

Headline News

According to a survey by German foreign chambers in 16 countries in Central and Eastern Europe, the **Czech Republic is the best place for doing business**. The Czech Republic was the survey winner for the sixth time in a row.

Source: **CIA**, May 31

Business&Investment

- The firm **Takenaka Europe**, which produces sealing bands and tapes for doors and windows for passenger cars, has applied for permission for the expansion of its hall in Klasterec nad Ohri in the environmental impact assessment (EIA). The aim of the project is to raise the production capacity from 110 pcs to 230 pcs per day. The employee base would be raised from 234 to 415 persons. Construction launch is foreseen for November 2011, completion for August 2012. The project is currently being reviewed by the Ministry of Environment.

Source: **CIA**, May 25

- The firm **Johnson Controls** will build another production plant for spare parts for automobiles in Zatec. The new plant will provide ca. 200 new jobs, according to the plans. The construction is scheduled to be completed in August 2011. Gradual production launch is foreseen from May 2012.

Source: **CIA**, May 24

- French online shop **Pixmania** will establish its branch

in Brno. The new branch will likely administer 14 countries in the region of Central and Eastern Europe, Scandinavia and Germany at the end of this year. Czech-French Chamber of Commerce Sales Manager Michal Macko told CIA that the new branch will employ 200 people until the end of this year and the employee base will grow to 400 in three years. The total investment prepared for the project reaches EUR 20 mln (roughly CZK 491.54 mln).

Source: **CIA**, May 24

- Carmaker **Skoda Auto**'s production plant in Vrchlabi, which will produce the DQ200 transmission gearbox from late 2012, will invest several hundreds of millions of korunas into the production and organisational changes. Up to 700 persons will be employed in relation to the gearbox production.

Source: **CIA**, May 6

- Edwards**, a producer of suction-pumps, has opened new premises of its production plant in Lutín. The company expects that its production capacities will increase 60% and the number of produced suction-pumps will grow 100% in next five years. The company will also create job positions for nearly 200 people. According to information provided by the company, investment costs reached CZK 244 mln and the company is planning to use subsidies from European funds exceeding CZK 80 mln.

Source: **CIA**, May 6

- Gestamp** has commenced construction of a new production hall in industrial zone Triangle - Žatec. This information was confirmed for CIA by Usti Region spokeswoman Magdalena Hanackova. CIA had written earlier that the production hall will be used to press metal parts for automobile components. The stamping capacity should total 51,000 tons per year. The plant should employ 250.

Source: **CIA**, May 11

- The municipal deputies of Kolín have approved the sale of a 1.5 ha plot in the Kolín – Ovcary Industrial Zone to the firm **Dirac Industries**. Dirac Industries plans to build a plant for the production of electric devices in the zone. The head of the Kolín Municipal Office's investment department, Iveta Horakova, has told CIA that the plot costs CZK 410 per square meter. According to Ms. Horakova, the company claims in its investment plan that it will create roughly 190 new jobs.

Source: **CIA**, May 30

- The firm **Toyoda Gosei** is expanding the third production hall in Klasterec. The hall focuses on the production of rubber sealings for car bodies. According to the company, the investment into the project will total ca. CZK 100 mln; out of that, CZK 40 mln will be spent on the expansion of the building. The rest will be used for new technologies. The company plans to recruit 40-50 employees in the first half of

2012. Toyoda Gosei thus plans to have a total of 850 employees.

Source: **CIA**, May 17

- **Gaben**, a company focused on the field of automated identification systems for production and logistics enterprises, has launched the operation of a new production line, the Smartlabel, for the production of smart labels with RFID tags in Ostrava. According to Pavel Benda, the head of Gaben, the company realised the project thanks to the financial subsidisation from the EU Operation Programme Business and Innovation.

Source: **CIA**, May 18

R&D

- Construction of the complex of buildings for the **ELI Beamlines laser** worth CZK 1.6 bln should begin at the end of this year. The Physics Institute of the Academy of Sciences (FU AV), as the domestic ELI guarantor, must in coming months call an above-limit tender. As CIA was informed by Marketa Holubova from the ELI Czech implementation team at FU AV, the ELI Beamlines research laser center will start operating in the Czech Republic as of 2016.

Source: **CIA**, May 19

- Eurocommissioner Johannes Hahn signed the **CEITEC** project on Wednesday June 1. The project will result into a science and research facility in Brno, worth CZK 5.3 bln. The centre will be financed from the Research and Development for Innovations Operating Programme, similarly to the CZK 6.7 bln "ELI" superlaser project. According to the deputy Minister for Education, Jakub Hodinar, who is responsible for European matters, approval of additional four large projects is foreseen for this year. The total value of all six large projects is CZK 21 bln, Mr. Hodinar says.

Source: **CIA**, Jun 2

- The Karlovy Vary Region has applied for an environmental impact assessment of its plan to build the **Science and Technology Park of the Karlovy Vary Region**. The complex will

comprise a technology centre for research and application of new techniques and technologies in practice (capacity of c. 300 persons), an information centre (capacity of c. 250 persons) and a conference hall (capacity of c. 250 persons). Implementation is scheduled to be completed in October 2015.

Source: **CIA**, May 20

- The city of Prague plans to build the **Horni Lada Technology Park** on almost 20 hectares in Kyje. The expected costs are estimated at approximately CZK 2 bln. The city will apply for money from the EU funds. The project is to comprise 20 buildings and 600 car parking places.

Source: **CIA**, May 27

Economy

- The inflow of **foreign direct investments** (FDIs) into the Czech Republic more than doubled last year to CZK 129.5 bln. According to an analysis of the Czech economy development prepared by the Ministry of Industry and Trade, reinvested profits accounted for the highest FDI item (63.8%). Foreign investors invested CZK 27.8 bln (21.5%) into registered capital last year.

Source: **CIA**, Jun 1

- The Ministry of Industry and Trade is proposing as part of the forthcoming amendment to the investment incentives act the introduction of investment incentives in the form of direct capital support for long-term tangible and intangible assets for strategic investments. This stems from the draft of the amendment published in the library of forthcoming legislation. According to the ministry state budget income could total roughly CZK 53 bln per year. Overall spending would total CZK 7.3 bln on all types of public support in the same period.

Source: **CIA**, May 19

- Promised incentives in the procession industry totalled CZK 1.667 bln in 2010. A promise was given to 13 projects worth CZK 4.779 bln. The financial volume of promised investment incentives

reached CZK 5.141 bln in 2009. The support applied to 35 projects worth CZK 15.392 bln, according to statistics conducted by CzechInvest. Promised incentives total CZK 1.49 bln this year and apply to six projects worth CZK 4.406 bln.

Source: **CIA**, May 25

Culture

- Mexican tenor Ramón Vargas, one of the most renowned singers of our times, will open the 20th year of the Cesky Krumlov International Music Festival on July 15, 2011.

Source: **CIA**, May 30

CzechInvest

- The Czech aviation industry is undergoing significant development. To promote this industry, representatives of Czech institutions, experts and aviation firms undertook an aerospace mission to Great Britain from 24 to 26 May 2011. The mission was organized by **CzechInvest** in cooperation with the Ministry of Foreign Affairs of the Czech Republic. The mission's partners were ADS Group, the Midlands Aerospace Alliance and the Farnborough Aerospace Consortium.

Source: **CzechInvest**, May 31

- Business and investment support agency **CzechInvest** will attend Australian Automotive Week 2011 international conference. The agency aims to promote the Czech automotive industry within the Czech – Australian Technology Days from July 4 until July 8. Beside the conference, the Czech team will participate also in three seminars on Australian universities - Deakin University, RMIT University and Swinburne University.

Source: **CIA**, May 30

Exchange Rates
Averages for May 2011
EUR 1 = CZK 24.383
GBP 1 = CZK 27.780
USD 1 = CZK 16.999

Source: Česká informační agentura, s.r.o.
www.cianews.cz

