

CERAGEM A CASE STUDY

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CERAGEM, the global healthcare company, held a global leadership conference at Nest Hotel in Yeongjeong Island, Incheon from February 11 to 14, 2015. The executives and employees of the headquarters in the field of the overseas business and strategic business as well as the resident employees of the Ceragem overseas corporate offices attended this annual event. The keywords of the conference this time was “New Ceragem” and “Customer-centered Service.” Ceragem families exchanged greetings and shared ideas about this year’s theme during the conference. (http://basic.ceragem.com/company/company08_01_view.asp?idx=27118&cT=news)

This year’s conference indicated the achievement of the business partners’ success (“for your every success”) and for great customer satisfaction (“for your endless satisfaction”) as well as for successfully reaching the internal goal by employees in 2018.

In the welcome address, Ceragem Chairman, Hwan-Seong Lee emphasized upon the Ceragem’s company mission; “Ceragem contributes to the improvement of the quality of life by providing the best and reliable product and services through the product trial experience to the customers who pursue healthy and beautiful life. He also emphasized Ceragem’s three core values which are “customer-centered service”, “honesty/transparency” and “people-oriented management”.

Ceragem families shared Ceragem’s new vision and confirmed their resolutions to reach it through this conference. Further, the conference laid groundwork to build company prosperity for the next 100 years that is responsible for the health and happiness of Ceragem customers.

The global medical device manufacturing company, Ceragem announced that Jeon Beong-hee, President of Ceragem Indian Corporate Office will receive an award in recognition of his exceptional contribution to export granted by the Minister of Trade, Industry and Energy of the Republic of Korea at the ceremony of the 51st Trade Day.

The Trade Day is the annual ceremony sponsored by the Ministry of Trade, Industry and Energy and the Korea International Trade Association. The award from the Minister of Trade, Industry and Energy is granted to an individual who made a great contribution to increase export and opening the new overseas market.

Jeon Byeon-hee, the president of Ceragem Indian Corporate Office has served in Australia and Bangladesh as a CEO. Currently, he has been serving in Ceragem India since 2009. He established 460 branches in India and expanded overseas branch network. His effort to promote trade of Korea was highly recognized. He contributed to the increase of import from Korea to India which was about 336% for two years from

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2011 to 2013. In addition, the import volume in 2014 increased 45% compared to the last year. http://basic.ceragem.com/company/company08_01_view.asp?idx=26553&cT=news

No. 1 Company retaining the most market share in the global market. What is the success factor?

http://basic.ceragem.com/company/company08_01_view.asp?idx=26655&cT=news

2014-11-05 [KBS News 9]

On KBS News 9, a medical device company, Ceragem was introduced as a top Korean company retaining the most market share in the global market. The survey for the company retaining the most market share in the global market - announced by the Ministry of Trade, Industry and Energy- is to investigate the number of the companies that retains the most market share in the global market out of the companies with product's global market share ranking within the top 5. Ceragem has been ranked No. 1 on the list every year. Ceragem has been securing its reputation and business domain in this field. A continuous investment on R&D, customer-centered differentiated marketing, Human Resource Management are the success factors that enable Ceragem to hold the most market share in the global market. Ceragem will continue to make every effort to provide the best product and service to the global customers who pursue healthy and beautiful lives.

This venture company manufactures the thermal massagers and medical devices. The company's annual sales on over 200 billion, and over 90% of the products are exported to the overseas market in around 70 countries. This company's products hold the most market share in the global market of this field. A continuous investment on R&D is the success factor.

Lee Wang-gu, President of Ceragem said, "Ceragem invests 5% of sales to the R&D. In addition, 20% of total employees are engaged in the research and development. I believe these are the secrets of the global leading company."

Ceragem Master V3, Received Grand Prize for "Top Trusted Brand 2014"

http://basic.ceragem.com/company/company08_01_view.asp?idx=26604&cT=news

2014-11-26 [Hankook Ilbo]

The global leading healthcare company Ceragem received a grand prize for "Top Trusted Brand 2014" granted by Hankook Ilbo. The "Top Trusted Brand 2014" award event was conducted by Hankook Ilbo with the support from the Ministry of Trade, Industry and Energy, the Ministry of Science, ICT and Future Planning as well as the Korea Chamber of Commerce & Industry. The purpose of this award is to select and recognize the best reliable brand in Korea. Ceragem's selection for the best reliable brand was based on the consumer preference, brand credibility and brand awareness.

Currently, Ceragem's representative product is Ceragem Master V3 which senses user's spinal curvature and provides thermal massage. The Ceragem Master V3 scans the spine length of the user and provides effective, personalized massage by stimulating meridian points. The internal heat projector made from the ceramic ball rolls between the cervical vertebra and tailbone, and massages the spine by providing heat and pressure to the certain meridian points intensively.

Ceragem Holds Global Business Strategy Conference to Gain Momentum for New Growth

[http://basic.ceragem.com/company/company08_01_view.asp?idx=23625;](http://basic.ceragem.com/company/company08_01_view.asp?idx=23625)

2014-02-10

Ceragem Group held "2014 Global Business Strategy Conference" at Jeju Haevichi Hotel from Feb 4 to

7, 2014. Chairman, Hwan-Seong Lee and about 150 group executives including the presidents of Ceragem overseas corporate offices, and the CEOs of subsidiary companies participated in the conference.

Previously, in his New Year's address the chairman said, "Current business environment is in a crisis both domestically and internationally. It is more difficult than ever before." At this conference, Chairman Lee encouraged the executives saying, "We Ceragem people have been striving hard to reach the top of the global market by overcoming lots of difficulties during the past 10 years. We Ceragem people have DNA of challenge and progress in our body. We will arise Ceragem DNA to leap forward vigorously in 2014. I'd like to ask all of us to work in unison with a new mind for the New Year."

The Business Strategy Conference started with the session sharing the annual report from the previous year and the New Year's business objective. It continued with a business plan report by countries, business execution strategy of new business and subsidiary companies, and the presentations of excellent management cases of the Ceragem overseas corporate offices. The conference progressed for 4 days was a forum for an in-depth discussion among the executives and employees.

In addition, Ceragem conducted an intensive training to the core executives to keep up with the rapidly changing global business environment as a leading global healthcare company. During the lecture with the subject of "Global Leader", the business consultant ordered change and innovation from the leaders to secure a leading position of Ceragem in the healthcare field.

Mr. Lee Wang-gu was promoted to President at the ceremony of "Pride of Ceragem" that recognizes and rewards the Ceragem overseas corporates that achieved an excellent business outcome in 2013. At the ceremony, President Lee Wang-gu said, "Let's gather our strength and wisdom to create new value. Let's raise the temperature of Ceragem's enthusiasm to be in flames again this year".

Ceragem's CI is a symbol mark combined with the word "CERAGEM" and gem shaped icon. The simple and bold type trade mark "CERAGEM" represents our honest and pure company culture. Red, a main color represents the life and passion of thermo science along with the dynamic image of the company at continuously changes and grows toward the future.

"C" is used as a motif for the icon. A triangle, the simplest polygon is used to visualize the gem shape. The icon divided into the left side and right side from the central axis contains Ceragem's "Healing Spirit" wishing to unify the separated body, mind, time and space as one. <http://basic.ceragem.com/company/company01.asp>

Vice Chairman, Hwang Woo-jin is emphasizing Ceragem's company goal and mission during his inaugural speech. http://basic.ceragem.com/company/company08_01_view.asp?idx=26757

A global hidden champion Ceragem officially announced the appointment of Vice Chairman, Hwang Woo-jin on Oct 6. Vice Chairman, Hwang is expected to bring the revolution in domestic business.

Vice Chairman, Hwang Woo-jin started his career with the human resource department at Han Yang Corporation and AMC Korea. In 1990, he was employed as a head of HR department with Prudential Life Insurance Company of Korea, Ltd., and later he was promoted to Director of Sales, further to Vice President of Sales Department. From the year 2005 to 2010, he was the CEO of Prudential Life Insurance Company of Korea, Ltd. Since then, he has been a CMO of Prudential Life Insurance, Latin America.

The background of Vice Chairman Hwang's appointment was based on his various experiences at the work places, innovative leadership and crisis management ability. With this executive appointment, Ceragem is planning to open new prospect in domestic business.

While working for Prudential Life Insurance Korea, Vice Chairman Hwang Woo Jin made history in the industry of life insurance of Korea. When considering the business outcome he made while he was

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with Prudential, he is a very practical manager. The life insurance products and the insurance system he developed during his service as a CEO of Prudential Life Insurance Korea, became the standard of the life insurance market in Korea. In addition, he is evaluated as an excellent salesman. When the Prudential's business situation was very difficult, enough to leave Korean market, Hwang entered the sales and proved himself as an exceptional salesman. He was selected for the best branch manager 3 times.

Vice Chairman Hwang Woo-jin emphasized Ceragem's company goal and the mission during his inaugural speech. He said "I will make a contribution to the improvement of the quality of life of the customers all over the world." He encouraged Ceragem employees towards achieving the dream, simple but with high value together.

In addition, he said "When we carry out our daily tasks, we should make the core value to be a standard for our action and decision. He emphasized that Ceragem people should keep three core values in mind which are "Customer-Centered Service, Honesty and Transparency, and People Focus".

Ceragem World India Pvt. Ltd. takes pride in launching high quality "Thermal Massagers" in the Indian market. It is one of its kind in India and flagship product of Ceragem Co. Ltd, South Korea. http://www.ceragem.co.in/company/company11_01.asp

Since its launch in Korea, "CERAGEM" customers around the world have been using product with incredible effectiveness, revitalizing body and health. We pledge to continue our efforts in research and development to bring you high quality products that combine alternative medicine and technology to relieve body of pain and complications.

"Ceragem India strives to achieve total customer satisfaction by following its company credo: Love, Service and Kindness. It promotes "Love", "Health" and "Future" by way of its product.

Ceragem offers unconditional opportunity to all of its customers to try their product free of charge at any of air centers. Customers can walk-in into any of the centers to have first hand experience on the products.

Ceragem's thermal massagers are ranked No. 1 in the domestic market. In addition, Ceragem is the company that developed the automatic thermal massager for the first time in Korea, and exported it to the overseas market. Since its first business launching in 1999, Ceragem has been reinforcing the company's competitiveness for 15 years by establishing the global infrastructure continuously. With that effort, Ceragem was able to accomplish a miraculous success by operating 3000 Ceragem Centers in over 70 countries in 10 years since the first product launching. http://www.ceragem.co.in/company/company08_01_view.asp?idx=25411&cT=news

In fact, Ceragem's wonderful business outcome is hard to be achieved. Even just the planning would be difficult for many other companies. However, Ceragem has achieved something that nobody imagined before with their continuous challenging spirit and passion to improve quality and service for consumers. Honest and sincere marketing as well as high product quality captured the consumers' heart all over the world.

Ceragem is growing as a global company trying to achieve the goal to make a company worth a 10 trillion on in value by 2020.

Ceragem's thermal automatic made debut in the market in 1998. The thermal massager combined the oriental medicine principal with the western one. This high quality product with its ergonomic design and stable power supply system caught consumers' eyes in the world.

Consumers were not the only one who paid attention to Ceragem's thermal massager. The manufacturers of the related industry in Korea and overseas paid big attention to the outcome of Ceragem as well.

Ceragem has developed various high technologies to strengthen the thermal massager function, such as multifunctional LCD remote control, thermal massager for calf, special heating elements, and a precise temperature control system. Ceragem's technology brought the improvement of technology in the thermal massager industry.

Ceragem thermal massager applied the principal of the alternative medicine providing a concentrated thermal stimulation on the spine.

The internal projector made with jade provides heat, massage and acupressure on the spine following the program. The massager relaxes muscle, reduces pain and improves blood circulation while massaging the spinal nerves closely connected to body organs.

The biggest point of the Ceragem's thermal massager is that it provides care for our body damaged by bad habits and stress. The spinal nerves which controls all of body functions is like a lifeline of our body. Health problems can occur from the pressed spinal nerves due to wrong alignment of the spine. Back pain and shoulder pain are very common symptoms caused by it.

Those pains are the result of the bad spine care from bad habits rather than a predestined disease. Ceragem has been focusing on the development of the effective spine thermal massager to ease the pains that many people have. As a leader in the thermal massager industry in Korea, Ceragem has been developing a variety of new technologies and the world-class products continuously. Now Ceragem's technology power has earned recognition in Korea and overseas.

Ceragem research centers played a huge role for Ceragem to be at the current position. Ceragem established the Ceragem Research Center in the company to reinforce the thermal massager technology. The Ceragem Research Center put strength on developing home medical devices based on ergonomic design, such as, the automatic thermal massager.

The staff of the Ceragem Research Center has been striving for the innovation of technology since its establishment in 2001. Their continuous effort made Ceragem be in the dominant position in the market, and now it is playing an essential role in creating a new market.

The source of the competitiveness of Ceragem comes from the excellent research environment of the Ceragem Research Center. The research center was located in Gangnam-gu, Seoul when it was established. Later it was relocated to Cheonan, Chungcheongnam-do in 2004 where the company headquarters and factory were located. The relocation was arranged to provide advantageous conditions in developing the new product, and for the research staff to be able to respond to the product problem quickly in connection with the product line.

Ceragem is continuously increasing investment on R&D. Ceragem is endeavoring to obtain the technology competitiveness by allocating over 20 billion Won to the research and development every year. In addition Ceragem is increasing the scale of the R&D center by securing elite research manpower for product development. A diversified technical alliance is in progress, such as, technical exchange with the advanced companies in foreign countries, and a participation in the project with the universities and research institutes.

These days, people's interest in life is changing from "To live long and well" to "To live long in good health". Ceragem is making effort to develop the product for people to have a healthcare at home in convenient way.

Ceragem has been implementing a product trial marketing in 3000 Ceragem Centers in over 70 countries since the launching of its first overseas corporate office in Chicago in the U.S.A. in 2009. Ceragem sells the product to the customers who acknowledged the product effect after trying the product 30 times and over a 1 month period at least.

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The main product for the trial marketing is a spine thermal massager. The jade internal projector emitting infrared radiant heat rolls from the cervical spine to the tailbone and massages the spine by providing heat and acupressure. The thermal massager strengthens the immunity, loosens tight muscles and relieves stress by raising body temperature during the massage session.

Ceragem's trial marketing differentiated from others produced Korean Wave in medical devices all over the world. The popularity of Ceragem medical devices is being continued until today. Ceragem's unique marketing policy which sells the product to the customers only who tried it keeps bringing a constant flow of visitors to the Ceragem Centers.

The average number of visitors to the Ceragem Centers a day over the world is approximately 600,000. The visitors experience the spine thermal massager for 30 minutes for free. The most popular one is the global bestselling product, Ceragem Master M3500 which became a standard for the thermal massager.

Ceragem Master M3500 is very popular with its high stability and durability. It is a good healthcare partner to the elderly as well as the people in sedentary jobs. It seems that the popularity of Ceragem products is not going to fade away easily since it is based on the customers' satisfaction with the quality and effect proven by a variety of quality-proving certifications obtained from the many overseas countries.

Ceragem's trial marketing is often mentioned as "adventurous and risky marketing" among the businesses of the medical devices. Ceragem's unique business policy is throwing a question to the medical device industry. Despite the negative opinions about their marketing method, Ceragem maintains its trial marketing because they firmly believe that people can confirm the therapy effect after trying a massager 30 times at least.

Although sales slowed down after using trial marketing instead of the conventional product advertisement, the customers' trust on the product increased and it raised the brand value high. Supported by the growth of the brand value, Ceragem implemented localization strategy actively since the business launching in South America in 2008.

For the matter of employment, Ceragem hired a lot of local employees in the countries where they run business. Even for the Korean employees sent from the headquarters were encouraged to learn the local culture to associate well with the locals instead of delivering a Korean way of thinking and marketing. One example to show Ceragem's localization policy well is that Ceragem encouraged the Korean employees to learn Latin song and dance.

To make local people understand the effect of the spine thermal massager, Ceragem used a comparison method to explain the similarity of therapy concept contained in Korean's Ondol (hot floor stone) culture and Western stone therapy culture. After presentation of the principal of the product, a trial of the product was offered to the visitors. The visitors felt awkward in the beginning but they started showing big response to the product as they got to understand the product better and had more product experience.

"We don't sell our product if you don't try it. Please lie down and try it first." The employees of 11 Ceragem Centers in Buenos Aires, Argentina always say that to the visitors. The employees send the visitors back who did not have time to try the product on their visit and tell them to come back to try it on the next visit.

It is hard to see urgency for instant sales from the employees' face. This indicates that Ceragem's firm belief in the way of doing business is being reflected to the manner of the employees. Ceragem's marketing goal is to build the stable marketing base for the customers who are loyal to Ceragem product instead of broadening the customer group.

President Kim Ik-gyun in charge of marketing in Argentina says, "People of South America are very optimistic compared to the other countries and like outdoor activities a lot. People actively introduced

Ceragem to families and friends, so we had a wonderful marketing result from word of mouth about Ceragem's products and services." It can be said that the success in South America is the result of the perfect match of Ceragem's goal with consumer orientation.

Ceragem's long term vision is to become a global healthcare company. Especially, Ceragem has been establishing subsidiary companies through M&A under the strategy to reinforce the business of home healthcare field. Currently, Ceragem has 5 subsidiary companies, and those are Ceragem Lohas, Ceragem Health & Beauty, Ceragem Medisys, Ceragem Biosys, and Ceragem Cellupedic.

Ceragem Lohas is a professional 21 C-Type health & beauty care company under CERAGEM group. Ceragem is fulfilling its vision to become world best beauty care partner with CERAGEM LOHAS by establishing the beauty science with new concept satisfying the people's desire and need for keeping good health and beauty. NAVIEL Gallery is successfully running business having over 20,000 visitors a day for a product trial.

Ceragem Health & Beauty is a professional global cosmetics company. Ceragem H&B pursues the proliferation of health and beauty to all over the world through natural cosmetics. Ceragem is building a global network to meet the sales goal of 700 billion Won by 2015. Ceragem is making effort to make the healthy world that where everybody is happy including the customers, management, and all Ceragem employees.

Ceragem Medisys has been making an innovative attempt in the field of healthcare and diagnostic medical device under the motto "Diagnose all diseases from one drop of blood". A blood diagnostic product Labona Check is showing a differentiated competitiveness with its patented technology in the blood glucose meter and bio sensor market. In addition CERAGEM MEDISYS has been developing home care product for prevention and treatment of acne, protein chemical product, and various diagnostic devices.

Ceragem Biosys has developed dental material "Inovium" which can substitute gold. Currently the company is developing various bio materials related to dental treatment. The company is making effort to manufacture products to meet customers' expectations, and sometimes exceeding the expectations. Recently Ceragem Biosys is trying to change the direction of research to new product development from the improvement of the existing products. It is to prepare them to be a lead of the future industry saving depleting resources.

Ceragem Cellupedic is a company developing and manufacturing mattresses. The company obtained the technology to analyze the customer's body type and sleeping style, and adjust the mattress's pressure to induce the optimal sleeping condition. The company developed auto mattress adjustment system based on the analysis technology. Ceragem Cellupedic guarantees a sound sleep to the customers with bladder manufacturing technology, control system, and research & development on overall science of sleep.

Through the growth of the company including subsidiaries companies, Ceragem's technology and brand are being recognized in many countries. Ceragem officially obtained "Well-known Marks of China" in May, 2011. The "Well-known Marks" is granted by the State Administration for Industry and Commerce (SAIC) of China to the brand name according to the evaluation of public awareness in China and overseas, total sales amount and company's business activity.

Once acquired "Well-Known Marks", the protection for the brand is reinforced by the Chinese government, and the priority over the counterfeit is given to that brand product. The process of request and approval of "Well-known Marks" is very strict so it is rare for Korean companies excluding large companies, such as, Samsung and LG to receive the approval from the Chinese government. So acquiring "Well-known Marks" is significant to the same industry.

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Ceragem launched business in China 2011 by establishing Ceragem Medical Device LLC in Yenji, China in 2001. Started from the one location, currently Ceragem has own factories in Yenjin, Tenjin . Ceragem's products are being sold through 2,000 agencies in 30 provinces in China. Ceragem's products are ranked No. 1 in the thermal massager market of China.

Apparently, Ceragem's success in China was attributed to Ceragem's differentiated marketing. Ceragem's unique product trial marketing put Ceragem to the top position having the most market share in the thermal massager market in China. Ceragem's market share rate maintains the highest until present. Especially, obtaining "Well-known Mark" consolidated Ceragem's position as a premium brand in the healthcare market.

Ceragem is taking the lead of sales diplomacy in India. The Ministry of Trade, Industry & Energy announced the list of 70 business people including Ceragem Chairman Lee Whan-seong for the economic mission who would accompany President Park Geun-hye to India, and Switzerland on January 10, 2014. For the economic mission to India, many companies engaged in construction, power, plant, IT, software were selected to meet the demand for building infrastructure in India. For healthcare company, only 2 companies including Ceragem were selected.

Chairman Lee Whan-seong said, "India is one of the most difficult countries to have business. However Ceragem could achieve outstanding result out of customers trust based on Ceragem's trial marketing." This explains why Ceragem was selected for the economic mission to China, Vietnam and to India this time to support Republic of Korea President Park Geun-hye as a civilian diplomat 3 times in a row.

Ceragem launched business in India in 2006. Currently Ceragem is running about 3,000 centers in India. Ceragem launched new model V3 in 2013 and implemented a diverse marketing plan adapted to the local culture. In 2014, supported by the active promotion, Ceragem increased the number of Ceragem store almost double than the previous year. Now "Ceragem Storm" is blowing in India.

Chairman Lee Whan-seong said, "Ceragem will strengthen the existing business foundation and continuously seek out new business opportunity to raise Ceragem's company value".

The healthcare company Ceragem has been putting their principal of sharing life into practice by sponsoring many charity events to help neighbors in need. "Making Kimchi" event started in 2011 is becoming Ceragem's representative year ending event. More employees are volunteering for this event every year.

For this "Making Kimchi" event, some cabbages (not whole amount) grown from the garden by Ceragem employees are used. The company encourages employees to grow vegetables at the garden prepared at the company. It is for the employees to experience a joy of harvest and sharing with neighbors. The harvest of 2013 increased 4 times more than the previous year so about 800 heads of cabbage were used for a "Making Kimchi" event in 2013.

The event was held on November 22, 2013 at the Ceragem Headquarters, Republic of Korea, with the participation of 200 Ceragem family members including management and employees. At this event, total 3,000 heads of cabbage were used and the Kimchi made from this event was delivered to 3000 low-income households in the neighborhood.

Ceragem is fulfilling corporate social responsibility not only in Korean but in overseas countries. One example is that Ceragem is taking initiative to improve the poor education environment of the elementary schools in the farming villages in China. Ceragem has been participating in the project building hope elementary schools. Ceragem has been donating 2 million CNY (about 35 million Korean Won) for scholarships every year since 2007 to nurture competent individuals for the future.

Ceragem has been contributing to the improvement of public healthcare in China, reduction or healthcare

cost and the modernization of Chinese traditional medicine through development of high quality medical devices. Ceragem's social contribution is well recognized by the Chinese government. Ceragem was selected as the best company in the field of home healthcare at "Annual Health Awards of China" which is the most prestigious award ceremony in the healthcare field in China.

Vice President Lee Gyu-cheol of Ceragem Corporate Office in China said, "I am very happy that Ceragem could be of some help in improving people's health and quality in China. Ceragem will continue our social responsibility and do our best to become a company receiving respect from Chinese people."

The thing that Ceragem cares about the most in doing business is global business marketing. After numerous consideration and discussions, Ceragem appointed President Lee Wang-gu to the president in charge of the entire business marketing for Ceragem. President Lee Wang-gu is promoted to this position as a president handling the entire overseas marketing of 70 countries after passing through the internal promotion from vice president to the president.

The reason that Mr. Lee Wang-gu is promoted to the president for the entire overseas marketing is because of his outstanding capability with lots of experience in the healthcare marketing field. President Lee Wang-gu's various field experience, strong leadership and ability of risk management were evaluated highly for this promotion. President Lee has been a dedicated worker in and out of country since Ceragem's establishment. He achieved 300 billion Won of sales amount in 2008, and that is the one of the reasons for his selection.

President Lee Wang-gu achieved a rapid growth in India, and Central & South America with his exceptional management ability and leadership in opening the new overseas market. In 2013, President Lee received a presidential award in appreciation of his contribution to increase the nation's exports at the 50th Trade Day Ceremony. Ceragem will concentrate their effort on developing new overseas market under the leadership of President Lee Wang-gu.

President Lee Wang-gu said in his inaugural address, "I will enhance Ceragem's competitiveness through change and innovation. I will make Ceragem a company worth 10 trillion Won by 2020. In order to grow and achieve Ceragem's goal to become global healthcare company in the rapidly changing business environment we have to prepare ourselves with new mind-set."

It has been 15 years since Ceragem launched overseas business as of 2014. Ceragem has achieved remarkable success so far but it was not easy to make even for the large companies. Ceragem has been pursuing its unique business model based on the creative technology and trial marketing.

Ceragem has been a partner of healthy life to the customers since its establishment. Ceragem has been pursuing a growth beneficial to everybody based on the world best technology, special customer service and creative challenge spirit. That as a driving force made Ceragem a global healthcare company now.

Ceragem hopes to become a leading global healthcare company that contributes to humanity and the world. In order to accomplish their dream, Ceragem R&D Center has been at the forefront in research and development. The marketing team and sales team are endeavoring to realize Ceragem's hope, "To become the world best healthcare partner." That is the ultimate goal that Ceragem pursues. The global healthcare group Ceragem's challenge and passion will be continued on by delivering culture of healthy life to people over the world.

Green Cross Group to acquire 51% stake in Ceragem Medisys for KRW 8bn

<http://www.kotraglobalmnacenter.com/2015/01/green-cross-group-acquire-51-stake-ceragem-medisys-krw-8bn/>

January 23, 2015; (Sources: Korea Economic Daily, Reuters)

Green Cross Group, a South Korean medical group, will acquire a 51% stake in *Ceragem Medisys*, an

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unlisted blood glucose meter maker, for KRW 8bn (USD 7.3m), according to a stock exchange statement and news report.

Green Cross Medical Science, a listed medical supplies making division of the group, *announced yesterday* that it will acquire 10m shares of Ceragem Medisys for KRW 5bn. The *shares represent a 21.06% in the target company*. The deal will close on 31 March 2015.

According to a related report in Korea Economic Daily, which cited information released by Green Cross, the pharmaceutical company has also signed to acquire 6m shares in Ceragem Medisys for KRW 3bn. After reduction of existing shares of the target, Green Cross and Green Cross Medical Science will jointly hold a 51% stake in Ceragem Medisys.

Questions

1. What are the three core values of Ceragem? Are they likely to be retained in the new scenario? Discuss.
2. Chairman Lee Whan-seong said with the New Year's address in 2014, "Current business environment is in a crisis both domestically and internationally. It is more difficult than ever before." Critically evaluate the statement.
3. Do you think that the appointment of Vice Chairman Hwang will bring the revolution in domestic business? Discuss.
4. Trial Marketing concept is risky. What is your opinion? Discuss.
5. What are the likely changes in the culture and growth prospects of Ceragem after the 51% stake by Green Cross Group?