

FOODPOLIS where
Innovation meets taste



FOODPOLIS, Food Hub of the Northeast Asian Market

Tel. +82-1688-8782 <http://www.foodpolis.kr>



FOODPOLIS

KOREA NATIONAL FOOD CLUSTER

No.9 · October—November · 2014

KOREA NATIONAL FOOD CLUSTER

FOODPOLIS

No.9 · October—November · 2014

COVER STORY

KEEPING THE FOOD SUPPLY SAFE



DOMESTIC INDUSTRY LEADER

Dongwon F&B

FOODPOLIS NEWS

MOU with Lipmen & Clever Mama

FOOD TRAVELS

Asian Food Festival

<http://www.foodpolis.kr>





YANGBAN

Globalization of Korea's No. 1 Laver Brand, YANGBAN!



Korean World-Class Products are the top 5 brands of Korea in the international market selected by Korea to nurture world-class products that can lead the global market.

Yangban Laver uses only carefully selected premium seaweed, making Yangban Laver much crispier and richer in the natural taste of seaweed. It suggests you the right food "Seasoned laver" for your health-conscious diet!

Bureau Veritas is specialized in auditing, inspection, certification and testing services in the fields of quality, health & safety, environment and social responsibility. Present 140 countries, with a strong acquisition policy.

**HEALTH
SAFETY &
INDUSTRIAL
RISK
ASSESSMENT**



- AUDIT** Customized audit program for Hygiene, Safety & Social responsibility
- TRAINING** Specified training course by industry & NRA Servsafe course certified
- TESTING** To protect brand and product, BV serve specialized testing service
- CONSULTING** To make systematic control & prevention, BV provide the advanced program

Bureau Veritas Korea

TEL: +82 2 555 8924
EMAIL: hsr@kr.bureauveritas.com
WEB: www.bureauveritas.co.kr

100% 발효원액 그대로 -

물 타지 않는 맥주 클라우드



Kloud



물 타지 않는 ORIGINAL GRAVITY 공법의 REAL 맥주

© 2014 Kloud. All rights reserved. Kloud is a registered trademark of Kloud. Kloud is a registered trademark of Kloud.

EVER FRESH

Keeps food Fresher & Longer

Ever Fresh is critical in maintaining the freshness of various foods and continue to Improve in quality and grow in the number and variety of applications.



Products

- Oxygen Absorber
- Gas Absorber
- Ethylene gas Absorber
- Moisture Absorber

- Prevents spoilage and oxidation.
- Reduces costs and helps the environment.
- Improves shelf life and quality.
- Proven excellence in safety.
- Numerous of applications.

with
EVER FRESH >>>



without
EVER FRESH >>>



HEAD OFFICE 43(Juan-dong), Gilpa-ro, Nam-gu, Incheon City, Republic of Korea
 TEL : +82-32-865-8166 FAX : +82-32-865-8171 E-Mail : lipmen@lipmen.co.kr www.lipmen.co.kr

LOTTE FOODS
 We are the Brand New Leading Company

name after merging with
 LOTTE SAMKANG, LOTTE HAM, Pasteur Milk and LOTTE Fresh Delica.

LOTTE FOODS



LOTTE SAMKANG LOTTE HAM

LOTTE FOODS

The LOTTE FOODS, we are the Brand New Leading Company name after merging with LOTTE SAMKANG, LOTTE HAM, Pasteur Milk and LOTTE Fresh Delica, and become even stronger nutritional Food Production Company.



THE LATEST TREND IN GASTRONOMY IS 8.000 YEARS OLD.

NATURAL SOYBEAN FERMENTATION FINALLY MAKES IT INTO YOUR KITCHEN.

Sempio Jang's line of fermented soybean sauces and pastes. After thousands of years of history, fermentation techniques are revolutionizing the creations of the great chefs. Sempio Jang's fermented soybean sauces and pastes lend a unique and personal touch to your cooking.

 Sempio
Jang

NATURALLY ENHANCE AND BALANCE THE TASTE OF YOUR DISHES.



www.sempio.com

www.facebook.com/sempiojang



BIG DECISIONS CALL FOR BIG IDEAS

Working with Innova Market Insights you get more than great data, you get great tools to save you time. And great people who care about you and getting you where you need to go.

Let's talk now.

The Insights You Need Now™
www.innovadatabase.com





b!b!go

ENJOY K-FOOD WITH BIBIGO

AMERICA
BULGOGI BBQ SAUCE

CHINA
MINI DUMPLINGS

JAPAN
BULGOGI SAUCE

EUROPE
CRISPY DUMPLINGS

SINGAPORE
WONTONS

BIBIGO PRODUCTS & RESTAURANTS

Bibigo is a global Korean cuisine brand that introduces Korea's most representative and healthy dish - bibimbap - to the world with a healthy and fresh concept. There are currently 24 Bibigo restaurants in 7 countries, including United States(LA), United Kingdom(London), China, Japan(Tokyo), Singapore, Indonesia(Jakarta), and Korea(Seoul).

PSYGO BIBIGO

Global K-POP star PSY is the official brand ambassador of Bibigo. It had run the campaign called PSYGO BIBIGO to recruit the chef for PSY so that the winner introduced Korean food to the people across the globe with PSY.

b!b!go
www.bibigo.com

Contents

- | | |
|---|--|
| 10 From the Editor
Tackling a Truly Important Issue:
Food Safety | 33 Foodpolis News
- Lipmen
- Clever Mama |
| 11 New Inspiring Leader
Mr. Lee Ju-myeong | 39 News Track
Latest News and Statistics |
| 13 Domestic Industry Leader
Dongwon F&B | 47 Food Travels
- Deepavali
- Asian Food Festival |
| 17 Cover Story
Keeping the Food Supply Safe in
the Face of Globalization | 51 Food Trend
- Korexican
- Halal Food |
| 29 Interview
Professor Peter Oosterveer | 55 Photo Essay
- Jeju Island
- DoI Hareubang |
| 31 Policy Talk
New Policy to Promote Food
Safety at the Source | 57 Fall Reading
Book Recommendation |

Credits

Publisher
FOODPOLIS
KOREA NATIONAL FOOD CLUSTER
TaeyangB/D 4F 40-9, Jungang-dong,
Gwacheon-si, Gyeonggi-do,
Korea 427-806
Tel. +82-1688-8782
<http://eng.foodpolis.kr>



Content Development

Tower Communications, Inc.
Tel. +82 2 3789 6244 | www.towercom.kr
Chief Editor: Mike Weisbart
Writer: Alicia Baik

Design & Printing Agency

A1 LAB
Tel. +82 2 336 4089 | www.all-1.com
Director: Kim Boil
Manager: Choi Ji-hoon
Sr. Designer: Jang Day-one
Photographer: Lee Byoung-sam



SECURE A HAPPY WINTER OF LIFE!



- May reduce the risk of dementia
- May reduce the risk of cognitive dysfunction
- May reduce skin aging by UV
- May help to retain moisture in the skin
- Applicable to various foods

What is PS?

PS is an acronym for Phosphatidylserine. It is already well known and widely used in the USA and Europe. FDA claims consumption of PS may reduce the risk of dementia and cognitive dysfunction in the elderly. Brainew PS is certified as functional raw material, and it is also certified that it may help to prevent signs of aging in the skin caused by UV and to moisturize the skin in Korea. Furthermore, Brainew PS is certified as a new resource of food in China.



*Phosphatidylserine is an important phospholipid membrane component which plays a key role in cell cycle signaling, specifically in relationship to apoptosis.

jeongsun1.kim@doosan.com

From the Editor

Tackling a Truly Important Issue: FOOD SAFETY



As our world becomes increasingly interconnected, so too does our food supply. New areas of functional foods are being pioneered all the time, and the supply chain continues to grow complex as it travels further, crossing more borders and meeting the ever increasing demands of people around the world for safe and delicious food.

Located right in the heart of Asia, FOODPOLIS is Korea's national food cluster. Our mission is to accommodate global food companies and help simplify their market path into some of the biggest markets in the world, including China, India, and more.

With global companies investing in facilities within the cluster, many more have expressed keen interest in FOODPOLIS. And with the establishment of a major food functionality test center in progress, the Korean government aims to lead the global food industry with the highest of standards in food safety and raise global awareness.

This issue features a report on the globalization of food safety. The food import and export market continues to grow at a steady pace. As the globalization of food spreads and consumers gain more access to diverse foods, we take a look into how food safety is being handled in the complexity of the global food supply chain.

In one aspect of our cover story, we delve into how Denmark was able to change its system to make sure that chicken arriving in your kitchen is nearly entirely free of Salmonella. We also dive into the food recall process to see how companies are dealing with the issue, using previous recall cases to show how companies have reacted in the past and what they are doing today to prepare more effectively.

We also reached out to a world renowned expert on food safety and globalization for his deep professional insight surrounding the challenges of food safety around the entire world. We find out what worries him about the current globalized system, and what gives him hope.

On the lighter side, this edition also looks at the dynamic Asian Food & Culture Festival that was held during the Incheon Asian Games, and the soon to be held Deepavali festival in Malaysia. And, I encourage you to take a moment and enjoy the stunningly beautiful scenery of Jeju Island in the photo essay and learn about the story of the traditional Dol Hareubang.

I sincerely hope you enjoy this important volume of FOODPOLIS Magazine.

Yeo In-hong

Vice-minister of Agriculture,
Food & Rural Affairs, Republic of Korea

NEW INSPIRING LEADER

Mr. Lee Ju-myeong

Director-General of the Food Industry Policy Bureau
at the Ministry of Agriculture, Food & Rural Affairs



“I’m confident that FOODPOLIS is going to play a major role in not only enhancing the food industry in Korea but also by opening new doors and creating new market opportunities for both Korean food companies and multinationals operating in the cluster. At the Ministry, we’re sparing no effort to transform the FOODPOLIS vision into reality.”

On August 18th, the National Food Cluster welcomed Mr. Lee Ju-myeong as the new Director-General of Food Industry Policy Bureau at the Ministry of Agriculture, Food & Rural Affairs. From February 2011 to August 2014, Mr. Lee previously served as minister counselor to the Permanent Mission of the Republic of Korea at the UN Secretariat in Geneva, where he successfully gave voice to Korea’s positions on a variety of important issues, actively expanding Korea’s constructive role in the world and enhancing its contribution to the global multilateral framework.

Mr. Lee is now keen to make an impact on food industry policy. In particular, he has high expectations for the National Food Cluster, lauding its status as a government-supported project located in the heart of the economically dynamic Northeast Asian market, with 1.5 billion consumers spread across China, Japan, and Korea. He emphasized that the government is strongly supportive of the National Food Cluster, striving to make Korea the center of the food industry. By 2020, the Northeast Asian region is expected

to account for one third of global trade volumes, making it the center of global economic development.

He is also quick to point out the underdeveloped nature of Korea’s national food industry and the need to pool resources in the National Food Cluster. Following his appointment, Mr. Lee emphasized the importance of making preparations for external threats and internal challenges to strengthen Korea’s food industry competitiveness, particularly as new FTAs bring competition in the agricultural sector and threaten Korea’s small manufacturers.

He further highlighted the role of the National Food Cluster in helping fulfill President Park Geun-hye’s vision of a dynamic and creative economy, with support for small and medium sized enterprises to help them grow to become globally leading food companies. He also said that the food industry has a promising future, one that generates added value and creates more jobs. Moreover, the global food market is estimated to be worth \$6.4 trillion (1.5 times bigger than the semiconductor industry) by

2020 and competition among nations is intensifying. He called on officials participating in the National Food Cluster project, which will be completed in Iksan, North Jeolla province, to work hard to ensure that operations start in 2016, pointing out that the key ingredients for success would be flexibility and internationalization.

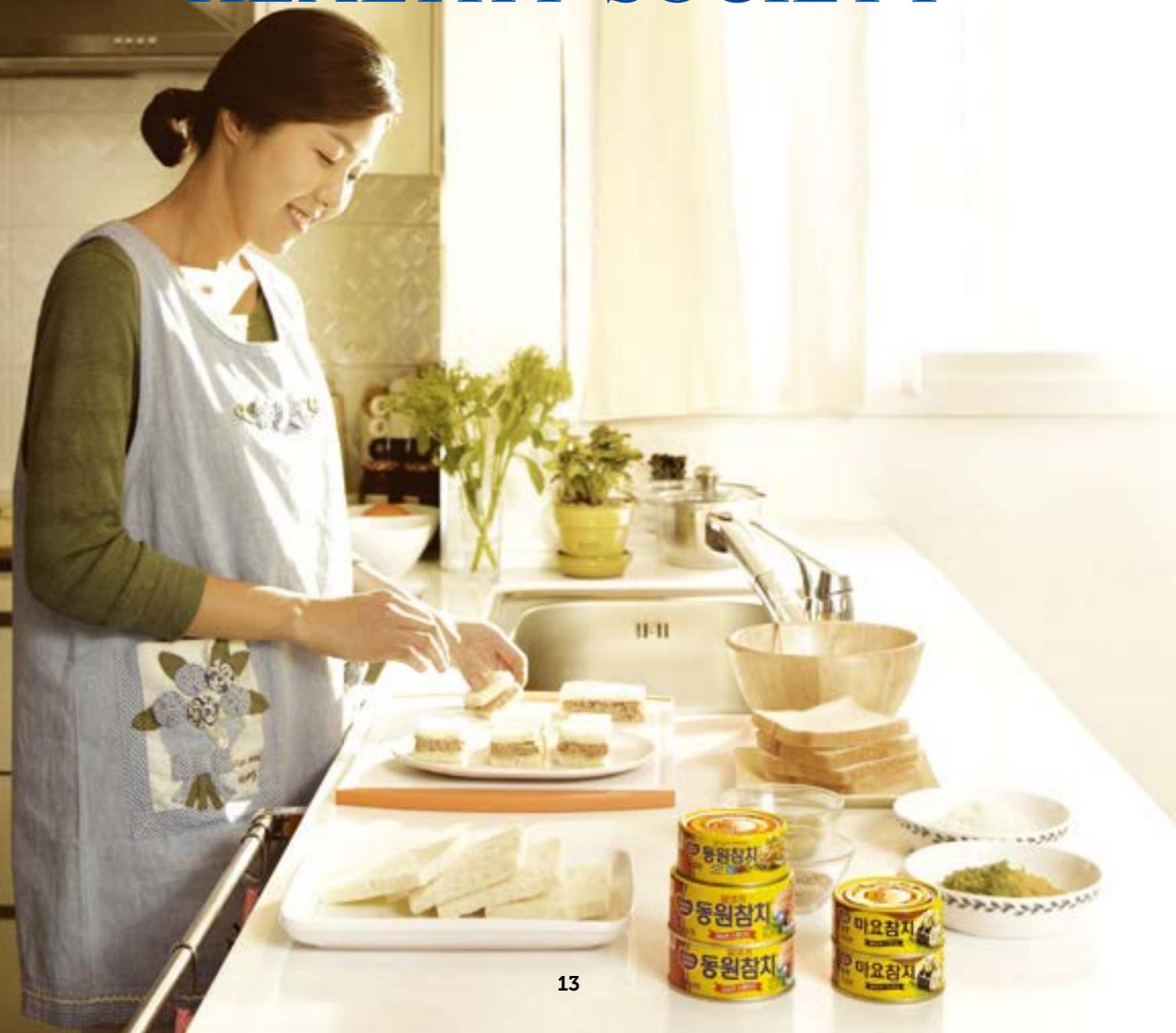
Mr. Lee said that he fully supports the vision for the National Food Cluster and its goal of building optimized networks among food processing, packaging, and marketing companies, professional support agencies, universities, research institutes and government agencies. Together, they create added value, making the case for them to be the next growth industry with sustainability.

The National Food Cluster will also operate as a food industry think tank, leading discussions on essential topics such as food price increases, and demographic change. It will also conduct research into functional foods, packaging and processed foods. The National Food Cluster will continue to challenge itself to lead the Northeast Asian market and exceed the standards of the Food Valley in Netherlands to become the world’s top food cluster. It is planning to advance itself by becoming a food industrial cultural city by applying Korea’s regional resources, which include food, tourism, and culture.

Mr. Lee was born in Dan Yang, Chungcheongbuk-do and spent most of his early childhood in Busan. He graduated from Korea University with a bachelor’s degree in law, and received a master’s degree in law (LLM) from Indiana State University at Bloomington. He began work for the government in 1994, and is married with two sons.

DONGWON F&B

HEALTHY AND SAFE FOOD FOR A HEALTHY SOCIETY



With the Korean market for canned tuna consolidated, Dongwon F&B has set its sights on expanding around the world, putting decades of experience to work to develop premium food products that meet the demanding tastes of consumers everywhere.



Dongwon F&B is one of the bright lights in Korea's food manufacturing industry. With a strong focus on healthy food options, the company produces more than 250 products that are easily found in family kitchens in Korea and around the world, including its trademark Dongwon tuna, seasoned laver, rice porridge, kimchi, instant rice, milk, cheese, red ginseng and even vitamins.

The Leader in Healthy Canned Seafood

The company found its beginnings back in 1982, when Dongwon F&B was known as Dongwon Industries. At that time, it introduced the first canned tuna product into the Korean market and it eventually went on to be a big hit for the company.

As tuna was still foreign to many consumers, Dongwon actively promoted the healthy aspect of tuna products through various marketing activities. With time, the canned tuna has found its place as a healthy yet convenient food. In

fact, Dongwon's product gained so much popularity that when people think tuna in Korea, they think "Dongwon Tuna."

Since it was first launched on the market in 1982, Dongwon Tuna has sold over 5 billion cans. It's a phenomenal number that clearly marks it as the consumer favorite. Dongwon has also introduced a variety of other canned fish products, including canned mackerel, mackerel pike, whelk, and most recently canned salmon, as it expands its broad range of healthy canned seafood offerings. Dongwon is the only domestic product to use premium Coho salmon, which is chosen for its bright pink color and juicy taste.

Fueling Wellness With All Natural Ingredients

Dongwon innovations don't stop at canned goods. It is also deeply involved in creating a variety of other healthy food products, such as Dongwon Yangban laver, which is one of the leading dried

and seasoned laver products in the country. It is rich in nutrients fresh from the sea such as protein, vitamins, calcium, iron and especially vitamin A, which is said to be great for your eyes. The company keeps high standards for freshness with its unique source inspector program, making sure that the bar for quality is set high from the very beginning.

Of course, the healthy food lineup would not be complete without Kimchi and rice products. Yangban Kimchi is made with Dongwon's exclusive technology that recognizes the need to reduce sodium in our diets. It provides consumers Kimchi that has all the taste and crunchiness that consumer associate with freshness, but without all the salt.

The company also sells porridge and is currently leading the domestic Korean market with its Dongwon Yangban Porridge product, which uses 100 percent all natural Korean glutinous rice. It also comes in over 10 healthy flavors, including abalone, tuna, sweet pumpkin, and

vegetable porridge. Dongwon continues to lead the domestic cooked cereal rice market with its instant rice brand, Ssen Cook, which is joined on the shelves by Ssen Cook Budding Brown Rice.

The company has also made a strong foray into the lucrative health food market. In 2007 it established the red ginseng brand Chunggeein, and has been aggressively promoting the product with a brand concept that points out that health emanates from the earth. To ensure success, the company brought in many of Korea's best red ginseng experts with decades of experience. It also opened a red ginseng production plant in South Chungcheong province in 2010.

Even before the ginseng gambit, the company has been pushing into health supplements. Since 2002, Dongwon has been the exclusive importer and reseller of GNC, the world's biggest health supplement brand. At the GNC store, professionally certified nutritional consultants work to help consumers find just the right product to match their lifestyles, considering everything from the consumer's gender, age, drinking and smoking habits. They even provide lifestyle advice on healthy diets and health management methods.

Reaching for Global Markets

To continue its outstanding growth story, Dongwon is working quickly to consolidate and increase its investments in healthy foods and utilize its strong base of high quality research and development to tap into the strong demand for Korean food around the globe.

Yangban seasoned laver and Yangban kimchi is already very popular in Japan, where Asahi TV picked Yangban laver as the top selling Korean food product in the country. Success in Japan is just the first step for the company. It is now setting its sights on the much larger Chinese and American marketplaces. It made its first



effort in China last September with its famous canned tuna but did not do so with a one-size-fits-all approach. Instead, it banked on extensive research on the Chinese palate to develop three unique kinds of Chinese style canned tuna that are being sold mainly in Shanghai.

In the United States, Dongwon has partnered closely with Kroger, a major grocer and retail distributor, to introduce the snack concept laver "Yangban SEA VEGGIES." The company is also looking to export healthy Korean food products to a variety of other countries and regions, including Russia, Southeast Asia and South America.

Reliable Food Safety Management

The backbone of all the success at Dongwon over the years has been the company's unwavering commitment to promoting food safety. The company has made significant investments in food safety management to provide consumers with safe products they can fully rely on for their families.

Main products such as tuna, ham, laver and kimchi are all managed according to HACCP standards with ISO9001 certification, and the company is continuously working to ensure those standards are maintained. For example, it provides regular HACCP management education to all employees and subsidiary corporations. The company also operates a central quality management department, which is located directly under the watchful eye of the CEO. The department receives daily reports on a variety of pertinent items, including claims and complaint management, foreign substance discovery, and ingredient management.

With its rich heritage and strong track record of success and continuous innovation, Dongwon is poised to meet the coming demands of the global food market with outstanding products that lead the industry.

**KEEPING
THE FOOD SUPPLY
SAFE
IN THE FACE OF
GLOBALIZATION**



Making sure that the food we eat is safe is more of a challenge than ever before. In particular, the increasing globalization of the food industry makes an already complicated task even harder. But combined efforts on the part of industry and government are showing results, and new developments provide hope for a bright future in food safety.



Take a good look at your dinner on any given night, and you'll realize that many of the ingredients have traveled hundreds or thousands of miles to reach your plate. The globalization of food has brought consumers many benefits, including increased variety in all seasons of the year, and lower prices. But as the global food supply chain becomes more wide-reaching and complex, the task of ensuring food safety grows ever more difficult and vital. How are governments, food inspectors and the industry rising to meet this challenge?

THE INCREASING GLOBALIZATION OF THE FOOD SUPPLY

In the past two decades there has been a surge in the volume of food products shipped between countries. It's estimated that the US imports more than \$2 trillion worth of food products each year, from 230 different countries.

The UK, for its part, currently imports GBP 40 billion (\$64.4 billion) worth of food, up from GBP 30.5 billion (\$49.1 billion) in 2005. Globally, the scale of food imports will only continue to rise in the future, as economic growth in developing countries fuels demand and brings about changes in eating habits.

That amounts to a logistical nightmare for inspectors trying to ensure food safety. In 2011 alone, 24 million shipments of food and FDA-regulated items arrived in the US, up from 6 million in 2001. "The numbers are staggering," said Dan Solis, the FDA's director of import operations for the LA district, as quoted in News21. "For example, in the Port of LA, over 40% of shipments coming through are food. So yes, the volume is a continual challenge."

Virtually any kind of food can be shipped between countries. Chilled or refrigerated containers make it possible to ship perishable items such as meat, seafood and fruit, but fluctuations in temperature, especially during loading and unloading, can result in spoilage. With producers scattered across the globe, it's also more difficult for regulators to enforce food safety at the source.

New technology offers some promise: for example,

supercooling (lowering the temperature of a food below the freezing point, while preventing ice crystals to form) may help to avoid the degradation that results from freezing and thawing during shipment. But no system is perfect, and food inspectors will need every tool and technique available to them to ensure the safety of imported food.

HOW FOOD INSPECTORS COPE

Obviously it is not possible to directly examine all the food that is imported into a given country, so food inspectors employ various techniques, including sampling, to identify and deal with food safety issues. Whereas some countries such as South Korea carry out inspections at the port of entry, many larger countries including the US allow most food to be shipped first to importers.

The limited number of food inspectors in relation to the surging volume of imports is a challenge for all countries. The USFDA employs roughly 2,000 full-time investigators, but they are responsible for overseeing



multiple sectors including local food production, human and animal drugs, vaccines, and animal feed as well as food imports. The agency works with US customs officials to identify tainted shipments on arrival, flagging those that are an obvious problem. It also examines samples at dedicated testing facilities, or at two mobile testing labs that can be sent around the country to areas of concern. Still, the agency is only able to directly sample and test less than 1% of incoming food shipments.

Increasingly, food inspectors rely on information technology such as PREDICT (Predictive Risk-based Evaluation for Dynamic Import Compliance Targeting) to analyze data about manufacturers' histories, lab test results, product information, weather patterns etc. In this way, they are able to identify and test the shipments that carry the greatest risk of contamination.

THE POLICY RESPONSE

Governments have recognized the challenges posed by globalization, and in recent years have introduced a number of important reforms. In 2011, President Obama signed the FDA Food Safety Modernization Act into law, providing the USFDA with a set of additional tools in their efforts to ensure food safety. For example, the agency now has the authority to order companies to withdraw suspected foods, whereas in the past it could only issue requests. More broadly, it puts more resources into preventing contamination at the source, which in today's globalized world means setting up branch offices in foreign countries and working together with producers to improve food safety. Increased levels of data collection and analysis have also led to the drafting of new regulations, such as new rules for poultry inspections introduced this year.

Meanwhile, the Canadian Food Inspection Agency is currently overhauling its regulatory framework in the comprehensive Safe Food for Canadians Act, scheduled to go into effect in 2015. The act requires all food importers to apply for two-year licenses, and to independently develop Preventative Control Plans (PCPs) to address food safety concerns. The CFIA's primary role will be to provide guidance, approve individual PCPs and ensure that they are properly executed. This allows for companies to adopt preventative measures tailored to their particular circumstances, and to innovate without having to wait for changes in regulation.

In China, the government is currently drafting revisions to its Food Safety Law, as part of a five-year plan which will overhaul and streamline the 2,000 national food





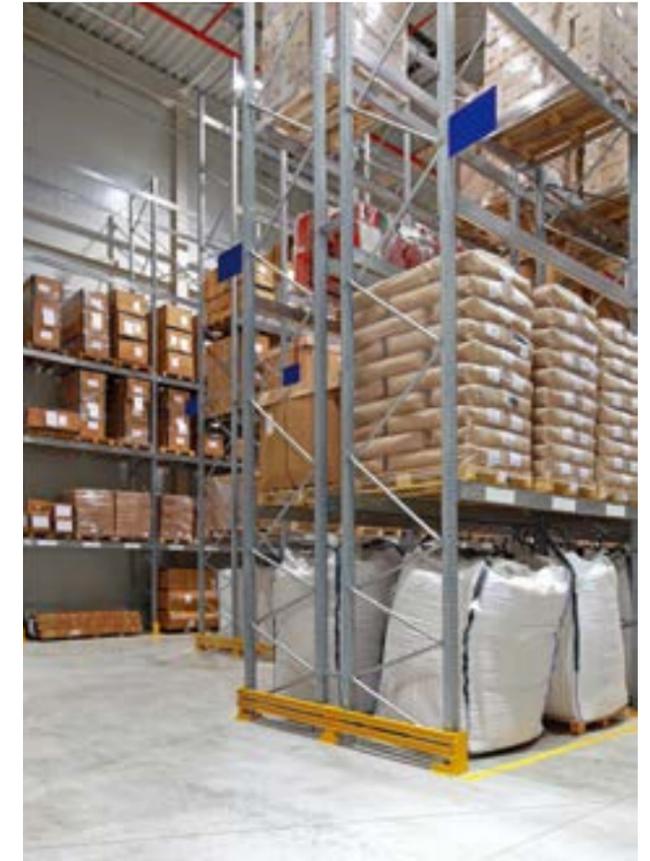
becoming more proactive in adopting new technologies and implementing best practices to bring about increased levels of food safety.

One striking example of what can be achieved through concerted, industry-wide effort is Denmark's virtual elimination of salmonella contamination in poultry. In the late 1980s, a spike in salmonella-related illnesses traced to broiler meat alarmed consumers and convinced producers that something had to be done. First, the poultry industry adopted voluntary control measures that helped to reduce, but not eliminate, cases of human illness. Then in 1993 Co-op Denmark, the country's largest retail grocery with 40% of the market, issued an ultimatum to suppliers, threatening to switch to imported Swedish poultry if strict measures were not taken to curb salmonella. In return, the retailer introduced "salmonella free" labels on raw chicken

meat from companies that met their standards.

In 1996, the government stepped in with a \$30 million National Salmonella Control Program to compensate farmers for the losses incurred when contaminated flocks were culled. Over time, more and more reforms were introduced, from the banning of vaccines and antibiotics to the extensive redesign of chicken houses. Although the price of chicken meat rose accordingly, Denmark's National Food Institute estimates that 150,000 illnesses were prevented between 1997 and 2004, resulting in \$63 million in saved medical expenses and workdays. Since 2011, there have been no documented cases of human illnesses resulting from Danish chicken meat.

Looking around the world, there are diverse ways in which companies are investing in and promoting food



regulations and 2,900 industry-related regulations that currently exist. The new law will incorporate steeper fines for producers who fail to ensure food safety, and greater levels of compensation to consumers. It will also become easier for private plaintiffs to bring lawsuits against food companies. Food safety remains a hot topic in the Chinese media, but observers note that increased reports of food safety problems can be seen as a sign of progress, indicating increased levels of oversight.

THE INDUSTRY RESPONSE

At the same time as governments draft new policies to deal with the challenges of globalization, the industry itself is also moving ahead with its own reforms and innovations. Generally, it is in the best interests of companies to invest in food safety. The need to protect one's brand and win the trust of consumers is often stronger motivation than even the toughest regulations. Therefore, leading companies are





safety. For example, responding to Chinese consumers' demands for healthier and safer food, Nestlé has recently opened one of its food safety research centers in Beijing. The NFSI (Nestlé Food Safety Institute) will collaborate with Chinese regulators, research institutes and local universities to share the results of scientific research and help raise industry standards. It will also take part in food safety training programs to help spread best practices.

Meanwhile adhesives/packaging firm Henkel has drawn keen interest with its food-safe packaging forums, which to date have been held in Germany, Italy, France, Chicago, and two cities in Indonesia. Food packaging is one area where new technology offers the potential for significantly improved food safety. Nonetheless the forums cover the entire supply chain, and highlight ways in which technology and best practices can lead to improvements in food safety.

Such cutting edge initiatives are sure to continue producing results, but one of the best ways that individual

companies can contribute to food safety is to embrace the food recall process. Increasingly, the industry is realizing that voluntary recalls of food products, whether due to health concerns, mislabeling or manufacturing defects, build customer trust and are ultimately in a firm's best interest. As the recall process becomes more streamlined and efficient, the risk to consumers is significantly reduced (see accompanying article at page 27).

The globalization of food production, processing and transport shows no signs of slowing. On the contrary, with world populations on the rise and developing countries moving to adopt protein-rich diets, the global food supply market will continue to grow ever more complex in the coming decades. Nonetheless, if industry and governments work together to embrace new technologies and adopt effective practices, consumers will be able to enjoy fresher, tastier meals with minimal worry about food safety.

(see related article on the next page)

RECALLS: TURNING CRISIS INTO OPPORTUNITY

Sometimes it's impossible for food processing companies to avoid recalling their products due to safety scares. Planning for the inevitability of a recall may be the single most important thing a food processing company can do.



"Recall." That word alone must surely strike fear in the heart of corporate executives working in the agri-food industry. But industry attitudes towards recalls have changed over time, and the word no longer carries the stigma it once did. When effective IT systems are in place, and best practices are carried out, the damage caused by a defective or tainted product can be greatly reduced.

Given the complexity of the food supply chain, recalls should be seen as an inevitable fact of life. The US FDA classifies recalls into three different categories: Class I for contaminated products that can cause serious health problems, such as an E. coli outbreak; Class II for products that can cause minor health issues, but pose no serious threat; and Class III for products that are incorrectly labeled, have defective packaging, or which exhibit minor violations of manufacturing regulations.

In any given recall, the "first alert" may come from one of several different sources: from the company itself, from regulators as a result of food inspections, or from health authorities who uncover an outbreak of a food-related illness. The decision to recall a product can be requested or ordered by regulators, but oftentimes companies themselves make the decision voluntarily in order to protect their brand and maintain the trust of consumers.

The next step is to alert the public: to instruct customers not to consume the recalled product, and to provide instructions about returns and/or refunds. In a serious health crisis, companies and regulators will often cooperate with the news media via press releases to ensure that the message reaches consumers as quickly as possible. Finally, after products are recalled and consumers are compensated, regulators may check to confirm that the product has been removed from the market, and investigate the cause of the contamination.

Recalls are often expensive. ConAgra's well-publicized 2007 recall of PeterPan peanut butter ended up costing \$80 million, which is just over half of the product's annual sales of \$150 million. For Class III issues that don't pose major health risks, some companies may be reluctant to carry out voluntary recalls. But conventional wisdom in the industry suggests that such voluntary efforts are ultimately the best path to take, in order to maintain the trust of consumers and preserve brand value.

In order to ensure that a recall is successful, companies need IT systems in place that can accurately trace products along their path towards the consumer, and employees need to be trained in advance to handle contingencies. Effective communication with consumers is also crucial, as ConAgra learned during a separate



2007 incident involving salmonella contamination of the company's chicken pot pies.

As detailed in the book *Effective Risk Communication: A Message-Centered Approach* (2010), ConAgra initially attributed the problem to undercooking of the product by customers, thus "shifting the blame" in part to its consumer base. It also sought to reassure customers before the full extent of the outbreak was known, resulting in later modifications to the parameters of the recall.

Finally, communications by the company and the FDA were not broad and culturally nuanced enough to reach the full spectrum of customers, which in the case of poultry pot pies included many people in low income brackets. These sorts of ineffective communication strategies can ultimately undermine trust in a company. ConAgra for its part has learned from its mistakes, and subsequent recalls have been much effective in minimizing damage and communicating risk.

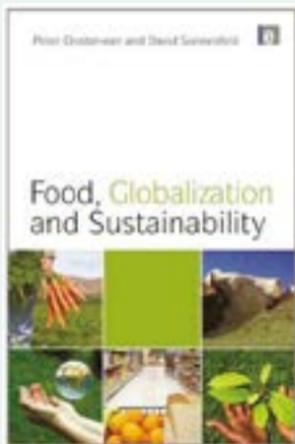
One company that earns particularly high marks for its recall policy is Kraft Foods. Generous investment in information technology has allowed for thorough tracing of all ingredients and end products. The company also holds mock recalls each year, which have given it the ability to achieve 98% traceability within just 24 hours. The company is aggressive in issuing voluntary recalls for even minor defects, and this has helped it to build a reputation as a company that takes food safety seriously.

No company ever looks forward to a recall but companies like Kraft have demonstrated that effectively executed recalls can turn an unfortunate situation into an opportunity to build brand value.

An Expert View on the Issue of Food Safety and Globalization

The many challenges of food safety around the world are growing increasingly complex. From the ever rising volumes of food and food inputs flowing across borders, to the difficulties of making sure that food processing is sanitary, policy makers struggle to ensure that our food supply is as safe as we expect it to be.

Professor Peter Oosterveer has written about these issues and more in his book entitled *Food, Globalization, and Sustainability* (co-authored with Professor David A. Sonnenfeld), which will be released as a translated Korean edition in 2015. FOODPOLIS reached out to Dr. Oosterveer to discuss our cover story for this issue, and the following is a condensed version of the Q&A.



Q. From your perspective, what are the most worrying food safety trends today with regards to globalization of the food supply?

In my view, the main food safety trends are the increasing decomposition and re-composition of raw foods, the fast increasing complexity in the organization of the supply chain, particularly regarding processing, and in general the increasing global trade in food which makes conventional methods of controlling the quality and safety of food to a considerable degree redundant.

Q. You explain in your book about the various issues that we face with regards to the global food trade, in particular the difficulties that local authorities have in coping with the flows. Can you elaborate on that point for us?

Global food trade is increasing while the necessary institutional infrastructures to control quality, safety and environmental impact, are lacking. Examples such as the horsemeat scandal in Europe, the melamine case in China and many other recent examples show that neither governments nor consumers have full control over the food supply chain. Raw agricultural produce (especially meat and fish but also corn and soybean) is increasingly taken apart in different sub-products that are subsequently used for different food and non-food products.



Q. And this means that there are more and more layers between consumers and the point of origin?

That's correct. The number of intermediary steps between producer and consumer is increasing and the origin of food is no longer visible in pre-packaged, pre-cooked, prepared food available in our supermarket. This trend increases the risks for contamination and illegal actions by private companies.

Q. Here you are referring to processed foods. What about the unprocessed inputs?

Even when food is not completely processed, long distance trade and the transport involved in processing also increases the risks because the need for conservation increases as well as reliance on documentation informing subsequent supply chain actors about the way the food has been handled. Finally, the increasing scale of food processing

and trade increases the risk because if something goes wrong large quantities of food are affected and these may be distributed over large areas.

Q. What are the trends or technologies that give you the most hope regarding food safety?

There are two that we find particularly hopeful. One is the increasing demand for fresh, unprocessed and often local food, and the other is the increasing concerns from consumers about food safety. This is positive because it creates permanent pressure on actors higher up in the chain (particularly supermarkets) to take action and prevent food safety incidents.

Q. What about new technologies?

Technological innovations are also giving hope. Nanotechnology may offer possibilities to increase monitoring capacities about the lifecycle of a food product, particularly in terms of temperature and transport, which are sensitive aspects. Another trend is mobile ICT which will give consumers more and better opportunities to trace the origin of their food.

Q. What should governments be doing to tackle food safety issues overall?

Governments should closely monitor these trends and promote scientific research to determine possible food safety risks. Governments should no longer expect to be able to fully control food safety because it is too complex to do this anymore. Therefore, they should develop a strategy in which they partner with private companies, NGOs and consumers, while involving all the key organizations in the process. This should create a network that is more flexible and better able to secure the safety of food.

Peter Oosterveer is an Associate Professor in the Environmental Policy Group at Wageningen University, Netherlands. He is currently working on analyzing global food supply chains, such as palm oil, cocoa and others, and the interventions from different actors to promote their sustainability through labeling and certification. Better understanding of these dynamics can allow for better targeted interventions.

NEW POLICY TO PROMOTE FOOD SAFETY AT THE SOURCE

Korea's Ministry of Agriculture, Food, and Rural Affairs is placing food safety at the top of its agenda, and it is looking first to securing the safety of our food supply right at the source.

Korea's Ministry of Agriculture, Food and Rural Affairs takes the issue of food safety very seriously, and has been looking at a variety of policies over the past number of years to bring enhancements to an already strong system—in particular to create higher standards for food safety at the very origins of our food supply system: the farm.

Those efforts culminated in the announcement this past July of new safety regulations for agricultural facilities designed to improve safety and hygiene standards.

The first area of change comes in the overall management of safety issues at agricultural facilities. Under the new policy, facility managers are responsible to directly maintain and manage all aspects of safety. Funding for new programs to support the facility manager may come from the central or local government level.

Of particular concern in the new scheme is water supply, with new

regulations that call on the facility manager to actively keep track of the status of motors and pumps, water volumes, and any changes in water levels. Similarly, the manager must check the status of the nearest reservoir on a regular basis to prepare for droughts or floods.

A second category of change covers safety inspections of the organization, staff and all the equipment at the facility. There will be regular and detailed inspections which must take place at least once during a specified time frame, and immediately prior to farming season. These inspections will be visual in nature rather than detailed, although they may also involve the testing of motors and mechanized tools.

There will also be occasional emergency inspections that take place if there are any problems regarding facility safety after a natural disaster or accident. The goal is to make sure the facility is still capable of functioning

at a high level of efficiency and safety, and to determine if repairs to the facility are required.

All such inspections can lead to more detailed investigations if dangerous safety issues are identified.

The new policy will also require facility managers to properly notify the local governing authority and the Ministry of Agriculture, Food and Rural Affairs if a facility requires repairs or must be demolished due to the discovery of more severe problems during inspections. Public awareness and clear information flow are critical in these situations.

Finally, the policy makes stipulations about how repairs are to be conducted. After damaged or malfunctioning facilities and equipment are discovered, the facility manager must provide a clear and detailed plan for making repairs. All repairs must follow established agricultural and fisheries law.

New Agricultural Safety Policy Categories



LIPMEN SIGNS ON FOR PROMISING FUTURE AT FOODPOLIS

US-based Lipmen brings its specialized packaging technology to FOODPOLIS, with the signing of a comprehensive investment agreement to join the cluster with a factory and a research and development center.

Specialty food packaging company Lipmen signed an official investment MOU with FOODPOLIS at a special ceremony in Seoul on August 1st, 2014. Lipmen CEO Seo Yoon-duck expressed a strong desire to support the FOODPOLIS business model by setting up a factory and research center in the cluster.

In his prepared remarks, he pointed out that the food industry has a very promising future, one that generates added value and creates jobs, and that he is very glad to make a great contribution to the Korean food industry and its economy as a FOODPOLIS member.

Lipmen Co., Ltd was established in the United States in 1985 and subsequently also incorporated in Korea in 1990. It manufactures and distributes oxygen absorbers, gas absorbers, moisture absorbers, and a full line of products that preserve food freshness for

foods sold in markets around the world.

Oxygen absorbers have revolutionized the way that dehydrated food is stored long-term. The presence of oxygen causes oxidative deterioration and decreases the storage life of food. Oxygen absorbers are small packets that contain an iron powder to mitigate this problem. The packets are made of a material that allows oxygen and moisture to enter but does not allow the iron powder to leak out. The oxygen absorbers are safe to place on top of food, and will not harm the food they are in contact with as they come in a food-safe pouch.

Lipmen is widely recognized in the market for its excellence of quality. It further enhanced productivity over the years by acquiring a number of patents for oxygen and gas absorbers, and is well regarded as a small and medium sized company with bright prospects.

In line with his company's global market strategy, Seo also added that Lipmen has recently been developing a wine saver product that can preserve the deep taste of wine over time. This product uses a high-quality oxygen absorber to eliminate oxygen inside the bottle and keep the original flavor and taste of the wine. Any wine left in the bottle after the first sitting can be sealed with an Ever Fresh Wine Saver and stored for a long time without losing the original flavor and taste.

Seo also underscored that the entire Lipmen family of employees and managers is fully dedicated to pursuing technology research and development to enhance satisfaction and add value for consumers, and that they will spare no effort to grow as a global enterprise in the years to come.



CLEVER MAMA BRINGS ITS BRAND OF FUNCTIONAL FOOD TO FOODPOLIS



Making products with upmost care and from the heart, Mainland China's Clever Mama is bringing real fruit flavored jelly products to FOODPOLIS, using Korea's national food cluster as a stepping stone to becoming a global food manufacturing company.

On August 28th, CLEVER MAMA signed a Memorandum of Understanding with the Korea National Food Cluster at the National Food Cluster promotion hall located in Iksan, Jeollabuk-do. The Fujian-based Chinese company pledged to build a functional food plant in the FOODPOLIS complex, which is to be built in Iksan.

Founded in 2009, CLEVER MAMA is an innovative food company that provides high quality products targeted towards the upper class. Their main products are natural fruit-based pudding and walnut flavored beverages. The company also has a line of black tea, plum jelly and a variety of other plum related products.

Being a Korea-friendly food company, one of the characteristics that makes CLEVER MAMA unique is that they use both Chinese and Korean languages in their branding and food packaging.

"With three production factories already in Anhui, Fujian and Xiamen, China, we are planning to build more factories in Korea and Taiwan as a process of becoming a global company and achieving our goal of bringing in 10 billion yuan in annual sales. From our standpoint, Korea was the best choice as the first country to invest in," said Xu Shu

Shu, CEO of CLEVER MAMA.

Strict on quality control, CLEVER MAMA has a one-stop system that allows the company to research, produce, and distribute products. It also manages food quality using the HACCP safety management system.

"China's economy is growing at a rapid pace, and the demand for high quality products is increasing. CLEVER MAMA is devoted to making the best quality food for our consumers, which is why we were able to position ourselves as a premium pudding brand and build a broad marketing network in such a short amount of time," said Xu.

Xu added that Korea is a leader in the Asia-Pacific region with cutting edge food and packaging technology, indicating that by investing in Korea, the company hopes to work together to build each other's strengths.

"Korea employs high food safety standards, so we want to build CLEVER MAMA's brand awareness by working with the National Food Cluster. As a hub for the food market in Northeast Asia, we have very high hopes for the important role the Korea National Food Cluster will play," said Xu.



News Track

New Gluten-Free Labeling Requirements in the US

On August 5th, the U.S. Food and Drug Administration's new regulations on using terms such as "gluten-free" were put in effect. The rules for labeling gluten-free products were officially published in August 2013, giving food manufacturers a year's time to bring their operations into line.

The gluten-free diet is crucial for the 1% of the American population suffering from celiac disease, but as its popularity spread amongst health fanatics, food manufacturers didn't hesitate

in using the term "gluten-free" in their labels because the term had no set limits.

The new federal definition for a food product with a "gluten-free" label is that it must contain less than 20 parts per million of gluten, or what registered dietitian and assistant professor Dana Angelo of White of Quinipiac University calls, "a virtually undetectable amount."

The gluten-free labeling rule currently only applies to the packaged foods sold at retailers and

food-service establishments such as some take-out restaurants. The FDA notes that "given the public health significance of 'gluten-free' labeling, restaurants making a gluten-free claim on their menus should comply with the FDA's definition."

According to market research firm Packaged Facts, the gluten-free retail market was estimated to be worth \$4.2 billion in 2012, with estimated sales in excess of \$6.6 billion by 2017.



Mexican Government Bans Junk Food Ads

Following in the footsteps of the EU and the U.S., Mexico is now moving quickly to gain control of its growing child obesity rate by banning sugary commercials targeted for children.

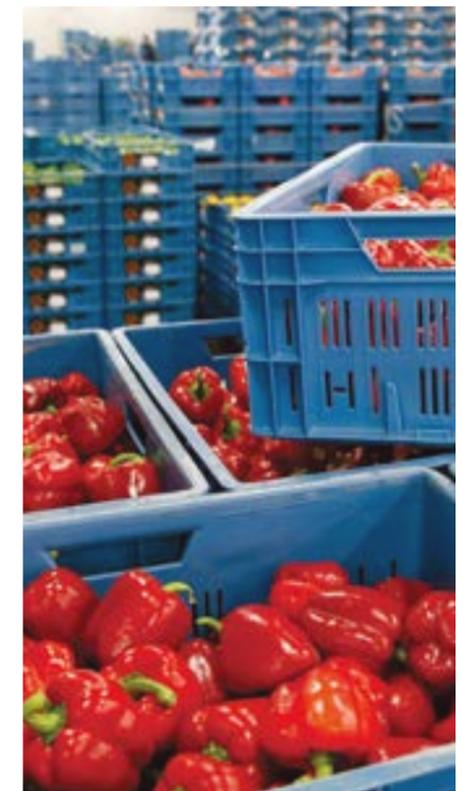
It is no secret Mexico has a big sweet tooth. As the ninth-biggest consumer in the world for processed food and the third-largest market by revenue for Pepsi Co Inc., Mexico is struggling to cut down on child obesity, which already affects a third of the population.

Adopting the EU Pledge, Mexican authorities has banned food marketing to children under the age of 12 on television and in movie theaters since mid-July. This is an addition to applying special

taxes on sugary drinks and high calorie snacks that became effective in January. Companies that violate the commercial ban could face a fine of around \$75,000 per spot that airs.

For Mexican authorities, adopting the EU Pledge helped loosen the tension between food manufacturers because most of them were already following the Pledge in the EU, and were therefore more receptive to the new regulations.

Mexican authorities will be adding sugary cereals, yogurts, cookies and cakes to the list of products banned from airing during television time slots focused on children.



Russian Food Ban to Cost Europe

According to Reuters, Russia's ban on food imports from Europe, part of its response to EU and Western sanctions imposed over the Ukraine crisis, could cost Europe 5 billion euros in a year. Russia announced the one-year ban on European produce, dairy products and meat on August 6th. Russia is the EU's second biggest food market after the U.S.

Germany, which led the EU's decision to impose sanctions, is also suffering as a former main meat and dairy exporter. The EU's total food exports to Russia in 2013 were worth 11.8 billion euros, according to a document presented to the European Commissioners. Also, the products affected by the Russian ban covered 5.1 billion euros in exports in 2013.

Now, however, the EU is struggling with the fallout. The initial plan for a 125 million euro fund for fruit and vegetable growers hit by the import ban has been halted due to "disproportionate surge in claims," and a revised scheme will be introduced in the near future. Farmers were to receive compensation for the crops destroyed, recycled or given away in the period of three weeks after the Russian food import ban was announced.

Chiquita: To Florida or Ireland?

Florida-based Cutrale and Ireland's Fyffes are in a battle to acquire North Carolina-based Chiquita.

Before Cutrale came into the picture, Chiquita and Fyffes were planning to join forces in an all-share merger to become the world's biggest banana business. The \$1.1 billion merger would have seen Chiquita move to the Dublin headquarters of Fyffes, and the pairing would have resulted in an estimated \$4.6 billion in annual sales. But that plan came to a halt when Cutrale teamed up with Brazilian investment group Safra Group to approach Chiquita with a \$625 million offer.

According to Barron's, the global banana market is worth \$7 billion a year, with over 100 billion bananas consumed around the world. In fact, bananas are right behind staples such as wheat, rice and corn.

Experts believe that Cutrale, a family-owned

orange juice giant, is looking to diversify, as the orange juice market is mature and declining. The bold move to acquiring the consumer-friendly Chiquita would give Cutrale immediate brand awareness with consumers.



Chiquita has delayed its shareholders meeting for about two weeks to consider its purchase of Fyffes. Fyffes has agreed to waive tenets of its merger agreement with Chiquita to allow it to talk to Cutrale and the Safra Group.

Organic Food Sales Continue to Soar

The organic food market is growing quickly. According to the Organic Trade Association (OTA), the organic food industry now represents over 4% of the \$760 billion annual food sales in the U.S., and it is still growing. The OTA survey showed that sales of organic products in the U.S. soared 11.5% to \$35.1 billion in 2013 from \$31.5 billion in 2012. And the numbers show that sales in the organic food market have been increasing at an average rate of 10% annually since 2010.

With consumer appetite for organic products growing, companies such as The Kroger Co., Campbell Soup Company, and Wal-Mart Stores Inc. are expanding their presence in the organic and natural food business.

Kroger's, a grocery giant, currently stocks more than 35,000 organic or natural products. It has expanded its natural and organic food line Simple Truth and has seen steady sales growth. Although it did not disclose details, Kroger's

overall natural and organic category has surpassed \$1 billion in sales.

As consumers become more health-conscious, more and more organic products are finding their way to the shelves. This has resulted in price competition in the category for the first time, as companies are having to lower the prices of products across a range of organic categories in order to stay competitive.



Burger King to Acquire Tim Hortons

Burger King announced on August 26th a bold plan to buy Canada-based restaurant chain Tim Hortons for \$11.5 billion and move its headquarters to Canada in a tax inversion move. According to MarketWatch, the two fast-food companies will create a new company with about \$23 billion in sales.

Burger King is backed by the private equity firm 3G Capital, which is a major shareholder that owns 70% of the restaurant chain. Berkshire Hathaway is also providing \$3 billion of preferred equity financing for the transaction.

The merger announcement has brought much controversy and criticism from U.S. politicians, who claim that the Miami-based hamburger chain is making a tax dodge. Burger King's CEO Daniel Schwartz stated in August saying that he doesn't expect "meaningful tax savings" when the company adopts a new Canadian address.

Experts disagree. Edward Kleinbard, a tax professor at the University of Southern California told media that "if they don't see any tax benefits going forward, they are probably not looking very hard." This is because companies in British Columbia pay 26% in corporate income tax, compared to the 35% U.S. federal rate. Burger King is one of nine major companies in the US making moves this year to reincorporate abroad to lower taxes.



Bacon Rages Onto Milkshake Territory

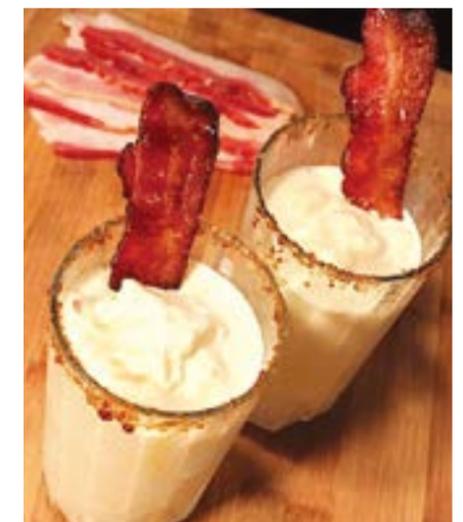
Prices for bacon have risen considerably over the last few years but consumers continue to buy. Statistics shows that prices have risen more than three times the rate of inflation since 2008, and the recent PEDv that wiped out over 7 million piglets since last year has not helped. Yet, bacon sales in the U.S. rose 9.5% to \$4 billion last year, so clearly the food holds a reserve of popularity.

Restaurants in the United States are trying to take advantage by innovating. Five Guys, a popular burger chain amongst millennials, recently

went so far as to add bacon as an ingredient for their customizable milkshakes.

Another brave bacon beverage contestant, casual dining chain Red Robin has rolled out the Beam-N-Bacon Boozy Shake, a bold alcoholic shake mixed in a blender with Jim Beam Maple Bourbon and a long strip of bacon. The drink is topped with bacon bits.

Even Burger King had attempted a shot at bacon by introducing a Bacon Sundae topped with bacon crumbles two year ago.



Tainted Cooking Oil Hits Taiwan

Yeh Wen-hsiang, Chairman of Chang Guann, a Taiwan-based cooking oil supplier, has been fined \$1.67 million by authorities for illegally selling tainted oil and taken into custody on suspicion of fraud.

Since the scandal broke in early September, it has continued to spread beyond Taiwan and has forced Maxim's, a major restaurant chain in Hong Kong, to recall pineapple buns that were made using the tainted oil.

Investigators in Taiwan found that Chang Guann had purchased 243 tons of tainted oil from an unlicensed company since February, and had mixed it with lard oil to sell to customers nationwide. The tainted oil had been collected from cookers, fryers and grease traps. An estimated 782 tons of tainted oils were produced for sale, affecting more than 1,000 restaurants, bakeries, and food plants. According to Taiwan's Food and Drug Administration, more than 236 tons of oil products were removed from stores.

Premier Jiang Yi-huah has made a public apology and promised to improve food safety con-



trols in the wake of the scandal. He added that he would review the Taiwan Food Good Manufacturing Practice Development Association, while also

considering the inclusion of more consumer-protection representatives and increasing factory inspections.

Food Trade Group Volunteers New Food Additives Database

With over 9,000 food additives being used in all sorts of food products, the U.S. Food and Drug Administration cannot keep up. A voluntary certification system was started in 1997 to help companies avoid detailed and time-consuming reviews. But now, companies are certifying their products' safety rather than the FDA, and that has led to concerns.

According to an earlier report by The Washington Post, the fast growth of new food additives has allowed food companies to avoid FDA scrutiny. Also, companies are currently not legally required to notify to the FDA. Instead, they can simply conduct their own scientific reviews to

determine if an additive is GRAS and not inform the agency.

As concerns grow amongst food safety advocates and the FDA, the Grocery Manufacturers Association, America's largest food industry trade group, has announced that it will create a database of food additives. The database will include chemical preservatives, flavorings and thickening agents, as well as the substances that scientific findings companies determine as Generally Recognized As Safe (GRAS). Although the database will not be open for the public, the FDA will be granted access to it.



Wine is Changing with the Weather

Winemakers around the world are dealing with drought, and are responding with some bold decisions to move their business to cooler locations.

Between 2000 and 2049, the average temperature during the grape season could increase by 2.04°C. According to a report published in 2005 which compared temperatures at 27 wine-producing regions during grape-growing seasons over the course of 50 years, even the south of France will probably be unsuitable for producing wine by 2050.

The Bordeaux region of France has already fallen victim to climate change. The region lost nearly 20% of its total wine output due to the overly warm weather compared to last year.

As major wine producing regions start to lose production, unexpected countries could possibly become the next largest wine producers. Australian viticulturist Richard Smarts said in a conference on climate change and wine held in Barcelona that China "will likely be the ideal country to produce grapes in 30 years" and that it may also "produce the world's highest-quality wine."



Fast Food Companies Leading the Breakfast Wars



Cereals are starting to lose their place on American breakfast tables. Kellogg's recently announced that quarterly global earnings fell 16% compared to the year before.

The fast food breakfast market, on the other hand, has been rising by an average 4.8% per year and has grown into a \$50 billion battlefield with fast food companies competing to expand market share.

Holding the lion's share is McDonald's, which raked in 25% of its US sales from breakfast sales. In 2012, McDonald's breakfast menu alone brought home \$10 billion, while Taco Bell, in comparison, earned \$7.6 billion from all-day

restaurant sales.

Other fast food restaurants are expanding fast and experimenting with their breakfast menus. Taco Bell caused a sensation with the release of their new breakfast menu including a waffle taco and sausage flatbread.

Burger King took a different approach with its "Burgers at Breakfast" menu that gave customers burger and sandwich choices even in the early morning. Also, with the recent announcement of plans to buy Tim Hortons, Canada's biggest coffee chain, Burger King may be hoping to expand its market share in breakfast sales.

The Custom Food Trend

A major shift is underway as millennials change preferences, spurning fast food in favor of healthier, customized options.

The trend is proving to be a major challenge for fast food giants like McDonald's as it watches its main target customers leave for fast casual restaurants like Chipotle Mexican Grill and Five Guys, both of which gives consumers more oppor-

tunity to customize their own menu options.

According to a Wall Street Journal analysis of data from Technomic, the rate of 19 to 21 year-olds who visited McDonald's monthly in the U.S. has dropped 12.9% since the beginning of 2011, while the percentage of visits from the 22 to 37 age group has fallen flat. Darren Tristano, executive vice president of Technomic, said in an

interview with Consumer Reports that fast casual restaurants "let the consumer guide the staff to prepare their meal just the way they like it."

Taco Bell has moved to adapt to the new trend with the opening of U.S. Taco Co., its first fast-casual taco concept restaurant in California in August. McDonald's is also beginning to change course to meet the customization trend with its Build Your Burger concept that it is testing at limited locations. The goal? Win back young customers.



New Apps Solving the Food Waste Problem

With an abundance of various food stacked in supermarket shelves, consumers are buying more food than they need and consequently creating an astonishing amount of food waste. In Britain alone, households throw out \$4 billion dollars' worth of food a year.

In 2010, American consumers, manufacturers and retailers let 60 million tons of food go to waste, while the European Union spoils nearly 90 million tons of food annually.

With the food waste "market" growing, startups are looking into this niche market with creative ideas to recycle edible food waste.

Food Cowboy created an app that allows U.S. food producers who need to get rid of food

to contact the company with the volume and type of waste food. Then Food Cowboy sends notifications to the nearby food banks and charities that could benefit from it. Food banks would pay 10 cents per pound of food, which is around a third of what they would normally pay for bought-in items.

In Germany, FoodLoop developed an app that connects spendthrift shoppers with retailers that are looking to clear their shelves of nearly expired products. The FoodLoop system records discounts on those items and sends notifications to users, encouraging consumers to visit the stores to get the bargains.



All About the Coconut

The coconut is at the center of one of the food industry's hottest trends, with food products using coconut appearing all the time, including coconut water, coconut oil, and even coconut yoghurt.

The coconut water market is reportedly worth over \$400 million, and coconut milk has become a staple dairy substitute added to its sudden popularity as food billed as being able to stave off heart disease and Alzheimer's.

The popularity of coconut is now leaping across from health food stores into the coffee shops. Started by hipster baristas trying out new adventurous trends, more and more people are enjoying coconut coffee, which is made with coconut oil. Coffee drinkers at home are making cold brews and mixing it with coconut water.

Starbucks has responded to the trend by putting coconut milk as a new dairy alternative in some stores in the U.S., targeting lactose intolerant customers in the hopes that it can grab the interest of customers who do not like soy milk in their coffee. The company's rival, The Coffee Bean & Tea Leaf, chose to go with almond-coconut milk, but Starbucks stated that it wanted to go only with coconut milk for now due to concerns about the safety of customers with nut allergies.



Food Hubs Drive the Local Food Movement

Food imports are increasing by the day, but so is another unexpected food trend—the local food movement. Local farmers and businesses are working together to build food hubs in regional areas to meet the growing demand for local foods.

According to the U.S. Department of Agriculture, local food hubs are an "emerging sector" of the agriculture industry. They help farmers connect with customers through advertising, sales, order fulfillment, storage and even delivery.

U.S. Agriculture Secretary Tom Vilsack, who visited a Virginia food hub in 2013, said, "By serving as a link between the farm or ranch and regional buyers, food hubs keep more of the retail food dollar circulating in the local economy."

In Nebraska, the Nebraska Food Cooperative

has doubled its service territory due to the rising demand. Initially having started with just 10 paid members in 2006, the co-op now has 1,700 members and continues to grow.

The growing concern for food safety and security has led to a virtuous circle of activity. As more local institutions are partnering with local farmers, schools and restaurants are turning to farms for cheaper yet fresh produce while help maintaining the local agriculture business.

Although local agriculture may not be able to create mass production like large corporate food companies, the mainstream awareness about local food economies is giving small-scale food producers hope for a brighter future.



DEEPAVALI

The Festival of Lights

Deepavali, also known as Diwali or the Festival of Lights, is a five-day celebration that marks the beginning of the Hindu New Year. It is celebrated on the 15th day of Kartika (October/ November) in the Hindu calendar. This year, Malaysia will be officially starting the celebration on October 22nd till the 27th.

Deepavali honors Rama-chandra, the seventh avatar that is the incarnation of the god Vishnu. It is believed that on the day of Deepavali, Rama returned to his people after 14 years of exile during which he fought and won a battle against the demon King Ravana. People would make their homes as bright as possible to celebrate his victory over darkness. Lakshmi, the goddess of happiness and good fortune, is also believed to

roam the earth on this day and enter houses that are pure, clean, and bright.

The first two days of Deepavali are focused on preparation, the first devoted to cleaning the house, and the second spent on decoration. The third day is the epic centerpiece with lavish feasts and fireworks displays to rival any celebration worldwide. On the fourth day, friends and relatives visit their families and come bearing gifts. On the fifth and last day, families follow the tradition of having brothers visit their married sisters who prepare a hearty meal in return.

Celebrated by millions of Hindus around the world, Deepavali is also a time for gift giving, fireworks and festive meals. You will be able to see colorful kolams, which are intricate designs on the floor made from

colored rice and powder, at many shopping mall entrances.

Like most holidays, food is one of the most important aspects of Deepavali. Because Malaysia has a unique practice of inviting friends of different cultures and religions to celebrate together as an open house, you can find a diverse range of foods from halal foods to traditional Malaysian snack murukku. Sweets are a big tradition when it comes to Deepavali. Snacks are usually made from chickpeas, rice, lentil, and several other varieties of flours, which are then seasoned with different spices, sesame seeds, coconut and then deep-fried. The omapodi murukku, a dessert made from fried noodle shaped dough, is a dessert favorite enjoyed by many cultures in Malaysia.





ASIAN FOOD Festival 2014

September 19th – October 4th
Incheon Asiad Main Stadium Event Hall



Organized by the Incheon Asian Games Organizing Committee and the Korean Food Foundation, the Asian Food Festival brought a world of festivity to the Asian Games, with cultural exchanges from several Asian countries mixing with Korean food and Korean culture.

Two halls were dedicated to the event, with a variety of activities being held in each. The first event hall featured famous Asian chefs, Korean temple food, and even allowed visitors to buy high quality food to take away. The latter provided hands on experiences with a pottery exhibit, table setting zone, traditional food experience, games, cultural experience, performances, cooking competitions and more.

There was a special exhibit on Korean Food History which introduced



the recent Korean food trend through its past, present and future. In the zone dedicated to the Past, you could see the ancient philosophy of using good ingredients as the best medicine for the body. The Present showed the modern trend of well-being and demonstrated the new 'slow food' movement, showing how society is moving away from fast food back towards natural healthy food. The Future introduced a simpler yet more sophisticated table of dishes. It showed that rather than having several dishes, the future generation wants more quality food even if they're eating alone. Instead of five side dishes, there would be just one dish with five colored ingredients that give a balanced diet.

There were many interesting things to see at the Korean Food promotion hall.

Visitors were able to learn about how globalized Korean food has become through a promotional video and also enjoyed a video of the winner of the Korean food film festival. K-Pop fans even got to listen to K-Food songs recorded by singers like Jay Park, Teen Top, Electro Boyz & Big Star, and more. There were also guide-books of great Korean restaurants in cities around the world such as Chengdu, Shanghai, Beijing, LA, and New York.

The finals for the 'Healthy Cooking with Dad' competition was held on September 27th at 1:00PM at the main stage. Children under 12 had fun cooking with their dads while competing for best taste and presentation.

Visitors who wanted a more hands-on experience got to try out the traditional Korean cooking session to make five-col-



or rice cakes using flowers as natural coloring. The soothing traditional tea storytelling experience let visitors taste five traditional teas and truly understand their health benefits.

There was also an opportunity for visitors to try their hand at making one of Korea's most representative foods, bibimbap. The cooking class taught them how to customize their own style of bibimbap. They also learned how to make Korean style fried pancakes.

Additionally, there were several traditional games to try out, and those who were lucky enough to succeed in all the game missions got to take home a little prize. Visitors even had the chance to take a photo while wearing a variety of traditional Korean clothing called hanbok at the Traditional Hanbok Photo Booth.

Korexican

Korean + Mexican



Korexican has been gaining in popularity for several years now. It's a wonderful fusion of Korean and Mexican food that blends the similar flavors of the two cuisines share. Korexican food has actually been around since the 1990s in California, but it started to gain widespread popularity in 2009 when a food truck started serving Korean tacos in Los Angeles.

One of the early catalysts behind the Korexican movement was Kogi Korean BBQ-to-Go, a food truck by Chef Roy Choi that took LA by storm in late 2008. No one at the time expected the impact of the Korean-



Mexican mash-up, nor that it could become an iconic LA street food. Raised in LA, Choi knew that both Korean and Mexican cuisines had deep roots in the city. Currently, he has four Kogi food trucks travelling around California and several sit-down Korexican restaurants from the west coast to the east.

Inspired by the Kogi food trucks during their brief stay in Southern California, Jae Jung and Frank Lin brought the Korean-Mexican fusion back to Sydney. Their casual Korexican restaurant, Ko & Co, surprised diners with bold flavors with kimchi and cheese quesadillas. Featured in several

food media, Ko & Co is spreading the Korexican trend in Australia.

Now you can find Korexican food anywhere from Los Angeles to Beijing, Sydney, and even in Korea, whether it's in street food form delivered by food trucks or in a fancy Korexican restaurant.

The most familiar Korexican fusion would be Korean favorites packaged neatly in Mexican wrappings such as tacos, burritos and quesadillas filled with Korean style BBQ meats, kimchi and Korean cabbage coleslaw.

With both cultures loving their chili and spices, Korexican food is not for the faint-hearted. If you think you can

brave the heat, try the bulgogi fries with kimchi and jalapeño topping or go for a savory spicy pork torta.

The fusion wouldn't be complete without drinks. Located in Itaewon, Seoul, hotspot Vatos Urban Tacos features the ultimate Korexican drink—the Makgeollita. An infamous drink amongst foreigners and Koreans alike, it is a combination of the popular Korean rice wine, makgeolli, with the classic margarita. With Makgeollita, you can flavor it with your favorite fruit like mango or peach. But don't be fooled by its appearance, because it certainly packs a punch.

Halal Food

*Great Taste
with a
Conscience*

You may have heard of Halal. You may also think it's just an Islamic diet that bans pork. It is true that Halal food itself does not include any pork products, but there's a lot more to it than you may be aware of.

Halal food is similar to kosher food in some ways, but also represents a different belief system regarding what makes it Halal. The Islam religion believes that all animals must be treated with respect and has one of the most humane methods for animal slaughter. When it is time to slaughter the animal, their goal is to cause as little pain to the animal as possible.

The popularity of Halal food has



skyrocketed, not only amongst the Muslim communities, but also among younger generations of people who want delicious food with a conscience.

One of the most famous halal food carts in downtown Manhattan called The Halal Guys even has a student food club at New York University dedicated to them. Known for their gyro meat with rice and famous 'white sauce,' The Halal Guys have satisfied their long lines of customers and even influenced many food carts to imitate their style since it first began in 1990.

Originally starting off as a hot dog stand, The Halal Guys decided that hot dogs were not a hearty enough meal, and moved on to gyro meats and pitas. Soon, word spread and customers were lining up for the reasonably priced good quality food. During peak hours, an hour wait is common, and even celebrity chefs like Christopher Lee had to wait two and a half hours on Christmas Eve just to get a taste of the Halal treat.

Almost any cuisine can be Halal as long as it follows the Halal rules for ingredients. Now you can grab a casual bite of chicken and lamb from food carts in downtown New York or more complex meals in a fancy Swedish restaurant in Singapore.



Seoul has taken to the trend over the past few years, with a number of Halal restaurants opening up around the city, especially in the Itaewon district.

Rich in spices, a beef kebab, tandoori chicken dish, or lamb steak will surely bring a smile to your face. Start off with a fresh tomato and pepper salad called coban salatasi, then add some lamb kebabs, and for dessert, top it off with a slightly salty yogurt drink called ayran. But do keep in mind, alcoholic beverages are prohibited in Halal.



The Beautiful Jeju Island



돌하르방 | Dol Hareubang

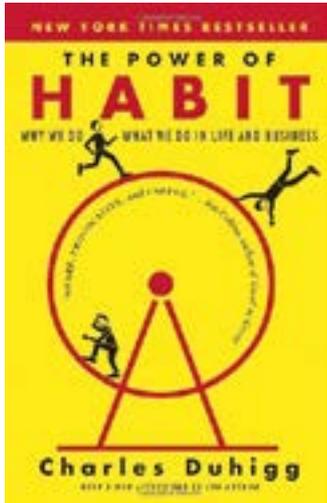
Also known as stone grandfathers, Dol Hareubang represent protection and fertility. These stone statues are made from basalt found in Jeju Island. According to legend passed down through the generations, it is said that if a married woman touches the nose of the Dol Hareubang, she would be able to conceive a son.

풍경 | Scenery

Jeju Island is Korea's largest island. Located at the south of the peninsula, it is known for its beautiful clean beach and stunning natural surroundings. Jeju Island was also dubbed the "Hawaii of South Korea" by CNN. The island is unique in that around 90% of its landscape is basalt, and is also the origin of Korea's famous female divers, the haenyeo.

Fall Reading

BOOK RECOMMENDATION



THE POWER OF HABIT

Why We Do What Do In Life and Business

February 28, 2012

By *Charles Duhigg*

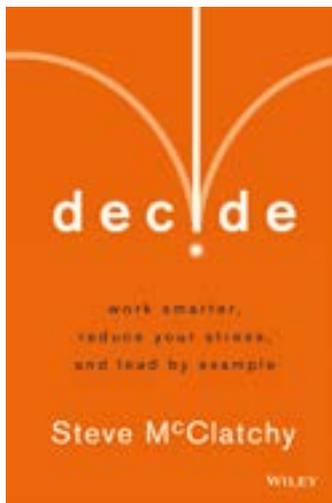
A New York Times Bestseller, and named one of the best books of the year by The Wall Street and The Financial Times, The Power of Habit is creating a major buzz as a must-read book. The Financial Times claims it is “one of the few books that become essential manuals for business and living.”

The author Charles Duhigg is a Pulitzer Prize-winning reporter at The New York Times business section. Prior to that he was a journalist at the LA Times and has a

series of journalism awards under his belt from the National Journalism Awards, The National Academies Communication Award and more.

So what is his new book about? The Power of Habit talks about the science of habit formation and how transforming habits can help you succeed in life and business. But this is not a typical self-help book.

Duhigg explains why some people struggle to change their ways, while others remake themselves overnight. He takes us through how the right habits have changed people, like Olympic swimmer Michael Phelps, and helped them succeed. And there's scientific proof supported by neuroscientists behind it, so a close reading just might transform your life.



DECIDE

Work Smarter, Reduce Your Stress, and Lead by Example

February 3, 2014

By *Steve McClatchy*

Ever have trouble making decisions?

The decisions we make can shape our lives, our careers, and can even define a leader if done effectively. Decide, by Steve McClatchy, a leadership expert and founder of Alleer Training & Consulting, shows how to cut life's complexities and regain control with better decisions.

The New York Times has chosen Decide for its Business Bestseller list for a reason. McClatchy works with successful executives from Fortune 1000 companies

on a daily basis, helping them achieve outstanding levels of performance. His clients include Microsoft, Disney, Accenture and many more. He is also a frequent guest lecturer at Harvard and Wharton and has been quoted in media such as The Wall Street Journal.

Decide will guide you in making better decisions to get better results, and understand your current reality to get more done in less time.

Cut through the excuses, justifications, and rationalizations that make you fail in achieving your goals. McClatchy has a no-nonsense and practical approach to help people learn for themselves how to form great decision making habits.