

MONTHLY NEWSLETTER

April 2010

Headline News

- **Kyocera Solar Energy** is planning a significant expansion of its existing solar panel plant in Kadan. Production of panels will increase sixfold to almost 390,000 units per month; the production of the panels produced will increase to 43.6 MW per month. The number of company employees will increase by 921 to 1,320.
- Kyocera also plans to not only expand its existing hall but also to build a new one. Construction should commence in July 2010 and be completed in May 2011. The Usti nad Labem region's environment department says the planned expansion will not have a significant impact on the environment and that it therefore does not need to continue the environmental impact assessment process.

Source: **CIA**, Apr 27

Business

- US **FEI** plans to relocate microscope production from Eindhoven, the Netherlands, to Brno. The relocation is to take about nine months and it will concern products with an annual turnover of USD 60 mln, which accounts for 10% of the total FEI turnover.

- When the project is completed, FEI expects to offer about 50 jobs in Brno. The costs of the relocation are to hover from USD 6.5 mln to USD 10.3 mln.

Source: **CIA**, Apr 12

- The firm **Grammer** plans to expand production in its facility in Tachov district. Beside seats for BMW and Audi vehicles, the plant will start producing also truck seats from next year. The firm will thus create 250 new jobs in the region. Grammer would like to recruit first new workers this year.

- According to Grammer's CEO Martin Korinek, the firm plans to invest over CZK 250 mln into the expansion of the production. The firm will expand the existing facility for part of the resources and will buy the required technologies for the remaining, substantially higher, sum.

Source: **CIA**, Apr 7

- The Moravia-Silesia regional authority has permitted the construction of a **multimodal cargo terminal** on an area of 312,000 square meters in the **Mosnov Strategic Industrial Zone**. It will consist of six halls, an entry building, paved surfaces for transport purposes and parking of cars and trucks, a fuel

station, and a rail delivery track. Implementation of Multimodalni Cargo Mosnov's project is scheduled for the year 2011; it should be completed in 2015. Regional authorities will no longer undertake an environmental impact assessment of the plan.

- The multimodal cargo terminal will focus on light production (mechanical engineering and electrotechnical), assembly, storage, and logistics. The locality was also being considered for a production facility for Hyundai, which was in the end situated in the industrial zone in Nosovice. Halls A, B, C, and F were all designed for 494 employees in triple-shift operations; halls D and E were designed for 988 employees in triple-shift operations.

Source: **CIA**, Apr 13

- The independent technical centre of the concern **Hella** based in Mohelnice continues in the development. Hella Autotechnik intends to become the biggest centre of the concern for the development of the automotive lighting in few years. The centre employs 200 developers and it hires up to 35 new technicians every year to help the company achieve the goal. The total investment into

buildings and equipment of the technical centre including the testing premises has reached CZK 280 mln. The company considers investments of CZK 150 mln in the future.

Source: **CIA**, Apr 14

R&D

- One of the pillars of the multi-purpose **ELI (Extreme Laser Infrastructure)** project - ELI Beamlines - will be formed in the Czech Republic. The costs of ELI's technological endowment are estimated at CZK 4 bln. The project will also create 300 highly qualified job positions.
- According to the director of the Czech Academy of Sciences' Institute of Physics, this is the first unique international project that will be built in a new EU member country. Firms from around the world will participate on the project. Czech companies presented their drafts on April 12 and 13 on Technology Days in Paris and Bordeaux, organised for 25 Czech and French firms by CzechInvest.

Source: **CIA**, Apr 12

- **Ostrava University Hospital** and a private entity, **PrimeCell**, are working on a **biotechnology park project**. The investment is expected to be worth CZK 577 mln. The park will focus on clinical development of new tissue engineering products and applied clinical research in microbiology implemented in cooperation with the Ostrava-based Institute of Public Health. It will also focus on translation oncology research, in particular on laboratory and diagnostic methods in molecular biology.
- The total newly built area will cover 6,600 square meters, including 2,900 square meters of purely laboratory premises. The construction work is scheduled to be commenced in Q3 2010, and the research centre is to be

launched into trial operation in the first half of 2012.

Source: **CIA**, Apr 16

- **The South Moravia Regional Council** has approved the preparation of the **CEITEC Science Park** project, which should follow up in the future on the infrastructure of the Central European Institute of Technology (CEITEC) in the area of the Brno University of Technology Brno-North Campus in the Pod Palackeho Vrchem location. According to hetman Michal Hasek, up to 75 % of the project implementation costs totalling ca. CZK 400 mln should be covered from the Business and Innovations Operational Programme. The remaining 25% will be covered by the regional budget.

Source: **CIA**, Apr 22

Economy

- There were **572,824 unemployed persons** in the Czech Republic as of March 31. Registered unemployment rate thus dropped 0.2% m/m to 9.7%. There were thus 10,311 fewer unemployed persons than at the end of February. The number of unemployed persons increased by 123,912 y/y. According to the employment office data published by the Ministry of Labour and Social Affairs, the unemployment rate grew by 2 percentage points y/y.

Source: **CIA**, Apr 9

- According to the Czech Statistics Office the **public finance deficit** increased to 5.93 % of GDP last year from 2.72 % in 2008. The Finance Ministry's preliminary estimate had expected the 2009 deficit to total 6.6 %.

Source: **CIA**, Apr 1

Culture

- The 65th year of the music festival **Prague Spring** will take

place between May 12 and June 4. The festival will pay homage to two important composers – Bohuslav Martinu and Gustav Mahler – this year.

- Visitors thus may look forward to several pieces composed by the authors and played for instance by the Czech Philharmonic Orchestra together with Garrick Ohlsson or the Hungarian National Philharmonic Orchestra. The festival will offer also performances by legendary musician Sir André Previn, violinist Anne-Sophie Mutter, or the Pittsburgh Symphony Orchestra.

Source: **CIA**, Apr 30

CzechInvest

- The allocation of CZK 1.5 bln on subsidies within the **ICT and Strategic Services** began on April 15. Firms may send applications for subsidies until October 15. The information was provided by **CzechInvest**. The program will support construction and/or expansion of centres offering IT services, international shared services centres as well as high-tech repair facilities.
- The minimum value of a subsidy is CZK 1.5 mln, the highest value CZK 100 mln. The subsidy may reach up to CZK 150 mln in economically weaker regions. In order to be eligible for the subsidy, the applicant must invest between CZK 500,000 and CZK 3 mln into long-term assets and form 3 to 40 job positions, depending on project type.

Source: **CIA**, Apr 15

Exchange Rates
Averages for April 2010
EUR 1 = CZK 25.303
GBP 1 = CZK 28.904
USD 1 = CZK 18.848

Source: Česká informační agentura, s.r.o.

