



## **WHY ITALY ?**

*Italy is one of the **most beautiful countries in the world**, with an enormous variety of ancient cities and monuments, archeological and architectural wonders, fragrant countryside, mountains, lakes and beautiful coastlines.*

*It is home to the world's largest number of UNESCO World Heritage Sites. It has more than 3,000 museums and a great number of private art exhibitions, castles, palaces and mansions.*

*Italy offers a unique and unforgettable experience to thousands of tourists everyday. However, Italy is not only a living art collection: on the contrary, with almost **60 million consumers**, noted for their sophistication and high levels of brand awareness, and the **fourth largest GDP in Europe**, the Italian market is replete with opportunities for an expanding business.*

***Discover more about it...***



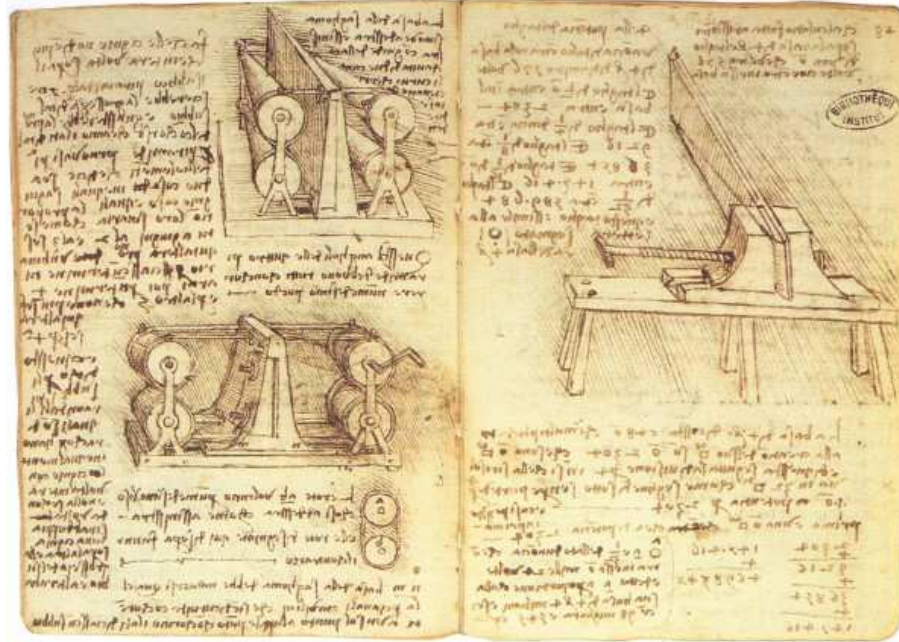
# **ITALY : THE BEST CHOICE !**



## **Italy: One of the most advanced countries in the world:**

- Italy is **one of the most advanced and dynamic countries in the world**. It is the **seventh world economic power** in terms of GDP (approximately 1,9 trillion US \$ in 2007) and has a high per capita income (beyond 32.000 US \$ in the year 2007).
- Italy is a founding member of the European Union, and its fourth-largest economy, is a member of the OECD (Organization for Economic Co-operation and Development), a member of the G-8 group, the presidency of which will be assumed by Italy in 2009. In addition, Italy belongs to all major economic international organization, including the WTO. Italian **market economy** is **advanced, modern, and open** to international trade and investments, with favorable regulations and low tariffs.
- Italy is in the **heart of the biggest and richest single market of the world**: the European Union. Now that the European Union is the second commercial partner of Korea, the strategic geographical position of Italy allows Korean firms located there to have a **direct and unhindered access** to **more than 493 million** potential consumers.
- Italian GDP has grown in 2007 by 2,0 %. Consumer-spending is soaring year by year and major efforts are being made by private companies and public administrations to offer a **business-friendly** environment and ideal working conditions for foreign enterprises.
- In the last few years, sweeping reforms have been undertaken to **modernize and simplify regulations** concerning all sectors of the economy: labor rules are now more flexible, banking and insurance sectors have been liberalized, public administration procedures are simpler and corporate law has been streamlined. Italy, furthermore, complies with all international technical standards in every industrial field.

- Finally, Italy is currently considered among the **most advanced countries in several fields**. For example: the biotech sector, research and development product testing, health and vaccines, chemicals and electronics, aerospace, mechanics (both in the field of car design and in the field of industrial machinery devoted to almost any kind of advanced production process), renewable and new energies (use of solar thermodynamics and Hydrogen, hydroelectric energy, wind energy) and many others.



### **Italy and Korea: a profitable friendship**

- The overall bilateral trade exchange between Italy and Korea in 2007 amounted to more than **7,5 billion US \$** . In 2007 Italian exports to Korea were worth 3,5 billion US \$ with a yearly increase by almost 20 % and Korean exports to Italy were worth 4 billion US \$ . These increase rates of bilateral trade flows testify to the **great economic potential** that the Italian and the Korean markets have for each other.
- Korean exports to Italy consist mainly of mobile phones, computers and electronic devices, ships, oil and chemical tankers, home appliances such as air-conditioners and cars. Export of all these goods have **increased continuously** over the recent years and are deemed to be on the rise also in the future.
- Italian exports to Korea consist of machine-tools and mechanical equipments, chemical products, cars, fashion and leather goods, glasses, wine, food. Increase rates of these goods have also been extremely high in the last years: in 2007, for instance, the sale of Italian wine grew by 112 %.
- Beyond the economic and commercial relations between the two Countries, Korea and Italy also share other **interesting common points** in various fields. Both Korea and Italy are small size countries that, despite of their limited natural resources and

their troubled history in the last century, achieved to become two of the main world economic powers, **scientifically and culturally advanced**, and with free and innovative societies.

### **More about Italy**

- One of the most typical and recognized aspects of Italy is, without a doubt, its **food culture**. In Italy every region, every city has a peculiar culinary tradition with a great variety of wholesome dishes: many of them are already well-known and consumed regularly in Korea especially among the young generations.
- In addition, there are other Italian foods, which already have great popularity in Europe for their health and excellence. These products are among the most exported goods and have an enormous potential in the Asian market. First of all **Italian wine**, whose production is strictly controlled and certified to guarantee the finest taste. Beside the wine, the Italian broad production of *Grappa* (fragrant grape-based pomace brandy) and **liquors**. Then, **olive oil**, famous for its health benefits. Following, the Italian *prosciutto* (ham) and other **salumi** (products made from pork or beef, which are usually cured). Finally, there are more than 400 different kinds of **cheese**, particularly appreciated for their unique taste and nutritional properties.



- Italy is also internationally recognized for its main role in the **world of Arts**. In Italy all the different fields of art have deep roots in the history and traditions and are always followed with passion from the majority of the population. The Italian Operas are performed in all the most important theatres in the world, and most of the greatest composers, such as Rossini, Verdi and Puccini, were Italians.
- Finally, what may be most known about Italy all over the world, are the brand names of its **luxury products**. Clothes brands like Dolce & Gabbana, Versace, Armani, Prada, Gucci etc. and cars such as Ferrari, Lamborghini, Maserati, Alfa Romeo, are already synonymous of the finest details and excellence in the world. This proves that, even if in a globalized world almost any product can be made by any country, the Italian luxury products are still impossible to imitate.
- Italian people, because of the geographical characteristics of their country, have been for centuries a population of merchants and travelers. Still now, Italians conserve their **multi-cultural mentality** and their kindness with foreigners. Moreover, even if the Italian language is the fifth most taught foreign language in the world, most of Italians can communicate in English and many of them can speak a third language. Interest toward Korea and East Asia is also strongly widespread, supported by the departments of Oriental cultures and languages of major Italian universities.





### **Why invest in Italy ?**

- Located in the heart of the Mediterranean sea, between continental Europe, Eastern Europe, the Balkans, Middle-East and North Africa, Italy enjoys a **strategic position** that gives her almost direct access to many important markets and Countries. The majority of Europe's capitals are within **3 hours flying time from Rome**, not to mention many in the Balkans, North Africa, and the Middle East.
- A Korean company that wants to reach all these markets from one single location, will find in Italy a modern, safe and competitive environment equipped with all the facilities to transport and deliver goods: a high number of big commercial ports including the **largest container port in the Mediterranean** (Gioia Tauro), an **advanced port that gives access to Eastern and Central European markets (Trieste)**, direct state-of-the-art rail and road connections to the heart of Europe, transshipment services to all major ports of the Mediterranean, 30 airports with world-wide connections, and so on.



Realized by the Embassy of Italy in Seoul

- A container shipped from Asia to Central or Eastern Europe through one of the Italian ports in the Mediterranean (Genova, Gioia Tauro, Taranto, etc.) **saves 4 to 5 days time** than if shipped through ports located in northern Europe.

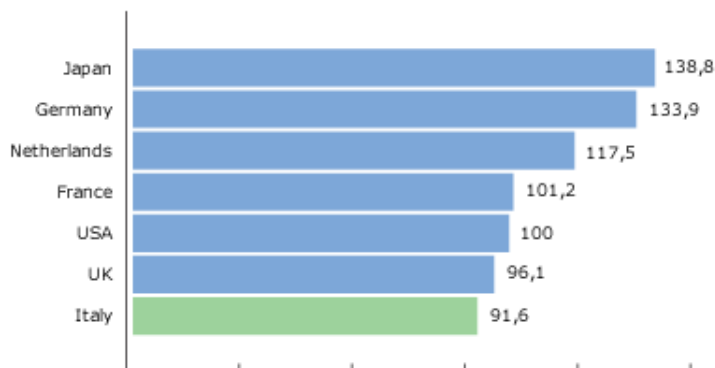


The "Italia in Corea" logo is a registered trade mark

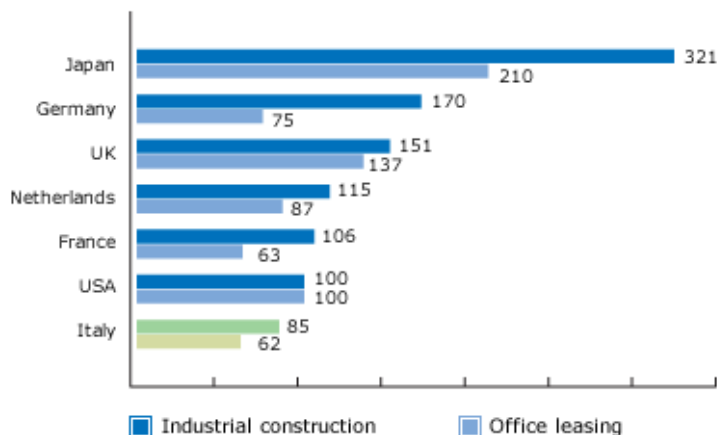
- More than the 95% of Italian companies are extremely advanced in the use of **Information Technologies**, so that easy communication and contacts with foreign partners are guaranteed. **E-Commerce** is also growing and has great potentialities.
- Despite the appreciation of the Euro, the overall business cost in Italy is lower than in the US and in many other developed economies.
- Korean investors in Italy, furthermore, will benefit from all kinds of **advanced and modern services** for their business activities: financial and legal services, product design, marketing, logistics facilities and consultancy by a broad network of universities, laboratories and researchers.
- In particular, Korean companies eager to establish a research center or an overseas branch in the field of product design, fashion, cars' equipments, mechanical engineering and aeronautics, and logistics, will find in Italy the **right environment, advanced know-how** and plenty of potential Italian counterparts for joint-ventures.
- Investing in Italy also permits the possibility to exploit its worldwide famous image, and gain important benefits in terms of **marketing and publicity**. Italy, as a matter of facts, is regarded in Europe as the centre from which new ideas, trend and innovations continuously develop. Furthermore, not only business people and consumers from all over the world cast their eyes to Italian firms, but also millions of tourists who visit Italy every year and are fascinated by its style, its tendencies, and its mentality.



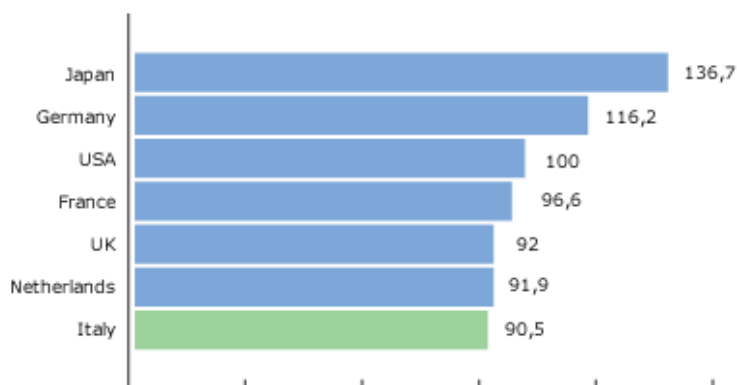
Labor costs per employee (USA=100)



Facility costs (USA=100)



Business costs in R&D (USA=100)



Source : KPMG (2007)

- **Italy is the world's second-largest market for trade fairs and exhibitions.** Every year, approximately one thousand fairs take place in Italy and gather more than 160,000 companies and 17 million visitors from all-over the world. Among these, the "Fiera del Levante" in Bari, the "Fiera di Milano" and "Milano Unica" for textiles, the "Fiera di Roma" and many others specialized on specific sectors. Korean companies who want to meet importers, consumers or partners in Europe and in the Mediterranean area, will find in Italian trade fairs the right venue.
- Italy, finally, is **one of the leading nation in the world in the field of scientific and technological research.** 19 Italian scientists and writers were granted the Nobel Prize (physics, chemistry, medicine, economics, literature, etc.). Creativity, coupled with a modern network of about 40 science and technology parks, and over 200 institutional research centres, is the key of Italian success in the field of science and technology. Science at its highest level requires not only well equipped laboratories, but also a large ability to overcome the barriers of common knowledge with new and revolutionary interpretation of data and observations. **It is typical of the nature of Italians to put in the basket of scientific knowledge both intelligence and fantasy.**



***So, good luck KOREA !***