

Czech Trade F*cus

GOOD NEWS FROM CZECH COMMERCIAL OFFICES IN THE USA / DECEMBER 2002

IN THIS ISSUE Focused on Czech Plastic and Mould Industry Czech Woodworking Machinery Union of the Czech and Moravian Product Cooperatives Equity Investment Leads

ECONOMIC OUTLOOK

>The Czech National Bank (CNB) cut the interest rates by another 0.25% in October. The two week repo rate now stands at 2.75%, the lowest level ever, and full 50 bps below the ECB's "refi" rate. The CNB also lowered its forecast of GDP growth for the full year to 1.8 - 2.3% from 2.0 - 2.7%. GDP growth is now expected at 1.1 - 2.6% vs. the previously forecasted 2.1 - 3.8%. The CNB's new inflation forecast is 1.5 - 2.9% for October 2003 and 1.7 - 3.1% for March 2004.

>Consumer prices increased by 0.6% year on year in October, while inflation rose to 0.8% y-b-y in September, but fell to mere 0.4% to 2.4% in October.

>The unemployment remain stable at 9.3% in October (mid-year unemployment stood at 8.7%, and at 9.4% in Sept). However, the number of people seeking jobs increased to 493,000 from 454,300 at the end of July. The number of unemployed is now 10 times higher than the number of job opportunities.

>Industrial production fell by 2.8% year-on-year in August as floods severely damaged the Czech Republic, but recovering quickly rose by 7.8% in September and 4.8% in October. The same trend shows construction output falling 4.9% year-on-year in August and increasing by 2.0% in September and October.

>The trade balance unexpectedly fell into a deep deficit of CZK 11.8 bn

in September and 18.1bn in October (year on year increase of CZK 7.7 bn). Reflecting several factors (decrease in foreign demand and the permanent appreciation of the koruna), exports fell by 11% year-by-year in October, while at the same time imports decreased by 4.2%. The total deficit in the balance of trade (Jan - Oct 2002) reached CZK 74.7 bn (USD 2.5 bn).

>The state budget deficit increased to CZK 32.3 bn (USD 1.05 bn) at the end of October, up from CZK 21.4 bn in September. Budget revenues were CZK 576.4 bn (USD 18.8 bn) for Jan - Oct this year (83.1% of the projected full-year total), while spendings totaled CZK 608.7 bn (USD 19.9 bn - 80.9% of the projected total).

CZECH EXPORTS TO THE U.S.

By September 2002, Czech exports to the U.S. reached \$900.3 mil., signaling potential for a historically record high-volume of exports on an annual basis. The fastest growing groups in 2002 include (in million \$):

Office machines parts	70.5
Pumps for liquids/internal combustion engines	36.8
Gas turbines, parts of	14.9
Iron & steel	50.5
Organic chemicals	50.5
Parts of aircrafts	22.5
Medical, measuring apparatuses	40.4

INDUSTRIAL TRADITION AND QUALIFIED WORKFORCE - MOST DECISIVE FACTOR TO INVESTING IN MANUFACTURING IN CR / Executives' quotes from a survey conducted among recent foreign investors in manufacturing

IMI Norgren, Brno (producer of engineering and pneumatic components) / Mr Miroslav Focht, CEO

"Poland and Hungary were compared in our analysis, but following reasons spoke for the CR: engineering and industrial tradition, the country's economic and political stability with low risks, availability of qualified workforce, good infrastructure, qualified suppliers, technical universities etc. Better than expected was advanced IT and telecommunications network, and also less administrative barriers."

Daiho Czech, Pilsen (Japanese manufacturer of molded plastic parts for electronics and automotive industry) / Mr Masamitsu Nakanishi, Deputy General Manager

"At comparatively cheap costs we are getting fine engineers, excellent geographical location in Central Europe in terms of supplies of raw materials and parts and access to European electronics and automotive industry... Better than expected we find the industrial infrastructure and the country's steady economic growth... Yes, we have an expansion plan for the future at the same location, but at this moment we need to concentrate on achieving full scale production at current capacity."

Torrington Czech Republic, subsidiary of US based Ingersoll Rand Corp. (production of roller and needle bearings for the automobile industry) / Mr Milan Tomac, CEO

"The strategy of Ingersoll Rand, which has a dominant position in the U.S. market, includes expansion in European markets. A natural part of the process is penetration of the markets of Central and Eastern Europe. After having assessed the conditions in the countries of the region, Ingersoll

Rand has decided to invest in the CR. The advantageous location of the Czech Republic in Europe, logistics links, technical know-how, the human resources potential, investment incentives, return on investment, the approaching EU accession of the Czech Republic were the decisive factors. ... Surprising to us was the positive attitude of the municipality, and also quality and price of construction works performed, really performed on high European standards".

Denso Manufacturing Czech, s.r.o. (automotive air-conditioning systems) / Mr Seiji Nakagoshi, General Manager

"Several reasons contributed to our decisions. The most important factors was suitable access to European customers, sufficient infrastructure based on the tradition of Czech industry and support by the government. Our decision was made in favor of the Czech Republic. ... The agency for promotion of foreign investment CzechInvest and representatives of the municipality have been of great assistance to us."

Osram Bruntál, US owned producer of lighting / Mr Ludek Sarman, General Manager

"The major reasons for US investment were the high technical level, qualification of Czech employees, and geographically central location in the heart of Europe. We appreciate very positive attitude of all administrative bodies from the municipality level to governmental departments."

Matsushita Communication Industrial, Czech, Pardubice (producer of car radios and mobile phones) / Mr Akihiro Haraba, Company Director

"..... Naturally we sought the most suitable territory for our project. ...We decided on the basis of the thorough analysis of important data to build a new factory manufacturing car radios and mobile phones in the Czech Republic... I must say that in the Czech Republic we were surprised by a large number of highly educated specialists. We were pleasantly surprised

by the friendly reception we were accorded by the people here, as well as by their enthusiasm for our project. We work together as a team... And a great surprise for us was also the history of your country and the beautiful architectural monuments."

THE CZECH PLASTICS SECTOR IN THE FOCUS OF FOREIGN INVESTMENT

SECTOR STATISTICS: OVER 40,000 EMPLOYEES AROUND 400 INJECTION MOULDING COMPANIES SALES TRIPLED SINCE 1994 SALES OVER USD 1.65 BILLION EXPORTS OF USD 639 MILLION IMPORTS OF USD 1.233 BILLION

Research & Development

The Faculty of Technology at Tomas Bata University in Zlin has been involved in plastics, rubber and leather technologies education and research since 1960. Today, the educational program and several research programs are focused on different issues in modern polymer processing.

In general, research in different plastics technologies and plastic material science is done at all technical universities, always in a slightly different focus.

Reason to Invest

"From the outset, TRW had bet on the renowned handiness and technical art of Czech technicians, workers and managers, and our investment and trust in the Czech market economy has paid off. TRW's Czech affiliate has been providing services to its customers now for 9 years and is endeavoring to expand and continue its ongoing improvement in the quality of its services and manufactured components in the future."

Warner Deggim, Vice President and GM,
TRW Engineered Fasteners & Components

Major Investors in the Plastics Sector

Siemens has 9 manufacturing facilities and employs over 11,000 people in the Czech Republic. Plastic components are used mainly in its Automotive Systems division.

Visteon employs over 4,000 people at 5 plants in the Czech Republic, producing automotive lighting systems and air-conditioning systems. These components are supplied to Ford, Jaguar and other customers including Fiat and Volkswagen Group.

Robert Bosch has 4 plants in the Czech Republic, producing fuel injection units, gas pedals, air-conditioning systems, and car batteries.

US auto components manufacturer TRW has 7 Czech plants with 4,500 employees and produces seat belts, car breaks, switches, steering wheels and other components for the automotive industry.

Johnson Controls employs 2,500 people in four subsidiaries in the Czech Republic and produces seating and interior systems and seat covers. The plants supply Skoda Auto, Volkswagen, Opel, Ford, Volvo and Daimler Chrysler.

French Valeo, one of the world's largest automotive suppliers, manufactures air-conditioning systems and control panels at two Czech plants. A large part of its Czech production is exported to the UK, Germany and Scandinavia.

FOCUSED ON WOODWORKING MACHINERY IN THE CZECH REPUBLIC

Since 1989, a number of small Czech woodworking shops multiplied themselves tenfold, paving the way for the Czech woodworking machinery manufacturing boom in the early 90's. Several older shops were returned to their original owners and the ones traditional industry experienced a significant revival. The woodworking technologies are designed for forestry, saw mills and drying plants, machinery for production of windows, doors and production of furniture. In surface finishing environmental conditions are more strongly emphasized and demands for quality and production of small series increased. 70% of Czech woodworking machinery output is exported to 40 countries worldwide, including the USA, where turnover in sales of woodworking machines reached 31 mil USD and export USD 22 mil in 2001. 18 Czech firms attended International Woodworking Machinery and Furniture Supply Fair IWF 2002 in Atlanta in August 2002. Czech woodworking manufacturers are associated in the Union of Woodworking Processing Technology manufacturers of the Czech Republic and Association of Wood Processing Companies. The University of Agriculture and Forestry in Brno is in close cooperation with the woodworking sector (www.mendelu.cz).

Union of Woodworking Processing Technology manufacturers of the Czech Republic

Ricni 1, P.O.Box 14, 568 04 Svitavy, Phone: +420/0461/21313, Fax: +420/0461/533224, tos@tos.cz

Association of Wood Processing Companies

Vancurova 7, 586 01 Jihlava, Phone/fax: +420/56/7308891, www.sdp.cz

Upcoming tradeshow in the Czech Republic / February 2 - March 1

PRAGOLIGNA / 6th international contracting and sales exhibition of tools, equipment and materials for the wood processing industry

Czech woodworking machinery scope:

- primary woodworking machinery (band saw machines for logs)
- secondary woodworking machinery (thickeners, surfacers, circular saws, moulding machines, lathes, borer-moulders, sanders)
- machinery for carpenters (circular saws for dividing of plates, dimension and double end tenoners, edge banders, moulding machines for edges, corner shapers).

Major Czech woodworking machinery manufacturers:

TOS Svitavy, a.s.

Founded 1948, 450 employees. Woodworking machines / saws, four-sided woodworking machines, machines for Euro-window

manufacture, joiners' machines, planners and thickeners and universal lathe chucks, ISO 9001 certified, CE standard, complete wood processing

lines. Exports to Germany, Poland, Slovakia, Netherlands, Scandinavia, Canada, USA, Britain. www.tos.cz

Pilana Tools Hulín

Founded 1936, 550 employees. One of the biggest manufacturers of woodworking equipment and machinery in Europe with 60 % of production exported to EU countries, DIN and ISO standard. Branches: Pilana Tools Wood Saws, Pilana Tools Knives, Pilana Tools Saw Bodies, Pilana Tools Metal Saws, wood saw discs, planning knives, wood and trunk saw bands, frame saws, profiling knives, saw bodies, hand saws, metal saw blades and bands, servicing machines and cutters.

www.pilana.cz

Rojek

This family business, which was established 80 years ago, is a major Czech producer of woodworking lines "Industry series" for large, medium and small processing factories and also custom created specialized processing lines. Rojek exports to 55 countries worldwide.

www.rojek.cz

AC Word Trinec

Aspirators and ventilators

Cerman a Tichy Kovo, Roudnik

Frame saws, conveyors

Drevostroj Ckyne

Complet woodworking lines
www.drevostroj.cz

Karned Tools Decin

Wood machining equipment, ISO 9000 standard.
www.karnedtools.cz

Katres Praha

Drying and chemical wood protection equipment
www.katres.cz

KDR Rychnov n. Kneznou

Wood machining
www.kdr.cz/JA/Drevo/Servis/HTML/servis_main.html

Kovovyroba Franek Mladosovice

grinders
www.unice.cz/kovofranek

KPS, A.S. Moravske Budejovice

Sawmill technology, veneer and plywood

www.ebm.cz/KPS

Ligmet SD, a.s. Hradec Kralove

Woodworking technology for professional individuals, CE
www.ligmet-sd.cz

Firma Marsalsky Albrechtice

Woodworking machinery for homes and businesses
www.marsalsky.krnov.net

RWT Rychnov nad Kneznou

Special woodworking technologies development center, production ITI TÜV ceretified
www.rwt.cz

SG Strojirna Susice

Dedicated woodworking machinery, wood rubble processing machinery
www.sg-stroj.cz

Sahos s.r.o. Ceske Budejovice

CNC lathes, carpenters' equipment
www.sahos.cz

COMPANIES & BUSINESS

>EBRD predicts **faster GDP growth in Central Europe**. According to a report published by the European Bank for Renewal and Development (EBRD), the Czech economy is predicted to grow 2.5% this year and 3.5% in 2003. Eastern European countries are supposed to succeed in dealing with the impact of a global economic slump and their GDPs should grow much faster than in the EU countries.

>Foreign tourists holding Visa cards spent 2.9 billion Czech crowns in the Czech Republic in August and September, an increase of 16 percent year-on-year. British tourist are the biggest spenders, followed by the Germans and the French.

>French Hachette Distribution Service and Finnish Rautakirja founded a joint venture called CZ Retail, which plans an expansion in sales of periodicals in the Czech Republic.

>In the ongoing worldwide trademark **dispute between AB and Budvar breweries**, a Japanese court ruled in favor of Budvar allowing the Czech brewer to sell its Budweiser Budvar in the lucrative Japanese beer market.

>The Czech Republic should be newly reclassified as a country with a **low occurrence of mad cow disease (BSE)**, like most of the EU candidate countries. The move will improve the conditions of beef trade.

>Standard & Poor's has **upgraded the rating of Ceska Pojistovna** (Czech Insurance Co.) to BBB-, which places the Czech insurer at investment level. The improved rating reflects long-term stable operational economic results, growing capital, and a strong position on the market.

>In contrast to other carriers operating regular flights to and from Prague, **Czech Airlines**

recorded an increase in passengers of 4.9 percent year-on-year to a total of 2.4 million, confirming the airlines outstanding services.

>Following negotiations, that lasted one year, the Union Group, which owns 75 percent of Union Banka Ostrava, has transferred its majority stake to the Italian financial company Invesmart,

>The Land Fund announced a 10th round of public auctions that will offer 13,079 land plots of a total acreage of 14,382 hectares. Participants in the auction must register by Feb. 21, 2003.

>The Czech Consolidation Agency (CKA) supervisory board recommended **Appian Machinery as a suitable investor in the engineering company Skoda Holding**. Appian submitted a binding bid last week for a 48.4 percent stake in Skoda Holding, including a buyout of the troubled firm's bad claims worth Kc 4 billion.

>As expected, **Parliament passed the 2003 state budget** in the first reading. The proposal calls for a deficit of CZK 111.3bn (approx. \$3.72 bn). The International Monetary Fund warned the Czech Republic against postponing fiscal reform. An IMF report says that if the present tempo of a growing budget deficit and state debt continues, the Czech Republic will not meet the criteria for adoption of the euro in 2006. The finance ministry said it is aware of the seriousness of the situation and will submit a reform proposal in mid-Dec.

>Moody's boosted the foreign **currency credit rating** of the CR and seven other EU candidate-countries. The Republic's rating rose by three notches, from Baa1 to A1. In contrast Standard & Poor's cut the CR's national currency credit rating yesterday, from AA- to A+, reflecting the deficit of state finance.

>The finance ministry said that it intends to submit a proposal in April 2003 for moving telecom services from the 5% VAT bracket to the 22% bracket as of Jan. 1, 2004. The EU does not allow telecom services to be in the lower bracket.

>**Consumer lending in the CR is growing** at a faster rate than ever. From Sept. 2001 to Sept. 2002, the volume grew from CZK 17 n to CZK 46 bn, according to the CNB. Banks are charging rates of 10-20%, installment credit is available at rates of 30-35%, and other lenders are charging as much as several hundred percent per year.

>Court Proceedings: Tax advisers and patent representatives will be able to represent their clients in court as of next year.

>Prague: A study by Cushman & Wakefield Healey & Baker ranked **Prague No. 16 European city in terms of attractiveness for international business**. Prague ranks No. 13 in terms of the number of multinationals represented, and 25 large international corporations plan to expand here in the next five years.

>The cabinet approved an amendment for allowing cities and towns to exempt flood-damaged property from property tax for up to five years.

>e-Government: Czech parliament will debate a law amendment for making it possible - but not mandatory - for business-licensing offices to check criminal records over the internet. Also, at the end of March 2003, the finance ministry intends to start accepting the road, property and VAT tax returns electronically.

>A survey conducted by the German newspaper Bild am Sonntag ranked SKODA Superb, the latest model of a limousine-type car introduced

earlier this year by the Czech car maker Skoda based in Mlada Boleslav, second best in its

category. Along with AUDI8, the **Skoda Superb** cars were chosen for the numerous VIP fleet

serving the delegates of the NATO summit held in Prague this past November.

EU WATCH

>In October Irish voters gave their approval to the Nice Treaty by a vote of 63% for and 37% against the EU enlargement, making the enlargement even more possible.

>The Czech cabinet set June 15-16, 2003 as the dates for a **national referendum on EU accession**. The Czech vote will come after referendum in Slovakia, Hungary and Poland, with the hope that Yes votes in these countries will sway undecided Czechs. According to recent polls, approx. 50-55% of the Czech population approves and welcomes the EU entry.

>Increases of consumer prices and the prices of land and housing after the EU accession are the major concerns for most Czechs. The EU entry will bring about a gradual increase in consumer prices, yet the prices of most consumer products are at the same level or are at an even higher level than in the EU, especially electronics, cars and clothing.

>Romano Prodi, head of the European Commission, said that the CR and the other nine countries will be ready to join the EU at the beginning of 2004. Prodi said that accession talks should be completed this year and that agreements should be signed with the future members in the spring of 2003.

>EC Enlargement Commissioner Mr. Günter Verheugen announced that candidate countries would in reality not enter the EU on Jan. 1, 2004, but would enter no than June 2004. The national parliaments of existing member countries need more time for the ratification process of the enlargement.

>Recently, the CR closed the accession chapter on competition. The CR had to accept tougher conditions on state support for steel and to agree to cut steel output. The CR also agreed to submit a complete list of the aid to former state banks

INVESTMENT UPDATE

Over the period of its 10-year existence, CzechInvest, the government agency for promotion of foreign direct investment, has facilitated 201 investment projects in value of \$6.608 bil. The projects have created 60,861 jobs. Investors from Germany and Japan have the lion's share of the projects, particularly in automotive industry (48%), electronics and electrical engineering (21%).

Sumitomo Light Metal Industries announced plans to build a production plant in Benátky nad Jizerou. The plant will manufacture extruded aluminum tubes for air-conditioning units for passenger cars. "The percentage of cars equipped with air-conditioning systems in Europe is still at a lower level than in the USA or Japan at present and the market is expected to rise. In view of such circumstances, our company has decided to expand its production capacities," explained Sumitomo Katsuaki Masaki.

The multinational corporation IMI Norgren launched production at the new plant in the CTP Industrial Park in Modrice near Brno. IMI Norgren transferred the production of machine components and products for pneumatic and hydraulic systems from Great Britain and Germany.

The Swiss firm Rieter was the first to submit an application for government incentives support in strategic services. Rieter plans to invest \$3.5 million into the expansion of its development center focused on research in the area of high-tech components for textile machines in Ústí nad Orlicí in the next three years. Rieter CZ is a 100% subsidiary of the Swiss based Rieter group, one of the leading world manufacturers of machinery for the processing of textile fibers and production of yarn. The Czech operations consist of four business units employing a staff of 1,200.

The Spanish company Viza Automoción intends to build a production plant to manufacture car seat bodies for passenger cars in Pilsen, CR. "Viza Automoción intends to set up a 100% subsidiary in the Czech Republic. This new factory will be our first manufacturing facility outside Spain. Customers will include carmakers from Western and Central Europe," commented Antonio Vega, the company's Managing Director. "Our investment project holds many prospects for the Czech Republic as the country represents an excellent platform for the future expansion of our business. The project will be realized in two phases: during the first phase, we intend to invest 5 million dollars and to employ 125 new employees. The remaining investment and jobs are expected for the year 2005."



Season's Greetings

From the publishers of the Czech Trade Focus

EQUITY INVESTOR'S LEADS TO INVESTMENT ADVISORS IN THE CZECH REPUBLIC

Investment Funds

Sporinvest www.sis.cz
 IKS-KB www.iks-kb.cz
 OB Invest www.obinvest.cz
 IKS - KB www.iks-kb.cz
 Citicorp www.funds.citibank.cz
 IS Union www.isunion.cz
 AG7 Fond www.investage.cz

Investment Banks and Advisors

Atlantik www.atlantik.cz

Benson Oak www.benson oak.cz
 BNP Paribas www.bnpparibas.cz
 CA IB Securities www.ca-ib.cz
 Commerzbank www.ccme.cz
 Conseq Finance www.conseq.cz
 Credit Suisse www.csfb.cz
 EEIP www.eeip.cz
 Gutmann&Cie www.gutmann.cz
 J.P. Morgan www.jpmorgan.com
 Newton Finance www.newton.cz
 Patria Finance www.patria.cz

PlanEcon www.planecon.cz
 Raffeisen Capital www.rci.cz
 SI Corporate Finance www.sicf.cz
 Synergo Suisse www.synergo.cz
 Value Added www.valueadded.cz
 Wood&Company www.wood.cz

Stockbrokers

ABN Amro Bank www.abnamro.com
 Patria Finance www.patria.cz
 Conseq Finance www.conseq.cz

Ceskomor. Zaruc. www.cmzbr.cz
 Raiffeisenbank www.rb.cz
 Union Bank www.union.cz
 EBanka www.ebanka.cz
 Atlantik www.atlantik.cz
 FIO www.fio.cz

CA IB Securities www.ca-ib.cz
 BBG Finance www.bbg.cz
 Wood&Company www.wood.cz
 Citicorp Securities www.citicorp.com
 Baader Securities www.baader.cz
 J&T Securities www.jtbank.cz

Cyrrus www.cyrrus.cz
 GlobalBrokers www.globalbrokers.cz
 Garfield www.garfield.cz
 Ceska Sportitelna www.csas.cz

UNION OF THE CZECH AND MORAVIAN PRODUCTION COOPERATIVES

The Union of Czech and Moravian Production Cooperatives has provided its members (there are 400 nowadays) and trade partners quality services for over a hundred years. The Union helps its members to contact foreign partners and export their products. Members of the union are small and medium enterprises that manufacture unique products or provide specialty services. The Union pays special attention to creating conditions that lead to successful employment of the disabled and proudly represents 42 cooperatives where nearly 7 thousands disabled workers are employed. The Union is a member of the Economic Chamber of the Czech Republic, the Government Committee for disabled people of Czech Republic, the Government Union of Economic and Transport of Czech Republic, the Czech - German Trade and Economic Chamber, the Association of Cooperative Unions, the Committee of Production Cooperatives of the International Cooperative Alliance (CICOPA), and the European Confederation of Workers Cooperatives of the European Union CECOP).

UCMPS's main office in Prague and branch offices in Brno and Ostrava:

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SCMVD – Brno, Kozi 4, 656 99 Brno, Phone: +420 542 321 306, Fax:+420 542 211 118

SCMVD – Ostrava, Spartakovcu 3, 708 15 Ostrava, Phone: +420 596 913 486, Fax: +420 596 913 487, www.scmvd.cz

The following products can be outsourced from the Union:

<p>>Art handicraft Art Smith's Production Badges, Medals, Engraving Basket Makers Product Ceramics Pottery amics Pottery Christmas Decoration Jewellery National Costumes, Laces, Braids, Bands Stone Cutting, Modeling in Stucco</p> <p>>Household equipment Vitrails Kitchen supplies Garden tools Leisure time equipment Sport equipment</p> <p>>Plastic products Protective frames for slides Seals Segment Protective Helmets, Instrument Panels Household Products, Commodity Packaging Polyester Glass Laminated Plastics Toys</p> <p>>Foot ware and leather Furs and fur products Fancy leather goods Mens Footwear Sports footwear</p>	<p>Fancy textile goods Womens Footwear Work and Special Footwear</p> <p>>Automotive Car accessories Spare parts Motorbike equipment</p> <p>>Chemicals Fireworks Hair and Body Cosmetics Household cleaning agents Paints and varnish Rubber products Thinners, Technical Liquids, Solid Fire lighters Washing and soaking agents</p> <p>>Toys Marionettes Dolls Metal / Tin Toys Plastic Models, Polytechnic Toys Plastic Toys Plush and Textiles Toys Wooden Toys</p> <p>>Furniture, wood Home furniture Office furniture Chipboards and fiber Boards Panels Custom made Furniture, Interior decoration Sawn Wood Small Wooden Items</p>	<p>>Building industry Designing Buildings Construction Painting Prefabrication Reconstruction Restoration of Historical Buildings Monuments Stone Cutters Works Thermal Insulating of Buildings</p> <p>>Electric equipment Electric System Installations Lighting fixtures Manufacture and Repair of Electro-technical and Electronic Equipment Manufacture and Repair of Household Appliances Switchboards and connecting equipment</p> <p>>Metals Electrolytic oxidation of Aluminum Alloys-Plating Foundries Chromium-Plating Metal Machining Other Surface Finishing Pressing Sheet Processing Special Fields Tin smithery Locks smithery Water, Gas, Heating System installation Welding</p> <p>>Services</p>	<p>Accounting Services Barber and Hairdressing Services Clothing Services Guarding Services Photographic Services Software, Computer Services</p> <p>>Machine tools Farming Machines and Tools Hobby Utensils Instruments Machine Tools</p> <p>>Packaging Adhesives Unwoven textile bags Bookbinding Calendars, Diaries Closure of PE Bags Coarse and Lightweight Cardboard Envelopes Fixing Agents Filing Materials Flexo Printing Laboratory Glass Letter- Print Light weight and Luxury Cardboard Moulds Plastic Processing Metal cans Metal Pallets, Transport Cases Metal Tins with cap Offset printing Paper bags</p>	<p>Office supplies Plastic bags, bottles, food boxes, cans Plastic Injection moulds Jewelry Boxes Plastic Wrappers Containers Puzzles Ropes Rubber Bands Self-Adhesive Labels Etiquettes Stamped Punch Production Tools and Instruments, Metallic Packaging UV Varnishing Vacuum Moulded Boxes Wooden Palettes, Barrels, Cases</p> <p>>Textile and clothing Decorative Textile Hats Household Textile Bed and Kitchen Linen Childrens Clothing Knitwear Mens Clothing Sportswear Fishing and hunting outfits Womens Clothing</p> <p>>Food and beverage Coffee Frozen Foods Chocolate Pastries Wine</p>
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CZECH PRODUCTS IN THE U.S. / NEWLY ESTABLISHED REPRESENTATION

Steel and ductile iron castings

CKD Kutna Hora, a Czech steel and ductile iron castings manufacturer, appointed Omnicast LLC to represent its interests in the U.S. and Canada. CKD supplies complete undercarriages and machined parts of bogies as well as other railway vehicles, construction machinery and other products ranging from 11 lbs to 13,300 lbs. OMNICAST with CKD Kutna Hora combine world-class experience with excellent technology, providing the customers with a complete casting solution in railway products, construction machinery, industrial fittings and other products.

Omnicast, LLC
2719 Curtiss Street
Downers Grove, IL 60615
Tel: 630-515-9711, fax 630.515.9730
Mr. Vaughn W. Makary, President
vmakary@omnicastllc.com

Light Rail Switch Point Control Systems

Cableform Inc. formed partnership with Elektrolne Co., Prague to provide exclusive sales and technical support for their Light Rail Switch Points and Switch Point Control Systems. The systems are successfully installed in European cities and Australia. They are compatible with existing installed equipment and are available for both retrofit and new construction applications. Elektrolne introduced the systems to the US market at the APTA exhibition in Las Vegas.

CABLEFORM Inc.
8845 Three Notch Road
TRQW, VA 22974
Tel: 434-589-8224, fax 434-3809
Mr Richard Shannon, Director, Marketing & Sales

Czech households favorite: Remoska cooking pan

Based on its surprising success in the UK, The Czech Remoska Co. is confident that its electric cooking pan will succeed in the U.S. and Canada. Amazingly, with Remoska, it is the lid that does the cooking. The cooking pan enjoys popularity in everyday cooking, even in outdoors with a transformer hook-up for the car. The Czech maker appointed InterTrade Avenue Inc. as its agent for Canada and the US.

InterTrade Avenue Inc.
319 Dunlop St West
Whitby, ON L1N179
Canada
Tel. 905-430-0844
Fax 905-430-9242
Mr Pavel Zeman
zeman@intertradeavenue.ca
www.intertradeavenue.ca

COMPANIES LOOKING FOR PARTNERS, REPRESENTATIVES, IMPORTERS, DISTRIBUTOR

Hydraulic log loading cranes

OSTROJ Opava is a company looking for new business partners to broaden its export activities. OSTROJ Opava, a.s. is a sole Czech manufacturer of hydraulic log loading cranes manufactured upon international standards using the high-quality elements. OSTROJ's cranes are suitable for working in forestry, in the building industry, on railways, in scrap yards, in agriculture and much more.

OSTROJ Opava, a.s.
Division Hydraulic loading cranes
Mrs. Jitka Habinova - export
Tesinska 1586
746 41 Opava
Czech Republic
tel: +420 553 872 419
fax: +420 553 872 415
habinova@ostroj.cz
www.ostroj.cz

Bohemian crystal chandeliers.

Lcky Glass produces crystal and colored chandeliers, adorned by hand cutting, painting and gilding. The current owner continues the family tradition and carries on his father's chandelier producing heritage.

Jaroslav Lucky - LUCKY GLASS
M. Horakove 1560
504 01 Novy Bydzov
Czech Republic
Telephone/Fax: + 420 495 491 910
GSM: + 420 604 235 645
luckyglass@luckyglass.com
www.luckyglass.com
Contact person: Jaroslav Lucky – director

Refractory ceramics

For more than 165 years, KERAVIT spol. s.r.o. has been a traditional manufacturer and producer of refractory ceramic materials, supplying metallurgical, steel and foundry industries, cement, lime, chemical, power and heat generation industry and building, stove making, ceramic and brick industry.

Keravit spol.
Koterova 3
706 02 Ostrava-Vitkovice
phone: +420.59900.9949
fax: +420.59900.6724
sale@keravit.cz
www.keravit.cz
Mr. Ivo Bartos, Commercial Manager

Pet products

GRAVITAM, spol. s r. o., a Czech manufacturer of pet products plans to expand its business activities in the U.S. market and wants to open an office & storage in the U.S. (New York area preferably).

GRAVITAM, spol. s r. o.
Jana Sigmunda 79
783 49 Lutín, Czech Republic
Phone: (+420-68)565-2751
Fax: (+420-68)565-2752
gravitam@mbx.vol.cz
Ms. Kamila Šimecková

Replicas of antique furniture

The company DÜDINGER has a long reputation as a producer of wooden furniture replicas, complete with wax polish and hand painted decoration. The company also renovates original antique pieces. 90 percent of the company's production is currently exported to the EU countries.

Dudinger Office:

Ujezd 43
118 00 Praha 1
Dudinger production:
Prazska 884
289 12 Sadska
phone: +420/325.594.252
fax: +420/325.595.167
dudek@dudinger.cz
www.dudinger.cz

Glass beads, fashion jewelry

GLASS manufactures pressed, fire polished and lamp beads and necklaces, earrings, finger rings, bracelets, belts, hair pins and rosaries.

Glass
5. Kvetna 75
466 01 Jablonec nad Nisou
phone: +420/483.329.158
fax: +420/483.316.434
glass@telecom.cz
www.glassltd.cz
Ms. Hana Kolarikova

Rhinestone jewellery

SENYR produces strass and rhinestone jewelry, necklaces, earrings, bracelets, rings, brooches, hair decorations, linked jewellery - necklaces, tiaras, dress slides, tie slides, promotional articles, all in sets or separate. The company produces custom made jewelry upon request.

Senyr
Na Vysine 8
466 01 Jablonec nad Nisou
phone/fax: +420/483.711.158
rynejsjbc@volny.cz

Technical fabrics and ready made goods

SVITAP manufactures PE coated, technical, tent, filter and leno fabrics, textile warehouses, tents, sport halls, large tents, teepees, party tents, garden pavilions, rafts, sales stands, upholstery fabrics, blankets, humanitarian blankets, non-woven textiles, camouflage printing.

Svitap Prague office:
Hajni 1369
198 00 Praha 14 - Kyje
phone/fax: +420/2.8194.0017
paha@svitap.cz
www.svitap.cz

Welded steel structures

Company BAEST specializes in the production and sales of welded steel structures and machine parts. The company's production program consists of following products: Tower cranes, Gantry cranes, Steel tanks, Storage silos for loose material, Special steel structures, Petrol service stations, Earth drilling machines.

BAEST, a.s.
Cernoleska 1930
256 01 Benesov
Phone: + 420 301 753 111
Fax: + 420 301 27 322
info@baest.cz
www.baest.cz
Mr. Frantisek Kulovany, jr.

Cosmetics

The SALVETE 1990 company is looking for distributors of their cosmetics - Gabriella Salvete decorative cosmetics and Avente perfumes).

SALVETE 1990
Kosmetická 450
387 11 Katovice
Phone: + 420 244 090 713
Fax: + 420 244 400 110
klicha@salvete.cz
www.salvete.cz
Mr. Daniel Dlouhy

Photography calendars
MI Service Macro Photography -
sells pictures (framed and
unframed), large wall calendars,
desk CD-size calendars.
MI Service
Na Pomezí 20/470
158 00 Praha 5

Tel/Fax: 011.420.2.524098
blstak@bohem-net.cz
www.blstak.cz
Mrs Michaela Blstakova

Bed and table linen

Veba is a manufacturer of bed and
table linen, hotel program and terry
products

Veba, a.s.
Truhlarska 13-15
110 00 Praha 1
Czech Republic
Tel: 011.420.2.24815707
Fax: 011.420.2.24813701
jana.masinova@veba.cz
www.veba.cz
Mrs Jana Masinova

SERVICES FOR US COMPANIES OR JOINT ACTIVITIES IN THE CZECH REPUBLIC

tourism / electricity trading / manufacturing facilities / consulting

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conference arrangements**

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Europeak
Thamova 7
186 00 Prague 8
Tel.: +420 2 22327684, +420 2
22327694,
Fax: +420 2 22320177
cell: +420 724 036682, +420 724
336683
europeak@europeak.cz
www.europeak.cz
Mr. Kamil Cepel

Consulting services

SHERPA USA, spol. s r. o., a
Czech business consulting company
focused on the U.S. market is
looking for cooperation with U.S.
partners. Sherpa is offering
complete services for U.S. firms

willing to do business or to invest
in the Czech Republic.

SHERPA USA, spol. s r. o.
Ha Hrebenkach 80
150 00 Prague 5, Czech Republic
Phone: (+420-2)5161-1983
Cellular: (+420-604)505-360
Fax: (+420-2)5161-1983
sherpa.usa@sherpa.cz
www.sherpa.cz
Mr. Petr Polednak

Consulting services

ASB Prague, spol. s r. o., a Czech
business consulting company
established in 1992, has
successfully managed and
completed a number of projects for
international clients. The firm
offers a comprehensive consulting
services for U.S. investors and U.S.
businesses in the Czech Republic.

ASB Prague, spol. s r. o.
Narodni 6
110 00 Prague 1, Czech Republic
Phone: (+420-2)2493-1367
Cellular: (+420-608)255-667

Fax: (+420-2)2493-1368
prychnovska@asbprague.com
www.asbprague.cz
Ms. Petra Rychnovská, Marketing
Manager.

Health Care Services

Institute Pronatal is a private health
care facility devoting its services to
the complex diagnosis and
treatment of fertility disorders.
Pronatal was established in 1995
and currently employes 30
physicians specialized in
gynecology, obstetrics and urology.
The Institute is looking for a
cooperation with U.S. partners and
is offering its high - tech diagnostic
and medical services to clients from
the U.S. The Institute was
accredited according to the
international norm EN ISO 9001.

PRONATAL Sanatorium
Na dlouhe mezi 4/12
147 00 Prague 4, Czech Republic
Phone: (+420-2)6171-1606
Fax: (+420-2)6171-1585
pronatal@mbox.vol.cz

www.pronatal.cz
Vladimir Sobotka, M.D.

Security company

The detective and security company
Daston offers its services in the
Czech Republic.

Daston
C. Boudy 606
674 01 Trebic
Phone: + 420 723 858 388
Fax: + 420 568 82 0588
daston@centrum.cz
www.daston.cz
Mr. Michal Drabek

Real Estate

Beta Agentura provides info about
commercial real estate and
investment in real estate.

BETA Agentura
Velkomoravska 10
695 01 Hodonin
Phone: + 420 518 345 110
obchodprostory@seznam.cz
Ms. Blanka Kozakova



RENUMBERING OF AREA CODES AND TELEPHONE NUMBERS IN THE CZECH REPUBLIC

As of September 22, 2002, a renumbering of area codes and some telephone numbers is in effect in the Czech Republic.
Please visit www.spt.cz for an online database in Czech and English. Area code for Prague /2/ remains the same.



TRADESHOWS AND EXHIBITIONS / WINTER - SPRING 2003

Brno Exhibition Center / www.bvv.cz

January 9 – 12
GO / International Travel Trade Fair
REGIONTOUR / International Fair of Regional Tourism

February 18 - 20
STYL / International Fashion Fair
KABO / International Footwear and Leatherware Fair

February 28 – March 2
OPTA / International Eye Optics and Ophthalmology Fair

March 19 – 23 / Spring Consumer Goods Fairs
DOMO / International Household Articles Fair
X-ART / International Children's Goods and Toys Fair
(Office and School Articles, Gifts, Hobby and Sport)
FISHING / International Fishing Tackle Show

April 13 - 17

IBF / International Building Fair
SHK BRNO 2003 / International Trade Fair for Sanitation, Heating, Air
conditioning and Building Automation
URBIS / Investment Opportunity Forum Technology and Equipment for
Towns and Communities

April 28 - 30

IDET / International Exhibition of Defense and Security Technologies and
Special Information Systems

Prague Exhibition Grounds / www.icheba.cz

February 20 – 23
PRAGOINTERIER - NEW DESIGN / 10th international exhibition of
furniture, home textiles, light fittings, and accessories

February 2 - March 1

TOOLTEC / 10th exhibition of machines, tools, implements and iron
PRAGOLIGNA / 6th international contracting and sales exhibition
of tools, equipment, and materials for the wood processing industry

March 25 – 27

PRAGOREGULA – ELEXPO / 25th international trade fair for measuring,
control technology, electronic automated equipment
FRIGOTHERM / 6th international trade fair of cooling technology,
conditioning and air-conditioning
PRAGOTHERM / 30th international trade fair for power engineering,
heating, sanitary technology, energy preservation

April 1 - 3

PRAGOALARM / PRAGOSEC / 12th international fair of safety
equipment, systems and services, fire protection and rescue equipment

April 8 – 11 / 25th international medical fair

HANDICAP / 7th specialized exhibition for handicapped people
PRAGOMEDICA/ PRAGOFARMA/ PRAGOOPTIK/ PRAGOLABORA

April 15 - 18

ITC PRAGUE / 5th exhibition of information technology and
communication

**TRAVEL TIPS FOR BUSINESS TRAVELLERS TO THE CZECH REPUBLIC**

Although not required by law, it is strongly suggested that the person travelling to the Czech Republic for short or long visit should have an international health insurance valid in the Czech Republic. No special vaccination is needed to travel to the Czech Republic.

**CZECH COMMERCIAL OFFICES IN THE UNITED STATES**

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 Korycaneck, 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. Josef Dvoracek, Phone: 212.717.5643

Fax: 212.717.5064, consulate.newyork@embassy.mzv.cz

CzechTrade - Chicago Office (information on Czech products)

Contact: Ms. Jana Sevcikova, Phone: 312.644.1790,

Fax: 312.527.5544, chicago@czechtrade.cz

CzechTrade - Miami Office (information on Czech products)

Contact: Mr. Roman Matyas, Phone: 305.261.6313,

Fax: 305.261.6314, miami@czechtrade.cz

Czech Center New York

Contact: Mr. Jan Zahour, Phone: 212.288.0830 x.106, Fax: 212.288.0971,

zahour@czechcenter.com

CzechInvest – Chicago Office (investment opportunities in the CR)

Contact: Ms. Hana Lasslerova, Phone: 312.245.0180,

Fax: 312.245.0183, chicago@czechinvest.org

CzechInvest – San Jose Office (investment opportunities in the CR)

Contact: Mr. Radomil Novak, Phone: 408.376.4555,

Fax: 408.376.4557, california@czechinvest.org

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