

# Czech Trade Focus

News from the Czech Commercial Offices in the United States / February 2006

Czech Food Industry - U.S. Investments in CR - Brno-Trade Fairs Capital - ASTA - Economic Briefs

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## CZECH EXPORTS TO THE U.S. (JANUARY – DECEMBER 2005)

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### Top Product Groups (mil \$)

1. nuclear reactors, boilers	588,5	8. aircraft, spacecraft	73,1
2. electrical machinery and equipment	287,9	9. vehicles	68,4
3. iron and steel	124,8	10. wood and articles of wood	65,6
4. glass and glassware	89,8	11. furniture	61,3
5. articles of iron or steel	88,9	12. organic chemicals	50,4
6. optical, medical instruments	86,8	13. inorganic chemicals	47,9
7. rubber products	76,6	(source: USITC)	

Czech export totaled at \$2,183 mil and for the first time in history exceeded 2 billion dollars. Year to year Czech export reaches, in the fifth consecutive year, more than 25% increase.

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## ECONOMIC BRIEFS

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**The annual production capacity of Czech automotive manufacturers** is expected to more than double to 1,2 million units by 2012. In Europe car production is expected to increase the fastest in the Czech Republic and Slovakia. It should decrease in Western Europe.

**The state budget showed** a US dollar 8,3 m surplus after 11 months. Czechs have paid \$4,3bn more in taxes this year than last, thanks to higher corporate profits and higher excise tax. The final deficit should be in the range of \$2 –3bn.

**The sale of Cesky Telecom /CT/** to Spanish telecommunications company Telefonica was the biggest privatization of 2005. The government sold its 51,1 percent stake in CT for \$3,3billion.

**As of the end of November, eBanka had provided 6,700 consumer loans** and overdrafts worth a total of 2,77 billion Kc through its Internet banking Web site.

**Raiffeisenbank provided 4 billion Kc** worth of mortgages,

twice as much as during the same period last year.

**Czech currency /koruna, CZK/** kept weakening towards the US dollar during Dec. and Jan., trading in the range of 23.15 – 24.96 CZK per \$1. The position against Euro remained stable, trading in the range of 28.33 – 28.80.

**The government transferred a 55,8 percent stake** in the country's largest brown-coal mining company, Severoceske doly, to power company CEZ. CEZ has already paid 9,5 billion Kc for it. So far, CEZ has been Severoceske doly's second-largest shareholder.

**The Finance Ministry has reported** that foreign countries owed the Czech Republic 37,2 billion Kc /\$1,5 billion/ at the end of August 2005, compared to 156 billion Kc /\$6,5 billion/ in 1993. The Czech Republic's foreign debt, however, is considerably higher than its claims.

**Domestic meat production,** excluding poultry, increased 0,4 percent year on year to 35,869 metric tons /39,539 tons/ in October, following a decline the

previous month. Pork output rose 2,1 percent while beef, including veal, dropped 6,3 percent year on year.

**Czech beer production increased** by an estimated 1,5 percent to 19 million hectolitres last year.

**Czech GDP per capita** last year was 73,0% of the EU average, compared to 71,4% for Portugal. This is the first time the CR has overtaken an EU-15 country.

**In November, the government approved the economic growth strategy** up to the end of 2013. According to the strategy, the economic growth rate will increase to 6%. The strategy counts on substantial infrastructure, education, science, and development investments.

**The trade balance** reached a surplus of 1,7 billion Kc /\$70,9 million/ in November 2005, increasing 1,4 billion Kc from the same period in 2004. Exports increased 7,8 percent and imports increase 7 percent.

**The regions outside of Prague** will receive an extra 1 billion Kc /\$41,6 million/ in tax revenue for

2005. The regions collected more taxes than expected, taking in more than 43 billion Kc.

**State budget surplus totaled 200 mln Kc /\$8,3 mln/** at the end of

November. This is a y/y increase of 66,6 bln Kc /\$2,7 bln/ and the best result since 1998.

**The county's external debt** increased 43 billion Kc /\$1,8 bln/

to 1,1 trillion Kc. Foreign investment into the Czech Republic was 851,4 billion Kc /\$35,4 bln/ higher than Czech investment abroad

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## Czech Food Industry

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With the Czech Republic's joining the European Union, food and beverage production became part of the manufacturing industry formed by 25 member states.

While the Czech food industry is not among the largest food processing sectors within the European Union, it is important in terms of the location of its processing facilities in the „heart“ of Europe. This constitutes a certain competitive advantage in the area of food logistics.

The different food processing sectors and the structure of foodstuffs in the Czech Republic, based mainly on domestic production and enriched with foreign products, are wide and correspond to the needs of the country's advanced food market. About 10 per cent of the volume of revenues in the food industry was earned on foreign markets, whether in EU states and the Commonwealth of Independent States (CIS), or the European Free Trade Association (EFTA), the Central European Free Trade Area (CEFTA) and other commercial groupings.

### **New Strategy in Ensuring Food Safety**

An important aspect in food production is the fact that the CR has a new Food Safety Strategy, the principal aim of which is to ensure effective health protection and the support of consumers' interests in relation to foodstuffs. This is to be achieved by the production and distribution of safe foods and feed. Moreover, on the day of its accession to the EU, the Czech Republic joined the Rapid Alert System for Food and Feed. Thereby it has become incorporated in the rapid information exchange system in the case of health hazards in connection with food and feed.

### **The Czech Food Industry Attracts Foreign Investors**

Foreign investments in the Czech Republic gradually came to cover all production branches, but with differing intensity depending on a number of factors. The greatest interest was shown in the beverages industry, confectionery and biscuit production, the production of oils, edible fats and ice cream, and to a lesser extent in the dairy, bakery, and milling industry. On the other hand, minimum investments went into meat and poultry processing, fisheries, and fruit and vegetable production and processing.

### **Organic Farming is on the Increase**

Ecological farming is an alternative to intensive (conventional) farming, which influenced the character of the countryside, especially in the latter half of last century. The development of this modern way of farming, which takes into account the laws of Nature, was only made possible in this country after the democratic changes in society in 1989. In organic farming, the Czech Republic is at the head among the new EU states and ranks high on the world scale in the size of ecologically cultivated areas.

### **Important Firms of the Food and Drink Industry**

HANACKA KYSELKA, s.r.o. – one of the leading Czech mineral water producers. [www.hanackakyselka.cz](http://www.hanackakyselka.cz)

KOSTELECKE UZENINY, a.s. – producer of meat and meat products – beef, pork, and poultry meat and all kinds of smoked foods and tinned meat. [www.ku.cz](http://www.ku.cz)

LECIVE VODY, a.s. – producer of the Vincentka curative water. [www.vincentka.cz](http://www.vincentka.cz)

MICHELSKE PEKARNY, a.s. – a modern bakery firm, one of the important producers of bakery and confectionery products. [www.pekarny-michle.cz](http://www.pekarny-michle.cz)

OLMA, a.s. – joint stock company. production groups are: fresh and long-life milks and creams, sour milk products and yoghurts, desserts, butter, butter mixes and vegetable fats, powdered milk. [www.olmaklub.cz](http://www.olmaklub.cz)

RUDOLF JELINEK, a.s. – fruit liqueurs, plum brandy, vodka, flavoured plum vodka, gin, fruit and herb liqueurs. [www.rjelinek.cz](http://www.rjelinek.cz)

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## INVESTMENT BRIEFS

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**American CTS Corporation**, a leading designer and producer of electronic components for the automotive and electronics industry, intends to invest nearly 22 million dollars into building a new facility in the Ostrava region of the Czech Republic.

**The Czech branch of Microsoft** together with the government agency CzechInvest will open a new software development center in the Czech Republic known as SoftInvest.

**The Czech Republic has become the second most popular** destination after Poland for foreign investment among countries in CEE.

**Investment firms Intel Capital** and Enterprise Investors have purchased a 65% stake in Czech computer firm Grisoft, which develops anti-virus software such as the AVG program. They paid USD 52 mln for the stake.

**Danish toy company Lego** is closing two of its Swiss factories and is moving part of its production to its plant in Kladno, Czech Republic.

**German company Intershop Communications**, one of the main suppliers of software solutions for internet trade management, is expanding to the Czech Republic.

**The German medical products** manufacturer Primed-Halberstadt will build a facility for the production of plastic medical consumer products in the municipality of Litvinov, CR.

**The Lighthouse Group**, a property developer, is planning to expand its activities in the CR and has not ruled out the possibility of launching an initial public offering on the Prague Stock Exchange. The company has operated in the CR since 2000.

**Italian firm Candy** is expanding production of refrigerators in the Czech Republic.

**The Japanese firm Aisin Europe Manufacturing Czech** has invested 700 mln Kc /\$28,5 mln/ in the expansion of its existing facility in the Pisek industrial zone.

**The German firm FTE Automotive** will build a facility for the production of hydraulic brake and clutch segments in the Podborany municipality of the Usti district. The firm will invest more than 1bln Kc /\$41,6 mln/ and create several hundred jobs over a six-year period.

**The leading European producer of processing machine tools** and industrial lasers, the German company Trumpf, wants to build a new plant in Doubi u Liberce within two years. The 450 mln Kc /\$18,7 mln/ facility is aimed at producing metal-storage systems and parts of machines for metal processing.

**The British firm Westcombe International Research** will build a new call center costing more than 1 mln USD and employ around 30 people.

**MGG Czech**, a subsidiary of the American company Hayes Lemmerz, will build a plant for the production of aluminium car parts for \$62 mln in Koprivnice, North Moravia.

**Sichuan Changhong Electric Co Ltd**, one of China's largest television makers wants to build a television factory in the Czech Republic. In the first phase, the company plans to invest almost 245 mln Kc /\$10 mln/ and employ up to 300 people.

**Interoute**, a London-based telecommunications company, has announced the opening of a customer service and sales center in Prague as part of the company's strategy to expand into the markets of Europe and the Middle East. Interoute is to invest 1,5 mln Kc and should employ 250 people.

**Global logistics firm DHL** wants to build seven new terminals in the Czech Republic by 2008, an investment worth approximately 1 bln Kc /\$ 40,8 mln/. The company has also announced the acquisition of PPL CZ, the largest private Czech express parcel delivery company.

**Government agency CzechInvest** last year mediated 154 new foreign and domestic investment projects worth over 73 bn Kc /\$3 bn/, 8 projects and 20 bn Kc more than in 2004.

**Trinecke zelezarny**, which has earned close to 12bn Kc over the past two years, plans a 1,4 bn Kc investment into repairing its steelmaking furnaces.

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SELECTED U.S. INVESTMENTS IN THE CZECH REPUBLIC

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<i>Company</i>	<i>sector</i>	<i>Company</i>	<i>sector</i>
Abbott Laboratories	Pharmaceuticals & Healthcare	General Electric Capital Services	Banking
Air Products and Chemicals, Inc.	Chemical	Hayes Lemmerz International	Automotive
AMI Semiconductor	Semiconductor	Hewlett-Packard Company	IT
Arrow International	Pharmaceuticals & Healthcare	Honeywell	Electronics/Aerospace
AVX Corporation	Electronics	IBM World Trade Corporation	IT
Baxter Corp.	Biotechnology	Ingersoll Rand	Engineering
Black & Decker	Electronics	Ivax Corporation	Pharmaceuticals & Healthcare
Cadence Design Systems	Software for electronic design	Johnson Controls Inc.	Plastics
Citibank	Banking	Johnson & Johnson	Medical
Computer Associates International, Inc	IT	Kimberly-Clark Corp.	Pharmaceuticals & Healthcare
Computer Sciences Corporation	IT	Lear Corporation	Automotive
ConocoPhillips	Chemical	Laird Technologies	Electronics
DELL Corp.	IT	Mars, Incorporated	Food & Beverages
Delphi Corp.	Automotive	Medtronic Inc.	Pharmaceuticals & Healthcare
Dura Automotive Systems	Automotive	Microsoft Corporation	IT
Eastman Chemical Comp.	Chemical	Monster Technologies	IT
Eaton	Automotive	Motorola	Semiconductor
EDS	IT	ON Semiconductor	Semiconductor
ExxonMobil	Financial & Accounting	Oracle	IT
Federal Mogul Corporation	Automotive	Parker Hannifin Corporation	Plastics
FEI Company	Semiconductor	Precision Castparts	Engineering
Ford Motor Company	Automotive	Pfizer	Pharmaceuticals & Healthcare

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COMPANIES AND BUSINESS

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**Czech Airlines (CSA)** – the largest national carrier among the new EU member countries according to number of transported passengers. In 2005, the airline carried a record number of more than 5 million passengers.

Since 2001, it has been a member of SkyTeam /including American carriers Delta, Continental and Northwest/ one of the leading global airline alliances. CSA currently offers connections to 119 destinations in 52 countries worldwide.

In January 2006, CSA won the American magazine Global Traveler's (Annual GT Tested Awards) "Best Airline in Eastern Europe" Award for a second year running. The last two years Czech Airlines was also selected as "Best Airline Based in Central/Eastern Europe" by the OAG (Official Airline Guide, London) and was also on its shortlist of the eight best airlines for the year 2005.

**German retail chain Edeka**, the 32<sup>nd</sup> largest chain in the Czech Republic, has decided to close up shop here. The

retailer will sell its 38 supermarkets, mostly in north Bohemia. Edeka, which is pulling out of Austria and Poland as well, wants to focus on its operations in Germany.

**The government wants to sell** its nearly 100 percent stake in Aero Vodochody, a jet manufacturer, as well as its considerable debt. The investor that wins the tender is expected to turn the company's private runway into Prague's second international airport.

**The Dukovany nuclear power plant** has produced 0,25 trillion kilowatt-hours of power since its launch in 1985. Production should increase 10 percent after Dukovany's modernization is complete in 2011.

**Coal output at Sokolovska uhelna**, a mining company in west Bohemia, grew more than 200,000 metric tons to 7,4 million metric tons of brown coal between January and September. The company attributed the increase to higher demand for solid fuels.

**Sales of color laser printers** increased nearly 10 percent to 3,444 units in the third quarter. Hewlett-Packard had the largest turnover, followed by Konica Minolta and Oki. Oki boasted the biggest increase in sales in the first three quarters of the year and controls approximately 14 percent of the market.

**The Czech arm of Siemens** presented the final model of a double-decker electric train to the Swiss Railway Company. Siemens will supply the company with 35 trains worth a total of \$345,2 million. The trains are being produced at the Siemens plant in Prague.

**Leasing company GE Money Auto** financed purchases of 37,381 cars worth the total of 6,9 billion Kc during Jan.-Nov. 2005, a 9,3 percent increase compared to the same period in 2004.

**The board of directors** of black-coal mining company OKD decided split the company into several entities, with

mining activities to be concentrated in OKD Mining.

**Czech energy equipment and turbines producer Ekol** will supply products worth 58 million Kc /\$2,4 million/ to Thailand and China. Thai investors would buy a used turbine from Ekol. The company will also supply 50 backup power sources to China.

**Rustige Holding**, the former holder of a 10 percent stake in Silon, the largest Czech plastic-bottle processor, took control of the company. Silon supplies products to the car, building and cosmetics industries.

**Futurelab Holding**, an Austrian company, has bought two Czech diagnostic laboratories: Diagnostické laboratorie and Cytolab. Last year, the company spent 205 million Kc /\$8,3 million/ to acquire Medservice, Explora, Bio-Plus and Laboma. Futurelab says it aims to be a leader on this market.

**Czech electricity producer CEZ** signed contracts with US firm PSEG Global on the purchase of majority shares in Polish power companies Elektrownia Skawina and Elektrociepłownia Elcho.

**The largest Czech fuel retailer Benzina** has acquired 19 petrol stations from Paramo for 252m Kc /\$10,5m/ in a move within the Unipetrol group to which both firms belong.

**Czech stove maker Romotop** reported that annual sales increased to nearly 486 million Kc /\$20,2 million/ from 409 million Kc /\$17 million/ after March 2004. After-tax profit grew to 19,37 million Kc from 12,5 million Kc. Operating profit fell to 31 million Kc from 34 million Kc /\$1,4 million/.

**Car maker Skoda Auto** last year raised its sale in nearly 90 markets across the world by 9 percent to 492,111 units. Fabia remained Skoda's best-selling model, although the number of Fabias sold decreased to 236,698 from 247,600 in 2004.

**Skoda Auto plans** to increase its annual production to 800,000 cars within five years. A quarter of the cars will be produced outside the Czech Republic in countries such as India, Kazakhstan and Ukraine.

**The Geosan Group**, a major Czech construction firm, has won a contract worth \$27 million in Libya.

**Czech electricity giant CEZ** made its first transaction on the CEX exchange in Amsterdam. On the exchange, companies can trade allowances for carbon dioxide emissions like shares on a stock market.

**Dutch mail and logistics company TNT** has taken over Czech distributor ISH Nocni Expres. ISH Nocni Expres is the leading provider of night distribution services in the Czech Republic. It delivers 1,500 items a day.

**Germany's TUI**, the largest travel agency in Europe, is buying a majority stake in Exim Tours, a travel company operating in seven countries and headquartered in the Czech Republic. Exim Tours was the second-largest travel agency on the Czech market last year.

**Austrian firm OMV** has completed the takeover of seventy petrol stations Aral in the Czech Republic.

**US software company Mercury Interactive Corporation** has bought Czech software firm Systinet, for which it will pay \$105 mln in cash.

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## BRNO – THE CENTRAL EUROPEAN TRADE FAIRS CAPITAL

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### In the center of the CE market

The Czech Republic and other countries of Central Europe (CE), Poland, Slovakia, Hungary and Slovenia, have passed a relatively fast way to transition from a centrally managed economy to a market economy. In 2004, as a result of their unprecedented political and economic transition, these countries have become members of the European Union, and their economies a part of the single EU market; a market that comprises 460 mil. consumers. The Central European market as such, with the new two candidate countries Bulgaria and Romania, accounts for 100 mil. citizens who are turning into a potent consumer market.

### Exhibition culture

The transition of CE economies has also brought many challenges to the exhibition industry. Trade Fairs Brno Co., a leading exhibition organizer with nearly 30 per cent share in the exhibition market of Central Europe, had to adapt to a new market geography, market conditions, trends, industry shifts and requirements of new clients. Even in the internet age, the market economy has confirmed its need for trade shows. In CE, the way of doing business is very similar to Asia, based on face-to-face communication. Trade shows are a traditional and efficient marketing tool.

### Supported by economic growth

The economic growth of the EU is now based on the growth in Central Europe, which is predicted at a healthy 4 – 6 %. Simply, there is a need for more investment, more rapid productivity growth, capital and consumer spending to level up the economies of the Czech Republic, Poland, Slovakia, Hungary and Slovenia, as well as the three Baltic states, with the most advanced EU member countries. This is good news for the exhibition industry in Central Europe.

## Global market place

The Central European market is a truly global place. FDI has been the best form of foreign assistance to the economic growth in the Czech Republic, Hungary, Poland, and Slovakia, in both manufacturing and service sectors. Especially, the Czech Republic has become a darling for foreign investors, targeting automotive, IT, electro technical engineering, electronics, precision engineering, telecom, banking, and real estate sectors. Foreign multinationals are key-players in the CE market. By the way, the majority shareholder in Brno Trade Fairs Co. is Messe Düsseldorf, Germany.

Globalization of the Central European economies brings more sophistication to the marketplace, rapid advancement of economy, and stronger international standing of trade fairs with more global brands and firms on display, and international professional attendees. This translates into increased “cross-border” business conducted at the trade shows in Brno; while the term “cross-border” in the EU single market maybe arguable.

## Serving Central Europe

The single EU market is formed in fact by two slightly different markets: the EU15 market and the new CE-market, heading to level up with the more developed EU15. Within the EU single market, there are, in some respect, remaining “national markets” with national market characteristics. The Czech Republic’s best comparative advantage has been its central location within the EU market and in Central Europe. Trade Fairs Brno Co. is blessed by its central location, in the vicinity of five European capitals.

BVV /Brnenske veletrhy a vystavy/ trade shows serve five business centers: Prague, Bratislava, Vienna, Budapest, Ljubljana and the south of Poland. The central location within a progressively global place has been a key reason that enabled Trade Fairs Brno Co. to become the leader in the CE exhibition industry. The exhibition portfolio of Trade Fairs Brno Co. represents 44 international fairs and exhibitions, 23 of which are No.1 in Central Europe and 37 have a leading position in the Czech market. In the segment of international fairs organized in the Czech Republic the market share of BVV company is 82,5 % according to the UFI criteria. (UFI – The Union of International Trade Fairs, Paris.)

## The capital of trade fairs in Central Europe

Trade Fairs Brno Corporation acts locally, but thinks globally. Located uniquely in Central Europe, with a prominent, leading position in terms of exhibition market share, Brno truly is the capital of trade fairs. Trade Fairs Brno Co. with the “Central European Exhibition Center” is proud to organize the premier “Central European Trade Fairs”. The Brno shows offer exhibitors a unique marketing opportunity in the CE market, and an outstanding opportunity for outsourcing quality products and services from Central Europe, the world’s new powerhouse.

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## ECONOMIC POLICY

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**The number of payment cards** in Central and Eastern Europe has tripled in the last four years to 109 million cards. The Czech Republic ranks fourth in the region, with 7.7 million cards.

**The number of credit cards** in the Czech Republic increased by roughly 66,500 to over 522,500 in the third quarter of last year.

**New chief executive officer of Czechinvest** is Tomas Hruda, who previously managed CzechInvest’s Japanese office.

**Prague City Hall’s plan** to create a WiFi network to serve all of Prague with free Internet could lead to investment protection lawsuits from telecommunications companies that have invested billions of crowns in Internet networks.

**Software companies Cleverlance and Brian Systems** have announced plans to merge and create a combined portfolio of products. The emerging

company also plans to expand abroad and become one of the leading information technology service providers in the Central and East European region.

**The billions of crowns that the Czech Republic** will annually receive from the European Union’s budget if it submits enough quality projects may significantly bolster the economy.

**Skoda Auto will begin producing its new Roomster model**, with the first cars slated to be sold this summer. The Roomster, Skoda first multipurpose vehicle, was introduced as a design concept at the 2003 Frankfurt Auto Show.

**The information technologies** market grew about 9 percent in 2005, from 66 billion Kc /\$2,75billion/ in 2004.

**The Czech Republic is the third most** advantageous country for offshoring (i.e. transferring business activities to a country with more advantageous conditions) following India and China.

Firms such as Air France, Lufthansa, Accenture, and Acer have located their call centers or customer service centers in the Czech Republic.

**Skoda Auto is the best-known Czech brand.** The electrical appliance manufacturer ETA and beer brand Pilsner Urquell follow the automobile manufacturer. The three are followed by Bata, Tesla, Budweiser Budvar, Tatra, Vitana, OP Prostejov, and Orion.

**According to an international survey** published in Science magazine, Czechs are one of the friendliest cultures in the world. They also ranked very high in terms of humbleness and altruism.

**Czechs spent a record 28 billion Kc** on package holidays in 2005. The spike in sales is a result of the fact that the Czech standard of living is rising with the strengthening Czech economy.

**Last December was the first in seven years** to see a slowdown of inflation. Inflation dropped on lower gasoline

prices, sales in retail shops and a moderate increase in food prices.

**Skanska CZ**, the largest Czech construction company, is expecting demand for new home construction to increase this year, as value-added tax for housing construction is soon expected to jump from 5 percent to 19 percent.

**Construction on a new film studio complex** at Barrandov will begin in spring 2006.

**The Czech Republic has one** of the lowest wage levels in Europe, this being the average hourly wage of EUR 3,4. Furthermore, the Czech Republic

has some of the longest working hours in Europe.

**Steel production in the CR** decreased by ten percent on the year to 6,2m tonnes last year.

**The CR will draw a 3 billion Kc loan** from international financial institutions for investment in water and sewage pipelines in 2006-2010.

**Modern shopping centers in the Czech Republic** increased by roughly a fifth to more than 1,3 mln square metres last year. There are 132 square metres of this shopping area per 1,000 people, 20 percent below the European Union average. The Czech Republic

could reach the European average within the next three years.

**Jiri Havel was appointed deputy prime minister** for economy. Havel has replaced Martin Jahn who stepped down from the post as of December 31, 2005.

**An estimated 6,4m foreigners** visited the CR last year, up 6% from 2004.

**Airbus was the only aircraft maker** to submit a bid for two planes for transporting Czech officials. It will deliver one A-319 plane in the spring and another in 2007.

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## ASTA: INTERNATIONAL DESTINATION EXPO

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The world's biggest association of travel agents ASTA (American Society of Travel Agents) is going to organize a meeting of its members in Prague between March 21 and 26, 2006. For the first time in history Prague will welcome over 1,000 representatives of large travel agents from the whole world, mostly from the USA and Canada. The Prague meeting called International Destination Expo will mark the beginning of a new tradition. In the travel industry the event is called the "Travel Industry Olympics". In 2007 the International Destination Expo will be held in Korea.

*"The choice of Prague as the place of meeting of ASTA members from the whole world confirms the rise of the Czech Republic and Prague as an important and popular tourist destination," Rostislav Vondruška, director of Czech Tourism, said. "Central Europe, with Prague and many other attractive places in the Czech Republic, has a large potential for the development of tourism. Countries with a huge volume of outgoing tourism become aware of our country thanks to our cooperation with ASTA."*

The goal of the International Destination Expo in Prague will be to show foreign travel agents our potential for receiving highly demanding travelers and offer them an attractive program.

North American tourists are an attractive group with a huge potential for further growth. About 13 million Americans and Canadians come to Europe every year. Only fewer than 350,000 of them visited the Czech Republic last year and stayed there for only 3 days on the average. Their average daily spending of over US\$100 per person and day ranks them among the most demanding visitors to our country. The March presentation was ushered in by the World Travel Congress, organized by ASTA in Montreal, Canada, between November 6 and 9, 2005. Over 150 exhibitors, including 22 official government-sponsored travel organizations (such as Germany, Ireland, Poland, Slovakia, Croatia, Egypt, Thailand, Tunisia and China), attempted to attract the attention of the visitors. The Czech presence was coordinated by the agency Czech Tourism. As the organizer of the first International Destination Expo, it had an extraordinary space in Montreal to attract the attention of ASTA members and invite them to Prague and other regions of the Czech Republic.

In addition to its immediate impact on the development of the travel industry, the International Destination Expo has some significant political implications, too. Support for organizing the meeting in the Czech Republic has been shown by former Czech President Václav Havel, former US State Secretary Madeleine Albright and US ambassadors to the Czech Republic Craig Stapleton and William Cabaniss.

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## CZECH COMPANIES LOOKING FOR REPRESENTATIVES, IMPORTERS, DISTRIBUTORS

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### **Chamr & Partners s.r.o.**

Tyrsova 1834/11  
120 00 Praha 2, Nove Mesto  
Tel. (+420) 222 512 415  
Cell. (+420) 603 235 810  
Fax. (+420) 597 464 352  
E-mail: info@spolecnosti.com  
www.spolecnosti.com  
Contact person: Mr. Martin Chamr

Chamr & Partners s.r.o. provides you complete service of the establishment and registration of your company both in the Czech Republic and abroad /Slovakia, Poland etc./. The company will find you new business partners, tax advice, bookkeeper and other services.

### **Avarisa**

Bri Stefanu 980  
500 03 Hradec Kralove

e-mail: business@hakil.cz  
Contact person: Lada Plenerova

Avarisa produces hand-made glass flowers. They are looking for a distributor or seller of their products.

**Crayomine, a.s.**

Baarova 45  
140 00 Praha 4  
Tel: (+420) 241 485 137  
Fax: (+420) 241 485 139  
E-mail: danes@crayomine.cz  
www.koh-i-noor.cz  
www.koh-i-noor.cz/volnekapacity  
Contact person: Mr. Jiri Danes

Crayomine, a.s. is Marketing section of Koh-i-noor Hardtmuth, a.s., which is the largest manufacturer of school, office and artists' supplies in Central and Eastern Europe in all fields of its production, exporting to 64 countries. They also provide Printing Works and Cartonage, Technical Rubber Technology, etc.

**Maso Plana, a.s.**

Prumyslova 499  
391 11 Plana n. Luznici  
Tel: (+420) 381 419 206  
Fax: (+420) 381 419 343  
E-mail: mindlova@masoplana.cz  
www.masoplana.cz  
Contact Person: Eva Mindlova

Maso Plana a.s. is a modern meat processing factory .

The following companies are listed in the Book of Business Opportunities published by the American Chamber of Commerce in Prague:

**Air Products, s.r.o.**

Ustecka 30  
405 30 Decin  
Tel. (420) 272 119 136  
Fax. (420) 272 703 483  
e-mail: harantv@apci.cz  
www.airproducts.cz  
Contact person: Vaclav Harant

Air Products serves customers in technology, energy, healthcare and industrial markets worldwide with a unique portfolio of products, services and solutions, providing atmospheric gases, process and specialty gases, performance materials and chemical intermediates.

**American Appraisal, s.r.o.**

Zeleny pruh 95/97  
Tel. (420) 227 027 575  
Fax. (420) 227 027 590  
e-mail: jkrch@american-appraisal.com  
www.american-appraisal.com  
Contact person: Jiri Krch

Business enterprise valuation and consulting, IFRS, US GAAP, fair market valuation of tangible and intangible assets, real estate advisory.

**ASB Prague, s.r.o.**

Narodni 6  
110 00 Praha 1  
Tel. (420) 224 931 367  
Fax. (420) 224 931 368  
e-mail: prychnovska@asbprague.com  
www.asbprague.com  
Contact person: Petra Rychnovska

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Contact person: Bedrich Camsky

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Clifford Chance provides legal advice.

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## TRADESHOWS AND EXHIBITIONS / SPRING 2006

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### Prague Exhibition Grounds / [www.incheba.cz](http://www.incheba.cz)

February 2 – 5  
- PRAGOINTERIER – NEW DESIGN / International Exhibition of furniture  
- WINDOWS-DOORS-STAIRS / specialized exhibition of windows, doors, stairs and staircases  
- HOUSING / International exhibition of housing possibilities

February 8 – 10  
- MODA PRAHA / International Fashion Fair

February 9 – 11  
- PRAGOOFFICE / Office Furniture and Equipment Fair

March 3 – 4  
- LA BELLA DONNA /WELLNESS / International Cosmetics and Healthy Lifestyle Fair

March 9 – 12  
- MOTORCYCLE / International motorcycle Exhibition

March 23 – 25  
- INTERGAS / International Gas Exhibition  
- PRAGOTHERM / International Power Engineering Fair  
- PRAGOALARM – SAFE HOME / International Fair of Safety Equipment

March 29 – 31  
- POLYGRAF / International Polygraphy Fair

April 4 – 7  
- PRAGOMEDICA / International Medical Fair

April 19 – 21  
- INTERKAMERA / International Photo and Video Exhibition

April 20 – 22  
- SPORT TIME SHOW / International Sport Fair

### Brno Exhibition Center / [www.bvv.cz](http://www.bvv.cz)

February 14 – 16  
- STYL / International Fashion Fair  
- KABO / International Footwear and Leatherware Fair

February 24 – 26  
- OPTA / International Fair of Eye Optics

March 7 – 10  
- SALIMA / International Food Fair  
- VINEX / International Wine Fair

March 22 – 26  
- FISCHING / International Fishing Exhibition

April 2 – 6  
- TECHAGRO / International Fair of Agricultural Technology

April 25 – 29  
- IBF / International Building Fair

- SHK BRNO / International Trade Fair of Sanitation, Heating, Airconditioning  
- URBIS / Investment Opportunity Forum Technology and Equipment  
- ELEKTRO / International Lighting Technology Fair  
- ENVIBRNO / International Environmental Fair

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Fax: 202.244.2147, [eco\\_washington@embassy.mzv.cz](mailto:eco_washington@embassy.mzv.cz)

**Consulate General in Los Angeles:** Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.  
Contact: Ms. Ludmila Kunderatova, Phone: 310.473.0889 x.229  
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### **Czech Center New York**

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### **CzechInvest – Chicago Office**

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General Information	<a href="http://www.czech.cz">www.czech.cz</a>	CzechInvest	<a href="http://www.czechinvest.org">www.czechinvest.org</a>
Czech Supplier	<a href="http://www.supplier.cz">www.supplier.cz</a>	Tradeshows	<a href="http://www.veletrhyavystavy.cz">www.veletrhyavystavy.cz</a>
CzechTrade	<a href="http://www.czechtrade.cz">www.czechtrade.cz</a>	Czech Embassy	<a href="http://www.mzv.cz/washington">www.mzv.cz/washington</a>

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