

CzechInvest Newsletter

April 2014

Headline News

- According to a prestigious ranking compiled by the British magazine *fDi Intelligence*, the Pardubice region is the most attractive Eastern European region for investors. The results of **the European Cities and Regions of the Future 2014/15** survey were ceremoniously announced on Wednesday, 12 March 2014, in Cannes, France. The certificate for the first-place ranking among Eastern European regions was accepted on behalf of the Pardubice region by CzechInvest, which entered the region in the competition. The Plzen region and Prague placed immediately behind the Pardubice region.

Source: CzechInvest, Mar 12

Business & Investment

- Varroc Lighting Systems**, a leading global manufacturer of exterior automotive lighting components, is planning to invest CZK 1.28 mln in its factories in the Czech Republic by 2016 and will thus create 50 new jobs in the Karvina and Novy Jicin districts. CzechInvest helped to mediate the investment. Varroc Group of India, to which Varroc Lighting Systems belongs, supplies headlamps and rear light assemblies to major automotive brands such as Bentley, Ford, Jaguar, Land Rover, Skoda and Tesla.

Source: CzechInves, Mar 18

- Takenaka Europe** is preparing the construction of a new hall for the company, SMC Industrial Automation CZ, in the industrial zone Vyskov-Nouzka. This stems from the official announcement of the intention of the building. In the hall with an area of 12,000 square meters it will produce pneumatic and electro-pneumatic components for industrial automation. The start of construction is planned for August 2014 and completion for a year later. South-Moravian County Office informed that the construction will not affect the environment and thus will not be subject to environmental assessment.

Source: CIA, Mar 5

- On 12 March a new plant for the production of sapphire monocrystal opened at industrial zone Prague Cakovice. The international project's investor is **Aled Praha** and the project received support from the European-Russian Bank. Investments into the first production line exceeded CZK 75 mln. The first phase of the project will create 25 jobs.

According to preliminary estimates the first production line will produce up to 800 kg of monocrystals from artificial sapphire per month.

Source: CIA, Mar 14

- AGC Flat Glass Czech** has re-commissioned its R1 production line after almost two years in reconstruction. Investments in the line upgrade exceeded CZK 2 bn, AGC Flat Glass Czech said in a statement, adding that the upgraded line will enable the company to expand flat glass production for the automotive industry. The line reopening offered 80 new jobs.

Source: CIA, Mar 24

- The town hall of Pardubice will discuss a draft of the public-legal contract. **APAG Elektronik** plans to build a new production area APAG Elektronik in Pardubice - Stare Cvice.

Source: CIA, Mar 3

- The firm Accolade has informed that it is preparing, in cooperation with Panattoni, a new 16,000 m² production hall for German firm **Ideal Automotive**. The hall is to be built in Panattoni Park Stribro. Completion is foreseen for Q3 2014.

Source: CIA, Apr 3

- Zlin Aircraft** continues to modernize its facility. Within a few weeks, it will put a new assembly hall into operation. The company also introduced an economical heating system in the upgraded areas.

Source: CIA, Mar 5

R&D

- Palacky University in Olomouc has published a contract notice for the construction of **the BALUO application centre** on the premises of the Faculty of Physical Culture. The estimated value of the contract is CZK 187.12 mln. Tenders or requests to participate must be submitted by May 2, 2014.

Source: CIA, Mar 17

- The founders of **the Prague Innovation Centre**, construction of which was ceremoniously commenced on Wednesday, 26 March 2014, have set the objective of

developing biotechnology projects with international potential. CzechInvest mediated aid for construction within the Prosperity Programme of the Operational Programme Enterprise and Innovation 2007-2013. The innovation centre will develop technologies targeted at the area of human health in the fields of biotechnology, IT and nanotechnology. Two additional future research facilities – a laser centre in Dolní Brezany and the Biotechnology and Biomedical Centre of the Academy of Sciences of the Czech Republic and Charles University in Vestec – will also be established nearby.

Source: CzechInvest, Mar 27

Infrastructure

The new **Business Park Ostrava** might provide jobs for up to 1,500 people in the future. According to information provided by the regional board of the cohesion region Moravskoslezsko, the park runs the first out of seven planned production, logistic, storage, or wholesale halls. The area is being built at former industrial area covering 13.5 hectares. The renovation was made possible thanks to money from EU funds and private capital. It was made possible with help of the tool JESSICA, which is able to finance profit-making projects of the municipal development with EU money in a form of a long-term loan. The loan for the Business Park Ostrava was provided by the Contera Urban Development Fund MS.

Source: ČIA, Mar 4

Supporting Programmes

The Ostrava-based firm **AVE Innovation**, which is engaged in the development of applications for tablets, will present its innovations in the creation of PowerPoint presentations in the United States. Thanks to CzechInvest's **CzechAccelerator** project, representatives of the company have travelled to Silicon Valley, where they will stay until June and will have access to various means of developing business skills. The company's Presentico program offers users easier control of PowerPoint, works with 3D effects, and adds new templates, motifs and, for example, a calculator.

Source: CzechInvest, Mar 20

Thanks to subsidies, **Stomil CZ s.r.o.** was able to acquire a technology that is able to cut rubber and plastics with a high-pressure water beam. This is an ecological device whose use does not generate harmful emissions. The total costs of acquiring the new technology, which is helping to increase the company's competitiveness, amounted to nearly CZK 2.5 mln. Aid from the Development Programme of **the Operational Programme Enterprise and Innovation** covered forty percent of the costs, specifically CZK 994,000.

Source: CzechInvest, Mar 3

Economy

The Czech Republic was able to win **foreign direct investments** in the amount of CZK 97.7 bn in 2013. The sum totalled CZK 156.3 bn in 2012, according to the analysis Development of the Economy of the Czech Republic in 2013 made public by the Czech Statistical Office. Investors left CZK 155.6 bn (reinvested profits and new capital investments) in the Czech Republic in 2013. This was the highest sum since

2007. Instalments of loans from subsidiaries to foreign parents totalled CZK 57.9 bn in 2013.

Source: ČIA, Mar 24

Events

Jiri Hlavaty, owner of the biggest Czech textile company, **JUTA a.s.**, is the winner of the prestigious EY Entrepreneur of the Year 2013 award for the Czech Republic. Mr. Hlavaty received the award from Minister of Finance Andrej Babis and Magdalena Soucek of EY. As is tradition, CzechInvest was the partner of the 13th annual competition, which culminated with the awards ceremony on 4 March 2014 at Prague's Zofin Palace.

Source: CzechInvest, Mar 6

Every year, the President of the United States declares the third full week of May as World Trade Week. Trade organizations, businesses and other stakeholders come together both nationally and locally to promote and facilitate international trade in the U.S. economy. In the context of it CzechInvest Agency in cooperation with Association for Foreign Investment, KPMG, Patria Finance and Kinstellar organize a seminar **Invest in the Czech Republic – Your Gateway to Europe** on May 27. For more information see the attached [invitation](#).

Source: CzechInvest, Apr 17

The CeBIT trade fair, which annually brings together the world's leading providers of commercial solutions in the fields of IT, electronics and ICT services, took place in Hannover, Germany, in March. The Czech Republic was represented at the trade fair thanks to support from the Joint Participation in Specialised Exhibitions and Trade Fairs Abroad project. CzechInvest presented its services and communicated with potential investors at a stand shared with the Czech ICT Alliance. This year's edition of the CeBIT trade fair was attended by 210,000 visitors and companies concluded deals in the record value of EUR 25 bn.

Source: CzechInvest, Mar 10

Czech representatives discussed possible cooperation in the area of biomass and solar energy at **the Energy Show** in Dublin, which took place on 12-13 March 2014. Representatives of the London office of the Ministry of Industry and Trade of the Czech Republic presented the services of CzechInvest and CzechTrade, as well as possibilities of investments and cooperation with Czech companies. Czech participation in the exhibition also revealed potential for new investments and expansion of existing investments in the Czech Republic by firms manufacturing lighting components, boilers and technologies for environmental protection.

Source: CzechInvest, Mar 21

Exchange Rates

Averages for March 2014

EUR 1 = CZK 27,394

GBP 1 = CZK 32,939

USD 1 = CZK 19,818



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