

Software Market Merits Consideration

Major opportunities exist in Korea's software market for Canadian companies supplying packaged software, technical assistance

Telecommunications A \$2-Billion Market

A \$2-billion telecommunications market exists in Korea as was discovered recently by telecommunications companies that made major sales to the region.

It is a priority sector offering Canadian exporters great and abundant opportunities—particularly since the Korean government plans to invest heavily in upgrading telecommunications infrastructure and in research and development.

Total telecommunications equipment needs are expected to increase at an average annual rate of 10.1 per cent, reaching US\$3.6 billion by 1996.

The country intends to increase the number of digital switching systems and set up a switching network for international fax service, packet-switching networks, network management systems, data communications networks, wireless paging services, satellites, mobile telephone service, fibre optic equipment, cables, antenna and VSAT equipment.

As grand as these modernization plans are, it should be noted that *this particular market is only for experienced exporters who are skilled and have a quality product.*

The Canadian Embassy in Seoul has developed integrated and targeted marketing strategies pertaining to this sector. A study on the telecommunications market is also available to Canadian companies in this field.

or technology transfers, says a report received from Seoul.

Exporters will find a ready market for products that will either be of benefit to Korean companies that are computerizing and automating their operations to reduce costs, or that are of necessity for use in Korea's computerized information network system.

Market Study on the Software Market in Korea, commissioned by the Canadian Embassy in Seoul is now available to Canadian companies that desire

Tourism on the Rise

Koreans are big spenders and, by 1995, with as many as 110,000 Korean visitors to Canada, their financial input into this country is expected to total approximately US\$225 million.

Travel industry spokespersons say that Korea now is positioned at the beginning of what will become a major outward travel boom, much like Japan was in 1964—except that Korean tourism is expected to grow even more rapidly.

The Korean outbound tourism market—Canada is highly regarded as a tourist destination—is expanding rapidly, from 35,000 Korean visits to Canada in 1989 (when Korean government restrictions on foreign travel were eliminated), to 50,000 in 1990, and more than 60,000 in 1991.

Indeed, the Canadian provinces, Tourism Canada and the Canadian Embassy in Seoul are developing a number of joint initiatives which, complemented with strong Korean partners, should make Korean tourism to Canada one of the most rewarding growth sectors.

to increase their presence in Korea or those seeking to export to this market for the first time.

Korea's software market, the study indicates, will grow 25 per cent to 30 per cent annually over the next five years as a result of a number of major computerization projects and Korean government inducements for increased computerization and automation in Korea's manufacturing, distribution and financial industries.

The study outlines Korean laws pertaining to protection of software and copyright as well as the potential barriers and impediments to exporting to the Korean market.

It lists the major Korean players in the software industry, provides information on distribution channels and agencies, and the pros and cons of working with Korea's giant conglomerates (compared to working with small- and medium-size companies in Korea).

As one means of entering the Korean market, software exporters may wish to participate in the **Sixth International Computer Software Exhibition** to be held in Seoul in June 1992.

For more information on the software market in Korea and on the Exhibition—or to obtain a copy of the study—contact Ron Kellison, Advanced Technologies Division (TAE), External Affairs and International Trade Canada (EAITC). Tel.: (613) 996-1907. Fax: (613) 996-9265; or contact directly, H. Jacob Kunzer, Canadian Embassy, P.O. Box 6299, Seoul 100-662, Korea. Tel.: (011-82-2) 753-2605. Fax: (011-82-2) 755-0686.

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