



czech trade focus

GOOD NEWS FROM CZECH COMMERCIAL OFFICES IN THE USA - JUNE 2002

ECONOMIC OUTLOOK

- > **In April, the Czech Republic's exports grew 8 percent** while imports fell by 1.6 percent annually, according to figures released by the Czech Statistical Office. The strengthening of Czech crown continued to slow both export and import growth. The trade deficit grew slightly by CZK 1.4 billion, compared to CZK 11.5 billion in April 2001.
- > **Unemployment dropped from 9.1 percent in March to 8.8 percent in April.** Economists attributed the decline to an increased seasonal employment in agriculture, construction and tourism.
- > **Consumer prices rose an annualized 3.2 percent** in April, the smallest increase in 28 months. Retail sales rose 4.2 percent in the first quarter.
- > **Construction output fell 2.7 percent** in March and 1.6 percent on an adjusted basis.

IMPORTANT UPDATE: GSP RENEWAL

Since October 2001, the extension of the GSP program is still pendant due to the U.S. legislative procedures. The Czech Republic has been listed among the countries to enjoy the benefits of a reduced level of tariffs for certain imports.

The delay, the longest in the program's history, is rather technical and caused by the fact by the fact Generalized System of Preferences Act has been attached to a package of trade agenda, which also includes the controversial TPA (Trade Promotion Authority Act). The Senate approved the trade agenda package (which includes 4 laws) on May 23, 2002, though it is still subject to conference procedure with the House.

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- > **The cabinet approved a 3-point mortgage-rate subsidy** for people younger than 36, effective in September 2002. It will apply to loans of up to CZK 800,000 for existing apartments and CZK 1.5m for existing houses. The current 1-point subsidy applies only to new dwellings. MFD says the 3-point subsidy for old dwellings will likely drop to 2 points next year, and the subsidy for new dwellings will likely disappear, because interest rates are falling.

The final implementation of the GSP program by US Customs, following the President Bush's signing, is not expected before August 2002. According to the Office of the U.S. Trade Representative, the program will be renewed retroactively, i.e. U.S. importers should be able to claim their refunds of the tariff differential paid to US Customs for imports of Czech products in the interim period since October 2001, when applicable. The GSP program is supposed to be extended for a five-year period until 2006.

However, after the Czech Republic joins the EU and becomes a fully-fledged EU member (expected date is January 1, 2004), the country will no longer qualify for the GSP program and will be excluded on the basis of the "automatic graduation".

GOVERNMENT SUPPORT FOR STRATEGIC SERVICES AND TECHNOLOGY CENTERS

Czech government approved two new programs called the Support Program for Strategic Services and the Support Program for the Creation and Enhancement of Technology Centers, and has thus extended the existing framework of investment incentives for the manufacturing industry.

As for the first program, investors into strategic services such as customer care centers, shared services centers, SW development centers, expert and IT/CT solution centers, and high-tech repair centers, may now get direct state subsidies for both their entrepreneurial activities and the training and retraining of their employees. The subsidies are distributed over a ten-year period. Their amount further depends on the target location. In general, the subsidies will amount to twenty to fifty percent of the total investment.

The second program is aimed at innovation in pre-production phase as opposed to fundamental research. Firms that invest into the construction of centers and staff training are eligible for support.

Main criteria for the allocation of subsidies are:

(1) Strategic services:

- > Minimum investment CZK 50 million or CZK 25 million in regions with higher unemployment
- > Must create at least 50 new jobs for Czech citizens
- > At least 50 percent must be exported
- > Minimum 25 percent must be financed from equity capital
- > Retention of the investment for a 5-year period

(2) Technology centers:

- > Minimum investment CZK 15 million
- > Must create at least 15 new jobs for people with permanent residence in the Czech Republic
- > Ratio of foreign workers must not exceed 40 percent
- > Minimum 25 percent must be financed from equity capital
- > 50 percent of the production must be exported
- > Retention of the investment for a 5-year period

 EU WATCH

In an interview with the Czech daily "Lidove noviny", Mr. Craig Stapleton, **U.S. Ambassador to the Czech Republic, endorsed the benefits of the Czech Republic's entry into the EU for US investors.** "...Rules will be the same as in any other European country, and investors will go where they feel the biggest opportunity. I believe that the Czech Republic is one of those places", he said.

The EU advised candidate countries to concentrate on growth and to resolve the issue of budget deficits after their accession. The Finance Ministry expects a public-sector deficit this year of 8.9 percent of GDP, compared to the 3 percent allowed under Maastricht Treaty. The EU also said that one of the issues in the Czech Republic is high level of

redistribution (high taxes and social-security payments). The Finance Ministry added that value added tax collection is the biggest problem this year and the receipts will fall short by CZK 7-10 billion.

During his visit to Prague, U.S. Assistant Secretary of Commerce Mr. William Lash suggested that the Czech Republic should not terminate the Czech-American bilateral investment treaty (BIT) when joining the EU. Contrary to the European Commission's opinion, he argued that all EU countries other than Sweden and Portugal have similar provisions as part of their Friendship Commerce and Navigation (FCN) Treaties with U.S. He added that the EC has not been able to point to any specific paragraphs of the treaty that are supposedly incompatible with EU law.

 COMPANIES & BUSINESS

> **Letecke zavody Kunovice**, the Czech manufacturer of aircraft, will supply 21 gliders to the **United States Air Force**. The gliders Blanik, Super Blanik and Solo will be used for pilot training at Edwards Air Base in California. Gliders were tested in April at the airport in Kunovice, Czech Republic. A glider costs about 30,000 USD. Letecke zavody Kunovice manufactures about 30 gliders annually and exports them mostly to Argentina, Brazil and Japan.

> **CZ Strakonice**, the Czech manufacturer of gearbox parts, turbo-blowers, chains, manufactured 55,000 turbo-blowers for the U.S. company **John Deere** in 2001. Turbo-blowers are used in tractors, farm machinery, construction machinery, and stationary engines. They are shipped to the Deere's plants in the USA and France. The Czech company increased its supplies for John Deere year-on-year by 20,000 turbo-blowers. CZ Strakonice employs 1,800 people and its sales reached \$70 million USD in 2001. CZ Strakonice has been a supplier for John Deere since 1997 year.

> **South African Breweries (SAB)** merged with the second largest U.S. brewer **Miller Brewing Company**. The merger will give SAB's premium export beer **Pilsner Urquell** from the Czech Republic a major leg up in the world's most lucrative beer market, the United States. The \$5.6 billion agreement to buy U.S.-based Miller from U.S. tobacco producer Philip Morris thrusts SAB into the No. 2 spot among worldwide brewers by volume, behind Anheuser-Busch. The Czech Republic's biggest export beer, Pilsner Urquell, will access Miller's distribution system, considered key to turning it into a Top 5 global brand and increasing U.S. sales. When SAB bought Czech brewing companies Plzensky Prazdroj and Pivovar Radeagast in 2000, it placed building the Pilsner

Urquell brand at the top of its priority list. SAB has launched a \$10 million advertising campaign to pump up the marketing of its flagship export, and it increased investments in the brand's production facilities by 119 percent to CZK 849 million in 2001.

> National carrier **Czech Airlines (CSA)** posted a 2001 profit of \$7.8 million, which accounts for a 57 percent drop from \$18.3 million in 2000. CSA is one of the few European airlines that stayed out of red figures last year. CSA is a member of **SkyTeam Alliance** with U.S. Delta and French Air France and other carriers.

> **Almost 40 percent of Czech firms check e-mail correspondence** of their employees, according to an iMonitor B2B poll conducted by TNS Factum. 17 percent of these companies monitor employees' e-mails regularly, 12 percent occasionally, and 10 percent rarely. Fifty-eight percent of corporations don't check e-mails at all.

> State railway company **Czech Railways** is to split into two firms on January 1, 2003. The new joint-stock company CD will operate railway transportation with assets worth CZK 39.5 billion (\$1.12 billion). The second company Sprava Zeleznici Dopravni Cesty will create an independent administration in charge of railway infrastructure.

> **Cesky Telecom** said 15,000 pay phones would be equipped with SMS messages and email function within a few weeks. The introductory price for SMS will apparently be less than CZK 1. Later, the price will rise to CZK 2-3. Use of pay phones has dropped about 40 percent due to cellular phones. Meanwhile, Eurotel said it has nowhere to grow and is therefore looking at new avenues, such as SMS-based games. XgenGO game could bring in

CZK 50 million in revenue. T-Mobile said that this service couldn't pay off at the moment because cell phones in Europe are not good enough yet to have interesting games.

> **The mortgage market grew by about 50 percent last year** but is still limited to about 50,000 people. A 100 square meters apartment in the center of Prague is roughly one-sixth the price of a comparable apartment in New York City and less than half the price in Frankfurt or Amsterdam.

> According to the Small and Midsize Business Association, **small Czech companies account for about one-third of economic output and nearly 60 percent of employment.** Small businesses, however, face a number of obstacles, such as fierce competition from incentives-supported foreign investors, discrimination by multinational retailer chains, and poor access to credit.

> "Based on good experience in our plants in the Czech Republic, we decided to transfer production capacities to Brandys. ...Especially the good qualification, technical skills and the favorable conditions for industrial investment in the Czech Republic made the choice easier for us", said Mr. Ludwig Altendorf, President VDO Siemens CR, commenting the **Siemens decision to invest \$114 million into a new automotive electronic components production in Brandys nad Labem**, Czech Republic. The project will create 1,900 new jobs. With total sales EUR 5.7 billion, Siemens VDO Automotive is one of the world's leading suppliers of electronics and electrical components to the automotive industry.

 INVESTMENT & INVESTORS

Investor of the Year 2001 Award

CzechInvest jointly with the Association for Foreign Investment, and the Czech Ministry of Industry & Trade announced the winners of the "Investor of the Year" award for the year 2001 in the following categories: (1) "Most Significant Investment"; (2) "Investment Most Beneficial to the Community"; (3) "Investment Most Enhancing Human Resources".

Investor of the Year is a contest of companies that announced their investment projects in the respective year and received investment incentives from the Government. A particular investment project may only win once. The annual award was announced for second year. Once again, 8 independent judges

were named to ensure objectivity and fairness of the contest. The award ceremony to announce 'Investor of the Year 2001' took place at the historic Bethlehem Chapel in Prague. Representatives of the winning companies took the awards from Prime Minister Milos Zeman.

Most Significant Investment

- > Criteria: announcement of the investors' intent to invest in 2001
- > Calculation: absolute amount of investment + number of jobs created

Ranking	Investor	Sector	Ranking	New jobs	Investment (mil. USD)
1.	TPCA - Toyota Peugeot Citroën	automotive	Kolin	2000	1500
2.	Bosch Diesel	automotive	Jihlava	1485	229
3.	Denso Manufacturing	automotive	Liberec	936	266

Investment Most Beneficial to the Community

- > Criteria: the company's commitment to create a specific number of new jobs in regions of high unemployment
- > Calculation: "economic benefit coefficient" multiplied by the number of newly created jobs

Unemployment Rate	Regional category	Economic benefit coefficient
50 percent and over the average rate	A	6
25 percent and over the average rate	B	3
up to 25 percent of the average rate	C	1

Ranking	Investor	Sector	Ranking	New jobs	Investment (mil. USD)
1.	Osram Bruntal	electrical engineering	Bruntal	A	438
2.	Koito Czech	Automotive	Zatec	A	340
3.	Onamba CR	electrical engineering	Olomouc	B	450

Investment Most Enhancing Human Resources

- > Criteria: investment intent includes expenditures on training and retraining
- > Calculation: Percentage of employees taking part in training out of total number of jobs created multiplied by the amount of investment for training and retraining per person multiplied by percentage of university and secondary school graduates employed

Ranking	Investor	Sector	Location	Investment in Training for 1 Job (USD thousands)
1.	IBM GS Delivery Center	strategic services	Brno	28
2.	Kimberly-Clark	hygienic products	Jaromer (Nachod)	26
3.	Accenture Services	strategic services	Praha-Nove Butovice	6

> **Honeywell-Ademco** announced that the Czech division of Honeywell would open their production facility into full operation in the **Czech Technology Park** in Brno. Ademco took over the former operations of Lexmark in the Technology Park in Brno in mid-October 2001. They retained a substantial part of the qualified team of people created by Lexmark, including the General Manager. During this first project phase, the company invested USD 2 million. The next project phase is now undergoing approval in which Ademco considers investing another USD 2 million over the next six months. Ademco is Honeywell's division of Automation and Control Solutions, belonging to the Security and Fire Systems group. Sales of this group reached some USD 1.9 billion last year. This group includes 18 production plants spread throughout all parts of the world.

> Germany's **Salzgitter**, leading steel industry group in Europe, intends to acquire **Vitkovice Steel**, according to a letter sent to the Czech Cabinet. Salzgitter has demanded a six-month exclusive period to carry out due diligence at the steelworks. U.S. Steel is also among the world producers considering the acquisition.

> Multinational corporation **IMI Norgren** plans to move part of their production to the industrial park in Modrice near Brno. IMI Norgren intends to transfer production of engineering components and pneumatic products worth L42 million annually from UK and Germany. Production should be up and running as early as October this year.

> **Zexel Valeo Climate Control Corporation** has applied for investment incentives to build a new plant for manufacturing compressors used in automotive air-conditioning systems. Zexel Valeo will invest \$53 million over the course of three years and create 475 new jobs. A new plant will manufacture compressors used in automotive air-conditioning systems. As a reaction to the demand increase, most of the future production is intended for the European market. The expected annual volume should amount to 1 million units. The new factory is being built in Humpolec, East Bohemia, with completion scheduled this year. Among future customers are VW Group and GM Group. Zexel Valeo is a joint venture by Bosch and Valeo Climatization with headquarters in Japan.

> **The Antitrust Office (UOHS) approved the sale of Transgas to RWE Gas** on the condition that RWE will not enter the Czech electricity and heating market until the sector is privatized or for a maximum of five years. RWE had previously expressed its interest in building a gas-fired power plant in the CR. Another restriction calls for RWE not to take control of Moravske Naftove Doly, the only domestic natural-gas producer, or to block its decisions. Transgas doubled its profit in 2001.

FOCUSED ON: CZECH STEEL PRODUCERS

Czech Steel Products - a Viable Alternative

Additional tariffs imposed by President Bush on certain steel imports, ranging from 8 – 30 percent, do not apply to iron and steel products imported from the Czech Republic. The imports of Czech steel have been relatively small (68 million USD in 2001), and the country's exports to the US fit into the GSP (Generalized System of Preferences). The

countries enjoying the GSP have been excluded by the U.S. administration from the protective Special 201 tariff provisions.

In search for new import sources, U.S. businesses are finding the Czech steel mills and their products to be a viable alternative due to both pricing and quality - certified ISO 9001 and higher.

Major steel mills and exporters are listed below.

Ferromet

Rolled, drawn, peeled, ground steel, drawn, welded and seamless tubes, representation of Zelezarny Chomutov, Zelezarny Veseli, Zelezarny Hradek
 Opletalova 27
 111 81 Praha 1
 Phone: (+420) 2.2421.2263
 Fax: (+420) 2.2421.2396
ferromet@ferromet.cz
www.ferromet.cz

Nova Hut - Valcovna za studena

Coke and byproducts, tubes and pipes, hot rolled sheets
 Vratimovska 689
 707 02 Ostrava - Kuncice
 Phone: (+420) 69.5686.137
 Fax: (+420) 69.5683.977
export@novahut.cz
www.novahut.cz

Nova Hut - Technika

Drawn steel wires - hard cold drawn, hard wet drawn, black annealed, light annealed, galvanized, copper-coated, semi-hard
 Vratimovska 138
 707 00 Ostrava - Kuncice
 Phone: (+420) 69.678.2041
 Fax: (+420) 69.678.2043
nova.hut.technika@iol.cz
www.nhtechnika.cz

Sandvik Chomutov

Cemented carbide and high speed steel tools, stainless high alloy steels, special metals, tubes
 Libusina 4778
 P.O. BOX 149,
 Chomutov, 430 01
 Phone: (+420) 396.615.111
 Fax: (+420) 396.652.653
leif.johansson@sandvik.cz
www.sandvik.com

Strojirny Poldi

Low, medium and high alloy steel, rolls and tools, rolls for cold rolling, crankshafts division
 Dubska 243
 272 03 Kladno
 Phone/Fax: (+420) 312.627.445
main@strojipoldi.cz
www.strojipoldi.cz

Skoda Steel

Forgings, drop forging, castings
 Tylova 57
 310 00 Plzen
 Phone: (+420) 19.773.2528
 Fax: (+420) 19.773.4276
jmatuchova@skoda-steel.com
www.skoda-steel.com

Trinecke zelezarny

Coke, iron, steel
 Prumyslova 1000
 739 70 Trinec
 Phone: (+420) 659.435.045

Fax: (+420) 659.438.019
commerce@trz.cz
www.trz.cz

Valcovny plechu

Steel plates and sheets
 Krizikova 1377
 Frydek - Mistek, 738 05
 Phone: (+420) 658.482.848
 Fax: (+420) 658.482.309
prodej@vpfm.cz
www.vpfm.cz

Vitkovice

Steelworks and rolling mill equipment, casting, steel frames, pipes, rolled steel plates
 Ruska 2887/101
 70602 Ostrava - Vitkovice
 Phone: (+420) 69.2926.444
 Fax: (+420) 69.2921.436
milos.holy@vitkovice.cz
www.vitkovice.cz

Zelezarny Veseli

Cold drawn, peeled and ground steel, welded and drawn steel tubes and section tubes
 Kollarova 1229
 698 12 Veseli nad Moravou
 Phone: (+420) 631.3111.111
 Fax: (+420) 631.311.215
info@zeves.cz
www.zeves.cz

INDUSTRY PROFILE: WINEMAKING IN THE CZECH REPUBLIC

Although the founding father of the European wine growing is believed to be Roman emperor Marcus Aurelius, there is evidence that grapevines were cultivated in the Czech territory long before his era by the Celtic tribes. Wine growing in the region of today's Czech Republic achieved its greatest fame in the 14th century during the reign of Charles IV of the Luxembourg House.

Extensive production capacities have been accumulated in the 20th century as the winemaking was respected as an important economic activity. At present, wine grapes are cultivated in the country on over 27,000 acres of land. Czech vintners have won an international acclaim and the professional public respects quality Moravian and Bohemian wines.

Although the country's total wine-growing area is rather small, it represents a rich variety of soil, terrain, and microclimate combinations, imprinting a number of recognizable characteristics of grapes. The Czech Republic is delineated into two major regions reflecting the historical

lands: Moravia and Bohemia. These regions further split into 16 regional designations, or appellations (10 in Moravia and 6 in Bohemia).

The past decade and the turn of the millennium witnessed an ever-growing interest and taste for Bohemian and Moravian wines. According to a government study, the optimum acreage for successful winemaking would be twice as bigger as the current area.

The Czech government introduced a program to support both domestic and foreign investors in vineyard plantation, designed to increase the total cultivated area to over 50,000 acres. The program aims to identify land suitable for plantation, preferably where grapevines have been cultivated in the past, and eventually provide financial aid to new growers.

There are hundreds of grape growers and winemakers in the country. Most of them are small businesses and individuals with passion for the "royal drink" – the title wine has been given centuries ago. Just a few of the largest, best, and most distinctive are listed below.

>MORAVIA**Agrodruzstvo Novy Saldorf - Modry sklep**

Since 1965
 Appellation: Znojmo
 Annual production: 400 thousand liters
 Wine-growing area: 185 acres
 White wines: Müller-Thurgau, Rhenish
 Riesling, Ruland, Sauvignon
 Red wines: St. Laurence, Frankovka

Novy Saldorf
 671 81 Znojmo, Czech Republic

Phone: (+420) 624.227.046
Fax: (+420) 624.227.025
Contact person: Stanislav Zabožnik

Agrosovin

Appellation: Uherske Hradiste
 Wine-growing area: 260 acres
 White wines: Muscat, Veltlin Green, Ruland
 Grey, Ruland White,
 Red wines: Tramin, Blue Portugal

Vinny sklep Sovin

687 09 Borsice u Buchlovic 527
Czech Republic
Phone: (+420) 632.501.127-234
Fax: (+420) 632.501.127
Contact person: Mr. Dudsek

Baloun

Since 1991
 Appellation: Velke Pavlovice
 Annual production: 600 thousand liters
 Wine-growing area: 28 acres (most of grapes
 buys from local growers)

Special reserve wines and sparkling wines

Nadrazni 1

691 06 Velke Pavlovice, Czech Republic
Phone: (+420) 626.428.909
Fax: (+420) 626.428.236
Contact person: Mr. Radomil Baloun

Klasterne vinne sklepy Rajhrad

Since 1692
Appellation: Brno
Annual production: 110 thousand liters
Wine-growing area: 45 acres
White wines: Müller-Thurgau, Veltlin Green, Ruland, Rhenish Riesling, Veltlin Red

Sklepní hospodarství

Stefanikova 69
664 61 Rajhrad, Czech Republic
Phone: (+420) 5.4723.0039
Fax: (+420) 5.4621.7328
www.e-world.cz/rajhradskeklasterne
Contact person: Radomir Sedlacek

Mikros Mikulov

Appellation: Mikulov
Annual production: 250 thousand liters
Wine-growing area: 200 ha vinic.
White wines: Riesling, Veltlin Green, Müller-Thurgau, Ruland, Veltlin Red
Red wines: St. Laurence, André, Ruland Blue, Zweigeltrebe, Cabernet Sauvignon

Nadrazni 29

692 01 Mikulov, Czech Republic
Phone: (+420) 625.510.740
Fax: (+420) 625.510.015
Cellar - Dolni Dunajovice, Phone: (+420) 625.773.229
mikros-vin.mikulov@iol.cz
Contact person: Mr. Perina

Moravino

Appellation: Mikulov
Annual production: 500 thousand liters
Wine-growing area: 37 acres
White and red wines

Mikulovska 176

691 42 Valtice, Czech Republic
Phone: (+420) 627.352.061
Fax: (+420) 627.352.202
moravino@bv.anet.cz
www.vino-party.cz/moravino
Contact person: Mr. Budin

Neoklas Sardice

Since 1742
Appellation: Mutenice, Kyjov
Annual production: 860 thousand liters
Wine-growing area: 306 acres
White wines: Veltlin Green, Müller Thurgau, Muscat, Riesling, Ruland White, Chardonnay, Neuburg, Sauvignon, Rhenish Riesling, Veltlin Red, Ruland Grey, Tramin Red
Red wines: St. Laurence, Blue Portugal, Zweigeltrebe, Frankovka, Cabernet Sauvignon, Neronet

696 13 Sardice 700, Czech Republic
Phone: (+420) 629.624.404

Fax: (+420) 629.624.527

Contact person: Mr. Petr Vydarily, Ms. Marcela Sobotova

Palavin

Since 1993
Appellation: Mikulov
Annual production: 45 thousand liters
Wine-growing area: 173 acres
White wines: Ruland White, Rhenish Riesling, Tramin Red, Ruland Grey, Müller-Thurgau
Red wines: Ruland Blue, St. Laurence

Bavory 7

692 01 Mikulov, Czech Republic
Phone: (+420) 625.515.500, Cell: (+420) 602.719.030
Contact person: Mr. Stastny

Patria Kobyli

Since (around) 1223
Appellation: Velke Pavlovice
Annual production: 1 million liters
Wine-growing area: 383 acres
White wines: Neuburg, Veltlin Green, Müller-Thurgau, Sylvan Green, Italian Riesling, Rhenish Riesling, Tramin Red, Ruland White
Red wines: St. Laurence, Blue Portugal, Frankovka

Augusty Sebestove 716

691 10 Kobyli, Czech Republic
Phone: (+420) 626.431.150-154
Fax: (+420) 626.431.102
Contact person: Mr. Lanzhotsky, Ms. Otahalova
patriakobyli@sol.cz
www.patriakobyli.cz

Pavlovin

Since 1995
Appellation: Velke Pavlovice
Annual production: 800 thousand liters
White wines: Müller-Thurgau, Veltlin Green, Italian Riesling, Rhenish Riesling, Neuburg, Ruland White, Sauvignon, Tramin Red
Red wines: Frankovka, St. Laurence, Ruland Red, Cabernet Sauvignon

Nadrazni 18

691 06 Velké Pavlovice, Czech Republic
Phone: (+420) 626.428.939
Cell: (+420) 603.260.186
Contact person: Mr. Milos Vadovic, CEO
Mr. Vratislav Dosek, Sales Rep

PPS Agro Strachotin

Appellation: Mikulov
Annual production: 200 thousand liters
Wine-growing area: 213 acres
White wines: Sauvignon, Tramin Red, Palava, Rhenish Riesling, Sylvan Green, Italian Riesling, Veltlin Green, Neuburg, Muscat, Chardonnay
Red wines: St. Laurence, Frankovka, Ruland Blue

Nova 161

690 02 Strachotin, Czech Republic
Phone: (+420) 626.415.517
Fax: (+420) 626.415.735
Cell: (+420) 607.602.394
Contact person: Ms. Janakova

Vinarstvi Josef Valihrach

Appellation: Velke Pavlovice
Wine-growing area: 5 acres
Special reserve wines (awarded "Chardonnay of the World" in France)

691 73 Krumvir 395, Czech Republic

Phone/Fax: (+420) 626.419.350
Contact person: Mr. Josef Valihrach

Vinarstvi Jana Vanka

Appellation: Znojmo
Annual production: 25 thousand liters
Wine-growing area: 9 acres
White wines: Sauvignon, Rhenish Riesling, Ruland White, Muscat, Tramin, Italian Riesling, Veltlin Green, Müller-Thurgau
Red wines: St. Laurence, André

671 24 Vrbovec 251, Czech Republic

Phone: (+420) 624.230.179
Contact person: Mr. Jan Vaneek, Owner

Vinium Velke Pavlovice

Since 1936
Annual production: 9,1 million liters
The company is probably the biggest producer of table, spiced, and special collection wines in the country.

Hlavni 666

691 06 Velke Pavlovice, Czech Republic
Phone: (+420) 626.403.141
Fax: (+420) 626.428.670
obchod@vinium.cz
www.vinium.cz
Contact person: Mr. Radek Prokes, Ms. Vera Prochazkova

Vinne sklepy Valtice

Since 1430
Appellation: Mikulov
Annual production: 2,8 million liters
Wine-growing area: over 1038 acres
Chardonnay, Ruland, Sauvignon, and Cabernet Sauvignon.

Vinarska 1

691 42 Valtice, Czech Republic
Phone: (+420) 627.352.329, 352.552
Fax: (+420) 627.352.330
valvin@vsvaltice.cz
www.vsvaltice.cz
Contact person: Mr. Antonin Stastny, Director
Ms. Ivona Holeckova, Sales Department

Vinny sklep Kasnice

Since 1993
Appellation: Velke Pavlovice
Annual production: 200 thousand liters
Wine-growing area: 45 acres
White wines: Neuburg, Ruland White, Sauvignon, Müller-Thurgau
Red wines: André

Kasnice, c.p.52

691 72 Klobouky u Brna, Czech Republic
Phone/Fax: (+420) 626.419.167
Contact person: Mr. Zvonic, Mr. Marek
sklep@iol.cz
www.c-mail.cz/sklep

Vino Marcincak Mikulov

Appellation: Mikulov
 Annual production: 600 thousand liters
 Wine-growing area: 198 acres
 White wines: Italian Riesling, Riesling Rhenish, Veltlin Green, Tramin Red, Veltlin Red, Ruland Grey
 Red wines: Ruland Blue, St. Laurence, Frankovka, Zweigeltrebe

Vinarska 6
 692 01 Mikulov, Czech Republic
 Phone: (+420) 625.510.958
 Fax: (+420) 625.513.752
[vino@iol.cz](mailto: vino@iol.cz)
www.vinmarkcz.com
 Contact person: Mr. Marcincak

Vino Mikulov

Since 1991
 Appellation: Mikulov
 Annual production: 55 million liters
 Reserve, sparkling, sweet, and spiced wines

Prumyslova oblast 1220
 692 11 Mikulov, Czech Republic
 Phone: (+420) 625.504.111
 Fax: (+420) 625.510.334
[info@vinomikulov.cz](mailto: info@vinomikulov.cz)
www.vinomikulov.cz
 Contact person: Mr. Jaroslav Hlavac, Director

Vinselekt

Appellation: Mikulov, Velke Pavlovice
 Annual production: 0.8 million liters
 Wine-growing area: 173 acres
 Quality and reserve wines (awarded)

Druzstevni 818
 691 03 Rakvice, Czech Republic
 Phone: (+420) 627.349.496, 350.525
 Fax: (+420) 627.350.530
[vinselekt@vinselekt.cz](mailto: vinselekt@vinselekt.cz)
www.vinselekt.cz
 Contact person: Mr. Milos Michlovsky, Mr. Pavel Bizá

ZD Sedlec

Appellation: Mikulov
 Annual production: 700 thousand liters
 Wine-growing area: 346 acres
 White wines: Italian Riesling, Veltlin Green, Chardonnay, Müller-Thurgau, Neuburg, Sylvan Green, Rhenish Riesling, Tramin Red, Ruland Grey, Sauvignon, Muscat

691 21 Sedlec u Mikulova, Czech Republic
 Phone: (+420) 625.513.328
 Fax: (+420) 625.513.328
 Cell (+420) 602.579.370
[zdsedlec@iol.cz](mailto: zdsedlec@iol.cz)
 Contact person: Mr. Jan Hajda

Zera

Since 1989
 Appellation: Mutenice
 Annual production: 150 thousand liters
 Wine-growing area: 78 acres
 White wines: Rhenish Riesling, Veltlin Green, Chardonnay, Müller Thurgau, Veltlin Red, Tramin Red, Italian Riesling, Neuburg, Muscat

Za mlynem 1264
 696 02 Ratiskovice, Czech Republic
 Phone: (+420) 628.367.305-8
 Fax: (+420) 628.367.110
 Contact person: Mr. Jaroslav Oplustil

Znovin Znojmo

Appellation: Znojmo
 Annual production: 4.2 million liters of wine and 1.3 million liters of vermouth
 Wine-growing area: 30 acres of own wineries, most of grapes purchased from local growers
 White wines: Rhenish Riesling, Italian Riesling, Ruland Grey, Ruland White

671 22 Satov 404, Czech Republic
 Phone: (+420) 0624.221.656, 232.465 (odbyt)
 Fax: (+420) 0624.221.650
[znovin@znovin.cz](mailto: znovin@znovin.cz), [odbyt@znovin.cz](mailto: odbyt@znovin.cz)
www.znovin.cz
 Contact person: Mr. Pavel Vajcner, Mr. Jaroslav Opatril

>BOHEMIA**Bohemia sekt**

is the largest producer of wine in the Czech Republic. Beside its own production of renowned "Bohemia Sekt" sparkling wine, the company controls a couple of other producers. You will find more information about the company and its assortment at their homepage. Wine-growing area: 94 acres of own wineries

Ceskomoravska vinarska a.s.
 Smetanova 220
 332 02 Stary Plzenec, Czech Republic
 Phone: (+420) 619.719.7111
 Fax: (+420) 197.966.647
[info@bohsekt.cz](mailto: info@bohsekt.cz)
www.bohsekt.cz

Klasterne vinne sklepy Litomerice

Since (around) 1359
 Appellation: Zernoseky
 Annual production: 250 thousand liters
 Wine-growing area: 106 acres
 White wines: Müller-Thurgau, Rhenish Riesling, Ruland White, Tramin Red, Veltlin Red
 Red wines: St. Laurence

Velka dominikanska 11
 412 01 Litomerice, Czech Republic
 Phone: (+420) 416.746.170
 Fax: (+420) 416.732.829
 Contact person: Mr. Posik, Mr. Suhajek

Lobkowiczke zamecke vinarstvi

Since 1603
 Appellation: Roudnice
 Annual production: 200-250 thousand liters
 Wine-growing area: 173 acres
 White wines: Müller-Thurgau, Rhenish Riesling, Ruland White, Ruland Grey, Sylvan Green, Chardonnay
 Red wines: St. Laurence, Blue Portugal, Ruland Blue

Zamek Roudnice c.p.1
 413 01 Roudnice nad Labem, Czech Republic
 Phone/Fax: (+420) 411.837.234
 Contact person: Mr. Jan Podrabsky

Vitamina - druzstvo ovocnaru

Appellation: Caslav
 Annual production: 8 thousand liters
 Wine-growing area: 14 acres
 White wines: Tramin Red, Müller-Thurgau, Ruland White, Ruland Grey
 Red wines: St. Laurence, Ruland Blue

Sejfertovy sady 38
 284 01 Kutna Hora, Czech Republic
 Phone: (+420) 327.513.688
 Fax: (+420) 327.513.573
 Contact person: Vaclav Sulc, Director

VUVR - Vyzkumna stanice vinarska v Karlstejne

Since 1348
 Appellation: Praha
 Annual production: 25 thousand liters
 Wine-growing area: 19 acres
 White wines: Müller-Thurgau, Ruland White, Sylvan Green
 Red wines: St. Laurence, Blue Portugal

267 18 Karlstejn 98, Czech Republic
 Phone/Fax: (+420) 311.681.131
 Contact person: Mr. Kadlec

Zamek Melnik & vinné sklepy Jiriho Lobkowicze

Since 1753
 Appellation: Melnik
 Annual production: 140 thousand liters
 Wine-growing area: 148 acres
 White wines: Müller-Thurgau, Riesling Rhenish, Ruland White, Tramin Red, Chardonnay
 Red wines: St. Laurence, Ruland Blue, Blue Portugal, Zweigeltrebe

Zamek Melnik c.p. 1
 276 01 Melnik, Czech Republic
 Phone: (+420) 206.622.121
 Fax: (+420) 206.622.125
[lobkowicz@lobkowicz-melnik.cz](mailto: lobkowicz@lobkowicz-melnik.cz)
www.lobkowicz-melnik.cz
 Contact person: Mr. Karel Hejduk

Zernosecke vinarstvi

Since (around) 1300
 Appellation: Zernoseky
 Annual production: 110 thousand liters
 Wine-growing area: 57 acres
 White wines: Müller-Thurgau, Rhenish Riesling, Ruland White, Muscat, Tramin Red, Ruland Grey
 Red wines: St. Laurence, Blue Portugal

Velké Zernoseky c.p.1
 412 01 Litomerice, Czech Republic
 Phone: (+420) 416.747.128
 Fax: (+420) 416.747.006
[zervin@sendme.cz](mailto: zervin@sendme.cz)
 Contact person: Mr. Frantisek Kupsa

CZECH COMPANIES LOOKING FOR PARTNERS, REPRESENTATIVES, IMPORTERS, DISTRIBUTORS

Armagas

One of the biggest producers of >SAFETY ELECTROMAGNETIC VALVES "BAP"< and other products for the gas industry is looking for U.S. partners

Prumyslova 1021

739 65 Trinec-Stare Mesto, Czech Republic

Phone/Fax: (+420) 659.436.975

armagas@vol.cz

www.armagas.cz

Ms. Ivana Mlcochova

Brans Glass

A producer of traditional >BOHEMIA GLASS AND CRYSTAL< is looking for distributors.

U Blazenky 31

150 00 Praha 5, Czech Republic

Phone: (+420) 602.557.611

Fax: (+420) 2.5156.2673

mta@ova.eridan.cz

www.bransglass.cz

Mr. Vaclav Blazek

Cink

The company supplies and completes >EQUIPMENT OF HYDRO POWER PLANTS WITH CINK, FRANCIS AND PELTON TURBINES< including electrotechnological equipment. The company itself produces turbines with electromechanical or hydraulic regulation.

Chebska 48

360 06 Karlovy Vary, Czech Republic

Phone: (+420) 17.344.9595

Fax: (+420) 17.344.9375

bolikova@cink-turbiny.cz

www.cink-turbiny.cz

Ms. Petra Bolkova

Cleverbee

Cleverbee is a Swiss >SOFTWARE< company with an office in Prague with motivated team of people who look forward to the opportunity to offer you >IT SERVICES<. Cleverbee's 10-year know-how in the field of IT services helps them to focus quickly on the latest technologies and assure quality services to clients within short deadlines and for unmatched development costs.

Nadrazni 56

CZ-150 00 Praha 5, Czech Republic

Phone: (+420) 2.5110.6110

Fax: (+420) 2.5110.6111

p.simek@cleverbee.com

www.cleverbee.com

Mr. Petr Simek

Crystal Roses

Crystal Roses is a manufacturer and exporter of >CRYSTAL ITEMS, CHRISTMAS GIFTS AND LUXURY SANDBLASTED CRYSTALWARE<.

V Nivach 12

46601 Jablonec nad Nisou, Czech Republic

sales@crystalroses.cz

www.crystalroses.cz

Mr. Zahradka

Czech Tradition

The company offers traditional hand made >CHRISTMAS AND EASTER DECORATIONS AND BOHEMIAN GLASSWARE<.

Zahumenni 335

742 21 Koprivnice, Czech Republic

Phone: (+420) 656.821.589

Fax: (+420) 656.821.832

info@czechtradition.com

www.czechtradition.com

Mr. Pavel Vlach

Kingsglass

A wholesaler and exporter of hand-made glass articles custom made by Czech artists such as >CRYSTAL CHANDELIERS, CANDLE HOLDERS, OIL LAMPS, THERMOMETERS, VASES, BOWLS, ASHTRAYS, FIGURINES, FLOWERS, PANEL CUT CRYSTAL, FROSTED CRYSTAL, MALACHITE GLASS< seeks U.S. partners/distributors.

kings@iol.cz

Mr. Jaroslav Kral

L.A. Bernkop

A manufacturer of >BENTWOOD FURNITURE< and accessories is looking for business representation in the U.S.

Markova 929

744 01 Frenstat pod Radhostem, Czech Republic

Phone: (+420) 656.832.250

Fax: (+420) 656.835.890

Rkaras@labernkop.cz

www.bernkop.cz

Mr. Radovan Karas

Loukov Development Association

Investors association is looking for U.S. co-investors and operator in a development project of a new holiday resort in the Czech Republic comprising of a country hotel, golf course, horse farm and recreational apartment houses. For presentation materials and more information, please contact Loukov Association below.

Phone: (+420) 2.2177.1730

Fax: (+420) 2.2231.6805

Cell: (+420) 604.72893

PetrC@seddons.cz

Mr. Petr Cizek

Sebat

Czech producer of >LINENS - PILLOW CASES, SHEETS, BLANKET COVERS< looks for a representation in the United States

Krkonoška 140

468 41 Tanvald, Czech Republic

Phone: (+420) 428.332.946

Fax: (+420) 428.394.274

Cell: (+420) 608.141.454

tpavelka@sebat.cz

www.sebat.cz

Mr. Tomas Pavelka

Technosklo

A producer of >LABORATORY AND TECHNICAL GLASS< is looking for partners interested in mutual cooperation.

Phone: (+420) 428.385.141

Fax: (+420) 428.385.040

cermak@technosklo.com

Mr. Petr Cermak

Walter-Deritend

Walter-Deritend supplies >CASTINGS BY METHOD OF LOST WAX FOR AEROSPACE (BLADES AND ENGINE COMPONENTS); IGT (BLADES, SEGMENTS, FULL RING NOZZLES) AND NUCLEAR (FUEL NOZZLES) INDUSTRY<. The foundry uses materials from carbon, corrosion and heat resistant steels to Nickel and Cobalt based superalloys. W-D has got ISO9002 certification and is regularly audited by its customers (GEPS, Snecma, Kawasaki, Samsung, Westinghouse).

Radlicka 227/107

158 00 Praha, Czech Republic

Phone: (+420) 2.5104.5030

Fax: (+420) 2.5722.5181

walter-deritend@iol.cz

www.walter.cz/deritend.htm

Mr. Karel Klima - Sales & Marketing Manager

Zako

Czech manufacturer of GLASS BEADS, ROSARIES, DIADEMS, NECKLACES AND PENDANTS is looking for distributors.

Horska Kamenice 95

46822 Zelezny Brod, Czech Republic

Fax: (+420) 428.389.754

t.fichtner@zelbrod.cz

<http://zako-glass.web.worldonline.cz>

Mr. Lukas Fichtner

 NEW CZECH PRODUCTS AND SERVICES IN THE U.S.

APEX Trading

has been importing food products and beverages into the United States since 1991. The assortment includes products for both processing industry and retail. Among major imported commodities area: >CHEESE, BUTTER, MILK POWDERS, CONDENSED MILK, WHEAT GLUTEN, JAMS AND PRESERVES, CANNED FRUITS AND VEGETABLES, CONFECTIONARY, HOPS, AND BEVERAGES<. As the newest addition to its retail line, Apex has recently started importing famous >"ZNOJMIA" PICKLES<.

Mr. Jiri Rais
710 Holly Court
Norwood, NJ 07648
Phone: 201.750.7380
Fax: 201.750.7381
jdrais@optonline.net

Sherpa USA – Product Showroom

Sherpa is a Czech-based >MARKETING FIRM, REPRESENTING VARIOUS CZECH MANUFACTURERS< seeking their customers in North America and EU countries. We also help foreign buyers to identify interesting and reliable suppliers in the Czech Republic. Sherpa introduces a new online showroom at www.sherpa.cz/inshop, which displays numerous first-class Czech products and provides data about featured products and their manufacturers.

Na Hrebekach 3064/80
150 00 Prague 5, Czech Republic
Phone: (+420) 604.505.360
Fax: (+420) 2.5161.1983
sherpa.usa@sherpa.cz
www.sherpa.cz

 FEATURED TRADESHOWS AND EXHIBITIONS

MEFA 2002 - International Fair of Medical Technology and Pharmacy**REHAPROTEX 2002 - International Tradeshow of Rehabilitation, Prosthetics and Health**

November 5 - 8, 2002, Brno - Exhibition Centre
The key topic of MEFA 2002 will be bio-terrorism and catastrophe medicine. The specialists attending satellite symposia will, however, also be confronted with a number of other specialist areas, such as cardiology, oncology, occupational and sports medicine, informatics, telemedicine, podiatry, drug dependence and other topics.

The REHAPROTEX tradeshow is also the venue for a large number of seminars and presentations on topics related to handicapped people. Progressive small and medium-sized companies will present their products and services in general healthcare, therapeutic and nursing care, hygiene, and informatics.

Phone: (+420) 5.4115.2818
Fax: (+420) 5.4115.3063
bknopova@bvvcz
Ms. Bohuslava Knopova, Project Director

SPORT Life - 1st International Sports Fair

November 14 - 17, 2002, Brno - Exhibition Centre
The fair would like to establish itself in the European context with the sporting atmosphere and "high adrenaline" events. Nomenclature includes bicycle and equipment and accessories for cyclists, equipment and accessories for ball games, hiking and mountaineering, fitness and rehabilitation, street sports and winter sports, clothing, footwear and accessories for sport and leisure, boats and equipment for water sports, motorcycles and equipment for motorcyclists.

Phone: (+420) 5.4115.2924
Fax: (+420) 5.4115.3068
sport-life@bvvcz
www.sport-life.cz
Mr. Petr Navratil, Project director

ChemTec 2002 - 9th International Chemical and Plastic Fair

October 15 - 17, 2002 - Prague Exhibition Grounds
Chemical and plastic industry, consumer chemistry, biotechnological processes, laboratory technics and analytics, apparatus, processing technology, computer application, chemical engineering and construction, transport, environment, labor protection, research.

Phone: (+420) 2.2010.3487
Fax: (+420) 2.3337.7217

chemtec@incheba.cz

Mr. Ales Benes, Event Manager

Autoshow Praha 2002 - 8th International Automobile Exhibition

October 24 - 27, 2002, Prague
The annual exhibition will feature car tuning, designing racing cars, hi-fi stereo systems, navigation systems, mobile media show, RVs, and accessories

Phone: (+420) 2.2010.3489, 487
Fax: (+420) 2.3337.7217
a.benes@incheba.cz
Mr. Ales Benes, Event Manager

MADI Travel Market - 9th International Travel and Hotel Tradeshow

November 5 - 7, 2002, Fairground PVA, Prague - Letnany
MADI is the largest B2B event in travel industries of "new" European markets and one of the best gateways to Central-Eastern Europe. Last year the MADI recorded 554 exhibitors from 40 countries and 4600 business attendees, mostly decision-makers from travel, hotel and spa industries.

Husitska 27
130 00 Prague 3, Czech Republic
Phone/Fax: (+420) 2.2254.1221
madi-fair@madi.cz

Major Organizers

For more information on the listed events and a complete schedule of tradeshow and exhibitions in the Czech Republic, please contact the following organizers:

BVV

Vystaviste 1
647 00 Brno
Phone: (+420) 5.4115.1111
Fax: (+420) 5.4115.3070
info@bvvcz
www.bvvcz

INCHEBA PRAHA

Vystaviste Holesovice
170 90 Prague 7 - Holesovice
Phone: (+420) 2.2010.3482
Fax: (+420) 2.3337.8225
info@incheba.cz
www.incheba.cz

CZECH COMMERCIAL OFFICES IN THE UNITED STATES

For information on Czech products, companies, and/or investment opportunities in the Czech Republic, please contact:

Czech Embassy in Washington, D.C.: Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, Tennessee, Virginia, West Virginia, Wisconsin (Midwest, South, and eastern part of the West)

Contact: Ms. Veronika Lukasova, Phone: 202.274.9104,
Fax: 202.244.2147, eco_washington@embassy.mzv.cz

Consulate General in Los Angeles: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming (western portion of the West).

Contact: Mr. Michal Korycaneek, Phone: 310.473.0889 x.229 Fax:
310.473.9813, losangeles@embassy.mzv.cz

Consulate General in New York: Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont (Northeast).

Contact: Mr. Jaroslav Remes, Phone: 212.717.5643
Fax: 212.717.5064, consulate.newyork@embassy.mzv.cz

CzechTrade - Chicago Office

Contact: Ms. Jana Sevcikova, Phone: 312.644.1790,
Fax: 312.527.5544, sevcikova@czechtrade.tpo.cz

CzechTrade - Miami Office

Contact: Mr. Roman Matyas, Phone: 305.261.6313,
Fax: 305.261.6314, matyas@czechtrade.tpo.cz

Czech Center New York

Contact: Ms. Michaela Palkova, Phone: 212.288.0830 x.106, Fax:
212.288.0971, palkova@pop.net

CzechInvest - U.S. Operations East

Contact: Ms. Hana Lasslerova, Phone: 312.245.0180,
Fax: 312.245.0183, lasslerova@czechinvest.org

CzechInvest - U.S. Operations West

Contact: Mr. Radomil Novak, Phone: 408.376.4555,
Fax: 408.376.4557, california@czechinvest.org

SUBSCRIPTION INFORMATION

If you would wish to receive free **Czech Trade Focus**© by e-mail, or if you would like to send this newsletter to someone else, please fax the request the Economic and Commercial Section of the Czech Embassy in Washington, DC, at: 202.244.2147. You can also submit your request by e-mail to: eco_washington@embassy.mzv.cz