VOLUME 53 2025 NUMBER 1

NOTES

K-POPOPOLY: NAVIGATING ANTITRUST TERRAIN IN SOUTH KOREA'S MUSIC MARKETS

Elise Joffe

TABLE OF CONTENTS

I. SOUTH KOREA'S ECONOMIC DEVELOPMENT HISTORY 111

II. CHAEBOL BUSINESSES AND CULTURAL ORIGIN 114

A. Structure and Market Power 114
B. Religion 114
C. Legacy 115

III. ANTITRUST LAWS 115

A. Rules and Laws 115
B. Enactment and Enforcement 116
C. Enforcement Plans 117

IV. K-POP ENTERTAINMENT INDUSTRY: THE RISE OF ANTITRUST SCRUTINY 117

A. The Rise of the K-Pop Industry and the Hallyu Wave 117
B. The K-Pop Industry "Big Four" 118
C. Current KFTC Investigations 120
D. K-Pop Industry and Chaebol Business Structure Similarities 120
E. Investigations, Restrictions, and Lawsuits 121
1. Mergers and Acquisitions 122
2. Unfair Terms and Conditions 124

V. UNITED STATES ANTITRUST LAW OVERVIEW AND COMPARISON 127

VI. CONCLUSION 128

How do the antitrust laws (also referred to as "competition policy") in South Korea compare to antitrust laws in the United States considering the presence of large conglomerates, Chaebol culture, and the growing Korean pop ("K-Pop") music industry?

I. SOUTH KOREA'S ECONOMIC DEVELOPMENT HISTORY

South Korea experienced unique and rapid economic growth starting in the 1960s, resulting in the nation's current status as a global power.[1] After the Japanese occupation of Korea from 1910 to 1945 and then the ensuing civil war from 1950 to 1953, the South Korean economy experienced a period of weakness and vulnerability, during which the country operated as an agricultural society.[2] In 1945, the north inherited most of the industrialization, mining, and eighty percent of the electric power, whereas the south was left with primarily agricultural and undeveloped land.[3]

After South Korea gained independence, the newly independent nation's economy started at a disadvantage. Although South Korea managed a real economic growth rate of four percent, it suffered from low per capita income and minimal industrial development.[4] In response, the military government, led by Park Chung Hee, established aggressive economic goals to "catch up" to more developed countries by focusing on industrialization and export-led growth.[5] Enacted in 1962, the Five-Year Development Plan set a target growth rate of 7.1% to achieve these aggressive economic goals, which were met with skepticism.[6]

The military government promoted and encouraged industrialization through large family-owned conglomerates, "chaebols" (재벌).[7] Chaebol businesses achieved rapid growth by taking advantage of economies of scale.[8] This strategy worked remarkably well, producing an average economic growth rate of 8.9%.[9] Following the implemented export-led strategy, international markets disciplined the large conglomerates that were protected within the domestic market. In 1994, South Korea officially moved away from a government-led, planned economy to a more sustainable, market-oriented plan, switching its focus from short-term

---

[1] *See generally* Michael J. Seth, *South Korea's Economic Development, 1948-1996*, OXFORD RSCH. ENCYCLOPEDIAS 1, 3–6 (Dec. 19, 2017), https://doi.org/10.1093/acrefore/9780190277727.013.271.

[2] Lilian Miles, *The Significance of Cultural Norms in the Evolution of Korean HRM Practices*, INT'L. J. L. MGMT. 33, 34 (2008); Seth, *supra* note 1, at 1–2.

[3] Seth, *supra* note 1, at 2.

[4] *Id.*

[5] Miles, *supra* note 2, at 33.

[6] Seth, *supra* note 1, at 4.

[7] Miles, *supra* note 2, at 34–35.

[8] "Economies of scale" refers to when increased output leads to a decrease in per unit costs until cost savings are reached. Will Kenton, *Economies of Scale: What Are They and How Are They Used?*, INVESTOPEDIA (Aug. 19, 2024), https://www.investopedia.com/terms/e/economiesofscale.asp.

[9] Seth, *supra* note 1, at 4.

growth to a long-term trajectory.[10] In the 1990s, the South Korean government began to adopt the Anglo-American political governance structures to initiate reform.[11] Then, in 1996, South Korea gained official recognition as a "developed state."[12]

The Asian Financial Crisis marked a shift in public opinion and international regulation for South Korea. In 1997, during the Asian Financial Crisis, the government supported the chaebols who the public criticized as "too big to fail."[13] The chaebols borrowed at a much higher rate in absolute terms than other businesses, as they took advantage of low interest rates through bond financing in 1998.[14] Given the chaebol businesses' integral role in South Korea's economy, both the government and investors feared a strong negative impact on the economy during a financial crisis if these businesses failed.[15] When the government bailed out these firms, the public opinion of chaebol industries shifted to adopt an "anti-chaebol sentiment."[16] When the South Korean government turned to the International Monetary Fund (IMF) for a relief package in 1998, the relief package unsurprisingly came with conditions to change the chaebol business structures.[17] The structural relief package included corporate governance reforms, which strengthened the role of directors, granted directors and shareholders more independence, increased accountability and transparency, and regulated mergers and

---

[10] Miles, *supra* note 2, at 33.

[11] Lilian Miles, *The Cultural Aspects of Corporate Governance Reform in South Korea*, J. BUS. L. 851, 851 (2007).

[12] Seth, *supra* note 1, at 1; Christina Majaski, *What Is a Developed Economy? Definition, How It Works, HDI Index*, INVESTOPEDIA (Mar. 14, 2022), https://www.investopedia.com/terms/d/developed-economy.asp#axzz1legO8olO ("A developed economy is typically characteristic of a developed country with a relatively high level of economic growth and security. Standard criteria for evaluating a country's level of development are income per capita or per capita gross domestic product, the level of industrialization, the general standard of living, and the amount of technological infrastructure.") (emphasis added).

[13] Miles, *supra* note 11, at 855; Todd A. Gormley et al., *Ending "Too Big to Fail": Government Promises Versus Investor Perceptions*, ASIAN DEV. BANK 2 (Oct. 2012).

[14] Gormley et al., *supra* note 13, at 2–3.

[15] *See id.* at 2.

[16] *Id.* at 2, 4. In 1999, Daewoo declared bankruptcy, and in 2000, Hyundai defaulted. Both are automotive chaebol companies. *Id.* at 3; Jingyuan Ma & Mel Marquis, *Business Culture in East Asia and Implications for Competition Law*, 51 TEX. INT'L L. J. 1, 31 (2016).

[17] Miles, *supra* note 11, at 855.

acquisitions.[18] Stock restrictions, including the requirement of foreign investors to hold stock in Korean companies, were rescinded.[19]

During this governance shift, a new industry was on the rise in the 1990s. The Hallyu Wave (or the "Korean Wave") began as the K-Pop industry was formed and the major entertainment companies, which now make up the "Big Four," were established.[20]

South Korea continued to grow with the new economic plan and structure, and in 2021, they were ranked as the number ten economy in the world and number five in exports.[21] The top export industries include integrated circuits ($116 billion), cars ($44.7 billion), refined petroleum ($36.4 billion), motor vehicle parts and accessories ($19.3 billion), and office machine parts ($18 billion).[22] The United States is South Korea's second largest purchaser of exports at $95.9 billion.[23] In 2021, South Korea's exports totaled $653 billion, exceeding its $578 billion in imports, resulting in a positive trade balance.[24]

South Korea successfully utilized a fast-paced and strategic growth strategy to move up the value chain. Today, South Korea is accepted as a developed and powerful nation on the world stage.[25] Yet, South Korea continues to change and adapt as it pursues an export-led growth strategy. South Korea is now known as a leader in technological innovation, which is closely linked to the K-Pop industry's strategic use of social media and technology to expand and reach global audiences, especially during the COVID-19 pandemic.[26]

---

[18] Miles, *supra* note 11, at 856–57. Amended laws include: the Korean Commercial Code, the Securities and Exchange Act, the External Audit of Joint Stock Companies Act, the Monopoly Regulation Act, and the Fair Trade Act. New laws, regulations, and exchanges created include: the Securities Related Class Action Act, the Korean Code of Corporate Governance 1999, the Korean Stock Exchange (KSE), and the Korean Securities Dealers Automated Quotations (KOSDAQ). *Id.*

[19] *Id.*

[20] *See* discussion *infra* Section V.

[21] *South Korea*, OBSERVATORY OF ECON. COMPLEXITY, https://oec.world/en/profile/country/kor (last visited Jan. 28, 2024).

[22] *Id.*

[23] *Id.*

[24] *Id.*

[25] *See generally* Seth, *supra* note 1.

[26] *Id.* at 1, 11. *See generally South Korea - Information and Communication Technology*, INT'L TRADE ADMIN. (Dec. 5, 2023), https://www.trade.gov/country-commercial-guides/south-korea-information-and-communication-technology.

II. CHAEBOL BUSINESSES AND CULTURAL ORIGIN

A. Structure and Market Power

Chaebols are large private business groups with several subsidiaries, structured like family-owned conglomerates.[27] Chaebol businesses began in the 1960s and expanded through the 1980s with government support.[28] By 1985, the top thirty chaebols contributed to 10% of South Korea's total gross national product (GNP) and approximately 20% of the employment.[29] The top five chaebols accounted for half the nation's exports and 45% of its manufacturing.[30] By 1996, the thirty top chaebols maintained around 18% of the employment and over half of equity and sales in the private sector.[31] In 1997, the top chaebols comprised of twenty-seven companies in twenty industries, and the top five chaebols held 55% of bank loans in South Korea.[32] The chaebol industry is deeply intertwined with the South Korean economy and its growth, which the government enabled through credit provisions and low interest rates.[33]

B. Religion

Why did the chaebols find exceptional success in South Korea? The religion and culture that shaped South Korea assisted in creating a foundation for the chaebol business structure to flourish. More specifically, Confucianist values influence South Korean culture, including its social order and hierarchy.[34] One example is when communities show deference and respect for elders and those with higher positions of power.[35] It is rare in South Korean culture to outwardly challenge or question the decisions and judgments of those with authority.[36]

Collectivism is also an important value of Confucianism.[37] South Koreans generally prioritize the goals of the group or the family over the individual, which

---

[27] Miles, *supra* note 2, at 34 (providing examples of chaebol businesses, including Samsung, Hyundai, Hanjin, Lotte, and SK Corp.).

[28] *See* Ma & Marquis, *supra* note 16, at 29.

[29] *Id.* "Gross national product" is defined as the total value of goods and services produced in a country in a given period. Robert Kelly & Kirsten Rohrs Schmitt, *Gross National Product (GNP) Defined with Example*, INVESTOPEDIA (Sept. 29, 2023), https://www.investopedia.com/terms/g/gnp.asp.

[30] Ma & Marquis, *supra* note 16, at 29.

[31] *Id.*

[32] *Id.*

[33] Miles, *supra* note 11, at 854–55.

[34] Miles, *supra* note 2, at 34.

[35] *Id.*; *South Korea: Business Practices*, SANTANDER, https://santandertrade.com/en/portal/establish-overseas/south-korea/business-practices (last visited Jan. 28, 2024).

[36] Miles, *supra* note 2, at 34; *South Korea: Business Practices*, *supra* note 35.

[37] Miles, *supra* note 2, at 34.

naturally extends to promote and further the goals of a company when the employees view the company as their "family."[38] This collective mentality complements the formation of the chaebol business structure.[39] Chaebols adhere to the same values of Confucianism with strong leadership and collectivism through respect, deference, unity, and harmony.[40] Some commentators have asserted that these family-owned and managed businesses play a parental role for employees in a hierarchical-focused structure.[41]

C. Legacy

Chaebol businesses are owned and controlled by their founding families.[42] In 1984, 84% of the top fifty chaebol chairmen passed or planned to pass their position to their sons.[43] 35% of the top management in chaebol businesses were hired from the founding member's family.[44] Additionally, chaebol businesses hired around 23% of higher management outside of the traditional business job market, including former government officials, which enhanced the interconnectivity between government and chaebols.[45]

III. ANTITRUST LAWS

A. Rules and Laws

South Korean antitrust laws (competition policy) originate from the Monopoly Regulation and Fair Trade Act (MRFTA). The MRFTA was enacted in 1981 and focuses on fair trade, antitrust, competition, consumer protection, and deregulation.[46] The Korean Fair Trade Commission (KFTC) is responsible for enforcing twelve antitrust laws and regulations.[47] The KFTC aims to prevent and minimize behavior that limits or threatens consumer choice and to promote "free and fair economic competition," by adopting a goal of consumer welfare like the United

---

[38] *Id.* at 35.

[39] *Id.*

[40] Miles, *supra* note 2, at 34–36.

[41] *Id.* at 35.

[42] Miles, *supra* note 2, at 35; Ma & Marquis, *supra* note 16, at 31.

[43] Ma & Marquis, *supra* note 16, at 31.

[44] *Id.*

[45] *Id.*

[46] Young-Hee Kim, *A Guide to Korean Antitrust Law*, 2 J. KOR. L. 161, 161, 172 (2002); *see also* Marc Waha et al., *Korea: Competition Law Fact Sheet*, NORTON ROSE FULBRIGHT (May 2021), https://www.nortonrosefulbright.com/en/knowledge/publications/8f18c445 (explaining MRFTA covers four main prohibitions: unfair collaborative acts, abuses of power, unfair trade practices, and mergers and acquisitions that substantially lessen competition in South Korea).

[47] Kim, *supra* note 46, at 172; 공정거래위원회 (Korea Fair Trade Commission) (2023), https://www.ftc.go.kr/.

States.[48] The statutes target concentration of economic power in response to the chaebol business structure.[49]

B. Enactment and Enforcement

The KFTC is comprised of a committee and a secretariat.[50] The committee consists of nine commissioners, including the Chairperson and Vice Chairperson who are appointed by the President and recommended by the Prime Minister.[51] The Chairperson recommends the commissioners and is appointed by the President.[52] The nine-member committee enacts, revises, modifies, and interprets the fair trade acts and presents administrative decisions to fair trade suits.[53] A majority concurrence from the committee decides the cases, and the three-member subcommittee must agree unanimously on their ordinary and referred cases.[54] The secretariat drafts and promotes competition policies, investigates antitrust issues, presents them to the committee, and handles them according to the committee's decision.[55]

Individual complainants may report antitrust violations to the KFTC, or the KFTC may initiate the investigations themselves.[56] If there is a "significant" alleged violation, then the KFTC will provide a judgment after the accused party has the opportunity to provide a defense.[57] The judgment may include monetary or equitable relief.[58] If a suit is filed instead of a report, the case goes to the Seoul Administrative Court.[59] The case first goes to the lower court at the district court level, then to the Administrative Court (행정법원).[60] Afterwards, the case can be appealed to the High Court (고등법원) and then the Supreme Court (대법원).[61]

---

[48] Kim, *supra* note 46, at 167, 171–72 ("The stated purpose of Korean antitrust law is to promote free and fair economic competition by prohibiting the abuse of market-dominant positions and the excessive concentration of economic power, and by regulating improper concerted acts and unfair business practices, thereby stimulating creative business activities, protecting consumers, and promoting the balanced development of the national economy."); Ma & Marquis, *supra* note 16, at 33.

[49] Ma & Marquis, *supra* note 16, at 34.

[50] *Who We Are*, FAIR TRADE COMM'N, https://www.ftc.go.kr/eng/contents.do?key=534 (last visited May 16, 2025).

[51] Kim, *supra* note 46, at 167.

[52] Kim, *supra* note 46, at 167; *Who We Are*, *supra* note 50.

[53] Kim, *supra* note 46, at 167–68.

[54] *Id.* at 168.

[55] *Who We Are*, *supra* note 50.

[56] Kim, *supra* note 46, at 176.

[57] *Id.* at 176–77.

[58] *Id.* at 177. Remedies include compensatory damages, corrective orders, penalty surcharges, and criminal prosecution. *Id.*

[59] Kim, *supra* note 46, at 177 (explaining that it is no longer required to file a report before filing suit).

[60] *Id.* at 178.

[61] *Id.* (explaining that before the Administrative Court was established in 1998, the cases first went to the High Court).

C. Enforcement Plans

The KFTC publishes an annual plan that provides an overview of its enforcement priorities for the year.[62] On February 8, 2024, the KFTC published its key initiatives for the year under the "2024 Plan" with four goals: (1) establish fair trade order, (2) build a stable business environment for small and medium-sized businesses (SMEs), (3) foster an environment for consumer rights, and (4) improve the large corporate group regulation system.[63] The goals from the 2024 Plan are similar to the prior year's goals.[64] The 2024 Plan also focuses on promoting digital innovation, as South Korea is a leader in global information and communication technology.[65]

IV. K-POP ENTERTAINMENT INDUSTRY: THE RISE OF ANTITRUST SCRUTINY

A. The Rise of the K-Pop Industry and the Hallyu Wave

Despite assuming the obligations set forth in the ILO's Worst Forms of Child Labour and Minimum Age Conventions, South Korea's heavy focus and investment in information and communication technology (ICT) is integral to the Hallyu Wave's success in reaching an international audience. South Korea's current developmental strategy has laid the foundation for cultural exports to flourish. Domestic artists' creative works can spread through innovative uses of interactive digital platforms, like social media or live concert streaming services, and fast internet speeds.

---

[62] *See KFTC Announces Key Initiatives for 2024*, KIM & CHANG (Feb. 8, 2024), https://www.kimchang.com/en/insights/detail.kc?sch_section=4&idx=28932.

[63] *Id.*

[64] The 2023 Plan had four goals: (1) promote innovative competition, (2) encourage fair transaction of small and medium-sized enterprises ("SMEs") and small business owners, (3) rationalize operation of large conglomerates, and (4) foster transactional environment with consumer rights guaranteed. *KFTC Announces Enforcement Plan for 2023*, KIM & CHANG (Jan. 26, 2023), https://www.kimchang.com/en/insights/detail.kc?sch_section=4&idx=26614; *Summary of KFTC's Enforcement Plan for 2023*, KIM & CHANG: ANTITRUST & COMPETITION LEGAL UPDATES (Jan. 2023), https://www.kimchang.com/upload/board/1674737796099.pdf.

[65] *South Korea – Country Commercial Guide*, INT'L TRADE ADMIN. (Dec. 5, 2023), https://www.trade.gov/country-commercial-guides/south-korea-information-and-communication-technology#:~:text=Korea%20is%20motivated%20to%20keep,%2C%20quantum%20computing%2C%20and%20cybersecurity ("South Korea has earned a reputation as a leading global information and communication technology center. With its cutting-edge ICT infrastructure boasting the world's fastest internet speeds and tech-savvy customers, the country is home to global leading electronics and IT companies . . . . Korea is . . . investing heavily into innovative technologies such as advanced semiconductor, next-generation network, Artificial Intelligence, big data, quantum computing, and cybersecurity.").

The K-Pop music industry is a main part of the Hallyu Wave and its success across the world. The Hallyu Wave refers to the spread of K-Pop culture through music and film, which began in the 1990s and increased South Korea's export and tourism revenue.[66] Some examples of the influential and pervasive works from the Hallyu Wave include PSY's "Gangnam Style" in 2012,[67] the rise of the boy group BTS,[68] the film *Parasite* in 2019,[69] and the TV series *Squid Game* in 2021.[70] The above-listed works provide international exposure to South Korean traditional dress, neighborhoods, children's games, and landmarks.[71]

In 2020, the South Korean music industry accounted for $679.6 million in exports.[72] In 2021, South Korea exported approximately $775.3 million in the music industry.[73] South Korean music and films are a major export of the South Korean market and, thus, produce a significant impact on the economy.

B. The K-Pop Industry "Big Four"

Four entertainment companies control the South Korean music sector: SM Entertainment ("SM"), HYBE Labels ("HYBE"), JYP Entertainment ("JYP"), and

---

[66] Jimmyn Parc, *Korea's Cultural Exports and Soft Power: Understanding the True Scale of This Trend*, UNIV. OF MELBOURNE (Aug. 9, 2022), https://www.researchgate.net/publication/364305580_Korea's_cultural_exports_and_soft_power_Understanding_the_true_scale_of_this_trend; *see also* Bae et al., *The Effect of Hallyu on Tourism in Korea*, 3 J. OF OPEN INNOVATION TECH. MKT. & COMPLEXITY (Dec. 2017) (analyzing the effect of the Hallyu Wave on tourism from the U.S., China, Japan, and Hong Kong to South Korea, which demonstrates an increase in tourism and interest in South Korea); *Share of Tourists Visiting for K-Pop and Hallyu/Korean Wave Experiences South Korea in 2019, by Origin*, STATISTA, https://www.statista.com/statistics/1134900/south-korea-tourists-visiting-for-hallyu-experiences-by-origin/ (last visited Jan. 28, 2024) (noting that 12.7% of American tourists visited South Korea for Hallyu Wave experiences).

[67] Officialpsy, *PSY – GANGNAM STYLE(강남스타일) M/V*, YOUTUBE (July 15, 2012), https://www.youtube.com/watch?v=9bZkp7q19f0&ab_channel=officialpsy.

[68] *See generally K-Pop and the Big 4 Entertainment Agencies in South Korea - Statistics & Facts*, STATISTA [hereinafter K-Pop and the Big 4], https://www.statista.com/topics/5688/k-pop-and-big-4-entertainment-agencies-in-south-korea/#topicOverview (last visited Jan. 28, 2024).

[69] PARASITE (Barunson E&A 2019).

[70] *Squid Game* (Siren Pictures Inc. 2021).

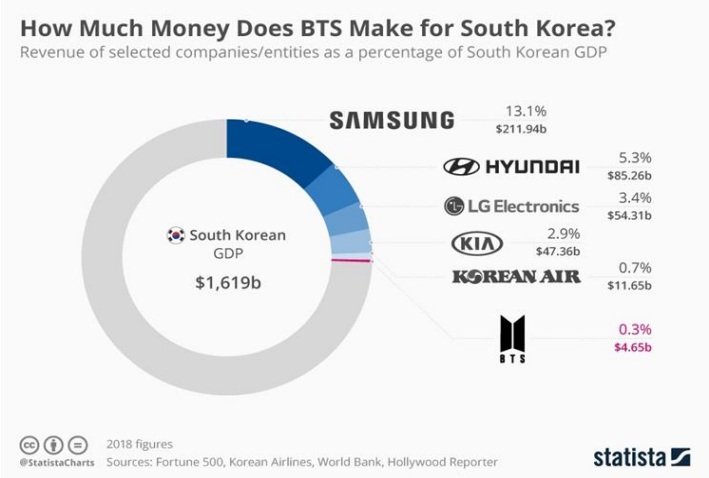
[71] Parc, *supra* note 66. For example, Gangnam is the wealthy neighborhood with upscale dining and shopping in Seoul, similar to Rodeo Drive in Los Angeles. Additionally, BTS have worn hanboks, traditional Korean dress, and have filmed at Gyeongbokgung Palace (경복궁), which is the main royal palace from the Joseon dynasty and located in Seoul. Further, *Squid Games* used traditional Korean children's games in the film, and *Parasite* gives insight into the standard of living of different wealth brackets in South Korea. Experts have noted an increase in cultural exports and tourism.

[72] S*outh Korea's Music Industry - Statistics & Facts*, STATISTA, https://www.statista.com/topics/5098/music-industry-in-south-korea/#topic (last visited Jan. 28, 2024).

[73] *Id.*

YG Entertainment ("YG"), called the "Big Four."[74] HYBE recently entered the list of top companies, after one of their idol groups, BTS, rose to fame. There are over 300 K-Pop entertainment companies that generate an estimated $10 billion in GDP for South Korea per year, and BTS alone contributed $3.54 billion of that value.[75] In 2022, HYBE was responsible for $1.26 billion in sales, SM was responsible for $608.3 million, YG $312.7 million, and JYP at $252 million.[76] Currently, HYBE maintains the highest market cap with BTS as the most popular K-Pop artist.[77] BTS brought in 923 billion of economic impact for South Korea in 2019 from their concerts in Seoul alone, excluding world tours or other K-Pop groups.[78]

Figure I: How Much Money Does BTS Make for South Korea? [79]



[74] *K-Pop and the Big 4*, *supra* note 68.

[75] S*outh Korea's Music Industry – Statistics & Facts*, *supra* note 72.

[76] *Leading K-pop Entertainment Companies in South Korea in 2022 with a Forecast for 2023, by Sales Revenue*, STATISTA, https://www.statista.com/statistics/1382143/south-korea-major-kpop-companies-by-revenue/ (last visited Jan. 28, 2024) (Conversions based on 0.00075KRW/USD).

[77] *K-Pop and the Big 4*, *supra* note 68.

[78] *Estimated Economic Impact of K-pop Group BTS (Bangtan Boys) Concerts Held in Seoul in South Korea in October 2019*, STATISTA, https://www.statista.com/statistics/1105861/south-korea-bts-seoul-concert-economic-impact/ (last visited Sept. 29, 2024).

[79] Katharina Buchholz, *How Much Money Does BTS Make for South Korea?*, STATISTA (Nov, 5, 2019), https://www.statista.com/chart/19854/companies-bts-share-of-south-korea-gdp/.

C. Current KFTC Investigations

All four corporations are publicly traded and are currently under investigation by the KFTC for potential abuse of power over subcontractors.[80] The stocks fell for all companies that are reported to be under investigation, with HYBE falling 2.1%, SM falling 1.5%, and YG falling 0.4% immediately after the reports of the investigations starting were released.[81]

Under the MRFTA, it is considered an unfair practice and a violation for a chaebol or large firm to leverage their bargaining power against smaller firms or subcontractors.[82] KFTC's main focus for their investigations into the K-Pop entertainment companies is an abuse of market power and influence.

D. K-Pop Industry and Chaebol Business Structure Similarities

There are two main methods through which an idol can make their "debut": as a trainee through a company-launched group or through a competition show.[83] Very few idols debut or enter competition shows as a "free agent."[84] The most successful avenue generally is to debut under an agency, especially one of the "Big Four."[85]

Typically, a trainee signs to an agency through scouting and auditions.[86] After a trainee signs, their agency provides them with group housing and education, similar to a boarding school. Most trainees are around twelve or thirteen years old, but ages can range from seven years old to around twenty-three years old.[87] When these young trainees join agencies, it is plausible for the agencies to develop a paternal relationship dynamic like a chaebol business structure. An emphasis on family and loyalty could easily be fostered when a young trainee joins around

---

[80] *South Korea's Antitrust Watchdog Probes K-Pop Agencies*, COMPETITION POL'Y INT'L (CPI) (July 5, 2023), https://www.competitionpolicyinternational.com/south-koreas-antitrust-watchdog-probes-k-pop-agencies/; Lim Hui Jie & Jihye Lee, *K-Pop Stocks Dip Briefly on Report of Antitrust Probe on Production*, CNBC (July 5, 2023, 12:18 AM), https://www.cnbc.com/2023/07/05/k-pop-stocks-hybe-sm-entertainment-fall-on-reports-of-antitrust-probe.html.

[81] *Shares in K-Pop Agencies Fall After Report of Antitrust Probe*, REUTERS (July 4, 2023, 9:58 PM), https://www.reuters.com/business/shares-k-pop-agencies-fall-after-report-antitrust-probe-2023-07-05/.

[82] Waha et al., *supra* note 46.

[83] *See generally* Daniel Anderson, *Artistry, Industry, & Community: Exploring the Business Side of K-Pop*, GENIUS (May 7, 2024), https://genius.com/a/the-business-side-of-k-pop.

[84] *Id.*

[85] *Id.*

[86] *Id.*

[87] *Distribution of Trainees in the Entertainment Industry in South Korea in 2020, by Age*, STATISTA, https://www.statista.com/statistics/937637/south-korea-entertainment-industry-trainee-share-by-age/#:~:text=According%20to%20a%20survey%20of,sector%20including%20vocal%20and%20dancing (last visited Jan. 28, 2024).

twelve years old and could remain within the same company until they are in their thirties.

Once a trainee passes the audition and is signed to a company, they live in assigned dorms and begin classes. The trainees take classes in dance, singing, and rap to find their specialty. Trainees also take language lessons in English, Japanese, and Korean, depending upon their current fluency. The trainees oftentimes do not pay for this housing and training but, instead, accrue debt. If a trainee debuts, then their profits begin to pay off their debt before their contract allows them to receive payment.

The length of time remaining in trainee status can vary widely. For example, G-Dragon, a member of BIGBANG who is now one of the wealthiest idols in the industry with a reported net worth of $30 million, spent eleven years as a trainee before debuting.[88] Jake, a member of ENHYPEN, trained for just nine months before competing on HYBE's competition show I-LAND, where he ranked third and subsequently debuted.[89] Many people dream of becoming a world-famous idol, and this is an extremely competitive industry for artists to enter.

Contracts typically govern the length of time for groups to promote themselves, the flexibility of solo projects within or outside the agency, the repayment of an artist's debt, the management of image and likeness rights, and the enforcement of physical appearance requirements. These contracts are not public, so most of their details are brought to light either in interviews with former artists or through litigation.

In the last ten years, litigation surrounding idol contracts has increased, prompting the KFTC to place restrictions on the contracts between the agencies and artists. Before these restrictions, idol contracts could last from seven to fifteen years and were nicknamed, "slave contracts" (노예 계약).[90] The famous lawsuits between the group TXXQ and their agency, SM, for excessive length of contract, led to KFTC restrictions which set contract term limits at a maximum of seven years.[91]

E. Investigations, Restrictions, and Lawsuits

The two main areas of focus for KFTC monitoring and litigation are horizontal mergers and acquisitions between the agencies and the contract terms between the artists and the agencies.

---

[88] Mikayla Berry, *These 17 Idols Had the Longest Trainee Periods in K-Pop*, KOREABOO (Mar. 9, 2020), https://www.koreaboo.com/lists/kpop-idols-longest-trainee-periods/.

[89] Alicia Valley, *The Surprising Full Story of ENHYPEN's Jake: From Australian High Schooler to K-Pop Idol in Just 1 Year*, KOREABOO (Oct. 1, 2020), https://www.koreaboo.com/stories/surprising-full-story-enhypen-jake-australian-schoolboy-kpop-idol-in-just-1-year/.

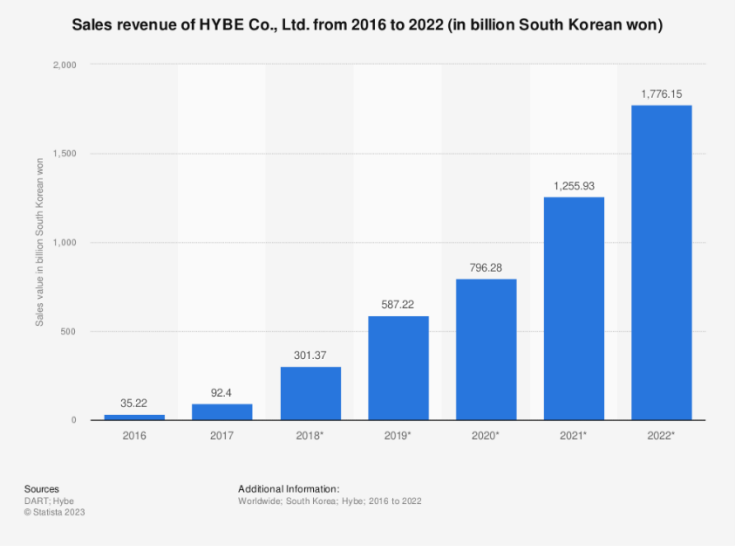
[90] Hyo-Jin Kim, *K-Pop Stars Punished by Unfair Contracts*, KOREA TIMES (Dec. 3, 2014), http://www.koreatimes.co.kr/www/news/culture/2014/12/135_169279.html.

[91] *Id.*

1. Mergers and Acquisitions

HYBE is the powerhouse that holds major K-Pop groups: BTS, TXT, and ENHYPEN.[92] HYBE began as Big Hit Entertainment Co., Ltd. ("Big Hit") in 2005.[93] BTS was the first successful group to debut under Big Hit's label in 2013.[94] Since BTS's success, the producer and founder of Big Hit, Bang Si-hyuk, has pursued an aggressive growth and acquisition strategy that has allowed the company to have a 4,943% increase in sales revenue from 2016 to 2022.[95]

Figure II: Sales Revenue of HYBE Co., Ltd. From 2016 to 2022[96]



[92] *See generally Sales Revenue of HYBE Co., Ltd. from 2016 to 2022*, STATISTA, https://www.statista.com/statistics/916973/south-korea-bighit-entertainment-sales-value/#:~:text=Sales%20revenue%20HYBE%202016%2D2022&text=In%202022%2C%20HYBE%20Corporation%2C%20formerly,first%20started%20rising%20to%20fame (last visited Jan. 28, 2024).

[93] Michael Grothaus, *Big Hit, the Agency of K-pop Supergroup BTS, Is Rebranding as HYBE, a New 'Entertainment Lifestyle Platform'*, FAST COMPANY (Mar. 19, 2021), https://www.fastcompany.com/90617112/big-hit-the-agency-of-k-pop-superstars-bts-is-rebranding-as-hybe-a-new-entertainment-lifestyle-platform#:~:text=Formerly%20known%20as%20Big%20Hit,%2Dbased%20entertainment%20lifestyle%20company.

[94] *See id.*

[95] *Sales Revenue of HYBE Co., Ltd. from 2016 to 2022*, *supra* note 92.

[96] *Id.*

Big Hit, which rebranded as HYBE Corporation in 2021, has been aggressively expanding through horizontal and vertical mergers throughout the last five years.[97] *Time* even named HYBE as one of the top "100 Most Influential Companies" for two consecutive years.[98] HYBE received public approval and even antitrust approval of their growth strategy, with the KFTC approving their acquisition of Pledis Entertainment ("Pledis"), until their stock purchase of SM.[99]

HYBE first received pushback from the KFTC when their expansion plans included attempting to purchase a majority stake in SM, one of their main competitors. In 2022, the Big Four were responsible for a combined ₩3,387.84 billion in sales, with ₩2,650.77 billion from SM and HYBE combined, accounting for 78% of the Big Four sales.[100] In February 2023, HYBE purchased an approximate 15% stake in SM overnight from SM's CEO, Lee Soo-Man, for ₩423 billion.[101] In March 2023, the district court granted an injunction against the acquisition of shares by Kakao Corporation as unlawful and violating shareholder rights.[102] SM called this a hostile takeover attempt, which interfered with their plan for restructuring, labelled SM 3.0.[103] In March 2023, HYBE sold half of the stock to Kakao, making Kakao the majority shareholder with around 40% and leaving HYBE around 8.8% of SM stock.[104] For the time being, the courts have blocked HYBE from purchasing majority ownership in the next largest K-Pop entertainment company.

---

[97] Grothaus, *supra* note 93.

[98] Raisa Bruner, *2021 Time100 Most Influential Companies: HYBE*, TIME (Apr. 26, 2021, 6:17 PM), https://time.com/collection/time100-companies/5953582/hybe/; Raisa Bruner, *2021 Time100 Most Influential Companies: HYBE and Bang Si-hyuk Are Transforming the Music Business—With a Little Help from BTS*, TIME (Mar. 30, 2022, 6:21 AM), https://time.com/collection/time100-companies-2022/6159410/hybe-bang-si-hyuk-bts-interview/.

[99] Moon So-Young, *FTC Approves Big Hit's Takeover of Pledis*, KOREA JOONGANG DAILY (Oct. 18, 2020, 4:54 PM), https://koreajoongangdaily.joins.com/2020/10/18/entertainment/kpop/Big-Hit-Entertainment-Pledis-Entertainment-BTS/20201018165100393.html.

[100] *K-Pop and the Big 4*, *supra* note 68.

[101] Hyunsu Yim & Joyce Lee, *BTS Agency HYBE Joins Battle for South Korea's SM with Tender Offer*, REUTERS (Feb. 10, 2023, 12:08 PM), https://www.reuters.com/markets/deals/hybe-acquire-shares-worth-335-million-sm-entertainment-2023-02-09/.

[102] Michele Mendez, *What's Going on Between HYBE and SM Entertainment? Let's Break Down the Drama*, POPSUGAR (Mar. 9, 2023, 10:30 AM), https://www.popsugar.com/entertainment/hybe-sm-entertainment-drama-49106271.

[103] Patrick Frater, *K-Pop: HYBE and Kakao End Hostilities in Takeover Battle for SM Entertainment*, VARIETY (Mar. 11, 2023, 10:02 PM), https://variety.com/2023/music/news/k-pop-sm-entertainment-hybe-kakao-takeover-battle-1235550675/.

[104] Glenn Peoples, *Kakao Buys 44% of HYBE's SM Entertainment Shares, Increasing Stake to 40%*, BILLBOARD (Mar. 28, 2023), https://www.billboard.com/pro/k-pop-label-hybe-sells-44-percent-sm-entertainment-shares-kakao/.

2. Unfair Terms and Conditions

In 2010, the Korean Fair Trade Commission (KTFC) created a rule that restricts entertainment contracts to seven years in response to the "slave contracts."[105] Beforehand, in 2008 three members of a popular K-Pop group, TVXQ, sued SM regarding their "excessively long" thirteen-year contract, which eventually resulted in the KFTC setting a cap to the maximum number of years for entertainment contracts.[106] The group members claimed that their artist contracts were excessively long, their schedules were made without the artists' permission, and the profits were unfairly distributed.[107] The courts granted the idols a temporary contract injunction in 2009.[108] When the three idols formed a Japanese unit group, JYJ, in 2010, SM filed suit against the unit to validate their contracts with the three members.[109] Then, JYJ sued SM to void their exclusive contracts.[110] Both parties settled their dispute outside of court and withdrew their suits, keeping the details private, but the three former members and the agency separated.[111] The two remaining members continue to promote as TVXQ.[112]

In 2017, the KFTC regulated six areas of unfair terms and conditions.[113] First, the KFTC limits the contract cancellation penalties to the amount invested in

---

[105] Kim, *supra* note 90.

[106] Julie Jackson, *JYJ and S.M. Entertainment End Three-Year Legal Spat*, THE KOR. HERALD (Nov. 30, 2012, 7:08 PM), https://www.koreaherald.com/view.php?ud=20121130000586; Sang-hee Hang, *TVXQ to Stick Together Despite Legal Dispute*, THE KOR. TIMES: NAT'L (Aug. 8, 2009), https://www.koreatimes.co.kr/www/nation/2024/01/719_49540.html; Hyo-won Lee, *TVXQ Feuds With SM Entertainment*, THE KOR. TIMES: ENT. & ARTS (Aug. 2, 2009), https://www.koreatimes.co.kr/www/art/2024/01/398_49459.html.

[107] Hang, *supra* note 106.

[108] Jackson, *supra* note 106.

[109] *SM Entertainment Fires Back with a Lawsuit Against the Three TVXQ Members*, KBS WORLD: K-POP NEWS (Apr. 14, 2010), https://world.kbs.co.kr/service/contents_view.htm?lang=e&menu_cate=enternews&id=&board_seq=170809.

[110] Jackson, *supra* note 106.

[111] *Id.*; *JYJ and SM Entertainment Finally Reach an Agreement*, SOOMPI (Nov. 28, 2012), https://www.soompi.com/article/448851wpp/jyj-and-sm-entertainment-finally-reach-an-agreement.

[112] *See generally* Shin Min-Hee, *[Showcase] 'It's Thanks to Our Fans': TXVQ Celebrates 20 Years with Album, Concert, Exhibit*, KOREA JOONGANG DAILY (Dec. 26, 2023, 5:52 PM), https://koreajoongangdaily.joins.com/news/2023-12-26/entertainment/kpop/SHOWCASE-Its-thanks-to-our-fans-TVXQ-celebrates-20-years-with-album-concert-exhibit/1944615.

[113] Uin Kim, *8 Major Entertainment Companies Face Reforms in Unfair Contract Clauses*, SOOMPI (Mar. 7, 2017), https://www.soompi.com/article/957901wpp/8-major-entertainment-companies-face-reforms-unfair-contract-clauses; Sonia Kil, *Korean Talent Agencies Ordered to End Slave Contracts*, VARIETY (Mar. 9, 2017, 6:24 AM), https://variety.com/2017/artisans/asia/korea-talent-management-agencies-ordered-to-end-slave-contracts-1202005310/.

training.[114] These limits resulted from multiple entertainment industries imposing cancellation fees up to two or three times the debt of the trainees, which the KFTC deemed excessive.[115] Second, agencies cannot force idols to renew their contracts and can only have preliminary negotiations after an idol's contract expires.[116] Third and fourth, the agencies cannot cancel contracts without notice and a grace period, nor can they cancel contracts for ambiguous or arbitrary reasons.[117] Fifth, the agencies cannot pay penalties immediately upon infringement of the contract.[118] Sixth, the agencies cannot limit the jurisdiction of lawsuits to Seoul Central District Court.[119]

Another K-Pop powerhouse group under SM, EXO, is in the midst of a legal battle, which is the latest of SM's involvements in a long line of contract disputes and lawsuits. EXO debuted in 2012 as twelve members in two sub-units, EXO-M and EXO-K (Mandarin and Korean, respectively).[120] In 2014, the legal battles began and three of the members left the group.[121] Another member, Lay Zhang, stopped promoting with EXO, and officially left at the end of his contract in 2022.[122] In June 2023, three members of EXO, Xiumin, Chen, and Baekhyun (collectively EXO-CBX), announced the termination of their contracts with SM and the creation of a new agency.[123] EXO-CBX jointly sued SM for transparency of earnings and excessively long contracts, but then both parties resolved the contract dispute and reported that the idols would stay with the company.[124] EXO-CBX and SM issued a joint statement but did not provide details about the contract.[125] On October 18, 2023, D.O. reported that he was planning to leave SM to

---

[114] Kim, *supra* note 113.

[115] *Id.*

[116] *Id.*

[117] *Id.*

[118] *Id.*

[119] *Id.*

[120] *See* Roxy Simons, *Is Lay Zhang Still a Member of EXO? K-Pop Star Leaves SM Entertainment*, NEWSWEEK (Apr. 8, 2022, 6:25 AM), https://www.newsweek.com/exo-lay-zhang-leaves-sm-entertainment-1696259.

[121] Evelyn Lau, *Why Are Exo Members Baekhyun, Chen and Xiumin Suing SM Entertainment?*, THE NAT'L NEWS (Jun. 4, 2023), https://www.thenationalnews.com/arts-culture/music-stage/2023/06/04/why-are-exo-members-baekhyun-chen-and-xiumin-suing-sm-entertainment/#:~:text=Former%20Exo%20members%20Kris%20Wu,SM%20remained%20intact%20until%202022.

[122] Simons, *supra* note 120.

[123] Yonhap, *3 EXO Members File Antitrust Complaint Against SM Entertainment*, THE KOREA HERALD (June 5, 2023), https://www.koreaherald.com/view.php?ud=20230605000299; *K-Pop Boy Group Files Antitrust Suit Against SM Entertainment*, COMPETITION POL'Y INT'L (CPI) (June 6, 2023), https://www.competitionpolicyinternational.com/k-pop-boy-group-files-antitrust-suit-against-sm-entertainment/.

[124] Dong Sun-hwa, *EXO and SM Contract Dispute Ends in Amicable Settlement*, THE KOREA TIMES: ENT. & ARTS (June 19, 2023), https://www.koreatimes.co.kr/www/art/2024/01/398_353248.html.

[125] *Id.*

join a new agency under his manager, a member of EXO since 2012.[126] On January 2, 2024, Baekhyun announced that he founded a company, INB100, and recruited two other EXO members, Chen and Xiumin, to work under his label.[127]

However, the resolution of the contract dispute between EXO-CBX and SM was not the end of the legal conflict between the parties. On June 10, 2024, Chen, Baekhyun, and Xiumin ("EXO-CBX") held a press conference to disclose SM's alleged breach of settlement of their earlier dispute in 2023.[128] As of the conference, the attorney for INB100 sent a certification of contents to SM without reply, planned to terminate the agreement on June 18, 2024, for fraud and nonfulfillment, and considered filing a complaint with the KFTC surrounding the signing of the agreement.[129] SM's attorney responded to the allegations by confirming they were ready to defend in court if necessary.[130] The dispute escalated to litigation on June 12, 2024 when SM filed suit against EXO-CBX for fulfillment of contract terms.[131] On June 26, 2024, EXO-CBX responded with a countersuit for

---

[126] M. Lim, *D.O. to Leave SM and Join New Agency Found by Manager + Will Still Continue EXO's Activities*, SOOMPI (Oct. 18, 2023), https://www.soompi.com/article/1620581wpp/d-o-to-leave-sm-and-join-new-agency-founded-by-manager-will-still-continue-exos-activities; 김선우 기자, [단독] 엑소 도경수, SM 떠난다…오랜 매니저와 독립, JTBC (Oct. 18, 2023), https://n.news.naver.com/entertain/now/article/437/0000363691.

[127] Ron Kim, *EXO's Baekhyun Sets Up His Own Agency, Recruits Chen and Xiumin*, KOREABOO (Jan. 2, 2024), https://www.koreaboo.com/news/exo-baekhyun-sets-agency-recruits-chen-xiumin/.

[128] *EXO's Chen, Baekhyun, and Xiumin's Legal Representative Details SM's Alleged Breach of Settlement at Press Conference*, SOOMPI (June 10, 2024), https://www.soompi.com/article/1666874wpp/exos-chen-baekhyun-and-xiumin-to-hold-press-conference-regarding-dispute-with-sm-entertainment. INB100's attorney claims that SM is not fulfilling the 5.5% commission rate for albums and is requesting 10% of the artists' revenues from individual activities. *Id.*

[129] *Id.*

[130] SM references the 10% payments of revenue as a remedy already used with EXO's Chinese members through mediation for exclusive contract dispute. *SM Releases Statement in Response to Claims by EXO's Chen, Baekhyun, and Xiumin Regarding Breach of Settlement Terms*, SOOMPI (Jun. 10, 2024), https://www.soompi.com/article/1667106wpp/sm-releases-statement-in-response-to-claims-by-exos-chen-baekhyun-and-xiumin-regarding-breach-of-settlement-terms. SM claims that group activities as EXO-CBX (Chen-Baekhyun-Xiumin) remained under contract for SM (under a valid renewal contract), that they allowed the members to conduct individual activities through INB100, and that the members personally signed an agreement to pay 10% of revenue for their individual activities. SM also contends that they do not have the authority to determine distribution rates of other companies. SM asserts that they have taken a financial loss while INB100 has not. *Id.*

[131] Susan-Han, *SM Entertainment Proceeds with Lawsuit Against EXO-CBX, Demanding Fulfillment of Due Payments*, ALLKPOP (June 12, 2024), https://www.allkpop.com/article/2024/06/sm-entertainment-proceeds-with-lawsuit-against-exo-cbx-demanding-fulfillment-of-due-payments.

fraud.[132] With SM and EXO members again turning to the court system to adjudicate their contract disputes, the outcome of the pending litigation is still unknown and evolving.

There is a trend of increased litigation in South Korea surrounding entertainment contracts and mergers, which is increasing scrutiny on the entertainment companies and on the industry as a whole. The KFTC conducted and is currently conducting investigations into these agencies and is making continuous refinements and additional regulations to the entertainment industry. This heightened scrutiny is further proof of the power and influence of the K-Pop industry and the concern over further consolidation of power. It will be interesting to follow how international attention will impact industry changes and how the K-Pop agencies will adapt as the Hallyu Wave continues to expand, since it shows no signs of slowing down in popularity.

V. UNITED STATES ANTITRUST LAW OVERVIEW AND COMPARISON

The established U.S. antitrust laws have influenced the South Korean antitrust laws. In the U.S., the focus or primary goal of the antitrust enforcement is to promote consumer welfare and encourage competition.[133] The U.S. Congress enacted the Sherman Act in 1890, which prohibits contracts and conspiracies that restrain trade and or monopolize or attempt to monopolize an industry.[134] The Clayton Act of 1914 prohibits mergers or acquisitions which substantially lessen competition and other business practices that may harm competition.[135] The Federal Trade

---

[132] S. Kim, *EXO's Chen, Baekhyun, and Xiumin File Legal Complaint Against SM Executives*, SOOMPI (June 26, 2024), https://www.soompi.com/article/1670624wpp/exos-chen-baekhyun-and-xiumin-file-legal-complaint-against-sm-executives.

[133] *Mission*, FED. TRADE COMM', https://www.ftc.gov/about-ftc/mission (last visited Jan. 28, 2024).

[134] *The Antitrust Laws*, U.S. DEP'T OF JUST.: ANTITRUST DIV., https://www.justice.gov/atr/antitrust-laws-and-you#:~:text=The%20Sherman%20Antitrust%20Act,or%20markets%2C%20are%20criminal%20violations (last visited Jan. 28, 2024); Laura Phillips Sawyer, *US Antitrust Law and Policy in Historical Perspective*, HAR. BUS. SCH (2019), https://www.hbs.edu/ris/Publication%20Files/19-110_e21447ad-d98a-451f-8ef0-ba42209018e6.pdf; 15 U.S.C. § 1 ("Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is declared to be illegal."); 15 U.S.C. § 2 ("Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a felony.").

[135] *The Antitrust Laws*, *supra* note 134; 15 U.S.C. § 18 ("No person engaged in commerce or in any activity affecting commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital and no person subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or any part of the assets of another person engaged also in commerce or in any activity affecting commerce, where in any line of commerce or in any activity affecting commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly.").

Commission Act (FTC Act), enacted in 1914, makes unfair methods of competition and unfair or deceptive acts or practices that affect commerce illegal and establishes the Federal Trade Commission (FTC).[136] Federal antitrust laws can be prosecuted in both civil and criminal court, and the damages can be trebled with attorney fees.[137] Civil suits are filed by the FTC or private injured parties, and criminal suits are brought by the Antitrust Division of the Department of Justice.[138]

The United States' and South Korea's antitrust policies overlap, with a common emphasis on consumer welfare and increased competition. Both countries consider price fixing and unreasonable exclusive dealing as unfair acts,[139] with South Korea maintaining a more extensive and detailed list.[140] Both countries focus on abusive pricing, output control, and exclusionary conduct for types of abusive behavior.[141] Both countries focus on consumer welfare and protection for unfair trade practices, with South Korea maintaining again a more extensive and detailed list.[142] Overall, there is a joint focus on protecting consumers and avoiding an unfair advantage or exclusionary business practices.

Global pressure and scrutiny are increasing to reform worldwide competition policy to focus more on consumer welfare. Both South Korea and the United States are under pressure to reform in the international spotlight. Given this pressure, will the South Korean and American antitrust policies continue towards similar goals and ambitions or separate schools of thought?

VI. CONCLUSION

The collectivist culture of South Korea and the history of government-supported large chaebol conglomerates set the foundation for K-pop entertainment companies to flourish, grow, and consolidate. However, the KFTC responded to

---

[136] 15 U.S.C. § 45 ("Unfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce, are hereby declared unlawful."); *Enforcement*, FED. TRADE COMM'N, https://www.ftc.gov/enforcement (last visited Jan. 28, 2024).

[137] *The Antitrust Laws*, *supra* note 134; 15 U.S.C. § 15.

[138] *Criminal Enforcement*, U.S. DEP'T OF JUST.: ANTITRUST DIVISION, https://www.justice.gov/atr/criminal-enforcement (last visited Jan. 28, 2024).

[139] Exclusive dealing can be unilateral, under Sherman Act Section 2. *Competition and Monopoly: Single-Firm Conduct Under Section 2 of the Sherman Act: Chapter 8*, U.S. DEP'T OF JUST., https://www.justice.gov/archives/atr/competition-and-monopoly-single-firm-conduct-under-section-2-sherman-act-chapter-8 (last visited Sept. 29, 2024).

[140] Kim, *supra* note 46; *Anticompetitive Practices*, FED. TRADE COMM'N, https://www.ftc.gov/enforcement/anticompetitive-practices (last visited Jan. 28, 2024).

[141] Kim, *supra* note 46; R. Preston McAfee & Nicholas V. Vakkur, *The Strategic Abuse of the Antitrust Laws*, U.S. DEP'T OF JUST.: ANTITRUST DIV. (2004), https://www.justice.gov/atr/strategic-abuse-antitrust-laws.

[142] Kim, *supra* note 46; 15 U.S.C. § 45; Will Kenton, *Unfair Trade Practice: Definition, Deceptive Methods and Examples*, INVESTOPEDIA (Sept. 25, 2023), https://www.investopedia.com/terms/u/unfair-trade-practice.asp.

the modern-day market with international pressure and attention with policy and law changes. This is evident in reforms to corporate governance, and, today, we see a similar phenomenon in the KFTC restricting and regulating the K-Pop industry with increasing frequency. The increased scrutiny is evidenced by the KFTC's ongoing investigations for abuse of power against the Big Four and the increasing number of lawsuits by the K-Pop idols to break their contracts. Individual idols are becoming empowered to challenge the large entertainment agencies with increasing success, as courts are continuing to allow idols to break their contracts. The K-Pop case law is continuously evolving, as is the KFTC's response to the agency power. This litigious environment suggests that there may be significant changes in the K-Pop entertainment industry as it continues to be reviewed under antitrust law for consolidation and abuse of power.