



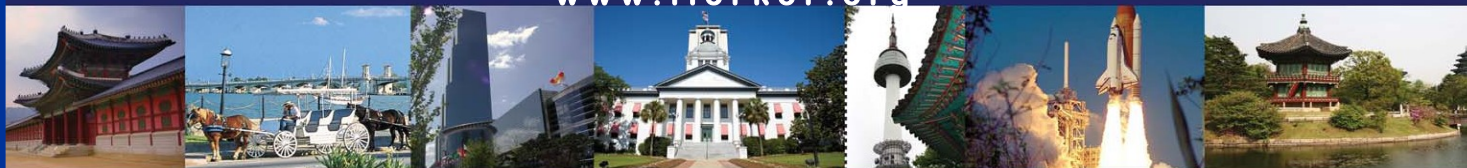
The Florida | Korea Report



Florida-Korea Economic Cooperation Committee

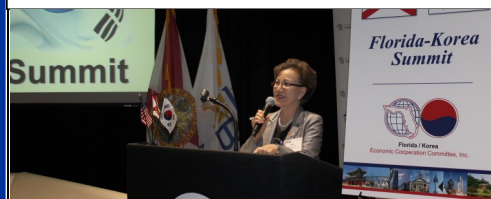
"FLOR/KOR" "플로리다-한국 경제협력 위원회"

www.florkor.org



Summer 2016 Edition

FLOR/KOR Announces Plans For Next Florida/Korea Summit for March 2017



FLOR/KOR Chair, Dr. Kimi Springsteen, Ph.D., speaking at last year's Florida-Korea Summit.

FLORKOR is pleased to announce plans for the next Florida-Korea Summit to be held in Miami at Port Miami this coming March, exact date TBA. This important event is regularly organized by FLOR/KOR as a statewide gathering of Florida-Korea business leaders and representatives of FLOR/KOR's key Korean partners such as the Korea-U.S. Economic Council (KUSEC), the Korea International Trade Association (KITA), the Korea Trade Center Miami (KOTRA), and the

Korean Embassy and/or Consulate General.

The event will be held with the support of the Florida Department of Economic Opportunity and Enterprise Florida, and will be hosted this year by PortMiami. The Korean Consul General and a senior Florida official are expected to deliver opening keynote remarks at the event. Port Miami has a sister port relation with the Port of Busan, Korea, and we will hear insight on Florida-Korea business ties and the significance of the relationship.

"We are excited about holding the next Florida-Korea Summit in Miami" said FLOR/KOR Executive Director, Mr. Dave Woodward. In addition to keynote re-

marks, this year's summit program will include sequential panels on Florida-Korea business, education, culture and tourism ties.

An Asian business networking reception will be held immediately following the summit program from 5:00-6:30 PM. Also, FLOR/KOR will hold its annual meeting of members in conjunction with the Summit.

More details of the Summit program and registration instructions will be announced soon. In the meantime, anyone interested in attending is welcome to contact us with any questions or for more information via e-mail or phone. (See preliminary announcement flyer on back page.)

Korean Consulate & Greater Miami Chamber To Hold Seminar On U.S.-South Korea Relationship

FLOR/KOR is pleased to announce that it is a supporting organization for the U.S.-ROK Relationship: Current Issues & Business Opportunities Seminar on Thursday, September 22, 2016, at 2:30-6:30 pm, hosted by the Korean Consulate General in Atlanta and The Greater Miami Chamber of Commerce. The purpose of this seminar is to discuss ROK-U.S. relations including our security alliance, economic cooperation, the results of the KORUS FTA, global partnership, and North Korea issues and unification of the Korean peninsula.

The seminar itself consists of an hour long presentation followed by a thirty-minute Q&A session. The presentation contained four panelists, each with his/her own area of expertise, and the

seminar will be moderated by Mr. Burton Landy, Honorary Consul General of the Republic of Korea in Miami.

-Dr. Jae-chun Kim, Professor, Graduate School of Int'l Studies, Sokang University, Korea (ROK-US relations: security alliance, current status, unification of the Korean peninsula & global partnership).

-Dr. Sung-yoon Lee, Professor, Fletcher School, Tufts University (North Korea's nuclear & missile threats, sanctions against NK, US-ROK cooperation on NK Issues).

-Mr. Chang-kyu Kim, Minister-Counsellor (Commercial), Korean Embassy in Washington D.C. (ROK-US FTA, current status, Florida-ROK economic relations).

-Panelist 4 is a Businessman from Florida (promising business sectors, business opportunities, lessons and recommendations)

Attendance is expected at about 100 attendees for the seminar, all coming from different backgrounds. Members of the Greater Miami Chamber of Commerce, local Miami business executives, politicians, government officials, scholars, and journalists, Korean companies & Korean-American businessmen in Miami, and Korean-American young professionals, and even Korean War veterans.

For more information and a complete agenda, please our website at <http://www.florkor.org/events.htm>

Source: Greater Miami Chamber of Commerce

Android Handset Makers' Advance Squeezes Apple

Earnings reports from the world's top smartphone makers this week highlight how fortunes are diverging in the mobile-phone market as competition intensifies. For Samsung Electronics Co., the world's biggest handset maker by shipments, smartphone sales have roared back to life after several years of struggles, fueling a 56% jump in mobile-division earnings and pushing profit margins back to their highest levels since 2013. The South Korean technology giant's earnings report on Thursday added more evidence of the tough competition that Apple Inc. faces as it prepares to introduce the latest refresh of its iPhone later this year.

Earlier this week, China's Huawei Technologies Co., which ranks just behind Apple as the world's No. 3 smartphone maker by volume, said that it was on pace to sell 140 million smartphones this year, a target that is 30% higher than a year earlier. And in China, fast-rising domestic handset makers Oppo Electronics Corp. and Vivo Communication Technology Co., virtually unknown outside the country, have quickly, and quietly, surged to become the world's No. 4 and 5 smartphone makers by shipment volumes, data from research firm Counterpoint Technology Market Research showed.

Taken together, these advances by makers of smartphones powered by Android, a unit of Alphabet Inc.'s Google, pose a formidable challenge to Apple, which has suffered two consecutive quarters of falling revenue and market-share decline as demand for its iPhones slows, especially in China. On Tuesday, Apple reported a 27% drop in quarterly net profit, its second consecutive quarter of falling revenues, as the average selling price of its devices fell below \$600. To be sure, companies like Samsung and Huawei aren't as profitable as Apple. The Cupertino, Calif., company reported a gross margin of 38%, lower than in recent quarters but still more than twice that of Samsung, which boasts the highest profit margin of any Android handset maker at 16.3%.

But with growth in the global smartphone market virtually slowed to zero, any gains made by Samsung,

Huawei and a host of other Chinese handset makers will likely come at Apple's expense. In the second quarter of the year, Apple's share of the global smartphone market fell to 11.9%, its smallest share since before 2009, according to data from market-research firm Strategy Analytics. Counterpoint found that Chinese mid-tier brands Oppo and Vivo were the only two that had significantly raised their smartphone shipments in the second quarter, rising 135% and 62% respectively from the year before. The two brands shipped a combined 39 million units in the second quarter, roughly as many as Apple, whose shipments shrank by 15% over that stretch.

For Samsung, the strong numbers are further vindication for a smartphone giant that was spinning its wheels just a year ago as Apple's hot-selling iPhone 6 and iPhone 6 Plus dominated the premium segment of the smartphone market and Samsung's Galaxy S5 and S6 floundered. But the iPhone's momentum faded coming into 2016, and the few major changes are likely when Apple is expected to introduce the iPhone 6's successor in the fall. Samsung's Galaxy S7, meanwhile, broke through by resolving supply-chain issues that had bedeviled last year's flagship phone and by offering many of the features that smartphone users say they want, such as water resistance and a slick-looking metal-framed design.

For the April-to-June quarter, Samsung said that it earned about 5.85 trillion Korean won (\$5.2 billion), its most profitable quarter in two years, thanks in large part to robust sales of its Galaxy S7 smartphone. Samsung's mobile division earned 4.32 trillion won in operating profit, a 57% jump from a year earlier. The smartphone strength came just in time for Samsung, whose success relies on roughly equal parts selling smartphones to consumers and selling components such as semiconductors and display panels to other device makers.

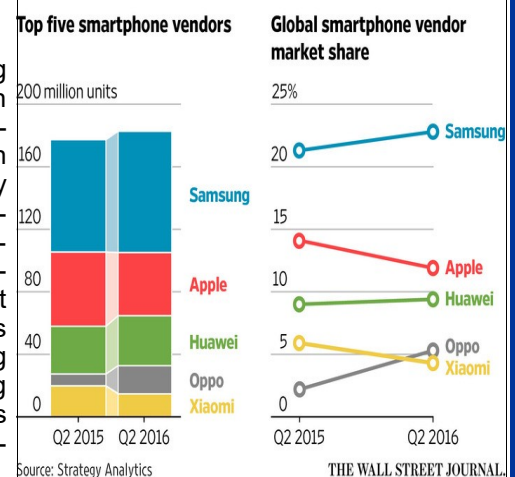
In recent quarters, the components side of the business has struggled as a glut of supply for memory chips pushed down selling prices. In the second quarter of the year, operating profits at the company's components business fell 28% from a year earlier. The coming quarters could see a reversal of that trend, with executives predicting a pickup in component sales as the smartphone business faces more headwinds from intensified competition and higher marketing spending.

Meanwhile, Samsung is hoping that the Tuesday launch of the latest version of its larger-size smartphone, called the Galaxy Note, which is a month earlier than its customary launch time in early September, can give it a bigger jump on Apple's expected iPhone announcement. As Samsung has showed signs of stability in its core smartphone business, investors have rewarded the company by pushing its stock up to its highest levels in more than three years, though shares slipped 1.3% on Thursday amid the company's cautious guidance on the coming quarter.

By contrast, Apple's stock had tumbled 22% in the past year before a rebound Wednesday and is a 30% rally away from the all-time closing high that it hit last year, even after Wednesday's stock jump.

Diverging Fortunes

Samsung, Huawei and Oppo have gained share in the global smartphone market at the expense of Apple.



Source: The Wall Street Journal 7-28-16



Most Recent Florida/Korea Trade Data



FLORIDA-KOREA TRADE

The total merchandise trade with South Korea in \$millions

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

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

Top 10 Florida-Origin Exports to Korea:

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

Top 10 Korea Merchandise Exports to Florida:

1. Oil (Not Crude) From Petrol and Bitum Mineral Etc.
2. Motor Cars & Vehicles for Transporting Persons
3. Electric Apparatus for Line Telephony etc., Parts
4. Refrigerators, Freezers, etc.; Heat Pumps Nesoi & parts
5. Parts & Access for Motor Vehicles
6. Exports of Articles Imported For Repairs
7. Tubes, Pipes & Hollow Profiles Nesoi, Iron & Steel
8. Electrical Storage Batteries, Including Separators/parts
9. Medical, Surgical, Dental or Vet Inst, No Elec, Pt
10. Paper & Paperboard, Coated With Kaolin Etc. RI Etc

U.S.-South Korea (ROK) Relationship Panel

The Consulate General of the Republic of Korea in Atlanta and the Greater Miami Chamber of Commerce are hosting a special discussion on the U.S.-ROK security alliance and the impact of the KORUS FTA. The event will take place on September 22 and will be moderated by the Honorable Burton Landy of the Consul General of the ROK in Miami, with panels hosted by Dr. Jaechun Kim, Dr. Sung-Yoon Lee, and Mr. Chang Kyu Kim.



Florida / Korea
Economic Cooperation Committee, Inc.



Preliminary Announcement:

for our next

Florida-Korea Summit

March 2017





Presented in Partnership with:





Supporting Organizations:





Further Information:
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We welcome contributions and input from our members and readers, and while every effort is made to report all information accurately, and apologize for any errors or omissions on our part. Please contact us with any suggested revisions or comments.

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