



CZECH TRADE FOCUS

Good News from Czech Embassy in Washington

→ Editorial Note

"Czech Trade Focus" is designed to provide practical information on trade and investment opportunities with the Czech Republic. The newsletter is published bimonthly by the Commercial Office, the Embassy of the Czech Republic, Washington D.C., for free circulation. We hope that it meets your interests. We would appreciate any comments or feedback on the contents of this first issue.

- Commercial Section of the Embassy of the Czech Republic in Washington, DC

→ Economic Outlook

OECD (The Organization for Economic Cooperation and Development) recently revised its estimate of the Czech GDP growth rate for 2000 to 2.5 percent, up from 1.4 percent. Strong exports, unprecedented foreign investment inflow, and expansionary fiscal policy will also influence solid growth for next year, which the OECD estimates at 3.2 percent (up from 2.4 percent in the last report). Other analysts, such as Washington-based **PlanEcon**, are also quite optimistic.

Inflation collapsed from 10.7 percent in 1998 to a mere 2.1 percent in 1999. This number should average about 4.4 percent in 2000-2002. Unemployment could reach up to 9.5 percent this year, but foreign investments may actually reduce it to approximately 7.5 percent by the end of 2002. The current account deficit, which reached \$4.3 billion in 1996, fell to \$1.0 billion in 1999. Due to a gas-price shock and higher imports of machinery and equipment, the deficit could climb to \$2.0 billion in 2000, but currently remains under control and does not pose a threat to the overall balance.

Direct foreign investment almost doubled in 1999 to \$5.1 billion and should run in the \$6 - 8 billion range annually during 2000-1, when the remaining large privatization projects take place. Green-field investments, encouraged by the EU-compatible system of investment incentives, will also be substantial.

• **Bilateral Trade: Czech Republic - United States**

The U.S.-Czech bilateral trade accounts for about 4.1 percent of total Czech foreign trade, while remaining relatively insignificant for the United States (around 0.2 percent). However, the most significant attribute remains the dynamics of the exchange. It must be noted that since the year 1993 (the year which marks the existence of separate Czech State), the volume of trade with the United States more than doubled (from \$804 million in 1993 to \$1.82 billion in 1999). The strong dynamic continues in 2000. It is estimated that Czech exports to the U.S. will increase by 29 percent, while U.S. exports to the Czech Republic will increase by 14 percent.

Manufactured consumer goods, machinery, and transport items dominate Czech trade with the United States. Machinery products, such as lathes, printing machines, machine tools, textile machinery, and electrical machines and appliances are among the most important Czech exports to the U.S. Czech companies also export aircraft engines, glass products, tractors, and other transport items. Aircraft, electrical machinery, nuclear reactors, computers, and medical and optical devices represent Czech imports from the United States.

| | 1999 | 2000* | 2000/1999 change (percent) |
|--------------------------------|------|-------|-------------------------------|
| Czech Exports to U.S. | 754 | 974 | +29 |
| U.S. Exports to Czech Republic | 1169 | 1332 | +14 |

Source: U.S. Department of Commerce, Czech Ministry of Industry and Trade

*...Estimate based on results from January through October

→ New Trade Promotion Offices in the U.S.

• **CzechInvest To Open In Silicon Valley**

The new CzechInvest office in Silicon Valley comes as a result of the growing amount of high-tech direct foreign investment in the Czech Republic. The Czech Government's commitment to enhance its investment climate through the provision of tailored incentives and the development of property options has helped to double the flow of direct foreign investment over two consecutive years. The existing investment incentive legislation, the first EU compatible legislation in Central and Eastern Europe, is expected to contribute towards an estimated \$6 billion of direct foreign investment this year.

The primary focus of the new office will be to attract high-tech investors from the information technology and software development sectors, while also encouraging other U.S. industries and services to invest in the Czech Republic. CzechInvest is already working with several Silicon Valley companies; through its presence in the area the agency will

better serve the investors' needs. As the newly appointed Director of the CzechInvest office, Mr. Radomil Novak will head the branch in Campbell, California.

Over 1,200 foreign investors are already manufacturing in the Czech Republic. Total direct foreign investment since 1990 has reached almost \$20 billion.

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Mr. Radomil Novak, Director

- **CzechTrade expands to U.S.**

CzechTrade is a trade promotion organization established by the Ministry of Industry and Trade of the Czech Republic. In October, the agency announced that it had opened its first US office in Chicago, IL. CzechTrade's main task is to assist in the development of mutual trade and cooperation between the Czech Republic and foreign countries. Detailed information about CzechTrade, its services and its offices around the world can be found at www.czechtrade.cz

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Ms. Jana Sevcikova, Director

→ Companies & Market

- The number of Czechs with **access to the Internet has grown larger in the third quarter, with almost 20 percent of the population** between 12 and 79 years having access to the Internet, according to a poll. Out of the 1.7 million people, 1.4 million said they use the Internet at least several times a month. Among respondents between 16-19 years, half said they have experience with the web. Most of the respondents use e-mail services, followed by a percentage of those who use the web as a device for searching for personal issues and work-related data and information. At the same time, another survey indicates that Czechs spend more time on the web browsing, banking or shopping.

- The Executive Committee, composed of representatives of ministries and other state bodies, has **approved subsidies for the industrial zone development costing CZK 380 million**. The money will go toward the construction of technical and road infrastructure on sites destined for incentive investors, or sites selected as strategic city development zones in 32 Czech cities and villages. CzechInvest and the Ministry of Industry and Trade initiated the state program to support the industrial zone development in 1998. The program was first put to use in 1999, when 18 cities and villages received subsidies amounting to CZK 150 million.

- Czech brewery **Budvar-Budweiser** increased its revenues to more than CZK2 billion annually. The company's profit has proven that **Budvar is one of the most profitable breweries in the country**. Market shares grew 7 percent, putting the company in third place after **Pilsner Urquell / SAB** and **Prazske Pivovary**. Budvar-Budweiser is the largest exporter with overseas sales totaling 376 thousand hectoliters.

- Japanese Matsushita Communication Industrial (MCI) has announced a plan which would invest CZK3.3 billion (\$100 million) into a new facility to manufacture Panasonic cellular phones. The city of Pardubice would produce up to 16 million sets annually. The plant would be the company's second major investment in the Czech Republic after its Panasonic TV-set facility in Plzen in 1996. Matsushita will not be the first company to produce cellular phones in the Czech Republic; the French company Sagem has already started construction of its plant in Kladno. Sagem has also established its service center in Kladno, covering most of its European customers.

- **ZKL Praha, a Czech manufacturer of bearings, plans to complete research on its new production technology** that would reduce material and energy outlays by half. Several other companies and research laboratories, both Czech and international, are participating in the Eureka project, which is supposed to be implemented by 2002. ZKL Praha has approximately 280 employees. The company's sales for last year exceeded CZK 119 million (US\$3 million).

- **Tatra Koprivnice, a leading Czech truck manufacturer, revealed its plan to move its engine plant to India**. For several years, its local Indian subsidiary Tatra Udynog and other partner companies Vectra Investments and BEML have served the booming market of Indian customers, including the Indian army. In 1998 and 1999, Tatra sold more than 130 heavy trucks. The new production facility could expand sales up to

1500 per year throughout the whole sub-continent. While competing with two other companies, Ashok Leyland and Volvo, Tatra Koprivnice's decision to move the plant is aimed at lowering their production costs. After a break-up of its traditional markets in Russia, years of financial problems brought the company to the brink of bankruptcy--despite the brand's well-known quality and reliability in the most extreme conditions, as well as their numerous successes at international sporting events. In 1999, the government took back their control of the company and included it in its revitalization program. Tatra has announced sales of CZK 2.85 billion (US\$ 75 million), with a profit of CZK 173 million (US\$ 4.6 million) for the first nine months of 2000.

- The International rating agency **Moody's has released an updated rating of Czech banks**, stressing a need to further improve quality in their loan portfolio. Moody's noted that the legal framework of the portfolio is becoming compatible with EU standards. The agency also acknowledges that privatization, which is almost complete, accelerated the restructuring of the financial sector. Fast-spreading electronic banking is also mentioned among the typical positive factors. The following table lists the major banks in the Czech Republic and their current Moody's rating:

| Bank | Rating |
|----------------------------|-------------|
| CSOB/KBC | Baa1/P-2/D+ |
| Czech Export Bank | Baa1 |
| Komerční Banka | Baa2/P-2/E+ |
| Ceska Sportelna/Erste Bank | Baa1/P-2/E+ |
| Zivnostenska Banka | Baa1/P-2/D+ |

- The Czech Foreign Ministry organized the **International Economic Workshop on Reconstruction and Development in SouthEast Europe**, co-sponsored by Czech Minister Jan Kavan and his Greek counterpart Georgios Papandreu. Businesses attending the workshop could meet with key personnel in the administration to learn about projects in Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro, and Romania. After sanctions were lifted, the EU included Yugoslavia in the Stability Pact, They also plan to release major financial resources for the country's reconstruction. A number of Czech engineering companies intends to participate in the numerous projects.

- Leading U.S. machinery manufacturer Precision Castparts Corporation (PCC) intends to move part of its British production from Livingston, UK, to Plzen, Czech Republic. PCC representatives told the press that total investment would amount to CZK1 billion (\$30 million). The facility in the Western part of the Czech Republic would produce aircraft parts and employ approximately 350 workers.

- **Japanese companies invested more than \$479 million in the Czech Republic**, according to CzechInvest--the government agency to support foreign investment. Thus far, Japanese investors have concentrated on the automotive, electronic, and semiconductor industries. In total, the level of Japanese involvement places the country third on the continent of Europe that is still dominated by Germany.

- **More Czech software companies are seeking their fortune in the United States**, among them Brno-based developer of graphic editors **Zoner Software**. The company, which holds about 25 percent of the domestic market segment, opened a branch called **Zoner Inc.** in Atlanta, Georgia. More than 10 thousand of Zoner's key products, **Callisto** and **Media Explorer**, have already been sold, while pre-installed versions in new computers have exceeded 50 thousand copies. (Visit them at www.zoner.com)
- The U.S. branch of the Czech company Tiny Software was selected to supply security software, developed in the Czech Republic, to U.S. Air Force computers. At a press conference in Prague, the representatives of the Plzen based Tiny Software did not disclose the value of the contract. However, they did confirm that the cooperation was the result of their decision to move to Silicon Valley at the right time.
- **Charles Investment Partners**, U.S. investment fund, became an owner of the company **Jihlavske sklarny Bohemia (JSB)** in March 2000. JSB is the second largest lead crystal manufacturer in the Czech Republic. At the time of the takeover, JSB was on the verge of bankruptcy. Charles Investment Partners paid the company's debt to the Czech state. The U.S. investor completely replaced the board of directors, reduced the number of management levels by half, and commenced the company's restructuring. Charles Investment Partners will invest hundreds of million crowns into the company within the next 3 years. The money will mainly go into production facility enlargements. JSB should then become the largest lead crystal manufacturer in the Czech Republic, with annual sales exceeding CZK1 billion (\$25 million). JSB exports 85 percent of its production. The current production facilities cannot cover the growing demand for crystal. Main export markets include the U.S., the U.K., Southeast Asia, and Australia.
- **Foxconn, one of the world's largest contractual producers of electronics, signed a contract to purchase HTT Tesla Pardubice for CZK 102 million** earlier this year. In its plant in Pardubice, Foxconn intends to increase its daily **Apple** production up to 2000 units a day. The facility in the Czech Republic produces **iMac** high-end PC configuration DV, while inexpensive models are being manufactured and assembled in Asia. Foxconn currently employs 300 people but intends to expand personnel to over 2000 employees by 2003.

In the course of the next three years, Foxconn plans to invest more than \$40 million in Pardubice and to build a modern plant for the production of cellular phones and computers.

- Skoda Motory, the Czech truck manufacturer formerly known as LIAZ, has developed a new bus engine based on the incineration of compressed natural gas (CNG). Since oil prices have increased in the world market, the CNG technology costs three times less, while also being a more environmentally sensitive alternative to classic diesel engines. Due to the difference in price, many local transit authorities, especially in areas with higher industrial pollution, are interested in converting their traditional bus fleets. The highest number of CNG buses operates in the Havirov region with 43 units. Skoda engines are regarded by many as the best in Europe. Bus operator CSAD Usti nad Labem in Northern Bohemia has requested at least 40 engines, while others, such as those in Prague, are currently testing them. The company also plans to approach overseas customers, claiming their investments will return in three years with the current oil prices.

- **Privatization of state assets should be completed within two years**, according to Finance Minister Pavel Mertlik. Speaking at a seminar for a business community from France, the Minister encouraged French investments, which recently have been outpaced by British investors. According to a press release, French investors are primarily interested in energy production and distribution, and in the privatization of Prague's waterworks.

- **Investment Incentives Statistics**

- in the period of April 1998 through May 2000, 33 companies were granted investment incentives
- 30 of the total number are supported by foreign capital and 3 firms are exclusively Czech
- these firms have promised to invest at least \$2.1 billion into the Czech Republic
- these firms will create 15,500 new jobs in the country
- requests for incentives by 18 firms are currently being discussed

→ U.S. Managers Quote on the Czech Republic

- **DHL Prague**
Quotes from an interview with Mr. Sean Bradley, Managing Director, for DHL International, Prague, shared his impressions with the Czech weekly Ekonom: "I believe that in five or ten years, the Czech Republic will be the center of new Europe. At least from logistical point of view... DHL uses a concept of shared services. These services are centralized in larger countries, with skilled labor, or countries with advantageous geographical location. Such a country is for us exactly the Czech Republic. Before my arrival to Prague I was in contact with the most advanced technologies and best programmers. I expected that you would be little bit behind, but the truth is the contrary. For example, GSM network is one of the most modern

in the world. Also further communication technologies belong to the most up-to-date at all."

- **Flextronics**

Commenting on the choice of the location for the new investment project in Brno, Hugh Kelly, Flextronics General Manager in the Czech Republic, stated: "We selected this location on the basis of a number of criteria. One of the most important was the constructive attitude and support of the local and governmental authorities. The outstanding performance of the current managerial, administrative and production staff is a key factor to our current success and will continue to be of a major importance to the success of our new investment and expansion."

→ Industry Focus: Electronics

Electronics is one of the most rapidly-growing manufacturing sectors in the Czech economy, with more than 250 active foreign firms ranging from global contract manufacturers to specialist component suppliers. Indigenous Czech firms have strong sub-contracting, supplier & assembly capabilities. Czech engineers are both highly skilled and resourceful. Many multinational firms are performing leading edge R&D and product & software development work either directly or through sub-contracted Czech partners.

- **Strong Capabilities**

The Czech labor force has established a track record for implementing flexible & innovative working practices, including continuous production. A national survey among foreign manufacturers found that well over half of FDI manufacturing firms have a non-unionized workforce; over a quarter of the firms operate seven days a week. At the same time, Czech wages are a fraction of those at Western Europe. The same survey found that nearly a quarter of FDI manufacturers do "significant R&D" in their Czech subsidiary. International quality levels are the norm among investors. Over three-quarters of the surveyed firms were ISO 9000 certified.

- **The Right Location**

The Czech Republic has one of the most envied locations in Europe, offering new investors excellent accessibility to both the growing markets of central & eastern Europe and to the extensive markets of the European Union.

- **Snapshots of Leading Electronics Manufacturers in the Country**

- Japanese manufacturer **Matsushita** is expanding its original USD 66 million investment in its Czech television venture in Plzen, West Bohemia, following the successful introduction of production in 1997. The Czech plant has achieved high quality and production records. Within four months of the start of production, the in-process reject rate was below 3 percent and production levels topped 1,000 sets per day. The next-generation digital **Panasonic** TV sets will also be manufactured in Plzen.

- Toronto-based **Celestica**, the third-largest EMS company in the world, recently acquired the Czech subsidiary of the German test & measurement firm **Gossen-Metrawatt** near Brno. The ISO 9000-rated plant is expected to benefit from major investment and employ 800 people in a sector that is currently growing globally at more than 25 percent annually.

- A subsidiary of **DII Corp**, **Dovatron** recently acquired the Brno-based electronics manufacturer **Utes Elektronika**. Rated globally as one of the Top 10 contract manufacturers in the electronic sector, Dovatron plans to expand its Czech production facilities as it takes on new orders from OEM customers.

- **Lexmark International**, formerly the printer division of **IBM**, has sub-contracted low- & high-end cartridge assembly to **Metra Blansko a.s.**, a company based near Brno since 1993. The current CZK 600 million contract runs until 2003 and employs 450 people. Lexmark Electronics opened a manufacturing plant in the Brno Technology Park in 1999.

- **Tesla Ecimex**, a Czech producer of color picture tubes for TV, which use Toshiba licensed technology. Since beginning production in 1980, its shipments reached 5 million units. After being privatized in 1994, the company has shipped nearly two million tubes including newly introduced 28-inch tubes. The firm ships directly to OEMs across Europe.

- **ON Semiconductors** and **Motorola** share facilities in a design center in the small east Moravian town of Roznov pod Radhostem. ON Semiconductors, formerly the Semiconductor Components Corp. of Motorola, is a 25-person analog IC design unit while Motorola operates a 20-person Applications lab.

- **Rockwell Automation** operates one of its four global Independent Advanced Technical Laboratories in Prague. The only such lab outside of the USA specializes in intelligent diagnostic software. **Honeywell** also runs a specialist R&D center in Prague developing control software & tools.

- Other multinationals running important Czech R&D or design centers include **Skoda Auto (Volkswagen)**, **Mercedes-Benz**, **Arrow International**, **Thermo King & Visteon**. **Vitatron**, a Dutch subsidiary of **Medtronic Inc.**, sub-contracts software development to Czech partners. They are a global Top 150 company with a 60 percent share of the heart pacemaker market

- **Flextronics International**, a leading global EMS (Electronic Manufacturing Services) provider, has announced plans to expand its operations and open an Industrial Park in Brno to respond to the growing demand from major customers in Europe. Flextronics Industrial Park (a 50-hectare site) is being built on industrial zone land designed by the City of Brno to create a new high-tech business zone.

- **According to the OECD, the Czech Republic had the second-highest percentage of engineering graduates of all university graduates after Finland, a full 22 percent compared to 21 percent in Germany & Japan, 18 percent in Korea, 16 percent in Hungary, 14 percent in the UK & 8 percent in the USA. The Czech Republic's per capita R&D spend on a PPP (purchasing power parity) basis is more than twice that of Hungary and nearly three times that of Poland.**

→ **Useful Web Links**

- Czech Embassy in Washington
- CzechInvest - investment promotion and consulting
- CzechTrade - trade promotion
- Doing Business in the Czech Republic
- Database of quality products, components and services
- U.S. Chamber of Commerce - Eurasia Business Councils
- CEEBIC - U.S. Department of Commerce

www.czech.cz/washington
www.czechinvest.org
www.czechtrade.cz
www.doingbusiness.cz
www.supplier.cz
www.uschamber.org
www.mac.doc.gov/eebic/countryr/czechr.htm

→ **Czech-EU Watch**

- The European Commission (EC) recently published its new annual report on candidate countries. At this point, we would like to present a few excerpts from the report. From an economic perspective, the Czech Republic can be regarded as a functioning market economy. It should be able to cope with competitive pressures and market forces within the EU.

In 1999, the Czech Republic **accelerated their structural reforms**. Privatization activities were re-launched at the beginning of 2000, when the minority government and the largest opposition party agreed to complete the remaining privatization of large enterprises within the next two years.

Monetary policy has been eased over the last year in an attempt to support the growth prospects of the economy. Also, **inflation dropped sharply** from an average rate of 10.7 percent in 1998 to 2.1 percent in 1999. Strong foreign capital inflows have continued to put the Czech crown (CZK) under upward pressure, but at the same time, the **current account deficit has narrowed**

significantly. Overall macroeconomic policy has been conducted with a sufficient degree of predictability to allow proper decision making by economic agents. As a result, the stability has increased. Growth has resumed, while the favorable performance of major indicators has been maintained.

The country has enjoyed **high overall levels of investment** over the recent years. Fixed investment, as a share of GDP, has been around 30 percent. Infrastructure is comparatively well developed. The country has a skilled and educated workforce, as illustrated by short qualification periods reported by foreign investors. Foreign direct investment has been very strong in 1999, reaching about 9.2 percent of GDP.

The overall business climate in the Czech Republic has improved. The country has already achieved a **high degree of trade integration with the EU.** It continues to increase, with the EU accounting for 69 percent of total Czech exports and 64 percent of imports in 1999.

- **The New Year in the Czech Republic will introduce some of the greatest changes of legislation** since the early 1990s. Among the amended laws will be Civil Code, Commercial Code, Labor Code, and Energy Law. Parliament has accelerated the passage of laws in order to get ready for admission to the European Union, a move which is generally applauded throughout the country and in the EU.

→ Czech Companies Looking for Partners/Seeking Distributors in the U.S.

- **BAE - Prumyslove baterie**

manufacturer of traction batteries, traction cells, block batteries for traction and lighting, and railway vehicle batteries. BAE has the ISO 9001 Standard Certificate. Currently it exports to Slovakia and Hungary. BAE is looking for a representative and distributor on the West Coast.
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Kralupy nad Vltavou
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Tel.: (+420) 205.721.445, 721.446, 721.447, 215.05
Fax: (+420) 643.215.05
E-mail: info@bae.cz
Mr. Oldřich Polášek, Mr. Aleš Zázvorka

- **Cue**

designs, develops, manufactures and markets integrated remote control systems. Cue Control System enables users to operate as a single system a broad range of electronic equipment in a variety of corporate, educational, industrial, entertainment, government, and residential settings. For all types of applications, including boardrooms, training facilities, visitor centers, and conference rooms.

User friendly Windows programming software enables an easy approach to overall planning and operation. Cue has attractively styled Touch Screen Control Panels, or alternatively, hard wired, or wireless control facility. Cue's array of expanding interfaces ensures an ability to control a great variety of functions using RS-232, RS-422, Auxiliary Switches, I/R, Voltage Ramps, slideCUE & soundCUE for projector & sound control.

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147 00 Praha 4, Czech Republic
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Fax: (+420) 2.4143.2446
E-mail: sales@cue.cz,
marketing@cue.cz
Internet: www.cue.cz

- **Fezko**

manufacturer of berets, caps, hoods and fezzes, is looking for U.S. distributors

Tel.: (+420) 2.2101.4313
Fax: (+420) 2.2101.4250
E-mail: vlnasova@fezko-barety.cz
Internet: www.fezko-as.cz
Ms. Nadia Vlnasova

- **Frigeri 21**

manufacturer of condensation units, heat pumps, air conditioning for rail vehicles, low temperature appliances and plasma freezers, is looking for U.S. business and production partners:
Tel.: (+420) 321.754.345
Fax: (+420) 321.728.507
E-mail: fantura@frigeri.cz
Internet: www.frigeri.cz
Mr. Miroslav Fantura

- **Hanhartrade**

Hanhartrade is a manufacturer of "Prim" watches, clocks and alarm clocks. These brand names have a very solid tradition in the Czech Republic. They are looking for a representative and distributor in California.
Nádražní 1
785 01 Šternberk, Czech Republic
Tel.: (+420) 643.412.291, 412.292, 490.515
Fax: +420643.412.293
E-mail: hanhart@stbk.mcs.cz
Internet: www.hanhartrade.cz
Ms. Martina Zatloukalová

- **Helio**

manufacturer of fluorescent lamps, is looking for U.S. distributors:
Tel./Fax: (+420) 632.551315-6
E-mail: helio@helio.cz
Internet: www.helio.cz
Mr. Petr Beran

- **International Institute of Marionette Art**

largest manufacturer of puppets and marionettes in the Czech Republic, is looking for U.S. distributors:
Tel.: (+420) 2.2222.0913
Fax: (+420) 2.2222.0928
E-mail: puppet.art@pha.inecnet.cz
Internet: www.puppetart.com
Mr. Ljubisa Ristic
Vacek

- **Lanatex**

joint-stock company producing worsted fabrics. The company is predominantly targeted at men's fashion. Fabrics are offered in the weight range of 120-300 g/m². Lanatex produces flannel, serge, gabardine, plain weave fabrics, elastic fabrics and many others. Besides 100 percent woolen fabrics it also sells blended fabrics with polyester fibers, most frequently at a blend of 45/55.

Fabrics for uniforms are a specific field of interest and Lanatex succeeds in taking part in numerous competitions. The Czech Railways, Czech Police, State Forestry workers and other numerous state and private organizations are supplied with fabrics for uniforms from the Lanatex. A fabric for uniforms, ready-made garments, casual, full-dress and sports suits, jackets, pants, as well as fabrics for women's costumes, skirts, and light coats succeed in export overseas.

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www.lanatex.cz
Mr. Pavel Trisko

- **Lares**

With a longstanding tradition, Lares Co. is a producer of glass components for pendent, ceiling and wall mounted light fixtures, and table lamps in matt or opal triplex finish. The company also produces lenses for automotive headlamps. Lares is seeking partners in the U.S.

Zasovska 71
757 01 Valasske Mezirici
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Fax: 420-651-21864
E-mail: ludek.vyskovsky@oslares.cz
www.oslares.cz
Mr Ludek Vyskovsky, Manager

- **Sunalva**

supplier of herbal tea, is looking for U.S. distributors.
Tel.: (+420) 168.605051-2
Fax: (+420) 168.24953
E-mail: sunalva@mbox.vol.cz
Mr. Pavel Vacek

→ Czech Companies and Products in the U.S.

• Aliachem USA

Established in 1993 as the North American sales and marketing subsidiary of Aliachem, headquartered in Prague, the company offers the whole range of products manufactured by divisions of its parent company.

The product portfolio includes organic and inorganic chemicals, pesticides, industrial explosives and propellants, pharmaceutical substances, chemical specialties, products made from plastics, packaging sheets, and floor coverings.

Aliachem also delivers various laboratory and research chemicals offered by Czech and Slovak manufacturers. For more details contact the company at:

560 Sylvan Avenue Fl.1

Englewood Cliffs, NJ 07632-3104

Tel.: 201.816.1382

Fax: 201.816.1384

E-mail: aliachem@eclipse.net

Mr. Vladimír Petr (President/CEO)

• Unicorn

leading Czech software development company, is to open a U.S. subsidiary, **Unicorn Information Systems**, based in the Washington, DC, metropolitan area, the largest and fastest growing IT hub in the United States. Unicorn intends to work with U.S. partners on software conversions and new development assignments.

Established in 1990, Unicorn has grown into a major IT systems provider, ranking near the top among Czech IT companies. Unicorn employs over 350 IS/IT professionals and its annual revenue is over \$5 million. In 2000, Unicorn received ISO 9001 certification of quality, relocated to new headquarters in Prague, and opened branches in Slovakia and Croatia in addition to its Washington subsidiary.

Unicorn has worked with a number of foreign partners, including many subsidiaries of U.S. corporations. Unicorn offers comprehensive services including IT consulting, distribution of software and hardware, education, multimedia, and 24/7 help hotlines. Unicorn has been nominated to receive Oracle 2000 Open World Partner Award in the category "Most Influential E-Business Partner".

Unicorn Information Systems is now busy in getting ready for business, introducing Unicorn capabilities and staff to potential American partners, and participating in conferences and seminars. Please contact Martin Herman at mherman@unicorn-is.com for more information.

• Moser Company

daughter company of Moser Glass Czech Republic, the world's top exquisite cut glass in design and finish. The

branch in the United States has been operating since 1994. The company imports and distributes exclusively Moser brand in the U.S. Personnel: Harold Klein, President, and April Durham, Manager of US Operations

41 Madison Avenue, 9th Floor
New York, NY 10010

Tel.: 212.532.5809, 800.267.2155

Fax: 212.532.4491

E-mail: moser-us@worldnet.att.net

www.moser-glass.com

• Rebel Beer

introduced by the **Mestansky Pivovar**, Havlickuv Brod, is one of the fastest growing Czech imports on the U.S. market. In its second year of importation It has quickly become the #2 imported Czech beer into the U.S..

The quality of the beer is excellent, and is one of the few beers that are still brewed in the traditional Czech way. The brewery produces its own malt in its malthouse, utilizes the finest **Saaz** hops from Zatec, maintains the open vat fermentation process discarded recently by most other Czech breweries as too costly, and still employs extended lagering periods to round out the character of the beer. The result is a perfectly balanced lager, with just the right amount of body.

Rebel is also introducing its Rebel "Garnet" - a half-dark/half-light beer that is achieving wide spread acclaim. Rebel is offered in 16.9 oz (500ml) bottles and 12 oz (355ml) six packs and 12 packs. Brown bottles are insisted upon to maintain quality standards and to prevent light shock. Today, Rebel is being sold in 22 states nationwide, with all states being targeted for distribution by 2003. For more information, contact Rebel's exclusive U.S. importer **Czech Beer Importers, Inc.:**

33 Locust Hill Road

Darien, CT 06820

Tel.: 203.668.6963

Fax: 203.656.6676

E-mail: rebelbeer@usa.net

Internet: www.rebelbeer.com

• Vibi

U.S.-Czech private firm seeking new partners in the United States to extend its business activities. The firm is looking for U.S. distributor of **The Royal Beer "Litovel Premium"** from the Czech Republic. This Pilsner type pale lager, one of the best beers, is regularly supplied to the Office of the President of the Czech Republic. **Unique Distributors, Inc.** is an exclusive U.S. importer of the Royal Litovel Beer in the United States.

8891 Watson Street, Suite 101

Cypress, CA 90630

Tel.: 800.827.5473, 714.865.8417

Fax: 714.761.9350

E-mail: vinbi@yahoo.com

Internet: www.litovel.cz

www.uniquedistributors.com

Mr. Mike Nademlynsky

Vibi is looking for a U.S. representative and distributor of **"Tucon"** paper furniture. Tucon has been developed and produced in the Czech Republic under the Czech trademark **"Rollpa"**. The Paper Furniture Kit consists of tubes made of recycled paper or plastic. The tubes are connected with the appropriate connector pieces to create any piece of furniture. It can be used at home (tables, counters, shelves, units), at the office (counters, shelves, units, trade booth), at shops (storage places, shelves), and outdoors in the garden (playgrounds, green houses), etc.

733 Adams Street, NE

Albuquerque, NM 87100

Tel./Fax: 505.255.4178

E-mail: vinbi@yahoo.com

Mr. Tomas Binder, Mr. Petr Vinduska

or

Vibi LLC

c/o National Registered Agents, Inc.

9 East Loockerman Street

Dover, County of Kent, DE 19901

Tel.: 800.827.5473

Fax: 714.761.9350

or

Vibi, spol. s r. o.

P.O. Box 140

Liberecká 21

470 11 Česká Lípa, Czech Republic

Tel./Fax: (+420) 2.8393.2623

Cellular: (+420) 603.232.450, (+420)

602.534.676,

E-mail: vinbi@yahoo.com

• Western Food and Beverage

the company headquartered in Southern California has been importing **Starobrn** into the United States since 1993. "The first year we imported only one container in one size, the 16.9-ounce. We now import Starobrn in two sizes, the 16.9-ounce and the 12-ounce that are in six packs."

Western Food and Beverage imported 4,912.18 hectoliters of Starobrn into the United States in 2000. They currently have the distributors in 14 states. The firms also want to import Czech spirits and wines into the United States in the future.

2162 Laguna Circle

Huntington Beach, CA 92646

Tel.: 714.965.6938

Fax: 714.965.6958

E-mail: slovtzbiz@aol.com

Internet: www.maraskausa.com

Mr. Rick Fraser, President

→ Travel Tips

- **Czech Airlines : The Only Non-Stop Flight From U.S. to the Czech Republic**

CSA Czech Airlines, the national carrier of the Czech Republic, was officially invited to join the global airline alliance "SkyTeam" on Wednesday, 18 October 2000. CSA Czech Airlines, represented by its President, Mr. Miroslav Kůla, accepted this invitation and joined the group consisting of the United States' Delta Airlines, France's Air France, Mexico's Aeromexico and South Korea's Korean Air. The only company from Central and Eastern Europe invited to join the SkyTeam alliance, Czech Airlines has gained a reputation as a successful and globally-respected airline throughout its 77-year long.

The Czech Airlines OK Plus Frequent Flyer Program will be linked with similar partner programs. In this way, the OK Plus Program will become even more attractive for its members who can now earn points when flying with any of the partner airlines and to exchange the points for bonus tickets for routes within the new network.

1350 Avenue of the Americas, 6th Floor
New York, NY 10019
Tel.: 212.765.6022
Fax: 212.765.6108
www.csa.cz
Mr. Miroslav Belovsky

- **Hotels in Prague**

- **Prague Marriott**

V Celnici 8, Prague 1
Tel.: (+420) 2.2288.8888
Fax: (+420) 2.2288.8889

- **Intercontinental**

Nam. Curieových 43/5, Prague 1
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Fax: (+420) 2.2481.1216

- **Dining in Prague**

- **New Town Brewery & Restaurant**

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- **Red Hot & Blues**

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www.bvvcz

- **Incheba Praha**

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Tel.: (+420) 2.2289.4236
Fax: (+420) 2.2422.0223
E-mail: info@incheba.cz
www.incheba.cz

- **Brno Exhibition Center**

- **OPTA - 7th International Fair of Eye Optics and Ophthalmology**

February 16 - 18, 2001
E-mail: opta@bvvcz
Project Director: Ms. Bohuslava Knopova
Tel.: (+420) 5.4115.2818
Fax: (+420) 5.4115.3063
E-mail: bknopova@bvvcz

- **STYL - 17th International Fashion Fair**

February 20 - 22, 2001
Project Manager - Ms. Jarmila Navratilova
Tel.: (+420) 5.4115.2282, 2760
Fax: (+420) 5.4115.3060
E-mail: styl@bvvcz

- **SALIMA - International Food Fair**

March 6 - 9, 2001
E-mail: salima@bvvcz
Mr. Mojmir Jerabek

Tel.: (+420) 5.4115.2855
Fax: (+420) 5.4115.3079
E-mail: mjerabek@bvvcz

- **Days of Czech Beer - 2nd Sales and Presentation Show of Czech Breweries**

March 7 - 10, 2001
Project Manager: Ms. Gabriela Vargova
Tel.: (+420) 5.4115.2922, 2985
Fax: (+420) 5.4115.3067
E-mail: pivex@bvvcz

- **IBF 2001 - International Building Fair**

April 24 - 28, 2001
E-mail: ibf@bvvcz
Project Manager: Rudolf Bohm
Tel.: (+420) 5.4115.2888
Fax: (+420) 5.4115.2889

- **Prague Exhibition Grounds**

- **Prago Interior - 8th International Fair of Furniture and Interior Design**

February 15 - 17, 2001
Contact Person: Zdenka Prochazkova
Tel.: (+420) 2.2289.4243
Fax: (+420) 2.2422.1406
E-mail: z.prochazkova@incheba.cz

- **Pragoligna - International Exhibition of Machines and Equipment for the Wood Processing Industry**

February 22 - 24, 2001
Manager: Vojtech Vrablik
Tel.: (+420) 2.2289.4248
Fax: (+420) 2.2289.4260
E-mail: v.vrablik@incheba.cz

- **Tooltec 2001 - 8th Exhibition of Machines and Tools**

February 22 - 24, 2001
Manager: Vojtech Vrablik
Tel.: (+420) 2.2289.4248

Fax: (+420) 2.2289.4260
E-mail: v.vrablik@incheba.cz

Motocykl 2001 - 5th International Motorbike Exhibition
March 15 - 18, 2001
Manager: Ms. Eva Nogolova
Tel.: (+420) 2.2289.4236
Fax: (+420) 2.2422.0223
E-mail: e.nogolova@incheba.cz

ITC 2001 - Computer, Internet and Telecommunications Technologies
April 3 - 6, 2001
Exhibition Manager: Ing. Daniel Janik
Tel.: (+420) 2.2289.4237
Fax: (+420) 2.2421.0798
E-mail: itc@incheba.cz

→ Contact Points

For trade and investment inquires please contact

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- **Commercial Section of the Czech Consulate General in Los Angeles at:**
Tel.: 310.473.0889 x.229 Fax: 310.473.9813, E-mail: losangeles@embassy.mzv.cz
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