CALIFORNIA KIWIFRUIT COMMISSION
BI-WEEKLY REPORT
SOUTH KOREA

~ December 9th, 2009

1. IMPORT, WHOLESALE AND RETAIL ATTITUDE

Import

An oversupply of kiwifruit in the market has kept most importers from importing California kiwifruit. Importers are concentrating on selling their stocks before switching origins and the current supply is substantial. Several importers have also mentioned that they are waiting for the prices to drop on California kiwifruit before handling the origin. Although the CKC's season in Korea is now delayed considerably, some importers plan on importing California kiwifruit within 2009 and into 2010.

The import volume of New Zealand kiwifruit has dramatically dropped with only a few importers handling New Zealand kiwifruit in small amounts. Most importers are trying to sell their stocks with low prices but sales are slow.

As New Zealand kiwifruit ages, the overall quality is deteriorating quickly. The berry sizes offered are still big, but the sugar content is low and most are overripe with a watery taste. Moreover, the fruit quite often shows softened and dried skins, especially in gold kiwifruits.

Many importers are offering Chilean kiwifruit but the import volume is quite small due to poor quality and small sizes. As such, the import volume of Chilean kiwifruit is expected to decrease considerably over the next few weeks.

Volume of local kiwifruit has increased and while the prices have dropped. The quality of local kiwifruit is average with small berry sizes and below average sugar content.

Wholesale

California kiwifruit is not available in the wholesale market, but many wholesalers have said they want to and will handle it.

Many wholesalers have kept purchasing New Zealand kiwifruits due to price but the quality has dipped enough recently that volumes are decreasing rapidly. Most

wholesalers are busy selling their stocks which have now been stored for quite a long time, purchasing only a few new shipments from New Zealand.

The wholesale price of New Zealand green kiwifruit is sold about W18,000~38,000 per 10kg box.

Many wholesalers have purchased Chilean kiwifruits as substitution for New Zealand and locally grown fruit, but volume of Chilean kiwifruit is now quite low due to poor sales, even at a discounted rate. Wholesale price of Chilean kiwifruits is about W14,000~28,000 per 10 kg box.

Volume of local kiwifruit has increased driving the price a bit lower than average. The quality and berry size are not ideal for the Korean consumer so volume has remained consistent but small. The wholesale price for locally grown kiwifruit is about W20,000~23,000 per 3kg box.

Retail

California kiwifruit is not available in the retail stores yet.

New Zealand green kiwifruit is the most widely sold variety and origin in the retail market, but sale volume is lower than previous seasons. Many consumers have said that the sugar content and taste don't measure up to previous years and don't justify the higher price. The poor quality has led many customers to not buy kiwifruit at all instead of switching to a different variety.

Chilean kiwifruits is offered at many retail stores but sales are quite low because as many retail consumers prefer New Zealand. Accordingly, many retail stores sell Chilean kiwifruit in the box with low prices.

Local kiwifruit has flooded the market dropping prices. Consumers have said that the price drop has not outweighed the poor quality of the fruit, saying it has a sour taste, with only small-sized berries. As such, sale volumes are very slow.

2. KIWIFRUIT COMPETITION AND PRICE DATA

ORIGIN	WHOLESALE PRICE	RETAIL PRICE	CONDITION AT RETAIL
California	N/A	N/A	N/A
Local	Gold kiwifruit $ 5.86 ~ 6.74/kg	Gold kiwifruit $ 0.61 ~ 0.86 /piece	Small ~ Medium in size Sweet with watery taste
New Zealand	Green kiwifruit $ 1.58 ~ 3.34/kg	Green kiwifruit $ 0.31 ~ 0.61/piece	Medium ~ Large in size High in sugar with watery taste Soft and dried skin
Chile	Green kiwifruit $ 1.23 ~ 2.46 /kg	Green kiwifruit $ 0.22 ~ 0.57 /piece	Medium ~ Large in size Firm texture Slightly sour taste

3. FRUIT RETAIL PRICE

Exchange Rate US$ = 1,137.81

FRUIT	ORIGIN	UNIT	PRICE
Banana	Philippine	100g	$0.17 ~ $0.40
Grape	Local / USA	100g	$0.35 ~ $1.30
Apple	Local	Piece	$0.40 ~ $4.39
Pineapple	Philippine	Piece	$2.62 ~ $5.27
Tangerine	Local	100g	$0.10 ~ $0.57
Persimmon	Local	Piece	$0.44 ~ $0.86

Melon	Local	Piece	$4.82 ~ $17.58
Tomato	Local	100g	$0.35 ~ $0.66
Lemon	USA	Piece	$0.48 ~ $1.74
Orange	South Africa	Piece	$0.53 ~ $0.88
Grapefruit	USA	Piece	$1.30 ~ $2.64
Pear	Local	Piece	$0.66 ~ $5.71
Pomegranate	USA	Piece	$1.74 ~ $4.39
Strawberry	Local	Pack	$4.82 ~ $10.55

4. ACTIVITY CONDUCTED IN NOVEMBER 2009

Importer (company name, pic name, title, contact number)

Pacific Rim – Diana Kim, Staff, 82 10 8993 0527

Fruit Bank – Dae-Ho Jeong, Manager, 82 10 2394 0957

Lee's Marketing – Yong-Jin Lee, President, 82 16 246 5609

Jinwon Trading – Jun-Hong Choi, General Manager, 82 2 715 0711

Fruitbank – Dae-Ho Jeong, Manager, 82 2 403 7100

Global Trading – Seong-Jin Lee, Manager, 82 2 408 0193

Sooil Trading – Soo-Min Jo, Manager, 82 2 409 8967

Shinsegae Food – Jin-Seok Choi, Chief, 82 2 3397 6212

Wholesaler (company name, pic name, title, contact number)

Chaikwawon – Jin-Hyuk Lim, Director, 82 31 376 7601

Korea Marketing – Jeong-Jae, Lee, Assistant Manager, 82 2 3435 4700

Hyundai Fresh – Moon-Joon Suh, President, 82 10 9472 4195

Hyoungje Sanghoi – Sa-Chae, Choi, President, 82 2 430 5364

Karak Fruits – Cheol-Ho Choi, General Manager, 82 10 2399 4426

Daeil Sanghoi – Nak-Kwon, Lim, General Manager, 82 2 407 5112

Retailer (company name, pic name, title, contact number)

E-Mart, Head Office – Gyu-Cheon Han, Manager, 82 2 380 5324

Samsung Tesco Homeplus, Head Office – Yang-Sik Kim, Assistant Manager, 82 2 3459 8146

Lotte Mart, Head Office – Seok-Won Kim, Manager, 82 2 411 8621

Costco, Head Office – Mi-Jung Lee, Buyer, 82 2 2630 2637
Lotte Super, Head Office – Jin-Wook Ko, Manager, 82 2 2290 5197
Lotte Department Store, Head Office – Chang-Mo Yeon, Genaral Manager,
Hyundai Department Store, Head Office – Heui-Soo Sohn, Assistant Manager, 82 2 3416 5609
E-Mart, Yongsan – Dae-Woo Kang, Fresh Section Chief, 82 10 8913 7827
E-Mart, Wangsibri – Sang-Beom Lee, Fresh Section Assistant Manager, 82 11 9866 0864
E-Mart, Jayang - Kyu-Hwan Choi, Fresh Section Assistant Manager, 82 2 2101 1225
E-Mart, Gayang – Dong-Woo In, Fresh Section Assistant Manager, 82 11 890 4776
E-Mart, Guro – Jang-Woo Lee, Fresh Section Assistant Manager, 82 11 9636 2356
Lotte Mart, World – Min-Ho Jeong, Fresh Section Chief, 82 2 411 8800
Lotte Mart, Junggye – Tae-Hong Kim, Fresh Section Chief, 82 11 9035 7802
Lotte Mart, Guri – Yun-Hwan Ji, Fresh Section Chief, 82 10 3725 5276
Lotte Mart, Bupyeong – Jong-Min Lee, Fresh Section Chief, 82 10 9243 6876
Lotte Mart, Seoul Station – Myeong-Sik Jeong, Fresh Section Chief, 82 11 9502 9071
Samsung Tesco Homeplus, Ansan – Byeong-Oh You, Fresh Section Assistant Manager, 82 11 641 1792
Samsung Tesco Homeplus, Youngtong – Tae-Young Kim, Fresh Section Chief, 82 10 9700 9439
Samsung Tesco Homeplus, Sangdong – Jang-Ho Park, Fresh Section Chief, 82 10 6220 0637
Hyundai Department Store, Apgujeong, Dae-Hyeon Jo, Fresh Section Assistant Manager, 82 2 3467 6036
Lotte Department Store, Bundang – Mi-Ri Choi, Fresh Section Chief, 82 10 7248 6776
Lotte Department Store, Gangnam – Maeng-Seok Oh, Fresh Section Manager, 82 10 8721 6522
Kim's Club, Gangnam – Jae-Yong Kim, Fresh Section Chief, 82 10 3662 2737
Kim's Club, Yatap – Seung-Min Lim, Fresh Section Assistant Manager, 82 11 9003 1767
Kim's Club, Bulgwang – Jae-Jun Park, Fresh Section Chief, 82 10 9077 3206

5. ACTIVITY TO BE CONDUCTED

Contact importers to discuss import volume of New Zealand and Chilean kiwifruit, sales and forecasted shipping volume of California kiwifruit.
Contact retailers to discuss the best selling items, the average price and the preference of consumers, any specific changes of the number of visitors.