

## JOINT BRANDING PLANNED FOR KAESONG INDUSTRIES

The South Korean Ministry of Unification, in order to foster small and mid-sized industries in the Kaesong Industrial Complex, has launched a special enterprise to jointly develop brands for companies that have technical and productive capacity, but are lacking original branding and face growth and marketing limitations.

The ministry will continue the brand development project until December, after which time, trademark applications, selection of participating enterprises, etc. will be announced, and these jointly branded goods would be available for sale in the spring of next year.

The plan set forth by the ministry is to focus on textiles, leather, bags, shoes, and other products for which the need for a name brand is high, then after receiving applications, it will form an office for creating joint brands. If results are good, this could be gradually extended to target other products.

In addition, in order to maintain a high standard of quality, the ministry is looking into the periodic establishment of a commission or office to evaluate the businesses and goods.

At the end of last year, more than 30 businesses in the KIC were surveyed, excluding mid-level enterprises, machinery makers, etc. not needing branding, and around 60 percent showed an interest in joint branding.

With Original Equipment Manufacturing (OEM) methods, most small and mid-sized enterprises

supplying goods suffer limitations to marketing and growth due to the lack of a brand. If joint branding is successful, it could help boost the quality of, and value added to, the product, as well as help to integrate the Kaesong Industrial Complex.