The Newest Samsung …Washer

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 [Biography](http://topics.wsj.com/person/A/biography/1361)

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[Samsung Electronics](http://quotes.wsj.com/KR/005930) Co. [005930.SE -0.99%](http://quotes.wsj.com/KR/005930) global success in selling trendy smartphones is helping it win credibility in a more humdrum market: refrigerators, washers and other home appliances.

The South Korean company over the past few years has rapidly gained market share in the backyard of U.S.-based [Whirlpool](http://quotes.wsj.com/WHR) Corp. [WHR +0.56%](http://quotes.wsj.com/WHR) [**WHR**](http://quotes.wsj.com/WHR) **in** Your Value Your Change Short position , the world's largest maker of appliances. So has [LG Electronics](http://quotes.wsj.com/KR/066570) Inc., [**066570.SE**](http://quotes.wsj.com/KR/066570) **in** Your Value Your Change Short position another Korean company that makes both smartphones and appliances.

"We hear it all the time: 'Oh, I have one of their phones,'" says Rocco Perla, a third-generation appliance dealer in Pittsburgh who displays Samsung and LG products prominently in his showroom.

Samsung's share of the U.S. market for major home appliances in dollar terms has surged to 10.5% in this year's second quarter from just 2.3% five years earlier, according to Stevenson Co.'s TraQline survey, while LG is up to 14% from 8.5%. Whirlpool (whose brands also include Maytag, Jenn-Air and others) is down to 30.4% from 35.9% and [General Electric](http://quotes.wsj.com/GE) Co. [GE -0.07%](http://quotes.wsj.com/GE) [**GE**](http://quotes.wsj.com/GE) **in** Your Value Your Change Short position to 15.9% from 18.9%. [Electrolux ELUX-B.SK +0.48%](http://quotes.wsj.com/SE/ELUXB) **[ELUX-B.SK](http://quotes.wsj.com/SE/ELUXB) in** Your Value Your Change Short position has slipped to about 8.4% from 9.6%.

Rivals concede that Samsung and LG are competitors to reckon with. "They've brought good strong innovation to the U.S. appliance market and they've been rewarded for it," says Keith McLoughlin, chief executive of Electrolux, the world's No. 2 maker of appliances, measured by dollar sales, though he adds that the Koreans aren't so strong in cooking gear as in laundry equipment.

Samsung's heavy advertising of its phones and other electronic gadgets also helps burnish the appliances. In the U.S. along, Samsung spent about $611 million on advertising last year, or 10 times as much as Whirlpool, according to Kantar Media.

The Korean brands "have substantially raised the bar" on quality, says David MacGregor, an analyst at Longbow Research in Cleveland. Fads in smart phones have forced the Koreans to innovate quickly, he says, and that skill helps in home appliances too.

Samsung won the top ratings for washers in this year's survey of consumer satisfaction by from J.D. Power & Associates. For dryers, Samsung was No. 2 behind LG.

In the U.S., Samsung's promotion of a top-end fridge that spouts carbonated water caught the attention of Michelle Jackson, a foreign-student adviser who lives in Denver. "I want that refrigerator," says Ms. Jackson, who says she believes Korean products tend to be high-quality. "I'm really obsessed with the idea."

The Koreans still face big obstacles in the U.S. Unlike Whirlpool and GE, they haven't established strong ties to home builders, an increasingly important group of customers as housing construction recovers.

Samsung and LG make most of their products in Asia and Mexico, while Whirlpool and GE produce their goods for the home market mostly in North America. Long supply lines make it harder to respond quickly to shifts in demand.

Samsung executives have set a goal of surpassing Whirlpool in two years to become the world's No. 1 appliance maker, but that looks like a stretch. Samsung doesn't break out data on its home-appliance sales, which are part of a division that also sells TV sets, but analysts at Sanford C. Bernstein & Co. estimate they were 13.4 trillion won ($11.9 billion) last year.

Whirlpool, which makes only appliances and closely related items, had 2012 sales of $18.1 billion.

Bernstein forecasts Samsung's appliance sales will reach 15.8 trillion won in 2015, likely leaving it well below Whirlpool. Michael Deneen, an analyst at Freedonia Group, Cleveland, estimates that LG was the world's fifth largest appliance maker in 2012 and Samsung No. 8.

Samsung plays up its electronics expertise, saying customers want "increased connectivity" with their appliances. For instance, the Samsung T9000 refrigerator, which comes with a touch screen, can grab online weather data or recipes. "This opens up a great opportunity for us," says Eom Young-hoon, head of marketing for Samsung's "digital appliances" business.

At Samsung, whose results are driven mainly by smartphones and semiconductors, appliances accounted for less than 7% of sales last year. Samsung's share price has weakened in recent weeks amid worries that smartphone growth is slowing.

U.S. appliance makers are fighting back. GE is in the midst of a $1 billion upgrade of its U.S. appliance factories over several years. In a bid to attract more young adults, GE plans to launch in October a lower-priced line called the Artistry Series, featuring glossy black or white appliances with handles made of brushed stainless steel.

Whirlpool says its global design staff has increased 50% in the past 10 years and now totals more than 200 in six countries. The company has been increasing profit margins and has vowed not to rely on aggressive discounting to win market share. "We chose not to sell products at a loss," Jeff Fettig, Whirlpool's CEO, said in an interview earlier this year.

Whirlpool also has been petitioning the U.S. government to put import duties on some imported appliances, with mixed success. After finding that Samsung and LG had dumped certain washing machines on the U.S. market at unfairly low prices, the U.S. earlier this year imposed duties of 9% to 13% on those goods. But the U.S. International Trade Commission last year rejected Whirlpool's request for tariffs on refrigerators made by Samsung and LG. Samsung and LG have denied Whirlpool's dumping allegations in both cases.

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