Samsung products from Mexico through the Port of Miami to the Southeast is providing some shippers a cheaper and faster option, shaving off roughly half the time and a quarter of the cost from traditional trucking cross-border options.

It's not just the next chapter for Miami, port officials say, it's the next chapter for North American free trade: an all-water route that eschews costly and time-consuming transits at the U.S.-Mexico land border.

"Everyone says, 'What's next with NAFTA?' The next highway for NAFTA is an all-water route," Eric Olafson, Miami's manager of trade development, told JOC.com at the 16th annual TPM Conference in Long Beach. "It's hard to conceptualize, because people are so focused on trade with Mexico that goes across the (land) border and we're coming out with a new route."

Since November of last year, Miami has hosted a weekly SeaLand Marine service, importing Samsung electronics out of Mexico's Port of Veracruz, said Miami Port Director Juan Kuryla. It includes roughly 25 to 35 forty-foot-equivalent units each week of televisions, phones and a variety of electronic products manufactured south of the border, Kuryla said.

It takes roughly four days, at most five, for the cargo to move from the manufacturing hub in the Valley of Mexico to Samsung's distribution center in Jack-

sonville, Florida, Kuryla said. After a two-day transit by sea, the electronics arrive in Miami and are transited overnight to the Samsung distribution center in North Florida via Miami's new on-dock Florida East Coast Railway service.

"If it leaves by 11 o'clock, it's in Jacksonville the next morning," said Olafson.

According to Olafson, the all-water route saves roughly four to five days of transit time and about 25 percent of all-inclusive costs versus traditional routes moving goods across the U.S.-Mexico land border. And those ships don't head back empty-handed, he said.

"We're evenly divided, the Port of Miami, imports and exports. So, those ships are picking up product that's headed back to Mexico, too," Olafson said.

That includes waste paper, furniture and consumer goods Miami is exporting to Latin America.

Samsung is the only shipper using the all-water service, for now, port officials said. Despite a slow economy, Mexico remains a manufacturing powerhouse. It is the leading exporter of domestic appliances in Latin America and the sixth largest in the world. Kuryla and Olafson said they hope the Samsung service will prove to be a successful pilot for future all-water import services.

"We're going to try and piggyback off this," Kuryla said. "If it's working for Samsung, why shouldn't it work for someone else doing something similar, or even other industries?" Kuryla said the port will be joining a Florida trade mission to Mexico in May and hopes to make some progress on that front.

But Miami has spent the last year on a trade mission of sorts, positioning itself as a major gateway for U.S. imports of all kind. It's a vision emboldened by the port's new FECR on-dock rail service, a new tunnel leading to Florida's interstate highway system, 50-foot harbor depths and multiple rail departures per day.

There is still debate over how successful Miami will be in becoming a major gateway for imports destined beyond the Florida market. Port officials, though, have indicated their 2015 import volume is evidence that the answer is a resounding, "Yes."

Container traffic at the Port of Miami jumped 20 percent in January, beating out U.S. Southeast competitors in Charleston and Virginia, which saw traffic flatline in the first month of the year.

The Port of Miami ranked third on JOC.com's list of the top 10 fastest-growing U.S. import ports for 2015. The gateway handled roughly 409,346 import 20-foot-equivalent units last year, up 18.86 percent year-over-year.

But, it's more than just a pitch for Port Miami, Olafson and Kuryla said. All marine gateways with access to Latin America stand to benefit from an all-water cross-border service, they said.

U.S.-Mexico cross-border trade along the land bridge is costly and time-consuming, the men said. It played a significant role in the first two decades after the North American Free Trade Agreement went into effect if only because it was the way shippers were used to moving their goods.

The proximity of southern U.S. ports to manufacturing in Mexico makes an all-water cross-border service cheaper and more efficient, Olafson said.

It may be a new idea, but Miami has been a proving ground.

Port officials' arguments in favor of an all-water service echo the arguments they've made for years that Miami could evolve into a major U.S. import gateway. Port officials in South Florida know something about pitching what seems like a wild idea to the industry.

"It's something that takes time," Kuryla said. "No one wants to be the first one who tries something new. Once something happens and it works, our expectation is, on other people seeing the success of this route, and it's been very successful, they'll jump on it."

Seollal: The Korean Lunar New Year



Arguably, one of the most popular holidays in Korea is Seollal (Lunar New Year) but it is also one of the most trying. Families often spend a great deal of money buying gifts and then endure long hours stuck in traffic while traveling home to be with family and friends. But what was Seollal like in late 19th century Joseon Korea? It was a time of battle for the young and the old.

Contrary to many anecdotes from this period, children – especially boys – were highly prized and treated very well during the holiday season. But they

weren't spoiled. Horace Allen, father of two mischievous sons and the American Minister to Korea in the late 19th century, noted that Korean children were like children from other parts of the world except "more generally well behaved."

Children were dressed in their best clothing and filled the streets with color as they went with parents to call upon relatives and friends. However, not all of their clothing was for warmth and appearance – some of it served as protection from evil spirits, that unless appeased would plague the children with horrible diseases in the upcoming year.

An American missionary in Pyongyang in 1898 wrote: "[The boy] was wearing a paper bonnet with little red receptacles sewed all over it. The city today is full of little children wearing hats so prepared. The people believe that the disease or germs of the disease for the next months will go out from the child into the hat. Tonight the hat will be taken off, the receptacle filled with boiled rice and other food, taken to the river and thrown in to the evil spirit

of the water, who will take the disease & leave the child free."

One custom that survives today is sebae – the bowing of children to their relatives and elders and receiving in return a small amount of money, rice cakes, and fruit. In the past they gained only a few coins with which to purchase candies, books, or kites, but now the act of sebae often nets several hundred dollars – making it a very profitable part of the New Year for kids.

Girls often played on seesaws or competed with one another by seeing who could go the highest on towering swings while boys played jegi chagi (similar to hacky sack), pitched coins, or perhaps most commonly flew colorful kites in pitched aerial battles. With kite strings coated with powdered glass and dexterity bent on destruction, the young kite fliers would cut the strings of opponents' kites to the joy of onlookers, who would claim the fallen ones – finders keepers.

Source: *The Jeju Weekly* 2-6-17

Samsung May Build U.S. Plant For Home Appliances

Samsung Electronics may build a U.S. plant for its home appliances business, a person familiar with the matter said, the latest global firm to consider a response to criticism about imports from new U.S. President Donald Trump.

Specifics such as the amount the electronics giant might invest and where the new base could be located have yet to be decided, said the person, declining to be identified due to lack of authorization to speak publicly on the matter.

The new U.S. administration has threatened an import tax while Trump has attacked some of the world's biggest companies for manufacturing abroad for U.S. consumers, stoking much alarm and triggering a rash of promises to invest more in the United States.

"Thank you, @samsung! We would love to have you!," Trump said on Twitter. Samsung declined to comment on whether it has any specific plans to add

production facilities in the U.S. but said it has already made significant investments in the country, including the \$17 billion the firm has spent to date for its Austin, Texas, chip plant. "We continue to evaluate new investment needs in the U.S. that can help us best serve our customers," it said in an email.

South Korean firms have not been singled out so far, but some have embarked on preemptive moves to ward off criticism. The Hyundai Motor Group said last month it plans to lift U.S. investment by 50 percent to \$3.1 billion over five years.

LG Electronics also announced in January that it will decide on whether to build a manufacturing base in the United States within the first half of the year and warned of risks from the Trump administration's trade policies.

Plants for assembling appliances would not pose a financial burden for the likes

of Samsung or LG, said Jay Yoo, an analyst at Korea Investment.

If a border tax was imposed, investing in plants would be essential if they wanted to remain competitive with rivals such as Whirlpool that make appliances in the country. "Of course costs would rise, but if they don't do that they would get hit with tariffs," Yoo said.

LG is considering Tennessee as a location for a new home appliances and television plant as part of its deliberations, a person familiar with the matter told Reuters. An LG spokeswoman declined to comment.

"This is something that has been under consideration for years at LG, but the current political situation is simply accelerating that timeline for a decision," the person said.

Source: www.cnn.com 2-2-17

First ice event held in Pyeongchang ahead of 2018 Olympics

The first ice sports event to be held at Pyeongchang — host of the 2018 Winter Olympics — started on Friday with the 33rd KSU Short Track Speed Skating Championships.

Construction of Gangneung Ice Arena, which will also host figure -skating in February 2018, was finished in December. There will be a total of six new venues in place.

"The completion of the ice venues is a meaningful step for Pyeongchang 2018," said Choi Moon-soon, Governor of Gangwon Province, home to Pyeongchang.

"After Pyeongchang 2018, they will be returned to the public and open doors for potential athletes

and create new horizons for Gangneung residents."

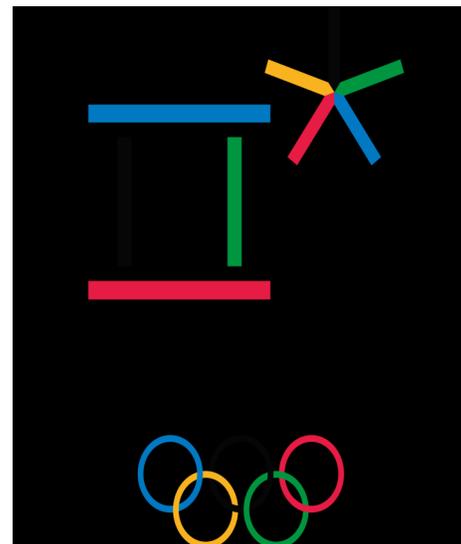
The World Cup leg, which sees qualification on Friday with competition on Saturday and Saturday across 10 individual or relay events, doubles as a test event for operational aspects of the arena.

Almost 200 athletes from 31 countries, including three-time gold medal winner Charles Hamelin of Canada, are expected to compete over the weekend with organizers reporting that the 12,000 seater venue is over 90 percent sold-out.

South Korea is a traditional power in speed-skating. Locals are cheering on Choi Min-jeong who hopes to widen her lead in the

women's 1,000-meter standings.

The arena will host the ISU Four Continents Figure Skating Championship in January.



Source: www.usatoday.com 12-22-16

Starbucks opens 1,000th store in Korea

Starbucks Coffee Korea opened its 1,000th store in southern Seoul, Wednesday, setting another milestone as a leader in Korea's booming coffee franchise industry.

The Korean unit of the Seattle-based coffee chain, which opened its first outlet near Ewha Womans University in Seoul in 1999, will continue to aggressively expand its presence here in the coming years, company officials said.

The Cheongdam Star store is Starbucks Korea's seventh Coffee Forward outlet, which offers a wide range of premium coffee beans for a limited period of time.

To attract more wealthy consumers residing in southern Seoul, the company plans to mobilize all its knowhow and expertise to run the Cheongdam Star store as its most prestigious flagship outlet in the country.

"The opening of the 1,000th store marks the most important milestone in our 17-year history," Starbucks Coffee Korea CEO Lee Seock-koo said. "Using it as a springboard, we will create many more premium coffee houses that make our customers feel at home and serve them with high-quality beverages and desserts."

The three-floor store is open from 9 a.m. through 11 p.m. and

can accommodate 200 people at once.

Celebrating the opening, Starbucks Korea plans to give the first 5,000 customers, who make purchases of more than 35,000 won at its upscale "Reserve" outlets, complimentary metal canisters used to store coffee beans.

The company is projected to generate nearly 1 trillion won in sales this year if it opens new stores at a current pace. In the first nine months of 2016, it earned 715.3 billion won in sales. In 2015, the sales of Korea's largest coffee chain reached 773.9 billion won.

Source: www.koreatimes.co.kr 12-22-16



Most Recent Florida/Korea Trade Data



FLORIDA-KOREA TRADE

The total merchandise trade with South Korea in \$millions

	2013	2014	2015	2013-2015 (%change)
Total Trade	1,545.2	2,130.0	2,221.1	43.7
Florida Exports	251.8	342.6	268.1	6.5
Florida Imports	1,293.4	1,787.4	1,953.0	51.0

Note: Total Trade between Florida and Korea has grown almost 44% during the most recent three-year reporting period, while Florida exports grew about 6.5% according to the most recent trade data Available from Enterprise Florida.

Top 10 Florida-Origin Exports to Korea:

1. Fruit & Vegetable Juices
2. Electrical Machinery, Etc.
3. Civilian Aircraft, Engines & Parts
4. in Primary Forms
5. Liquid Polyamides Crystal Devices Nesoi
6. Taps, Cocks, Valves Etc. For Pipes, Tanks Etc. Pts
7. Printing Machinery Including Ink-Jet Machinery
8. Aluminum Waste & Scrap
9. Copper Waste & Scrap
10. Waste & Scrap of Paper or Paperboard

Republic of Korea/PortMiami Trade Data

Republic Of Korea Ranked as PortMiami's #16 Trading Partner with 12,621 TEUs in 2016

Imports: 8,470 TEUs Exports: 4,151 TEUs

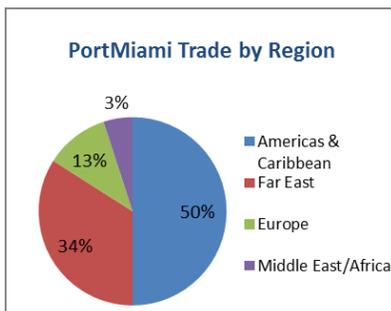
Top Commodities

Top Imports

1. Vehicle Parts
2. Paper
3. Machinery
4. Electrics/Instruments
5. Plastic Products

Top Exports

1. Waste Products
2. Food Products
3. Household Products
4. Machinery
5. Vehicle Parts



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Register Now!!

for our next

Florida-Korea Summit

March 17, 2017

9:00 AM-11:00 AM

PortMiami
1015 North America Way, Cruise Terminal B
Miami, Florida 33132

Hosted by:

In Partnership with:

Further Information:
info@florkor.org or 786-235-8289
or to register online click [here](#)

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