iCOOP KOREA – Part 1
CONTENTS

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Introduction of iCOOP KOREA
The Meaning of iCOOP

“**I**” individual, ideal, innocence and innovation

Individuals promote the ideals (sharing and cooperation) of the group, never lose sight of our original innocence and practice innovation as a consumer COOPerative.
## Introduction of iCOOP KOREA

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>YOY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>427 billion (KRW)</td>
<td>↑ 23.8%</td>
</tr>
<tr>
<td>Membership</td>
<td>194,856 members</td>
<td>↑ 20.7%</td>
</tr>
<tr>
<td></td>
<td>(1% of total households in Korea)</td>
<td></td>
</tr>
<tr>
<td>Member co-op</td>
<td>77 co-ops</td>
<td>↑ 2 co-ops</td>
</tr>
<tr>
<td>Store</td>
<td>141 stores</td>
<td>↑ 12 stores</td>
</tr>
<tr>
<td>Employment</td>
<td>2,217 jobs</td>
<td>↑ 51%</td>
</tr>
<tr>
<td>Social Responsibility (Seed Foundation)</td>
<td>635 million (KRW)</td>
<td>↑ 51%</td>
</tr>
<tr>
<td>Fair Trade</td>
<td>3.4 billion (KRW)</td>
<td>↑ 10%</td>
</tr>
<tr>
<td>Price Stability Fund</td>
<td>3 billion (KRW)</td>
<td>↑ 52%</td>
</tr>
</tbody>
</table>
## The Current status of Korean Consumer Co-ops (as of 12.31.2013)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Member co-op</th>
<th>Membership (household)</th>
<th>Turnover (mil. KRW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>iCOOP KOREA</td>
<td>77</td>
<td>194,856</td>
<td>427,900</td>
</tr>
<tr>
<td>Hansalim</td>
<td>21</td>
<td>410,211</td>
<td>304,452</td>
</tr>
<tr>
<td>Dure co-op</td>
<td>28</td>
<td>142,359</td>
<td>101,649</td>
</tr>
<tr>
<td>Happy co-op</td>
<td>11</td>
<td>30,170</td>
<td>16,900</td>
</tr>
<tr>
<td>Others</td>
<td>9</td>
<td>11,035</td>
<td>7,951</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>146</strong></td>
<td><strong>788,631</strong></td>
<td><strong>858,853</strong></td>
</tr>
</tbody>
</table>
Introduction of iCOOP KOREA

iCOOP KOREA’s History

- 1997_Establishment of „21Century Consumer Co-operatives as an association of consumers and producers
- 2002_Establishment of Korean Association of Consumer Co-operatives
- 2008_Gaining full membership in the ICA
- 2010.08_Held ICA/iCOOP Workshop on Development of Consumer Co-operatives
- 2011.09_Name change from iCOOP Solidarity of Consumer Co-operatives to iCOOP UNION
- 2011.10_iCOOP Seed Foundation approved as “designated donation organization” by government
- 2012.02_Name change from iCOOP Association of Consumer Co-operatives to iCOOP Consumer Activities
- 2013.04_Social co-operative iCOOP Co-operative Development Center established
- 2013.11_iCOOP “COOP Show” was held to celebrate the achievement of 1% household members
Introduction of iCOOP KOREA

Ethical Consumerism in Practice by iCOOP KOREA

- **Respect for people and labor**
  Human-oriented business, not the capital-oriented

- **Ensuring food safety**
  Production and consumption of safe food made without toxins
  Improvement of food safety standards

- **Agriculture and the environment**
  Protection of agriculture and the environment
Introduction of iCOOP KOREA

Structure of iCOOP KOREA (as of Jan. 2014)

**Consumption Part**
- iCOOP UNION
- iCOOP Consumer Activities
- iCOOP CDC
- iCOOP Cooperative Institute
- iCOOP Store
- KCOD
- iCOOP Seed Foundation

**Production Part**
- iCOOP Association of Producer Group
- iCOOP Agricultural Production
- iCOOP Fruits & Vegetable
- iCOOP Organic Food Supply
- iCOOP Ramen
- iCOOP Livestock Products
- COOP Bakery

Total 19
Invested and operated by 78 nation-wide member co-ops and members

Total 14
Led by iCOOP Association of Producer Groups

+4 affiliate (investment) companies
**Introduction of iCOOP KOREA**

### iCOOP KOREA’s Today

<table>
<thead>
<tr>
<th>Aim for 2014</th>
<th>1998</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover(KRW)</td>
<td>1.5 billion</td>
<td>427 billion</td>
</tr>
<tr>
<td>Member co-op</td>
<td>6</td>
<td>77</td>
</tr>
<tr>
<td>Membership</td>
<td>663</td>
<td>194,856</td>
</tr>
<tr>
<td>Employment</td>
<td>629</td>
<td>2,217</td>
</tr>
<tr>
<td>Store</td>
<td>2 (,,06)</td>
<td>141</td>
</tr>
</tbody>
</table>
Business of iCOOP KOREA
**Business of iCOOP KOREA**

**Centralization of business and differentiation of the organization:** iCOOP KOREA increased access for members and stabilized management by consolidating member co-ops’ distribution business into regional distribution centers. The 78 regional member co-op societies work independently and democratically within the local community.

**Direct charge system:** Direct charge system allows the use of co-op budget pooled from monthly membership dues. This guarantees that member co-ops are run by co-op members and encourages the use of co-op budgets, ultimately stabilizing management and making products affordable for everyone.

**A national logistics network:** 9 logistics centers, 7 delivery centers

**Member convenience system:** on-line store, delivery service for five days a week plus Saturday

**System for Food Safety:** Natural Dream stores, Eco-friendly school lunch
Natural Dream Stores

Natural Dream Store is operated by iCOOP KOREA members’ joint investment. Contributing to stabilizing prices and sales, benefiting members and guaranteeing incomes of producers.

Number of stores: 141 (as of 1.2014)
The number of sale items: About 2,000
Categories: Organic-vegetables/livestock/marine products, bakery/pizza, fair trade products, café, daily necessities
Store size: From 100 m² to 300 m²
Natural Dream store & café
The Eco-friendly Organic Food Cluster and iCOOP Valley Project

- **Eco-friendly organic food cluster:** The food processing complex where logistics centers and iCOOP KOREA’s producing and processing companies gather.
- **iCOOP Valley:** The iCOOP Valley, located near the Eco-friendly Organic Food Cluster, is an ecological space for eco-friendly orchards, stock farms, ponds, wildflower gardens, herb farms, an eco-friendly town and a school.
- With the goal of 350,000 members and KRW 700 billion of turnover in 2016, it becomes strong physical base enabling co-op movement’s outstretch.
Eco-friendly Organic Food Cluster and iCOOP Valley Project for new future of cooperation and coexistence.

- Stock farm
- School
- Hospital
- Orchard
- Logistic center
- Food Processing complex
The Eco-friendly Organic Food Cluster and iCOOP Valley Project

**Goesan Natural Dream Park**
- Total 628,497 m² including industrial complex land, and supporting and public facilities
- The groundbreaking ceremony on 26 May in 2011
- Plan to have 40 processing companies
- Completion in 2017

**Gurye Natural Dream Park**
- A pilot project of cluster plan
- Total 149,335 m² of food & agricultural cluster and logistic base
- The groundbreaking ceremony on 25 Oct. in 2011
- 20 processing companies
- Completion of Korean native wheat ramen manufacturing factory on 1 June in 2012
- Completion ceremony on 4 April 2014
iCOOP KOREA

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End of Part 1
To be continued