

FOMĖK

Federation of
Middle Market Enterprises
of Korea



CONTENTS

About Middle Market Enterprises

About the Federation of Middle Market Enterprises of Korea

I. Building the foundation for sustainable growth

II. Strengthening the capacity for innovation

III. Spreading economic and social value

IV. Activating networks

History

FOMEK
communication
channel

Website

www.fomek.or.kr

www.mme.or.kr

Newsletters

BIZNET

Middle Market Enterprises Policy Brief

App FOMEK plus

MME policy magazine

重深 (JungSim)



 Facebook  YouTube

FOMEK
Federation of
Middle Market Enterprises
of Korea

MIDDLE MARKET ENTERPRISES THE CORE OF THE KOREAN ECONOMY

MMEs lead Korean change and innovation.

Our cutting-edge technological prowess makes the impossible possible at the forefront of the 4th Industrial Revolution

Korea's 5,576 MMEs account for 1.3% of all domestic businesses and form the core of the national economy.

1.3%

5,576

Number of enterprises

14.4%

KRW 961.3 trillion

Total revenue

12.8%

1.587 million

Jobs

18.0%

USD 123.1 billion

Exports

15.2%

KRW 33 trillion

Facility Investment

11.1%

KRW 9.4 trillion

R&D Investment

Ministry of Trade, Industry and Energy (2023), 2022 Basic Statistics on Middle Market Enterprise
Statistics Korea (2023), 2022 trade statistics by business type
Korea Development Bank (KDB) (2023), 2023 Survey Report of Facility Investment Plans
Ministry of Science and ICT (2023), 2022 Survey of Research and Development



Only 1

Korea's one and only
legal economic entity
representing MMEs

Big 6

One of Korea's six
leading economic
entities

2014

Statutory entity
prescribed by 2014
Middle Standing
Enterprises Special Act

FEDERATION OF MIDDLE
MARKET ENTERPRISES
OF KOREA

FOMEK THE CORE OF COMMUNICATION & INNOVATION FOR MMEs

MIDDLE MARKET ENTERPRISES

FOMEK supports the sustainable growth of Korea's middle market enterprises and their development into specialized global enterprises.

We create healthy industrial ecosystems and continue the smooth flow of corporate growth. FOMEK is the core of Korean MME innovation.

I.

Building the foundation for sustainable growth

IV.

Activating networks

INCREASING THE VALUE OF MIDDLE MARKET ENTERPRISES

Developing the value of MMEs is FOMEK's mission

FOMEK is committed to improving the legal and institutional environment at the foundation of sustainable growth and strengthening the innovation capacity of MMEs as specialized global enterprises. Through close cooperation and communication, FOMEK spreads the social values of equity, justice, freedom, and creativity.

II.

Strengthening the capacity for innovation

III.

Spreading economic and social value

I

Building the foundation for sustainable growth

Enterprise requires endless movement and growth. FOMEK supports the sustainable growth of Korean MMEs through development of a legal and institutional environment and the passing on of the entrepreneurial spirit.

Laws and institutions amended



116 cases (9 in 2022)

Time-honored business



MME certificates issued



22,982 cases (3,518 in 2023)

FOMEK members

- Autonics 2023
- Korea Houghton 2023
- Bosung Powertec 2022
- Buhmwoo Chemical 2021
- Hyoseong Electric 2021
- Samjin Globalnet 2021
- Woojin Industrial Systems 2021
- Ehwa Diamond 2020
- Cheong Ju Limestone 2019
- Namsung 2019
- Mirae N 2018
- Commax 2017

MME information website

6,928,718 visits



Policy proposals and research reports aimed at improving laws and legal institutions which current obstruct the sustainable growth of MMEs.

In 2023, FOMEK met with the government and National Assembly more than 40 times, proposing effective alternative policies for the improvement of MME business environments.

I. Building the foundation for sustainable growth

II. Strengthening the capacity for innovation

III. Spreading economic and social value

IV. Activating networks

Addressing legal and institutional hurdles to MME growth

- Assistance in establishing the Ministry of Trade, Industry and Energy's master plans and action plans for the promotion of MME growth
- Identifying unnecessary regulations and introducing policy proposals in the areas of Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises, tax systems, laws and institutions related to sales channels, employment, labor, finance, carbon neutral, environment, mutually beneficial cooperation, trade, Commercial Act and Fair Transactions Act
- Participation in government and legislative policy roundtables including the Regulatory Innovation Strategy Meeting; the Materials, Parts and Equipment Competitiveness Committee; the Economic, Social and Labor Council; the Middle-Standing Enterprise Policy Committee; and the Korea Commission for Corporate Partnership
- MME Grievance Reporting System and Active Administrative Center

Laws and institutions amended by year and category

Year	Employment	Tech-nology	Industry	Exports/sales channels	Sub-contracting/partnerships	Finance	Misc.	Total
2023	3	-	6	3	-	-	6	18
2022	1	2	2	-	-	-	4	9
2021	1	4	-	2	-	-	2	9
2020	-	-	3	1	-	2	3	9
2019	4	-	3	-	-	3	2	12
2018	6	2	1	1	1	-	1	12
2017	2	2	4	1	-	-	-	9
2016	5	2	-	4	-	1	1	13
2015	7	6	10	4	3	-	4	34
Total	29	18	29	16	4	6	23	125

Policy roundtables by year

Year	Meetings	Details
2023	13	MME roundtable with leader of People Power Party, May 22 Roundtable with deputy prime minister & minister of economy and finance, June 26 Roundtable with minister of Trade, Industry and Energy, Sep. 26
2022	15	Luncheon & roundtable between President-elect Yoon and presidents of major 6 economic entities, Mar. 21 Roundtable with Minister of Trade, Industry and Energy, Jun. 8 Roundtable with Minister of Environment, Dec. 6
2021	15	2nd Meeting of Middle-Standing Enterprise Policy Committee, Feb. 24 Roundtable with Minister of Trade, Industry and Energy, Jun. 2
total	43	

Operation of MME Innovative Growth Policy Forum*

- Seminars featuring experts from the private sector, government, and academia to explore the next paradigm shift in MME development policy

* Platform for MME policy innovation led by private sector

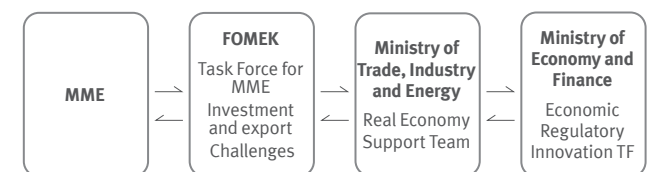
Key achievements in 2023

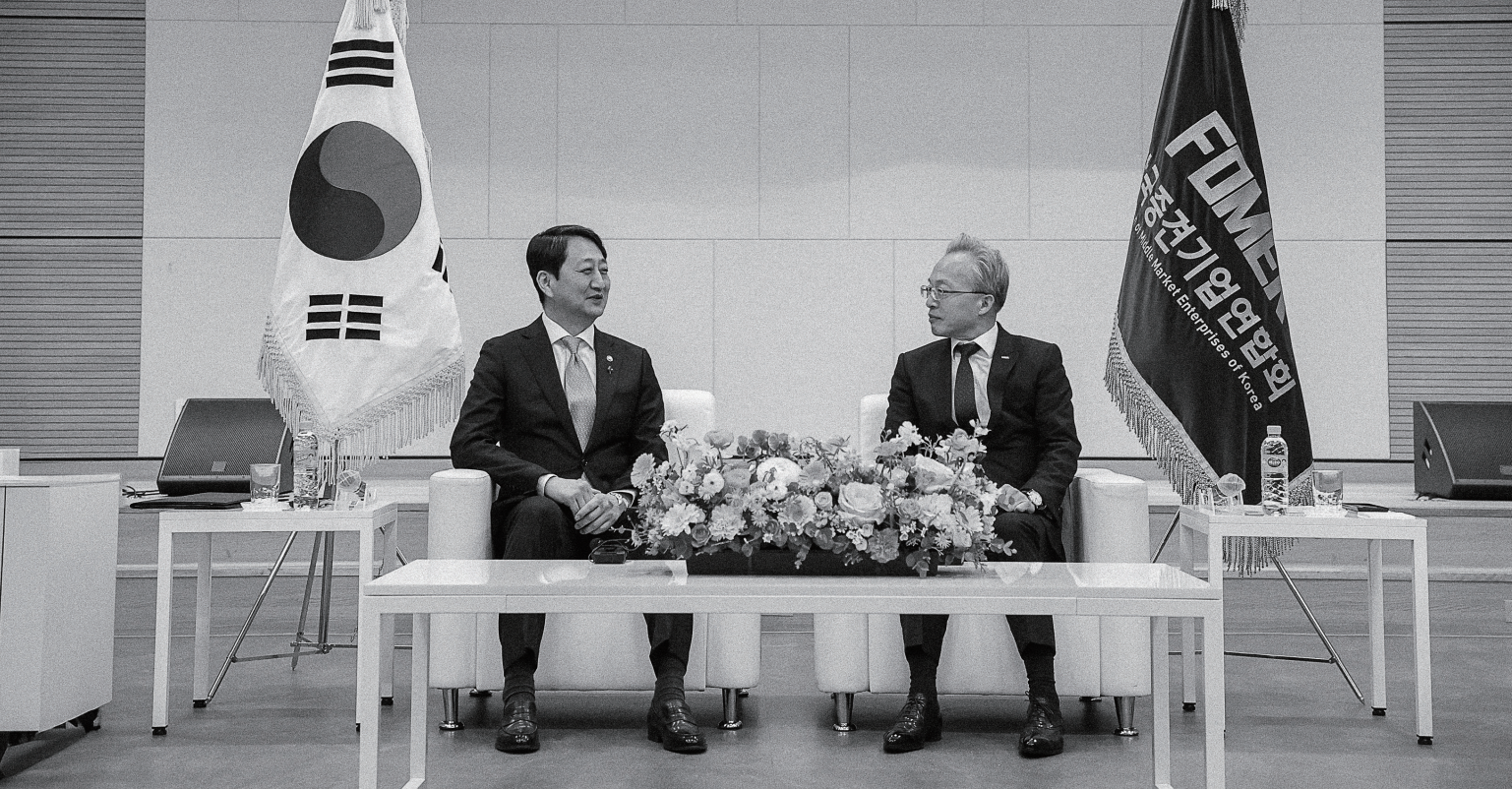
- MME Innovative Growth Policy Forum—10 Years of MME Policy: Results and Tasks, Nov. 14

Operation of Task Force for MME Investment and export Challenges

- MME-FOMEK-Government 'hotline' for the addressing of regulatory hurdles and grievances related to MME innovation and investment

• Process





MME policy roundtable with Trade, Industry and Energy Minister Ahn Duk-geun Jan. 22, 2024



The MME Innovative Growth Policy Forum, Nov. 14, 2023

MME Basic statistics services

- Survey and announcement of statistics for MMEs and prospective MMEs
- Survey of MMEs and prospective MMEs
- MME business outlook survey

MME certification and policy information services

- Issuance of MME certificates
- Operation of the MME information website
- Publication of guide MMEs Support Policies
- Publication of the handbook on the scope of MMEs

Consulting for MMEs through partnerships with specialized agencies

- Provision of tailored solutions through a network of specialized agencies and institutions*
- * Mirae Asset Financial Group, Shinhan Securities, KB Securities, Samil PwC, Samjong KPMG, Shin & Kim LLC, DR&AJU LLC, Barun Law LLC, Jipyong LLC, Eruum & Leeon, Hyundai Research Institute, Lockton Korea

Details		
Legal	Finance & accounting	New business areas & others
<ul style="list-style-type: none"> • Business succession & taxes • Serious Accidents Punishment Act • Fair trade & reform of corporate governance structure • Employment, labor, & HR management 	<ul style="list-style-type: none"> • Funding and finances, IPO • Innovative growth fund • Internal accounting controls and others 	<ul style="list-style-type: none"> • Entry into foreign markets • Development of new growth drivers • R&D & intellectual property rights • Analyzing economic trends & forecasts, and others.

Assistance in business succession to preserve the entrepreneurial spirit

- Proposals for the amendment of laws and institutions relating to business succession, including inheritance tax, gift tax, and the family business succession tax deduction system
- Roundtables, debates, and seminars on family business succession

Operation of time-honored business certification scheme* to MMEs

- Search for and recommendation of MMEs as time-honored business candidates
- Participation in candidate review committee
- * Scheme adopted by the Ministry of SMEs and Startups in 2016 to establish role models for enterprise growth and recognize exemplary cases of socially responsible businesses

Changes in 2024

- Easing of application qualifications for MMEs in Guidelines for Certification of Time-Honored Business
 - 10% or more of combined revenues of conglomerates subject to regulation of intra-group transactions → 70% or more of combined revenues or 50% or more of that from one business within group

FOMEK members

Atonics 2023 Korea Houghton 2023 Bosung Powertec 2022
 Buhmwoo Chemical 2021 Hyoseong Electric 2021
 Samjin Globalnet 2021 Woojin Industrial Systems 2021
 Ehwa Diamond 2020 Cheong Ju Limestone 2019
 Namsung 2019 Mirae N 2018 Commax 2017

II

Strengthening the capacity for innovation

R&D worker development support programs for MMEs

669 researchers
(134 in 2023)

170 participating enterprises (87 in 2023)

The 4th Industrial Revolution entails a mammoth shift of human civilization at a blistering pace. FOMEK provides MMEs space to innovate, establishing predominance in technologies that lie beyond the state-of-the-art.

Helping MMEs expand global networks



Roundtables and Seminars on trade, commerce, and global networking

14 cases
(12 in 2023)

MME delegations dispatched abroad

12 cases
(12 in 2023)

Support digital transformation for MMEs



33,999 job-seekers
(4,897 in 2023)

533 participating enterprises (100 in 2023)

MME human resources fosterage academy



11,224 participants
명 (2,286 in 2023)

MME key point seminar



24 sessions (10 in 2023)

Creation and operation of MME Leap-forward Support Fund

- Raising and operating funds to restore industrial growth ladder and secure new MME growth drivers

Support of MME-Startups' open innovation

- Support of cooperation and matching between MMEs and Startups
- Hosting an open innovation support program "I'M Challenge" co-organized by Seoul Business Agency and Korean Standards Association

MME Investment Leaders' Forum

- Korea's one and only private network for cooperation between MMEs and investment agencies
- Boosting MME capacity to seek new growth drivers, invest in technological innovation, and conduct M&As

MME Sustainability Conference

- Identify MME benchmarks and promote management strategies & growth know-how

Support for MMEs in forming global partnerships

- Business roundtables with related agencies, such as foreign missions and investment authorities in Korea, of key countries where Korean MMEs are active
- Search for agenda on international trade cooperation and reinforce partnerships
- Participate in economic missions abroad and support network building

Operation of MME Trade and Commerce Support Center

- Surveys of MMEs on prospects and problems in trade and commerce
- Trade and commerce training sessions held for MMEs

Reporting Center for Unfair Trade Practices by MMEs

- Finding and reporting of unfair trade practices to Korea Trade Commission

Support Group for New Exporting MMEs

- Services in partnership with 17 agencies in 4 sectors: consulting, sales channels and logistics, financing, and technology and certifications
- Briefings for new MME exporters



Business Reception, New Jersey&FOMEK Oct. 19, 2023



2023 ASOK-FOMEK Doing Business in the US Seminar May. 30, 2023



2023 MME job fair Jul. 3, 2023

Operation of the MME human resources fosterage academy

- Provision of job-specific, capacity-boosting education and training for MME employees and executives
 - Up to 75% of tuition subsidized
 - Key programs: Digital Transformation, ESG Management, Global Competitiveness, Finance and New Growth Drivers, etc.

Korea's one and only MME job fair

- Operation of consultation and interview booths for each participating MME; recruiting information sessions and special talks on each job area; online publicity for staff-seeking MMEs

R&D worker development support programs for MMEs

- Payroll subsidies to MMEs operating dedicated R&D departments with average annual revenues of less than KRW 300 billion over the past 3 years
 - 40% base-salary subsidization for up to 3 years for young master's and doctoral degree holders and R&D personnel with professional technical research experience in engineering and the natural sciences

Recommendation of MMEs as designated enterprises for alternative military service

- Support for assignment of industrial technical personnel (alternative to military service) to MMEs in manufacturing, information processing, energy, and mining

MME key point seminar

- Education and training in legal affairs, accounting, and financing and investment in response to member MME needs

III

Spreading economic and social value

안구도 성장, 중견기업이 앞장섭니다!
중견기업인의 날 기념식

We are working today to promote sensible perceptions of MMEs as a treasure trove of good jobs in Korea and the middle rungs of the growth ladder.

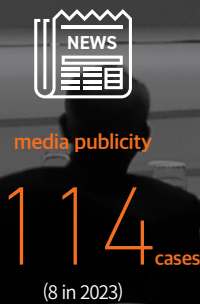
Government commendation awards given at middle market entrepreneur's day



Featured on the KBS1 special MME documentary series



MME public relations support services



MME charity market project



Middle market entrepreneur's day ceremony

- Held annually during the 3rd week of November to recognize MMEs with merit in the realm of Korean economic and industrial progress and share best business practices
- Government commendation of outstanding MME entrepreneurs, recognition of newcomer MMEs with outstanding growth, etc.

Awards by year

	Order of Industrial Service Merit	Industrial Service Medal	Presidential Commendation	Prime Minister's Commendation	Ministerial Commendation	Commissioner's Commendation	Total
1st(2015)	1	1	2	2	8	10	24
2nd(2016)	3	2	2	4	9	15	35
3rd(2017)	2	1	2	4	8	14	31
4th(2018)	1	1	2	4	24	-	32
5th(2019)	-	1	2	4	17	-	24
6th(2020)	1	2	3	5	24	-	35
7th(2021)	2	2	4	5	24	-	37
8th(2022)	2	2	4	5	14	-	27
9th(2023)	2	2	4	5	24	-	37

MME Year-end Party

- Presentation of annual MME results and discussion of directions for advancement

Sharing happiness

MME charity market project

- Outstanding products and services offered at discounted prices to FOMEK members
- Portion of all proceeds donated to charity

Production of KBS1 special MME documentary series

- Stories on the growth, achievements, and management philosophies of leading MMEs

2023

- Episode 1 (State-of-the-Art Tech) Eagon Windows & Doors, RS Automation, Oct. 29
- Episode 2 (Exports) NUC Electronics, Junjin Construction & Robot, Nov. 5
- Episode 3 (ESG) Hanmi Global, Korea Electric Power Industrial Development, Nov. 12
- Episode 4 (Distribution Chains) Taekyung Group, Solum, Nov. 19
- Episode 5 (DX) Macrogen, Hansae Fashion Worldwide, Nov. 26
- Episode 6 (Job Creation) Autonics, Ilshin Vitson, Dec. 3
- Episode 7 (Communities) JW Life Science, Shilla Steel, Dec. 10
- Episode 8 (Win-Win Growth) Duckil Industry, Innodap, Dec. 17

2022

- Episode 1 (Technology) Commax, MK Electron; Oct. 23
- Episode 2 (Creativity) Unitech, Wontech; Nov. 6
- Episode 3 (Enterprising spirit) GMB Korea, JNK Heaters; Nov. 13
- Episode 4 (Innovation) Nox Corporation, SD Biosensor; Nov. 20
- Episode 5 (Human talent) KECC, LogisALL; Nov. 27
- Episode 6 (Overcoming crisis) Hwaseung Chemical, ISC; Dec. 4
- Episode 7 (Communication leadership) Insung Information, Vitzro Tech; Dec. 11

MME public relations support services

- Support for media publicity, from press releases to media roundtables and interviews
- Support for online publicity via websites, newsletters, apps, and social media
- Production of PR video series "MME Biographies" for outstanding member companies
- Dedicated risk management teams from the Korea's leading law firm

IV

Activating networks

Expertise from the longest-standing and most cutting-edge MMEs is shared at FOMEK. Together, FOMEK explores new paths for future growth.

Lectures for MME CEOs



185
sessions

MME Business Round Table



4

gatherings/year

MME Female CEO Network



4

gatherings/year

Young MME CEO network



90

members

Green Business Community



8

gatherings/year

MME networking events by region



4

gatherings/year

MME CTO council



138

members

MME CHO council



159

members

MME CFO council



50

members

MME public relations cooperation network



70

members

Lectures for MME CEOs

- 4 lectures annually, given by key political and economic figures and opinion leaders

MME Business Roundtables

- Held 4 times annually to discuss management innovation and policy improvements for MMEs

MME Female CEO Network

- Roundtables on management innovation and mentoring for female MME CEOs

MME V-CEO club

- Capacity-building and networking programs for MME CEO successors in their 40s and 50s

Young MME CEO network

- Skill-building and network-expanding programs for the leaders of the next generation of MMEs

The Green Business Community: an MME golfing community

- 8 friendly golf competitions held annually

Building MME Networks by sector and region*

- 4 programs per year to improve competitiveness and reinforce networks among regional MMEs
- * Daegu-Gyeongsangbuk-do, Southeast, Honam, Chungcheong

MME CTO council

- Roundtables for MME CTOs

I. Building the foundation for sustainable growth

II. Strengthening the capacity for innovation

III. Spreading economic and social value

IV. Activating networks

MME CHO council

- Roundtables for MME CHOs

MME CFO council

- Forum, & Roundtables for MME CFOs

MME public relations cooperation network

- Capacity-building workshops for public relations officers at MMEs

The reception room on the 13th floor of the SIMPAC building in the Yeouido district of Seoul(2010~2022).

Around ten years ago, MME CEOs gathered here for lunch every week to discuss the progress of MMEs, including legislation of the Middle-standing Enterprises Act.

Presently, the roundtable is hosted by the FOMEK secretariat.

History of FOMEK

2023

Oct. Special Act on Promotion of Growth and Strengthening of Competitiveness of Middle-Standing Enterprises converted to and implemented as permanent law

2022

Apr. MME Innovative Growth Policy Forum launched
MME CFO Council launched

2019

Feb. Renamed as the Federation of Middle Market Enterprises of Korea

2018

Feb. MME entrepreneurs' responsible management declaration announced

2017

Apr. Young MME CEO network launched

Jul. MME CHO council launched

Oct. MME public relations cooperation network launched

2016

Mar. MME CTO council launched

2015

Jul. 1st middle market entrepreneur's day ceremony

2014

Jan. Legislation of Special Act on the Promotion of Growth and the Strengthening of Competitiveness in Middle Standing Enterprises

Jul. Launching the Association of High Potential Enterprises of Korea as a legal entity

2013

Apr. Proclamation of vision for MMEs and opening of the 2013 specialized global enterprises forum

Jun. ~Sep. Opening of the 1st to 5th National Assembly relay policy debates

2008

Sep. Inaugurated committee to legalization of MMEs Korea

1995

Mar. Authorized as a corporate body

1992

Sep. Establishment of the Korea Businessmen's Federation

Create the future with FOMEK

MMEs will become the unwavering core of the Korean economy

MMEs lead Korean economic innovation in today's massive tide of change.
Committed to sustained excellence and hand-in-hand growth,





FOMEK