

File name: invest_ni___spotlight_on_south_korea_-_dessie_roche (360p).mp4

Moderator questions in Bold, Respondents in Regular text.

KEY: Unable to decipher = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

Dessie Roche: Thanks for the introduction. My name is Dessie Roche and I am Commercial Manager for Belfast Distillery Company. And at Belfast Distillery Company we do two things. We distribute McConnell's Irish Whisky globally and we're also building the J and J McConnell distillery and visitor experience here in Belfast in Northern Ireland. And that distillery experience will be the home of the McConnell's brand. During this short presentation, I am going to talk about-, a bit about a couple of things. Firstly, the brand and where we've got to since we started the business and then secondly, how we entered the Korean market and how InvestNI support us in doing that. A little bit about the history of the brand, McConnell's Irish Whisky was actually started back in 1776. So it's a brand that's almost 250 years old which makes it one of the oldest whisky brands in Ireland. It was started by the McConnell family, by Hugh McConnell and his wife Eleanor and was hugely successful right the way through the 1800s and was handed down through various lanes in the McConnell family.

Irish whisky at that stage was a massive industry particularly in Belfast. It was one of the premier industries in Belfast alongside ship building and linen making and the McConnell's played a huge part in that. They really were exporting globally, they really were brand builders, building the McConnell's brand and that-, that's success led them to open the distillery. It was actually based in the Ravenhill Road area of Belfast now so it was a massive operation. Employed hundreds of people across the city and they were hugely successful and then in the early 1900s, there was a number of things happening to McConnell's in general. There was a couple of fires, actually. Fire hazards were quite significant back then. So they had a couple of fires, one at their distillery and one of their bonded warehouses which cost a significant amount of money and damage but they traded right through that. They were hugely resilient. Really one of the things that was hugely detrimental for the whole Irish whisky category was prohibition in the US. US was a huge market for Irish whisky as it is today. It's around 42/43% of the overall category and whenever prohibition was bought in the US, pretty much the largest market was closed to the category.

So he went well over 100 distilleries in the late 1800s/early 1900s, to only a handful in the 1930s. So McConnell's unfortunately followed that fate and disappeared in the 1930s. You could still buy the bottles on the shelves but they stopped distilling in the 1930s. We then revived the brand in 2019 as Belfast Distillery company as the Irish Whiskey category has had a real renaissance. We went from only having a handful of distilleries to being over 40 now in the island of Ireland including the one we're buying. So we revived the brand in 2019. The traditional review of Irish whisky as a category

would be an agricultural one and nice barley fields and things like that but we're based in Belfast. McConnell's, as I talked about, it's past, present and future is very much riddled in Belfast and Belfast is an industrial city. It's an urban city and the distillery which I'll talk about in a couple of minutes is pretty much centred right at the heart of Belfast. So our brand is more along that industrial urban type look and it's, it's very much centred around Belfast. We use tag-lines like, 'Belfast born 1776, restoring the legend' as part of our brand identity, whenever we're talking to customers and consumers on a global, on a global scale really. So very much Belfast in place for the Irish whisky category but for McConnell's in general as part of-, as part of what we take to-, to our global audience.

I'm happy to say as well as the rich history heritage of McConnell's. The whisky itself really does speak for itself. It's a fantastic product. We've picked up a large-, since we revived the brand in 2019, we've picked up a number of awards both for the liquid itself and the packaging. It very much speaks for itself so it's fantastic for us as a company to be able to revive this brand and then for-, to be exporting across the globe. We're very lucky that we can bring that in to the 21st century really. Where have we got to since we revived the brand in 2019? Well McConnell's are now available in over 30 global export markets. In the US, we're available in all 50 states which is fantastic. I mentioned previously that the US is 42% or 43% of the overall Irish whisky category so we're available in all 50 states and we have a very strong business there. We're available in four provinces of Canada which is also a big market for Irish whisky. So North America as a whole, we have a very strong business there. We're available in all the key whisky markets across Europe. Places like Poland and Germany, Holland. Places like that. Across in to Asia there, we're available in China, Malaysia and of course in South Korea which we're here to talk about today.

We've just started there as well which is fantastic. And some business in Australia. We're available in over 1200 stores in Australia and I'm glad to say we're just actually starting in South Africa as well. So that's our first venture in to Africa. So we've done-, we've done pretty well. We've developed a strong export business across 30 markets. What I would say as well is our home market here in Ireland is hugely important to us. McConnell's, as I talked about, is a Belfast brand. It's-, it's a brand that started here and we build the brand here. If I can't translate McConnell's and it's history and the fantastic whisky product that it is to our own, our own peers and friends here in Ireland, then it's very difficult to do that in places like South Korea or North America or Australia. So the Northern Ireland market and the Ireland, the Ireland market is very important for us.

Some of the challenges really of growing a global business, I kind of describe it to the team here that the further you go from Belfast-, if you take Belfast as a centre of the map, the further you go from there, the more difficult and complicated it can become and that can be something very easy just as language barriers as a challenge at times but regulation across the globe, be that for labelling, be that for bottling, all sorts of things, is a challenge. No one market is the same really. So it's not copy paste at times but that keeps us busy and it's fantastic that we can work with

colleagues and InvestNI and other government agencies to support us in doing that. It's also about finding the right partner who can help you through those things. So, so massive challenges but it's-, we've-, we're delighted with what we've done so far.

I did mention previously that we do two things. So as well as developing the brand, all those global export markets, we are building the J and J McConnell distillery and visitor experience. It's being built at the side of the Crumlin Road jail which is North Belfast and it's one of the most historic buildings in Northern Ireland. We've taken a 125 year lease on A-Wing so it's going to be a full single malt distillery and visitor experience. We're restoring that building. I mentioned-, I mentioned earlier one of the tag-lines we use is, 'Restoring legend.' So restoring the legend of the McConnell's brand but we're also restoring the legend of this building. It really has so much history and heritage. It's a beautiful building and we are very carefully restoring it to be the distillery and visitor experience. In terms of visitor experience, we-, we hope and expect to welcome over 100,000 visitors every year to the distillery.

And if you think about the 30 markets that I talked about on the last slide, we expect a number of those visitors will be from those markets but from other markets that we would like McConnell's to be available in so it's a fantastic opportunity for us. It's a fantastic opportunity for the community in North Belfast as well to present ourselves on that global scale and our hope really is that we create over 100,000 brand ambassadors for the McConnell's-, for the McConnell's brand every year. So it's-, that's very exciting and that is scheduled to open in Autumn of this year. So construction started around Summer last year and scheduled to open in Autumn this year. Lots of-, lots of brilliant experiences to be had in there and interact with the brand but also learn about, about how Irish whisky is distilled, about the history of it and then try some of the product then as well. So there is another experience in C and D wing. There's a fantastic jail experience where you can go there and learn about the history of the jail which obviously as a much storied past and then you can come over to us and learn about Irish whisky as well.

There's just a visual as to what it will look like inside. So, we're trying very much to keep the look and feel of the jail so you can see the iron staircase going up in to the different galley landings of the jail but it is very much an Irish whisky distillery and visitor experience and it will be about the production process, you'll be learning and interacting with the brand and the product. So I guess some of the things that we look at whenever we're entering a new market, and some of the questions we ask ourselves because I guess the world is a big one and it can be very easy to go off and think about all the different markets that we go in to but we as a business, we have big ambitions but we're-, at this stage we're a relatively small team. We're a growing team. We're recruiting a lot of people at the minute but, but we have to be targeting in terms of where we're trying to take the McConnell's brand. Is it a fit? Those types of things. So just some of the questions that we ask ourselves as a company. First of all, is there a market opportunity? For example, is brown spirits a big category in the country that we're looking into. Is the category growing in the

market? For example, whenever I mention category I am talking about the Irish whisky category in general.

There's obviously many different alcohol categories and there are many different whisky categories. There's Scotch whisky, American whisky, Japanese whisky but is the Irish whisky category growing in the target market? We're very lucky in that the Irish whisky category for a number of years now has been one of the fastest growing categories in the world so typically whenever we look at a market, Irish whisky is actually growing which is fantastic. The industry is performing so well but is it growing at a rate that we think we can grow a strong business for the McConnell's brand and really bring McConnell's to a number of consumers there. I talked a wee bit previously about the brand, the look and feel and the identity of the brand. That's a target consumer that we would like to engage with as well. The-, it is very much a premium product. Fantastic packaging, fantastic (mw 12.32) so we want to engage with people who whenever they go in their store don't just pick up the first thing they see.

They want to, they want to browse the shelves and they want to-, they want to pick something slightly different. They don't want to follow a trend, they want to set a trend. So whenever we're looking in a market, we look at the consumer, the consumer scale there and see is there a consumer market for whisky there that we can engage with and develop the brand with. The alcohol market can be a funny one across the world. It's not-, it's not straight forward. It's different in the US compared to Germany, for example. And Germany would be slightly different to Australia. So how is the alcohol market structured and what is happening for us then as a business as to how we approach the market. Do we have to find an importer and then a distribution partner? Is it a straight distribution partner? How do we get product there? How do we ensure we control the product that's there? We're very proud of the brand, we're very proud of the McConnell's brand.

We love telling the story but we have to make sure that that story is consistent across all these markets. So once we kind of look at those things, it's how do we identify a partner then? How do we identify a suitable partner? It takes-, it takes time sometimes to find the right partner. So it might be something as simple as we attend a trade show in that market to find a right partner but are there distribution businesses in those markets that we can work with in order to develop the brand? And then lastly, how do we grow the brand? It can be different in different markets. Advertising can be a big thing in some markets. Other markets it's about getting-, we say, 'Liquid on lips' so letting people try the product so how then do we actually plan to grow the brand? The McConnell's brand. I mentioned spirits category is, is a massive one. There's lots of, lots of different brands competing for space on shelves so it's important that you come up with a good plan to, to stand out really.

So talking about Korea and South Korea in general, the identify suitable partner. So we went through and we had identified Korea as a target market. The Irish whisky association have tagged it really as a, as a, as an exciting and interesting market for Irish whisky in the next few years. So we had identified Korea and then if you think about that last slide in terms of we've identified the market, we want to enter it. It's about identifying a suitable partner then. So how do we do that? I was talking to some of our, some of our colleagues at InvestNI here in Belfast and they mentioned that they were setting up a new office in Seoul in South Korea so I was put in contact with the guys there, Suzie and David. And the first port of call really was an introductory call to talk through the brand. Really tell the guys the story of the McConnell's brand and then talk a bit about the market and what are some of the criteria we look for in a, in a strong partner. Some of the criteria would be, what is their experience in the spirits sector. Spirits sectors largely set up differently. There's the on trade which will be bars, restaurants, cafes and then there's the off trade which will be off-licences, supermarkets, hypermarkets. Those sorts of things. Then there's online so does the partner have experience in each of those and can they access each of those channels?

Then what's their size, what scale do they have in terms of the team? And, and the other thing we look for is the importance and focus they place on building the brand. Irish whisky is a long game. It has to be aged mature for at least three years to be called Irish whisky. Our youngest whisky is five years so after its distilled, it effectively goes to sleep in a cask for five years before it's, before it's bottled and people get to enjoy it. So that's-, that's-, you have to be patient in that game so it takes time to build the brand along with that. So it's very important to have a plan and it's very important for us that our partners value the brand and create a plan to develop it. After I talked to Suzie and David, we-, Suzie went off and really did a real in-depth research and review in to the alcohol market in Korea and identified a list of potential partners.

And then really Suzie managed it and completed a number of introductory calls with potential partners and pretty early on she had identified Goldenblue as an interesting option for us. I then joined and held a number of, a number of calls where I explained the brand, gave them an overview and I guess Belfast Distillery Company's approach and I concurred that Goldenblue was a real, a real potential partner for us there. So, so we held a number of discussions over probably a 4/5 month period from the first call Suzie had with the team at Goldenblue and I'm delighted to say then that in December this year we finalised our contracts and our products, McConnell's Irish whisky is currently on it's way to Korea and will be on shelves in April time which is fantastic. I'm delighted. In terms of our time frame, that could be-, you know, four to five months is probably average. It's probably pretty good. Sometimes it may be a month, sometimes it might be twelve months, eighteen months, it just depends in terms of the partners that we're dealing with and the scale and scope of the region that we're dealing with but, but it was fantastic and we're delighted.

I am currently planning my first visit over there to meet with the team, really go through the-, go through the history of the brand, share marketing assets, all those sorts of things so we can really

develop the brand there. In terms of my experience of working with InvestNI and the support that they can offer really, in my opinion it's totally invaluable for a business like ours on a number of different levels. Really utilising their local knowledge. They understand the Korean, the Korean industry, the Korean markets, the Korean culture and society where relationships are really important. So having that, sort of, that support to understand that straight off the bat is vital for a business like ours. The fact that Suzie and David were able to go off and complete the scoping exercise to identify a list of partners for myself, that, that really was a huge thing. Like, we, as I mentioned previously, we're a growing business but we're a very busy business. We're in 30 markets so if we have someone say, 'I get the brief,' go away and put together a list of potential partners and then managing those initial interactions really is invaluable for us.

Particularly I mentioned the (mw 19.41) where you go from Belfast sometimes is more complicated because something as simple as language barrier. We're very lucky that the team at Goldenblue have some fantastic English but just to be able to, I guess, convey some of the, some of my messages in a very clear manner is, is fantastic and so whenever we sat down and went through, went through it then, it was a very easy process for me to identify the right partner which was great. Then I mentioned it took four or five months. There was a lot of back and forwards in that period of time. There was a huge amount of information sharing, there was a huge amount of planning. One of the-, one of the items that came out of the planning sessions was a, was a three year brand plan and I'll not share that with you now because it'll take a lot longer than ten or fifteen minutes but that was a huge document. Really in-depth. And the only way we were able to, really able to create that was with the support of the InvestNI team over there. And then one thing that I became distressed is I'm looking forward to walking with the team there on an ongoing basis now.

It's fantastic that we've developed an opportunity for the brand in South Korea. We've shipped product-, I mentioned it takes time to build a brand. It takes time, effort and lots of work from all sides so the opportunity to work with the InvestNI team now at the next stage to develop the brands, supporting events, all those sorts of things, is a great one for us. I guess that's it so if anyone has any questions at the end, I'd be very happy to take them.

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File name: invest_ni___spotlight_on_south_korea_-_hyun_kyung_nam (360p).mp4

Moderator questions in Bold, Respondents in Regular text.

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Speaker1: Hello. This is an honour for me to speak in front of all of you here. Although what I only see is a camera, but I'll pretend as if everyone is here. My name is Hyun Kyung Nam from KOTRA London office. I really hope some of you already know what KOTRA is. KOTRA, Korea Trade and Investment Promotion Agency is a not for profit, South Korean government organisation, which has prevalent function to invest Northern Ireland for DIT in the UK. One of our major roles is to help develop business relationship between UK and South Korea. I'm here to emphasise the outstanding investment environment in South Korea to you today. Let me start with Korea's economy. The phrase miracle on Han River, it well represents Korea's amazing transformation. For your information Han River is Da Nang's (ph 01.10) river in Korea. Korea has become the very first country to be an aid recipient that turned itself into a donor, demonstrating one of the greatest economic miracles in history. Korea is now called the global ICT powerhouse, showing spectacular growth in its economy since 2000s. All major economic indicators including GDP and FDI net inflows show modest growth. Now, Korea is placed at 10th place in global GDP ranking ranking and 9th in foreign exchange ranking. 2020 and 2021 were harsh on not only Korea, but also every country in the globe. But as you can see, we've bounced back successfully, showing 2.7% of GDP growth in 2022. What we do the best is export it. Due to COVID-19, average export volume has decreased from over \$600 billion. But Korea is still world's 6th largest exporter. Do you know how small Korea is? It is only half size of the UK, and maybe Republic of Ireland has smaller size. Even the despite (ph 02.33), and see the numbers again. This is amazing. Also, even with the pandemic crisis, we maintained decent level of fiscal stability. This is well shown at the credit rating side Moody's, S&P Global and Fitch. Major credit agencies evaluated Korea as one of the most reliable countries in the world, like France. Next, let's learn deeply (ph 03.06) on FDI in Korea. Despite the movement restriction under COVID-19 pandemic, FDI inflows to Korea recorded an all time in 2021. Investment in the service sector such as ICT industry led the recovery of FDI inflows to Korea. Other than amount increase, the real times GM and some more globally (ph 03.33) companies moved their Asia-Pacific path to Korea. By region, it was Europe that took up the largest proportion in 2021, followed by Asia and Americas. While the investment amount from Americas has dropped slightly, an increase in the investment from European, Asian regions dropped the overall investment expansion.

This shows investment inflows by country. Despite the large drop in investment amount from Americas, the investment amount from the US, which accounts for overall (ph 04.12) share of investment from Americas, fell only 0.9%. The investment amount from European and Asian regions including Singapore, Germany, Ireland and Japan extended significantly. However, investment from China and Hong Kong fell slightly, in large part due to the huge increase made in 2020. By industry sector, the share investment in service industry has continued to expand, reaching almost 80% led by forced industry revolution. From the (inaudible 04.53) perspective, investment in the manufacturing sector has continued to decline, after

peaking out at 37.4% in 2018. When we take a look at FDI inflows by investment type, we can see that Greenfield investment accounted for 61.3% and M&A investment accounted for 38.7%. The total number of foreign-invested companies in South Korea is 14,696 in 2020. With 230 of the Fortune 500 companies invested in Korea. Although the number of foreign-invested companies accounted for only 1.8% of Korean companies, it accounts for 11% of total corporate sales, 18% of export and 5% of employment in Korea. As such, increase of foreign investment, which account for a large proportion of Korean (inaudible 06.03) is naturally leading the solid bars of Korean (inaudible 06.06). So, why did they invest in Korea? The main reason is that they want to enter Korean domestic market which is huge. I'll show you how big it is later. Also, they want to own an equity for investment. Or use production base for exports. Realising Korea's (inaudible 06.28) connectivity. Many people think that Korea is popular for its ICT technology. It is obvious, because we are the mother country of Samsung and LG. It is true that we have strong ICT power, but we have more than that. Let's see what we've got. Korea is one of the most innovative countries in the world. In the Bloomberg Innovation Index which combines all of these indicators, Korea ranked the first in 2021. We topped the list seven times in the past nine years. And as you only know, we have strong ICT infrastructure. Now, Korea is aiming to make 6G mobile services commercially able by 2028 for the first time in the world. It also plans to further improve the related legislation of infrastructure to prepare to utilise (inaudible 07.35) car technologies by as early as 2025. Every related to ICT is strong here. They even have strong e-commerce in the world. E-government is no exceptions.

We also have strong manufacturing competitiveness. The number of Korean products leading the global market is also increasing. In high tech manufacturing such as OLED, DRAM and EV battery. The (inaudible 08.16) and Korea's renewable energy industry is consistently developing with this trend. We have the largest Green New Deal policy, showing a fast transition to Hydrogen Society. Earlier, I mentioned that Korea is a very small country in its size. But Korea's domestic market is huge. We have population of 50 million which makes us 14th place in global domestic markets. This enable Korea to be the testbed market for various kind of industries. It is in Korea, I started here just thinking about it. This is the answer from Costco's founder Jim Sinegal when asked where is Costco's high selling store. Isn't it funny that the high selling store in Costco is in Korea? Korean domestic market is not only big but also very open to new products. So, when you have a product which is big enough to attract Koreans, it may work. They will sell they use, they eat, they play, they drink and they pay. We also have 57 FTAs including EU and China. Korea has signed FTA with the UK in 2020 and it came to force on 1st January 2021. The current South Korea UK FTA replicates the former (inaudible 09.59) Korea e-agreement such as (inaudible 10.03) and (inaudible 10.05). And also, for those parts made in Europe can be considered as major profits. By this agreement, trade between Korea and UK increased 33%. On 9th December 2022, the UK government launched a public call for negotiations on an enhanced trade deal with South (ph 10.27) Korea. The new deal will upgrade trade agreement between South Korea and UK, ensuring more modern, fit-for-purpose deal that builds on our existing £14.3 billion trading relationship. Let's talk about doing business in South Korea. Just remember these three words, easy, free, and cheap. Easy. It only takes eight days to start a business in Korea, and Korea was ranked at third place in the linear shaping connectivity index in 2020. Free. There are business locations support for various industry job types in Korea. For example, there are nine free economy jobs, 109 pure investment jobs, 13 free trade jobs and 1246 industry complexes, making us first place in business freedom ranking. Let's take a look at Asia-Pacific prime office rent. As you can catch, the capital of Korea, Seoul, is even cheaper than Taipei, Bangkok and Mumbai.

Living environment in South Korea is also fantastic. It is surprisingly stable country. No need to mention about safety, it is top level. You don't need to worry when you get sick here. Korea has launched healthcare infrastructure, and what I was most surprised coming to the UK was that it takes too much time just to see a doctor, which never happens in Korea. Cost of living is also very cheap compares to other big cities like London, New York or Tokyo. So, once you're attracted to Korean market and want to invest into Korea, Invest KOREA will be the most reliable supporter for you. I'll briefly explain Invest KOREA, which is also called IK. IK was built in 1998 as one of the six divisions of culture (ph 13.02) and it is the highest decision making body with regard to FDI in a role with The Ministry of Trade, Industry and Energy. Invest KOREA provides a one-stop service for pre-investment stage to investment execution stage as well as aftercare service by foreign investment (audio distorts 13.23). Also, we operate something called Invest KOREA Marketplace, IKMP, a platform for mentioning outstanding Korean companies to investors throughout the world. We have an database with around 279 Korean companies seeking investment which is available on our website. There are 36 overseas offices Invest KOREA and our London office is one of them. Please feel free to contact us for further detailed information on Korea and Invest KOREA. Lastly, in 2021, the United Nations recognised Invest KOREA as one of the best investment promotion organisations in the world. You can always find us on our website, and LinkedIn channel. Don't hesitate if you need any help. Thanks for listening.

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File name: invest_ni___spotlight_on_south_korea_-andrew_cockburn (360p).mp4

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Andrew Cockburn: Hello. Thank you everyone for joining today's webinar. My name is Andrew Cockburn. I represent the Connected Places Catapult, the U.K's innovation accelerator for smart cities, urban innovation and mobility. I'm here, today, to talk a little bit about a really exciting programme running between the U.K and South Korea. It's called the Innovation Twins Programme and without further ado, let's dive in. So the Innovation Twins Programme, what is it? The, the Connected Places Catapult has a legacy of city system analytics and so we're very good at understanding really complex places like cities, how they work, how innovation kind of comes to market, how jobs are created, productivity, how all the different bits work and essentially, how you can improve different areas of working. And so, with this experience, we've, we've developed, over the years, many tools for helping us with this and recently, we've been looking at the global piece and looking at where the catapult could really add value and we were looking at what we could do with cities on the globals piece and we developed a methodology for intelligent city pairing. The methodology is called Innovation Twins and what we do, we apply the methodology to the U.K and a partner country and then we identify high potential city pairings. City pairings that can collaborate across policies, civic business academia to really drive better outcomes. In a nutshell, that's the Innovation Twins Programme.

So the programme objectives. It's very much about creating strong and sustainable outcome-based relationships between cities, place-based relationships. We've all heard of sister city relationships but this is really focused on outcomes, collaboration outcomes across policy and civic, how are cities developing policies, how are they understanding they've got the right policies in place for net zero, climate change, jobs growth, productivity, bringing innovation to market, how are their academic institutions collaborating globally in applied research, they really support their, their city piece and how are the businesses identifying opportunities and accessing opportunities overseas so creating trusted relationships where you can have privileged market access on the ground. And equally, one city's trade is another city's investment. Everybody wants companies to come to their city as much as they want their companies to go to other cities. So this is, as I said, it's very much a relationship-based structural programme. So to start with we have the methodology, the Innovation Twins methodology, and we pair it, we apply it between two countries and we identify high potential cities, pick city pairings. We then do a little bit of research and work around that and we take the findings of these cities and we work with the national government to local government to really convene and bring these people together and help them understand the value of these sort of international collaborations. We then help them design roadmaps of activities, which is super important because that's when a, sort of, a high level strategic concept becomes really applicable and practical to people's day jobs as it breaks down into activities across the various ecosystem actors from the city.

And then, obviously, we've got big impact model where we look to demonstrate the impact of these programmes.

So we were approached to look at the South Korea from the U.K government, very much in line with the integrated review and part of their Indo-Pacific tilt. There's a free trade agreement signed and the U.K government was very interested in structural programmes that would support greater collaboration and market access and promotion of U.K expertise and excellence in Asia Pacific and specifically, with Korea, which is already a great kind of trading partner of ours. And so with support of the U.K government and the Korean government, we applied the methodology between the U.K and South Korea. And so, we, we set up a programme, the Innovation Twins programme, which is effectively divided into three phases. The first is the application of the methodology, which we then gather that evidence, we pair the cities, we start stimulating the relationships between these cities and their ecosystems. And then phase two was testing and trialling, where we look at taking stuff from the paper and how does that apply in the real world will bring two cities together and start looking at how you can actually split those structures of collaboration in place to get the good stuff ready to go. And then phase three, the phase we're in just now is when we scale, we collaborate, when we start breaking down to those activities I mentioned before and we start doing stuff, which is really exciting.

The potential for U.K South Korea city pairings, I mean, at a high strategic level, it's, it's essential for these programmes. What we're looking at doing is supporting the, the trade investment, the international collaboration piece. You can't just turn up to another country with a different way of doing business, different structures, different finance structures, different-, lot, lots of different things and just assume that if you've got something they want they can buy it nice and easily. So we're looking at, as part of our analysis and part of our relationship building, harmonising different systems, helping the U.K side understand how things work in Korea from the national government level, the local government level, the business, the academic level, funding structures, programme structures, all the way down to language and engagement etc. and equally, on the South Korean side. I mean, very basic things like their financial year is different from the U.K financial year so they're planning their budgets from summer time to autumn time, they're January to December. So if you're looking at it against the public sector and looking at different projects, there's certain times of year, for instance, you're engaging with the public sector or you understand when organisations are receiving their funding or strategising in terms of what they want to do.

So looking at the U.K and the Korean cities, there's lots of interesting overlaps but some gaps as well which, which help highlight some opportunities for the collaboration. And so, we applied the methodology and four high potential pairings voted to the top and top at that list, the one that you'll all be most interested in, is Belfast and Sejong. We also had Liverpool and Busan, Birmingham and Ulsan, and Glasgow and Deagu. And this is very much in line with, in the U.K,

what we call the Levelling Up programme. So how do you help highlight the opportunities outside of what's inside the M25, you know, how, how do you help the world understand that the U.K's not contained round about London. So really helping highlight the opportunities in the places and just-, an anecdote for you, when we were across in Korea with the team from Birmingham and they were presenting to the team in Ulsan, at the end of the big bang presentation where Birmingham had talked about all the amazing stuff happening in Birmingham, the first comment in the room was, 'I've never heard of Birmingham.' So if you don't know these places exist, if you don't know all the good stuff happening, it's pretty hard to do that international collaboration, isn't it?

Okay, so, we've done a lot of the, the theory and the high level stuff and diving into the details, really. This is the phase three, this is where we start looking at turning relationships and conversations into activities on the ground. Once you've got the theory, once you've paired these cities and their ecosystems, obviously, this is really complex places, how do you translate a high level structural programme into activities that will drive the outcomes that we want where both cities gain from understanding how to shape their policies better and faster, validate their policy formation or how their academic institutions can collaborate or how they can open up privileged business opportunities to each other's business communities etc.? This is what we call the Roadmap Development. So we're working actively with the city pairings to understand what they're doing, how they're doing it, where they're doing it, how the money's being spent, what the opportunity for international collaboration looks like but we're also looking to uncover what they would like to do. So we're understanding what is and we're trying to understand things that they would like to do and we're mapping that onto collaboration partners, we're mapping that onto funding streams and then we're bringing these cities together so they can agree roadmaps of activities. The programmes funded for a further couple of years but we, obviously, want a long-term, many, many, many, year relationship between these cities but over the next couple of years now, we're going to look to get all these city pairings to sign off these roadmaps and, say, for the next couple of years, our city to city ecosystems will collaborate across, it could be, government officials, local government officials, going and spending six months in the other city. It could be policy workshops. It could be cross city demonstrators. It could be good access to the city procurement. It could be testbed access. Many, many different things and so that's quite exciting going through these conversations just now.

And so what we're looking at between, as I said, May-, and May 2023 and March 2025, is activation of this roadmap. So the role of the Connected Places Catapult has really been to highlight the potential of this programme, to start bringing everybody on that journey of building relationships, translate the high level concept into activity-based roadmaps between the cities and then our job is to start stimulating that activity and look that we're-, things could be happening, maybe aren't happening yet or need an extra little bit of effort where we can support to make that happen. Just to mention, that there's a lot of text on these slides. I believe they will be shared afterwards. Also my contact details will be at the end of this webinar if anybody wants to get in touch to talk about any of the details contained here. So just diving a little bit into this Sejong piece. So it was really interesting. We're gonna be publishing a big piece of work, I think, at the end of March, which will be an in-depth deep dive into the programme, the methodology, the city pairings. And just to give

you a bit of a snapshot, so Belfast and Sejong, they paired across really interesting structural pieces, business pieces, academic pieces. A few bits that flew to the top were, were in terms of cyber security, innovation places or data management and mobility and both cities are doing really interesting stuff in this area and there's great areas for collaboration.

So Sejong's really interesting because there's probably not that many people who aren't familiar with Korea they-, who know about Sejong. Sejong is where 70% of the Korean government sits. It is one of the two national pilots marked cities so there are only two designated national smart cities in Korea, Sejong's one of them and effectively, a national pilot smart city. It was, effectively, how do they look at regulatory sandboxes, how do they look to demonstrate technology, testbeds etc. and bring to life all these great stuff that they then want to roll out across the rest of the country. So an excellent entry point into Korea for any U.K companies, especially, from this audience. There's a lot of money being spent there over the next five to ten years, system integrator LG has been doing a lot of work in that area. There's a lot of bits on the side that will highlight areas of interest for the city that'll demonstrate across mobility, healthcare, education, energy environment, governance, culture, shopping, jobs, etc. A lot of the main driving strategies are driven by those enabling technologies which I know, a lot of the companies in this webinar have great expertise in. Interesting that it's a population of 320,000. It's not a mega city so testbeds and demonstrators, kind of, they're bite-size, they're very doable. As I mentioned, a lot of government institutions, national R&D institutes now are located there and there's some very interesting financial assistance programmes for R&D but also, for the wider business activities.

So a few fact and stats. Sejong, again, they've got a techno-park where they're investing a lot of their R&D budgets. There's very interesting collaboration opportunities there. They've got a very interesting skills-based, and they've really doubled down on the cyber security piece, some very interesting synergies with what's happening out of Belfast just now. And Sejong also work to British standards which is really interesting and become the first city to achieve the Smart City (mw 12.02) designation which is pretty cool. And they've got a lot of work happening with drones, an awful lot of drone-, like drone applications that are being trialled and tested just now which gives great opportunities for companies in this area. And the key assets, stakeholders, I mean, when we publish this, I think, probably towards the end of March, there'll be a lot more information here but, I think, you've got the-, when you think of the city, you've got to think of the Metropolitan city, the techo-park, and the tech cluster towns as the three real key areas of interest here. You've got two major, major players in terms of LG and the electronics and telecommunications research institute and then the mobility piece is also very, very interesting, sort of, it connects autonomous vehicle testbed activity happening just now.

Okay, so, bringing things to life a little bit, I guess, I've touched upon these key projects and case studies. So they wanted to be drawn demonstration city, they want to look at the art of the possible and the application of drones for urban based services, everything from, you know, fire response to

construction site real-time safety monitoring to some really other-, just some pretty left field applications as well. But it's a place where they-, they've looked at the regulations, they've set aside some areas and they've got some really interesting companies doing some work now and they're looking at doing more of that over the coming years. The autonomous driving big data control centre was completed a couple of years now, I think, and they were really looking at a lot of digital architecture to support the connect autonomous vehicle testbeds that they want to be putting in place moving forward from now and there's, there's a range of activities like there. And not only the electric piece, they're super interested in the hydrogen piece as well, hydrogen applications for mobility. Again, interesting opportunities round about that area. So today's only a fifteen minute presentation so obviously, I can't give a comprehensive view of all the opportunities, but it is a super interesting place with a lot of stuff happening just now.

And so, one of the final slides here, just to say that we are putting in place structured Innovation Twins programmes round about the Asia Pacific area starting off with the Republic-, with South Korea sorry, and really focusing at building strong sustainable city to city relationships. We've just launched the U.K Australia Innovation Twins programme. This year, we're looking to launch the Thailand and Japan Innovation Twins programme and we have a place based pairing programme in India just now. And, essentially, we're really looking at market making activities where we can identify and create market opportunities for team U.K, hopefully gain privileged market access and really understand the opportunity for the U.K and accelerate people into those places. So super interesting programme. Really, really exciting times. It is, this year's the 140th anniversary of U.K South Korea relations so there'll be lots of work happening in this year to publicise the great stuff happening here. And finally, I'd just like to say thank you very much for taking the time to listen to this webinar. My details are on the slide in case anybody would like to get in touch. I hope you enjoy the rest of the webinar. Thank you.

Captions by www.takenote.co.

File name: invest_ni___spotlight_on_south_korea_webinar_-_mark_&_david (360p).mp4

Moderator questions in Bold, Respondents in Regular text.

KEY: Unable to decipher = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

Mark Graham: Good morning everyone who's joining us from Northern Ireland or indeed elsewhere in Europe and good evening to everyone who is joining us over here in the Far East, and I'm sure it'll be a, a good few afternoons in, in, in, in there too as the world, even over this way in the Far East, has finally opened up and, and we're all travelling again in business. For those of you who don't know me, I'm Mark Graham, Invest NI Regional Director for north-east Asia, covering South Korea, Japan and Taiwan and I am based here at the British Embassy in Tokyo. You're very welcome to the first ever spotlight on Korea. It is the first one because our presence and our team there is relatively new. Our people there have been in place since June, based at the British Embassy in Seoul, with the official office opening having just been conducted back in December there by the Ministry of State for Northern Ireland, Steve Baker. So the office is new but that certainly doesn't mean our staff lack anything in experience or ability. Our people in situ in the market are very commercial. David Bae, who'll be coming up next is our Country Head and he comes with a wealth of experience in the life and health science sector, and is ably supported by Suzie Lee, our Senior Trade Officer, who has extensive experience in the tech sector. And being a relatively new office doesn't mean that these guys are still getting their feet under the table. Far from it. They've been very busy from the get-go. From leading an inward mission, an inward investment mission of thirteen companies to Northern Ireland in October, hosting a ministerial visit in December, forming strong ties between Northern Ireland and Korea by an innovating twinning with Sejong City and Belfast city, to already securing high profile trade wins.

They've done a lot of work so far. I won't say too much more on that, as I know we've got some great guests coming along later to talk about all those things, and I thank them very much for participating. And tonight is all about Korea, but I just wanna give a quick plug for Japan. If you didn't catch our second Spotlight on Japan webinar last month, please go to the INI website and search for Spotlight on Japan where you can catch some clips. And if you're interested in taking that further, please drop me a line. Same goes for Taiwan. So, that's all for now. Thanks again for logging in. I see we have a lot of companies online now. You're all very welcome and thanks again to the panellists for their valuable contributions. I'll hand you over now to our Country Head for Korea, David Bae. Over to you, David.

David Bae: Thank you Mark for your kind introduction. Hello everyone. My name is David Bae and I'm a Country Manager for the Invest NI for Korean office. And it's very-, it's absolute pleasure meeting everyone here and thank you for your time today to join this webinar to learn more about Korea. We are very delighted to provide you with the, the insight about Korea and it is a truly unique place where many opportunities are available for both (ph 03.16) trade investment in various in various sectors and we will like you to take all the advantages that are available, all the resources that are available to increase your

export as well as the foreign investment opportunities to grow your business globally in Korea, as well as other APAC regions together. And a little bit about South Korea is that it is very known for its sophisticated (mw 03.40), economic, regulatory stability and ease of doing business with unique cultural backgrounds. Korean companies truly do understand how important global partnership is and they are very fast-moving and they always want to become the top tier in the industry with their partners around the world, and I personally know this because I've worked with large conglomerates in Korea, always seeking to work with global partnership as well as the government sectors as well. So today we have three speakers who are truly the top experts that can share what it's like doing business in Korea, and their real world experience to help your business to be successful in the region. So, for the first speaker, we have Miss Nom (mw 04.25), who is the Invest Manager from Kotra and Kotra stands for Korea Trade Promotion Agency and it is state-funded organisation that is operated by the Korean government in South Korea.

Which is very similar to what Invest NI does for the Northern Ireland. So she will explain more about the overall-, the Korean culture, the business environment, economics, market trends in various sectors and about Kotra and its subsidiary division, that's Korea as well. And second we have Dessie Roche, who is a Commercial Manager from Belfast Distillery. And he will share his recent experience of entering Korean market, and his insight of process that he went through, working with the Korean distributor that we introduced last year. And lastly we have Andrew Cochrane, who is the Head of Global Business Growth from the Connected Places by Catapult. And he will share his current project in Korea about the twinning between Sejong and Belfast city that Mark mentioned. And also for the smart city development phase and its opportunity that, that lies ahead for everyone for here today. So now I will like to introduce Miss Nom to present about the Korean market and the organisation first, so off to you, Miss Nom.

Captions by www.takenote.co.

File name: spotlight_on_south_korea___q&a (360p).mp4

Moderator questions in Bold, Respondents in Regular text.

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Moderator: Thank you very much, Andrew. Great presentation, three great presentations, in fact. Where to start? Miss Nam, some great stats there, that really shows what a power Korea is and what opportunities are, are there for exporters. And you compared it to the size of, of, of, of the country which was astounding but regardless of the size, you know, to, to have such a, you know, a big-, a big economy and great opportunities for exports, exporters, is fascinating. Desi, I could listen to that story all day long. I was in the distillery in October, fascinating to see. I have no idea what it looks like now, it must have really moved on if the launch is gonna be in autumn 2023 but it's fascinating, a real privilege to get in to see the construction as it happened and there's a real privilege to support you of our team-, our market team in Korea to support you. And often when you hear about what Invest NI does, you see the FDI highlights in the news and things like that. Often we don't get to tell our story. We've got a really great, competent team, across APAC but what we're interested in tonight is Susie and David in Korea. Really competent team, who, who managed to get that product in market quickly. So it's great that you will tell that. Andrew, we've been working on this project for quite a while now and we'll both be in to John on Monday. I'm looking forward to, to, to seeing you then, but it's fantastic to see these, these relationships come together between the two cities of Sejong and Belfast, and then the wider implications of the relationship between South Korea and Northern Ireland. It really gives us a reason and a foothold to, to make that link and build, build on those relationships. So we have some questions. Before the questions I just want to plug something which is-, I think is-, there's, there's quite a few companies online now and I recognise quite a lot of them and it's gonna be very relevant. It's the Export Health Check on the Invest NI website. So it's a tool that you can use to assess your business's existing export, exporting capability. So a few short questions, and the answer to those, you'll be given a tailored guide, and that will give you the tools to develop your own, bespoke, export strategy. You can go on the Invest NI website and just search for, 'Export Health Check,' or go to investni.com/export. And just before we go to questions, one more little plug about the Smart Cities Mission we plan to do later this year. We plan to take a group of Smart Cities companies over and, and make, make some trade connections and, and show our capabilities with a focus on Sejong but, of course, we'll be looking at all over Korea. So keep your eyes peeled for more information on that coming out. So, let's go straight to questions. I think Andrew had to go as he's travelling at the moment. David's here, Susie's here, Desi's here, and is Miss Nam with us? I think Miss Nam might have had to go as well. Sorry?

F: I'm here.

Moderator: Oh, you're here Miss Nam. Thank you. Thank you very much for joining us on the

panel and thank you for your presentation. So let's get stuck in to the first question which is, 'Hi, I'm in the medical industry, rapid self testing diagnostics. How difficult, in your opinion, is it to get over the medical regulatory system in South Korea?' That's maybe one for Miss Nam or David Beg (ph 03.54) who's got a strong pharmaceutical background. Who would like to take that up?

M: I'll probably take it since I have the one experience life science. So, yes, so I've been working in the life science previously before working for Invest NI and I'll be honest, I was working with the injectable solution products but I do have a small experience with the diagnostic for Corona kits when we-, when the start of the COVID. So the answer, the straight answer is, no, it's not that difficult because a lot of the Korean, the FDA regulation comes from European Pharmacopoeia. So based on that, if you're already exporting to different EU regions you have-, it was the EU GFP and follows the regulation. Then normally, Korea has a very set of regulations that is identical to that. And this really depends on the product and depends on the medical device, which class type specification it is. And most likely, a lot of them goes to the class specification type two. And normally, the registration takes only about a month or maximum, if you need a clinical trial, it's about two months, I would say. So it doesn't take that long. And also, it really depends on the importer as well. So normally you would need to have your entity or having a partner in Korea, who'll be able to register that locally, because they do have to deal with Korean, what is it, Ministry of Food and Safety. So that will be the important point. Overall answer, no, it's not that difficult for the registration.

Moderator: Thanks, David. This next, next question looks like it was planted but I promise you it wasn't. And this is one for you, Desi, and I was-, I think you, kind of, answered this, you pretty much did answer this, but it has popped in before you made this point, but, 'How did you establish the link to selling in Korea? Was it via Invest NI? Are you listed on the KOTRA Website Marketplace?'

M: Yes, good question. Probably should've pre-empted some of the points on the slides. But, yes, like, getting a link to selling into any country can happen in different ways. For example, we're attending a, a large trade show in Germany, ProWein, coming up. So sometimes you meet people at trade shows like that and you can get a link into selling to a country through those. But, in this specific case, it was-, it was purely through Invest NI. I had a conversation with, with some of your colleagues and, and headquarters. Learned about the new team being set up in, in South Korea and was linked straight in to Susie and David, yes, so, so without, without the guys and their support in this specific instance, it's unlikely we would be selling into South Korea right now. So it was purely through-, purely through Invest NI and I do my best as-, to work with (mw 06.41) the regional teams. Invest NI have a lot of teams set up across the world ready to support with these sorts of things. Asia-Pac is a big, big market for us. So working closely with the team there. But there's teams set up across the world to support with these sort of things-, sorts of things as well.

Moderator: Thanks, Desi. And the last bit, 'Are you listed on the KOTRA Website Marketplace?'

M: The product-, the product is literally on it's way to South Korea right now. It should arrive in, in the next couple of weeks. So, so as of now, no. But it will be on shelves, sort of, April time, so maybe then but, but right now, not.

Moderator: Yeah. I think that (mw 07.18) refers to a platform, does it, David? The KOTRA Website Marketplace?

M: So I'd just like to add to that, is that KOTRA is organisation that is very identical to Invest NI. So, basically, what Invest NI, we do, is we help the NI companies to export to Korea. Whereas, for example, KOTRA does separately now may allowing Korean companies to export to different regions. But however, since we have this similarity that in we have a lot of resources together, that there's a lot of programme we can co-op together, so there isn't-, I don't think there is a website where-, I do know that some of the Korean companies to list importers to the Korean Trade Export Association, so this is something that we need to talk a little more to make a different programme together with the KOTRA so that whole nation has the best economical benefit for each other.

Moderator: Thanks, David. Susie, do you want to come in really quickly and comment on how you connected with Desi and the process to getting the product into market?

F: Yes, thanks, Mark. So it actually leads to question number three I think.

Moderator: Oh, haven't got there yet. There we go.

F: But, yes, so what I did, in finding a distributor for Desi and Belfast Distillery would, would be in the sequence of looking at KWSIA which is the Korea Wines & Spirits Importers Association. It's the institution in Korea and I looked through their members, and I looked for a suitable distributor candidate, which met the credentials that Belfast Distillery wanted in the first place. So A would be the size of company, so that it's not an MNC but it's not understaffed as well. B would be the whiskey handling part of the company's portfolio. So we wouldn't be happy with a company that handles too much of other whiskeys. Three would be that the existing sale presence in online and-, online and off trade channels within Seoul and in other rural parts of South Korea. And so I looked through the memberships of the KWSIA and then after that, I looked through my personal network to see which companies can be a good fit for Belfast Distillery and that was how it worked with Golden Blue.

Moderator: Thanks, Susie. Desi, are you allowed to say anything about the value or size of the, the initial order?

M: Yes, sure, it's, it's, there were some press releases recently which referred to it. So the first order was

for 10,000 bottles of McConnell's Irish Whiskey, which is fantastic. It's a good-, it's a good initial order. Obviously South Korea's a pretty big country and as, as Susie, Susie's captured, really, some of the things that we look for as a business pretty well, there. So the presence of the-, of Golden Blue sales teams across the country really. So, yes, first, first container of whiskey is on its way to South Korea right now. 10,000 bottles. So we're hopeful that that's the first step on a-, on a long term partnership like I talked around Irish Whiskey as a-, you have to be patient in Irish Whiskey, it's, it's a long-, a long-term business so we're hopeful that it's the first step on a very long, successful market for McConnell's.

Moderator: Thanks, Desi. I'd say they go through that in no time and there'll be a second container in the sea soon. Okay, look, we're a bit over time. One last question. 'Is there anything to make note of when conducting business in South Korea? E.g. Business etiquette.' Maybe Miss Nam or David, could you comment on that one?

M: Yes, I can do it too. Or, Miss Nam, would you like to comment on it?

F: You first.

M: Oh, okay. So basic business etiquette in Korea. So Korea is very fast moving when it comes to business, especially B2B. So sometimes they will look for your, what is it, your reply within a day, or even in couple hours if you're in a same time zone. So there's that part. And I guess it's, kind of, a funny way of saying it, but a lot of people thinks lot of the Korean companies are from Japan. Like, I have a recently, I met a foreigner who asked, 'Isn't Samsung from Japan?' So don't ask those kind of questions, they're going to be offended so I guess that's still one of the funny business etiquette that you can know about in Korea. But overall, Korea, Korean companies are very internationally oriented. They all speak English when they do international business, so language shouldn't be a barrier. Besides that everything seems to be very similar to any others. Do you have any other comments, Miss Nam?

F: I'm pretty very same with what David said. Like you said, like, Koreans are very business oriented, so, like, not like in the UK. So it is all okay to start from talking about business. It's not okay here but in Korea, it is all okay. So I think that's the biggest difference.

Moderator: Thank you very much guys. I think I'm having a technical failure here. My webcam's not on. But thank you everyone for your presentations. We'll leave it there. Thank you Miss Nam, thank you Desi, thank you Andrew, see you on Monday. If you need anything from us, please get in touch. Our contact details are on the Invest NI website in the Asia Pacific section. Thank you very much for joining us this evening and this morning, have a good day.

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