

# CzechInvest Newsletter

February & March 2014

## Headline News

- Last year CzechInvest mediated **domestic and foreign direct investments** worth nearly CZK 48 bln, more than twice the amount in 2012. Altogether, these investments will help to create more than 10,500 new jobs. The most active investors in 2013 were domestic firms and local branches of foreign investors that had come to the Czech Republic in previous years. Expansions comprised 78% of the total of 110 projects mediated by the agency. Ondrej Votruba, acting CEO of CzechInvest, anticipates similarly positive development in the first quarter of 2014.

Source: CzechInvest, Feb 20

## Business & Investment

- **ABB CR** plans to invest CZK 650 mln in its factory based in Brno. According to ABB CR CEO Hannu Kasi, the company talks on the construction of a new production hall for the extension of the production of transformers. Besides Brno, the company plans to invest CZK 150 mln in the construction of a new factory ABB for the production of systems of protections, automation, and management of substations in Trutnov. The construction work has been already commenced. The new factory in Trutnov will likely be opened at the end of 2014. It will employ about 100-150 new employees.

Source: **CIA**, Feb 13

- Ammunition manufacturer **Sellier & Bellot** is expanding production. The information was provided to CIA by Sellier & Bellot's general director Radek Musil. The company aims to raise the production of pistol and ball projectiles by several hundreds of millions per annum. The company has thus hired 290 employees and is acquiring machinery for CZK 650 mln that it will locate into two new production halls in Vlasim later in 2014. The company wants to be competitive in the segment of projectile caps and pistol and ball ammunition. According to Mr. Musil, the EBITDA in 2013 will total CZK 665 mln. Sales will grow both in the US and in Europe.

Source: **CIA**, Jan 7

- **Toray Textiles Central Europe s.r.o.**, the Czech branch of the Japanese firm Toray Industries, a manufacturer of waterless offset printing plates, ceremoniously commenced production at its new manufacturing facility in Prostějov on

Wednesday, 29 January 2014. In addition to representatives of CzechInvest, which helped to mediate the investment, the event was attended by other important guests, including the Japanese Ambassador to the Czech Republic, Tetsuo Yamakawa, Deputy Minister of Industry and Trade Milan Hovorka, and Akihiro Nikkaku, president of Toray Industries. For a long time Japan companies have been among the most active investors in the Czech Republic. With support of CzechInvest agency they have created more than 22,000 jobs since 2000. The production of plates for more ecological waterless offset printing in Prostějov is the first operation of its kind in Europe. The output of the new production line is intended not only for the European market, but also for North and South America and the Middle East.

Source: CzechInvest, Jan 30

- **RSF Elektronik's** subsidiary plans to build a factory in the industrial area Kasarna Stribro. According to information provided by the Regional Development Agency of Pilsen Region, the factory will likely cover the area of nearly 4.5 hectares. RSF Elektronik, a producer of cables for industrial purposes, plans to employ over 350 people in the new factory in the first stage of the project. The factory will accommodate also a centre of machine tooling equipped with automated CNC machine tools.

Source: **CIA**, Jan 23

- A technology mission to China organised in autumn last year by CzechInvest, the Czech Embassy in Beijing and other partners helped to enhance cooperation between the Chinese firm **Suzhou Cleanet** and the Czech company **Navigate Corporation a.s.** The resulting agreement will enable Suzhou Cleanet to use ecological technology for recycling used frying oil. It will now be possible to convert used frying oil into a biopolymer which can then be used in the production of bioplastic packaging that degrades over time and thus will not pose a significant threat to the environment.

Source: CzechInvest, Feb 4

- **Saint-Gobain** plans to double the production in its Horovice-based factory. According to the company, the investment will likely reach about EUR 30 mln. The company will be thus able to offer 70 new jobs. The company plans to submit an application for an investment incentive with the project soon. Saint-Gobain exports its products mainly to European countries.

Source: **CIA**, Jan 23

## R&D

- **The Czech-Israeli Chamber of Commerce** has established a new committee to address issues associated with research, science and innovation. The committee will foster closer cooperation between the Czech Republic and Israel in the fields of robotics and experimental medicine, among other areas. The committee's first meeting took place at CzechInvest on 11 February 2014. The group is composed of leading specialists, including Senator Eva Sykova, who is also director of **the Institute of Experimental Medicine at the Czech Academy of Sciences**; Vladimír Marik, member of **the Government Council for Research, Development and Innovation**; and Petr Benes, chairman of the new committee. The committee's task is to identify specific areas in which the two countries can develop joint cooperation. The first meeting indicated that this will involve, for example, experimental medicine, high-tech sectors, robotics, cybernetics, new materials, nanotechnology and protection of intellectual property.

Source: CzechInvest, Feb 13

## Supporting Programmes

- Six start-up firms that recently succeeded in the selection process for the **CzechAccelerator 2011-2014** project will set out to gain experience abroad in the coming weeks. The firms will receive free use of office spaces, as well as free entry to networking events in Singapore, Silicon Valley or Boston. Silicon Valley is the destination of choice for **be3D.cz**, a manufacturer of 3D printers. The committee that assessed the project was impressed primarily by its comprehensiveness, as well as the favourable purchase price and ease of use of the printers.

Source: CzechInvest, Feb 20

## Economy

- The Czech Republic has a **new tool for bringing investments** to the five districts of the country that are most adversely affected by unemployment. Starting on 1 February 2014, investors that locate their projects in Most, Bruntal, Ústí nad Labem, Karvina or Chomutov and apply for investment incentives will receive from the state CZK 200,000 for each newly created job instead of the previous CZK 50,000. In its decree, in the formulation of which the Ministry of Industry and Trade and the Ministry of Labour and Social Affairs participated, the Government of the Czech Republic brought to life a proposal originated by CzechInvest. The decree came into force on 1 February 2014.

Source: CzechInvest, Jan 23

## Events

- Asia's biggest aviation conference, **Singapore Airshow 2014**, took place on 11-16 February. The event was attended by more than a thousand exhibitors from 47 countries, as well as by a representative of CzechInvest. Over the course of six days, the biggest firms in the aviation and defence industries, such as **EADS, Boeing, Embraer, Bombardier, Airbus** and **Rolls-Royce**, closed deals in the record value of USD 32 billion.

Source: CzechInvest, Feb 19

Czech exhibitors received the Special Award for their presentation of the Nanospider LAB technology from the company **Elmarco** at nano tech 2014 in Japan. This was the fourth time that Czech representatives had participated in the world's most significant

nanotechnology trade fair. The Special Award for the Czech pavilion was accepted by the Czech Republic's ambassador to Japan, Katerina Fialkova, and the president of Elmarco's Japanese branch, Kaz Nomoto. Besides Elmarco, which has operated a branch in Japan for six years, the Czech delegation at the trade fair also included representatives of CzechInvest, CzechTrade and the Technology Centre of the Academy of Sciences of the Czech Republic.

Source: CzechInvest, Feb 11

## CzechInvest

- The current situation and future of Czech aviation manufacturers were the topics of discussion at a seminar organised by CzechInvest on Thursday, 23 January 2014. Representatives of **the Confederation of the Czech Aviation Industry** and of the Ministry of Industry and Trade, Ministry of Labour and Social Affairs and CzechInvest concluded that in order for the industry to maintain its international competitiveness, it needs substantial support from the government and, especially, a sufficient number of specialists. Even though the aviation sector has been successful in recent years, the lack of qualified people is proving to be a serious problem. Companies would therefore welcome the expanded role of universities in preparing students for work in the aviation sector. CzechInvest is endeavouring to introduce a project to support certifications, which are of key importance for the success of companies in the international environment but are also time intensive and financially demanding.

Source: CzechInvest, Jan 24

- On 6 February 2014, Minister of Industry and Trade Jan Mladek recalled CzechInvest's CEO, **Marian Piecha**. The agency's leadership was entrusted to **Ondrej Votruba**, who had previously served as the director of the Investment Division at CzechInvest. Mr. Votruba's objective is to transform the agency into an open, pro-client institution that will primarily attract to the Czech Republic new investments representing the necessary number of new jobs and opportunities for Czech suppliers. In this respect, Mr. Votruba anticipates stronger support from the new Czech government.

Source: CzechInvest, Feb 6

- **The Japanese Chamber of Trade and Industry** in the Czech Republic contributed CZK 75,000 to a preschool in the Ústí region that had been heavily damaged in last year's flooding. The presentation of the financial donation and toys for children took place on 5 February 2014 at the Lubenec preschool. The event was attended by representative of the Chamber, the Japanese Embassy and some Japanese firms that operate in the region. Representatives of CzechInvest, which mediated the donation, were also in attendance.

Source: CzechInvest, Feb 10

## Exchange Rates

Averages for February 2014

EUR 1 = CZK 27,443

GBP 1 = CZK 33,261

USD 1 = CZK 20,094



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

[www.cianews.cz](http://www.cianews.cz)

**Contact:** CzechInvest - Investment and Business Development Agency  
Stepanska 15, 120 00 Prague 2, Czech Republic  
Tel.: +420 296 342 579, E-mail: [fdi@czechinvest.org](mailto:fdi@czechinvest.org)  
Web: [www.czechinvest.org](http://www.czechinvest.org)