

How dumplings became garbage?

The Korea Food and Drug Administration's
handling of a food scare

The Case

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How come dumplings become garbage?¹

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Introduction

In early June 2004, South Koreans were shocked by news reports that they had been eating dumplings' filling made of trashed pickled radish remnants. All media outlets were reporting on the so-called, "garbage mandu (dumpling) scandal," graphically displaying disgusting pictures of manufacturers processing dumpling filling.

The police were initially in charge of the case, which was eventually handed over to the Korean Food and Drug Administration (KFDA). Since such spoiled food cases happen nearly every summer, the KFDA thought the handling of the dumpling issue was a routine case. However, tremendous public outcry moved the case from routine to a situation that placed the entire dumpling industry at risk. Contrary to initial news reports, it was later revealed that many companies were accused unjustly and the KFDA had not followed proper procedures. Once the KFDA's role in the debacle became known, opinion shifted against the KFDA. Consumers' distrust extended beyond dumplings to governmental agencies and the food safety as a whole. The primary tasks for the KFDA were helping the devastated dumpling industry and restoring the public trust.

Background

1. Organization and functions of the KFDA

The Korea Food and Drug Administration (KFDA) is the governmental agency responsible for food and drug safety systems in Korea. Its main functions include surveillance for food contamination and adulteration, approving of manufactured or imported drugs and biologics, controlling safety, reviewing standards and specifications for foods, drugs and medical safety and devices, and research (KFDA, 2003a). The KFDA acquired the status of administration under the Ministry of Health & Welfare on February 1998 (KFDA, 2003b). Compared with the Food and Drug Administration of the United States, the KFDA's administrative authority is relatively weak since significant parts of the food-related administrative tasks are divided among local governments and other governmental ministries, such as agriculture and forestry, and maritime affairs and fisheries. About 850 staffs work in the KFDA.

The KFDA consists of a head office, a safety evaluation office, a national institute of toxicological research, and six regional offices. The head office consists of General Services Division, Planning & Management Office, Food Safety Bureau, and Pharmaceutical Safety Bureau (KFDA, 2003a). Like most of the governmental agencies, the public information office

¹ This case was written for class discussion and based on publicly available information, such as newspaper articles, press releases and messages in the internet bulletin boards. Therefore, at some points, the case described here may not agree with the KFDA's perspectives or position.

(PIO) was directly governed under the commissioner of the agency, but in February 2004, the KFDA restructured the organization and located PIO under the Planning & Management Office for the purpose of providing a synergistic effect by combining the planning and public relations functions (Hwajanpoom Shinmun, 2004; refer to Appendix 1). However, this increased the layers of approvals for information release and there were complaints that timely press releases became difficult (Sikpoomilbo, 2004).

The chief public information official at that time was assigned to the position in August 2003. Prior to joining the PIO, he worked for other management divisions in the KFDA (KFDA, 2003c). Generally, in Korea, once one becomes a governmental official, he/she moves across positions within the organization several times during his tenure. Therefore, usually public information officials are trained on the job about public relations, rather than having a communication background. While this rotation system allows officials to gain a better understanding of diverse organizational functions, in a sense it hinders specialization. In June 2004, PIO in the KFDA had four public information officials (The Ministry of Health & Welfare, 2004) and each regional office has one officer who was in charge of media relations as well as other assignments. With four information officers, the PIO were producing about 25 press releases per month on average.² PIO's responsibilities include press release writing and dissemination, communication of public policies, news page management, briefings, and managing risks (KFDA, 2003d).

2. Dumpling, Consumers and Media

Dumpling (Mandu). Dumpling, called Mandu in Korea, is Koreans' favorite snack often enjoyed as meals. Mandu is prepared by filling seasoned minced meat and vegetables inside a flour-based 'skin.' Dozens of dumpling brands are on the market by big food companies and small to mid-sized companies who mass produce frozen dumplings. While big companies have numerous product lines and dumpling is only a fraction of the sales, small and mid size dumping manufacturers depend on the sales of dumplings. "It has been a growing trend among food companies to invest in the dumpling business as the market has been experiencing growth over the past few years" (Korea Herald, 2004a). In addition to the mass production companies, there are many privately owned dumpling shops on the streets, which sell their own hand-made dumplings. "Industry sources estimate that the local market for mandu amounts to over 300 billion won per year" (Korea Times, 2004).

Consumers. Recently, in Korea, the concept of "well-being," a trend toward living a healthier lifestyle has become fashionable. People are much more interested in health issues and food safety. One of the driving forces of the well-being wave may be attributed to people's concerns about the food safety. Relaxed restrictions on agricultural produce import increased the circulation of cheap and low-quality imported produce in the market, especially from China. Sometimes imported produce was sold illegally labeled as domestic produce. The public's distrust about the government's ability to supervise such illegal acts and prevent potential risks increased accordingly. In this context, the Korean public was sensitive to media reports about health risks. In the case of the bird flu outbreak in the late 2003, while experts reported that poultry was safe to eat when fully cooked, chicken consumption plummeted dramatically. Even,

² It is the 2004 average. The press releases produced by regional office were not counted in this number.

a fried chicken shop owner committed suicide. Similar results occurred when the mad cow disease case surfaced. That is, although no mad cow disease case was reported in Korea, beef consumption decreased drastically.

Media Practices. In 1989, the prosecutors reported that some instant noodle manufacturers fried noodles with industrial-use beef oil. The media picked up the story with sensational titles. However, it was found not to be true. The alleged oil was lower grade oil but good enough to use for human consumption when purified. After the long court battle, the prosecuting authority ruled not guilty but the leading instant noodle manufacturer at that time was unable to restore its reputation even after more than ten years. A similar case occurred in 1998. In this case, the prosecutors reported that a portion of formalin, a 10% solution of formaldehyde in water which is used as a disinfectant or to preserve biological specimens, was found in the canned golbangi (bai-top shell). The media reported the stories under the title of “canned golbangi mixed with formalin” (Hankyoreh 21, 2004a). It was later reported that formalin can form naturally from golbangi. Since these two cases, Korean journalism has been criticized with as possessing the following characteristics.

- Sensationalism: The media often take up sensational words to exaggerate the case. They have been blamed for fostering people’s fears.
- Hot-pot journalism practices: The media flock to the issue for a short period and turn away from the issue without enough follow-up reports.
- Negligence of investigative reporting: Journalists respond to government press releases rather than conducting investigation. News reporters rely on government agencies’ press releases and do not engage in their own investigation and analysis.
- Practices of scoop competition: Because of harsh competition for scoops, inaccurate information is often released.

How the issue unfolded

1. Pre-Phase

In early March, the National Police Agency was investigating Euddum Foods, a dumpling filling manufacturer. The police were suspicious of the hygienic conditions of the dumpling filling manufacturing process, and found that the company had used the remnant of pickled radish as filling ingredients. The pickled radish used was in part imported from China but the company did not state this on labels. In March, 2004, the police requested an appraisal of the harmfulness of the dumpling filling from National Institute of Scientific Investigation (NISI) of Korea and the KFDA separately. Two types of bacteria were reported (Hankookilbo, 2004). Meanwhile, in early May, the KFDA inspected several pickled and dried radish manufacturers, and learned that the police was investigating Euddum Foods. At this point, the KFDA handed over the documents collected from other companies and asked the police to investigate those manufacturers.

2. Crisis Event

On Sunday, June 6, the National Police Agency issued a public announcement that local

food firms including Euddum Foods made dumpling filling with rotten ingredients. The police reported that for five years the companies had supplied spoiled dumpling stuff to 25 dumpling manufacturers including some big food companies (only the English initial of the name of companies were disclosed). It was claimed that, to make dumpling filling, the companies used remnants of pickled radishes imported from China, which were supposed to be trashed (National Police Agency, 2004). The remnants of pickled radishes were described as ‘garbage’ or ‘trash’ four times in the police press release (Seoul Shinmun, 2004). The police also provided news reporters with video that contained pictures of the filling being manufactured in factories.

On the same day, most TV stations reported the story in the evening news under the title “garbage pickled radish found in dumplings of famous food firms (KBS)” or “bad dumplings, mass circulated (MBC).” The news reports showed the pictures received from the police, which contained images of radish remnants in dirty baskets on the floor, radish remnants disposal process, and the desalting process of pickled radishes (Refer to Appendix 2).³ The next morning, the story was picked up by newspapers. Until that time, the issue was not advanced as a main story but stigmatized as “garbage dumplings” scandal. Newspapers used the titles such as “rotten radish in dumplings” (Seoul Newspaper), “bacteria-mixed dumplings” (Hankook Daily), “garbage consciences sell garbage dumpling filling” (Hankyoreh Newspaper), “garbage dumpling fillings, mass circulated” (Kyunghang Newspaper), etc. While the police reported that Euddum Foods took 80% of market share in dumpling filling market, it was presented in the media as 80% of dumplings in the market used the spoiled dumpling filling.⁴

As a result of the vivid television news images, public outcry increased enormously throughout the next day. For example, people flocked to dumpling firms’ Web sites demanding that apologies be made. To the police, media, and the KFDA, there were massive calls from the public, asking to disclose the name of dumpling manufactures which used the spoiled dumpling filling. The public mood can be seen in a quote printed in the newspaper: “this kind of crime should be accused of murder, not of the food sanitation act,” some citizen argued (Hankookilbo, 2004b). Consumers also blamed the government for letting the spoiled dumplings out in the market. They protested in front of the KFDA head office throwing out dumplings, and asked the organization to disclose the name of the alleged dumpling manufacturers. From that day forward, dumpling consumption dropped rapidly.

3. The KFDA’s Initial Reaction

After the police made the first public announcement about the case, the KFDA informally acquired the documents from the police on June 7, the day after the first police press release (Hankyoreh Shinmun, 2004a). Now, the handling of the case and the investigation were placed in KFDA’s hands. The list of accused companies, which was made by the police, was

³ Later, it was argued by the manufacturers that the pictures taken by the police were the images of real garbage and TV news used the images taken by the police. Also, they argued that the processes which appear unhygienic in the pictures were the characteristics of the process which is in fact hygienic. Responding to manufacturers’ refutation, the reporters argued that they used their own film as well as the films taken by the police (Donga.com, 2004a). However, the source of the film was not presented in the news reports.

⁴ It was found that dumplings affected by the alleged dumpling filling was less than 10% of the total market, because many kinds of dumpling do not use pickled radish as ingredient (Ddangiilbo, 2004).

based on Euddum Foods trade records. Therefore, until that time, many of the alleged companies did not know they were being accused (Hankyoreh Shinmun, 2004c). It was necessary to confirm facts with the companies involved but the KFDA hastily posted the list on its Web site on June 7. Although the KFDA took it off one hour later, Internet users picked up the information during that hour and it spread rapidly through personal Web sites. Meanwhile, the KFDA took off the list because of the pressure by the accused companies⁵ (Naeil Shinmun, 2004). As this story spread among Internet users, they flocked to the KFDA Web site and protested saying “Is the KFDA the lawyer of dumpling companies (Naeil Shinmun, 2004)?” At the same time, some of the accused companies, such as Chewyongroo, heard the fact that they were accused from the Internet.

On June 8, the KFDA held a press conference and announced that it would investigate 25 companies on the list and release the name of companies after the investigation. In the press conference, Mr. Chang-Goo Shim, the commissioner of the KFDA, reported that a revised food sanitation act would be introduced in September at the earliest, and would include stronger punishments for spoiled food cases. He added that the KFDA would include dumpling and pickled radish in the monthly inspection list and enact a food safety law to response swiftly to the food safety incidents (KFDA, 2004a).

During June 8 and 9, the KFDA committed 38 staff members for overnight investigations of the 25 companies on the list. Many of the companies proclaimed their innocence and it seemed more time was needed to perform the investigations fully. If the list was released and they were found to be innocent, litigation would follow. It was also important to protect the public from the spoiled food by informing people not to buy the substandard products. Therefore, the decision about the information disclosure was a critical issue. Meanwhile, because of the shortage of information regarding which dumpling brands were accused, the stigma of “garbage” were extending to dumplings as a whole, causing people to avoid even hand-made dumplings sold in privately-owned shops. The media also blamed the KFDA for not releasing the information.

Forced by increasing public pressure, on June 10, the KFDA held a press conference and reported the list of the dumpling manufactures which were presumed to use the spoiled dumpling stuff produced by Euddum Foods. At that point, the investigation was not fully conducted. Mr. Shim, the commissioner, presented the list of 25 companies and urged consumers to watch out for five brands which were still circulating in the market. In the press release, it was reported that hand-made dumplings were not related with this dumpling case (KFDA, 2004b). Mr. Shim noted that the KFDA did not know about the case before the police announcement. At the end of the press conference, a consumer activist asked Mr. Shim “why there is no apology in the press release even though the public’s outcry is so great like this?” Mr. Shim left the place without answering the question (Hankyoreh Shinmun, 2004a).

On the same day, Mr. Shim visited a TV program to discuss the dumpling scandal. One of the issues in the discussion was whether the alleged dumpling filling was harmful to human. For this issue, Mr. Shim addressed “since there is problem in the hygienic condition, I judge that there is an issue of harmfulness in this case.” In advocating the position, Mr. Shim said that “...

⁵ As for this happening, KFDA argued that it was a mistake by a PIO officer (Munhwaillo, 2004).

in this case, considering the evidence provided by the police and presented on TV, it seems there is at least the issue of hygiene, clearly..." The anchor asked Mr. Shim, "Can't KFDA make its own judgment? Is the situation such that you have to make judgments from the media?" Mr. Shim made excuses saying that the KFDA does not engage in cases that are being investigated by the police and it could not do it since the police had already seized the necessary documents (MBC, 2004). It appeared that the KFDA was not aware of the details of the case and simply depended on the information by the police and the media. On the other hand, other experts argued that it was difficult to say that the dumplings would be harmful because dumplings are steamed, boiled or fried before intake. To date, no official cases of disease caused by dumplings have been reported.

Consumer response to the list disclosure was enormous because some prestigious companies were included. Consumers' skepticism about food safety was widespread. The public attitude was "there is nothing to eat without doubt" (Kyunghyang Shinmun, 2004b). Some consumer organizations announced they planned to request compensation from the companies and the governmental agencies involved in the case for their civil and criminal responsibility (Segyeilbo, 2004).

From June 11 to 15, follow-up investigations were conducted by the KFDA. As a result of the investigation, it was found that 14 out of 25 companies were innocent. On June 14, an owner of small dumpling company committed suicide. In his suicide note, he claimed his innocence and criticized the government's problematic food system management (Kyunghyang Shinmun, 2004c). Moreover, for many of companies the KFDA alleged to be guilty, local governments ruled that it was unfair to place administrative measures on those companies because no proof for the harmfulness of the dumplings was found (YTN, 2004). These events provided a turning point regarding the issue. Now the blame shifted from the business to the police, the KFDA, and the media, with the bulk of the blame on the KFDA because it was believed that food-related issues are ultimately within the KFDA's responsibility. The KFDA was accused of conducting the investigation in a rough and ready way. The media was also blamed for making sensational and inaccurate reports.

Communication Problems in the KFDA's handling

As behind-the-scene-stories began to be disclosed, many communication issues arose.

1. Communication breakdown with the police

The police argued that two types of bacteria were found in the dumpling filling by National Institute of Scientific Investigation of Korea (NISI). The police also reported that the other government-affiliated research institute told that the products containing those bacteria are not eatable (Hankookilbo, 2004c). Later it was revealed that in the police report, the NISI raised the possibility that the sample of dumpling filling was contaminated by the process of picking and delivering the evidence (Hankookilbo, 2004c). However, the information was not shared with the KFDA, contributing to KFDA's misjudgment of the situation. Also, it turned out that neither the KFDA nor the police communicated with each other after the police took charge of

the case.

2. Failed to shape accurate perception about the issue.

While the critical point in this case was whether the remnant of pickled radish was real garbage or eatable food material, the KFDA was not actively involved in shaping accurate perception about this issue. In the initial police report, the remnants itself were described as garbage and the media simply picked it up. In people's consciousness, pickled radish remnants was perceived as garbage that should be trashed. However, it was found that the use of remnants from the process of pickling radish is legally allowed by the KFDA and even the technique was patented (Ddanjiilbo, 2004). Also, it was later learned that when the KFDA inspected the sample of dumpling filling in March, as the police requested, it concluded that the bacteria found were non-disease-causing germs or has little potential to cause disease, because those bacteria die when dumplings are cooked with heat over a certain temperature (Hankookilbo, 2004c). Further more, bacteria inspection had not been required in the hygiene inspection for dumpling filling because it is meaningless in the fact that dumpling filling undergoes several processes such as boiling (Donga.com, 2004b). While the KFDA had insisted that the case is about hygienic problems, it was unclear what was meant by 'hygienic.'

With the lack of information, lay people held inaccurate perceptions about the issue. According to a national survey conducted by Hankyoreh newspaper on June 12, the majority of the people, 64.3%, believed that 'the dumpling scandal was caused because some food firms used trashed remnants of pickled radish to make dumpling filling.' Only 32.2% answered that 'some food firms used remnants of pickled radish in unhygienic way to make dumpling filling,' which is more inline with the truth.

3. Denying and excuses

From the beginning, the KFDA consistently argued that it did not know about the case before the police announcement. However, this claim was refuted by the police. The police argued that the "the KFDA knew about the case because it conducted crackdowns on remnants of pickled radish in 2001 and 2003" and "we asked the KFDA to accompany when we went out for investigations on March 9, but the KFDA refused it" (Hankyoreh 21, 2004b). In fact, it was found that the police had asked the KFDA to inspect the sample of dumpling filling in March (Hankookilbo, 2004c) and the KFDA knew that the police was investigating Euddum Foods in May. As for this allegation, a KFDA officer made an excuse saying that he thought that the police's investigation was about imported foods, not about dumplings (Kyunghyang Shinmun, 2004a). In addition, it also became known that KFDA regional offices had asked the local government to take administrative measures on three separate occasions regarding Euddum Foods. However, the head office did not take any further action. As these details were disclosed, KDFDA appeared to be lying, neglecting, and denying its responsibilities.

4. Failed to be a reliable and responsible information source

While there were many issues regarding KFDA's mishandlings, minimal official comments were available from the KFDA, which led the media to rely on informal sources. For example, the KFDA did not responded to the reporters' question about whether it knew about the

reports on Euddum Foods by regional offices. As a result, what has been quoted in the newspaper were unofficial comments such as; “It is uneasy for me to confirm the facts. Please, don’t ask me any more (by a high official of KFDA),” or “It was a normal case. We did not expect the case would become serious like this, so that we did not take any action” (Kyunghyang, 2004d). The impression from these quotes might be that the KFDA was hiding something or irresponsible. Also, as many facts turn out to be different from what the KFDA argued, public trust in the KFDA as an information source decreased.

As the KFDA failed to communicate in an accurate and appropriate manner, public opinion toward the KFDA became increasingly negative. According to an opinion poll on June 12, only 11% of the sample answered that they trust the governmental agencies which are responsible for the food safety. About 62% of the participants answered that foods are ‘not safe to eat’ while 11% answered ‘safe.’

Ripple Impacts of Dumpling Scandals

During the crisis, the KFDA did not take an active role. The case caused significant social impacts, including direct impacts on the accused companies as well as an indirect ripple effect on the society at large.

Impacts on dumpling industry: All small and mid sized dumpling manufactures fell into severe financial crisis. To the big food companies, dumpling is just a fraction of their business but to small and mid sized companies, it is their entire business. Public distrust was extremely high; the turnover of the dumpling industry production was just at the level of 10% of the normal level a month after the initial event. Some dumplings companies went into default and hundreds of employees lost their job (Dongailbo, 2004). For other companies, recent active investments on the facilities became burdens, because, without sales, paying the interest on bank loans was impossible. Also, small restaurant businesses that sell their own hand-made dumpling were severely harmed. The companies, which were not involved in this scandal, also had difficulties, as consumers asked for refunds and traders cancelled orders. (Refer to Appendix 4)

Impact on other industries: Not only dumpling manufactures, related industries, i.e. farmers who supply meat and vegetables for dumpling, pickled radish manufacturers, frozen food industries, were also affected.

International relationships: The issue went beyond a domestic issue. On June 9, Japan, the largest importer of Korean dumplings, imposed a ban on the import of Korean dumplings. Although the ban was receded on June 22, the dumpling scandal also became a big issue in Japan and left a bad image about Korean foods in the minds of the Japanese (KBS, 2004). Following Japan’s example, subsequently other countries, United States, Australia, and South Asian countries, also banned the import of Korean dumplings. It can be said that the dumpling spoiled Korea’s image across the globe.

Being Responsible or Blame Shifting?

On June 15, in a meeting for an operational report to congressmen, Mr. Shim, the commissioner of the KFDA admitted that the investigation of the dumpling case was conducted in a hasty manner because of the public pressure. He also admitted that the KFDA should not have released the list until the investigation had been completed (Hankookilbo, 2004d). It was the first time that the KFDA admitted its mistakes, but it was not done in the form of public announcement or apologies to the public. Meanwhile, according to a local newspaper on June 18, the KFDA said there had been and was nothing wrong with its way of conducting the investigation. An official, who declined to give his name, at the KFDA's food management department, explained that "we have been doing our best, and the two companies that have been cleared is not a result of being careless; they were on our list of companies, which we believe needed additional probing" (Korea Herald, 2004b)

Meanwhile, on July 12, the KFDA announced that from June 12 to July 6, the KFDA conducted a national special sanitation inspection on manufacturers of dumplings, dumpling filling, and pickled radish. In the press release, the KFDA assured that it is okay to buy dumplings and told that it would do its best to help the dumpling industry to restore their business (KFDA, 2004c). On July 13, the KFDA and the Ministry of Health & Welfare placed a one-third-page newspaper advertising to promote dumpling consumption (Appendix 3).

On July 15, a column by KFDA Commissioner Shim, appeared in a newspaper. In the column, he addressed that "previous food safety accidents were amplified by the non-expert organization's hasty announcement and media's exaggeration" (Seoul Kyungje, 2004). On the same day, another column by another KFDA official appeared in another newspaper. He apologized for not preventing the scandal and argued that "there was a misunderstanding that the KFDA hastily announced the list of the accused companies and resulted in damages on those companies." He explained that "the frustrated public forced the KFDA to release the list" and, "regardless of the public's frustration, the KFDA released the list to take its responsibility of preventing circulation of the spoiled dumpling" (Hankyoreh Shinmun, 2004d). Responses to these columns were cold. In response to Commissioner Shim's column, a newspaper noted that the KFDA was shifting its blame to the media and the public (Kyunghyang, 2004e). Some Internet users also responded negatively to the columns and advertising, saying that the KFDA was attributing the responsibility to public misunderstanding.⁶

In early July, eight small and midsize dumpling companies formed the Korea Dumpling Producers Association to collectively file a compensation claim against major media and government bodies—namely, the National Police Agency and the Korea Food and Drug Administration. Because of tremendous loss of public trust, it seemed there would be a long way for the KFDA to go to rebuild trust with the public, media, and companies.

⁶ Comments from Internet users were searched from the bulletin boards in the Ombudsman of Korea and Kyunghyang Newspaper.

Problem Questions

1. Should the KFDA have released the list of the companies before its investigation had been completed? How should such decisions about the information disclosure be made? How can one balance between the public's right to know and potential damage of the companies?
2. How had the issue been amplified? What were the factors which contributed to the amplification process? What is the significance of effective communication in the issue amplification process? What kind of precautions should be taken to deal with such media environment?
3. Think about the barriers of effective communication in the public sector, especially when it involves other governmental agencies.
4. How would you evaluate the KFDA's media relations? How was the relationship between reporters and the public information officer?
5. What was the status of the public information office in the organization? What were the organizational factors which might have an influence on the effectiveness of communications?
6. Considering the constraints, how could the KFDA actively have dealt with the post-crisis situation? What kind of information and strategies might be necessary to assure the public and minimize the damage of the innocent companies? If you were the chief official of the public information office, what would you do at this point?

Post-script

Before the scars from the dumpling scandal had been healed, another public relations fiasco erupted involving the KFDA. On July 31, the KFDA disseminated a press release. It was about prohibition of sales of cold medicine containing phenylpropanolamine (PPA). Since many cold medicines with PPA had been commonly taken without prescription and the issue was directly related to public health, it was an important issue which needed to be handled carefully. Although the prohibition of drugs is wholly KFDA's responsibility, it was necessary to report the Ministry of Health & Welfare, the upper governmental administration, to minimize potential public confusion or inconvenience. However, the new chief official of PIO, who was the chief official of general affair division in a regional office, had been assigned just a week earlier and none of the staffs in PIO including the chief recognized the importance of the case. So, the information was released without discussing the matter with the upper Ministry (The Ministry of Health & Welfare, 2004).

Moreover, the press release was handled in an unprofessional manner. First, the press release was disseminated by e-mail on Saturday which is not a business day for the most newspapers. There was no pre-notification about the press release, briefing, or supplemental information. After sending the e-mail, the staff of PIO made calls to confirm whether reporters received the message, but only 14 out of 25 were contacted (The Ministry of Health & Welfare, 2004). This mishandling led the media to suspect that the KFDA intentionally delayed the announcement and released the press release on Saturday to reduce the impact of the case on behalf of the pharmaceutical companies. The suspicion came from the fact that the research to investigate the harmfulness of PPA had been funded by pharmaceutical companies. Furthermore, these types of medicines had been banned in the United States since November 2000 (KDFDA, 2004d).

Pharmaceutical companies were also frustrated with how the KFDA's dealt with the case. Although 70% of the products, which were prohibited, were already off the market, the KFDA simply provided the whole list containing the name of 167 products without asking the firms to distinguish them (Dailypharm, 2004). Consequently, for consumers, it was confusing to tell which ones were prohibited. In addition, the decision should also have been delivered to many other organizations, such as local governments, consumer organizations, pharmaceutical associations, and hospital associations. However, because of an electronic system malfunction, most of the organizations did not learn about the decision until after August 2 (The Ministry of Health & Welfare, 2004).

As a matter of fact, the KFDA received the final report of the research one month before the press release. This was relatively quick decision compared to the United States' and the study conducted in the United States was also funded by the pharmaceutical companies (KDFDA, 2004e). Therefore it would be fair to say that KFDA's mishandling of public relations created a great deal of attention and aggravated the relationship with the media as it was so close of the heels of the dumpling filling scandal. The public followed the negative stories and criticized the KFDA strongly. The drug and the dumpling filling cases led to Commissioner Shim's resignation on August 9 (Hankyoreh Shinmun, 2004e).

Going through the dumpling scandal and PPA scandal, the weakness of public relations function in the KFDA was exposed and recognized. The Ministry of Health & Welfare ordered the KFDA to reinforce human resources in PIO and the KFDA assigned two more staffs to PIO, now having six staffs (at the date of Dec. 31, 2004). The KFDA also developed new policies for effective public relations: establishing public relations management system that includes the chief of bureau, the director, the vice commissioner, and PIO officers participate; holding a briefing session before releasing the information (Shikpoomilbo, 2004). On the other hand, these scandals made the public realize the role of the KFDA and experts argued that the food safety systems should be centralized in the KFDA, with more budget and human resources.

The dumpling scandal news reports were recorded as one of top ten worst reports of the year in Korea (Hankyoreh Shinmun, 2004f).

Appendix 1. Organization Chart

Source: The Korea Food and Drug Administration

Appendix 2. Pictures from TV news reports



Reported in the broadcasting

“Here is a factory of pickled radish manufacturer in Paju City in Kyung-gi Province. On the ground, there are boxes which contain radish remnant from radish pickling process.”

Report Clarification

“This is not the material for dumpling filling. They took the picture of garbage on the ground.”



“Dumplings made of bad filling went into the mouths of consumers through discount shops and restaurants chains.”

“This is not bad dumpling filling but trash.”



“The local government, Paju City, uncovered this dumpling filling made of garbage, but only imposed a fine.”

“This is the process of desalting. Since air bubbles are rising, the water looks dirty but it is clean water which is purified and sterilized.”

Source: Donga.com (Jun. 18,, 2004)

Appendix 3. Advertising by the KFDA and the Ministry of Health & Welfare

이제 만두 안심하고 드셔도 됩니다

- 모든 만두 제조업소의 위생 및 관리 실태를 점검 하였습니다. (2004.6.12~7.6)
-297개 업소중 28개 업소를 적발하여 시정 및 행정조치
- 시중 유통 만두를 수거하여 정밀 검사를 실시하였습니다. (2004.6.12~7.6)
-542개 품목 중 2개 부적합품에 대하여 품목 제조 정지 및 폐기 조치
- 앞으로 만두제품관리를 철저히 하겠습니다.
-다소비 식품으로 분류하여 매월 수거 정밀검사 하겠습니다.
-시·군·구와 합동으로 분기별로 제조업소의 위생을 점검하겠습니다.

앞으로 더욱 검허하고 성실한 자세로 식품안전을 지키도록 노력 하겠습니다.

2004. 7
보건복지부 · 식품의약품안전청

Source: Chosun Daily Newspaper (Jul. 13, 2004)

Appendix 4. Dumpling Sale Trend in the Discount Shop

* Assuming the sales before the scandal is 100,

Source: Chosun Daily Newspaper (Aug. 9, 2004)

Appendix 5. Dumpling Scandal Time Line.

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|-------------|--|
| February 22 | The police found clues for bad dumpling in Euddum food company. |
| May 4-7 | The KFDA conducted inspections on pickled radish and dried slice radish manufacturers. |
| May 19 | The KFDA asked the police to investigate those manufacturers. |
| May 19/20 | The police filmed the factories of pickled radish manufacturers. |
| June 6 | The police briefed the media about the dumpling scandal. |
| June 9 | The Japanese government announced a ban on import of Korean dumplings. |
| June 10 | The KFDA announced the list of the accused dumpling manufacturers. |
| June 13 | The owner of Vision Food committed a suicide. |
| June 15 | The commissioner of KFDA admitted mistakes in the investigation. |
| June 23 | Five food companies were cleared of suspicion. |
| July 7 | The Korea Dumpling Producers Association filed a suit to the Press Arbitration Commission against three broadcasting companies requiring they make report corrections. |

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