

# MONTHLY NEWSLETTER

May 2010

## Headline News

- A group of investors headed by **Noritus** plans to build a **data centre** in the attraction zone of the Prague-Letnany metro station. The centre will be connected to at least four independent backbone fibre optic networks of data connectivity providers. The total area of the building is 10,500 sq m, and the total capacity of rent racks is 960 (42U). The centre is to cost CZK 1 bln.
- The construction of the new data centre needs a four-year time framework from the construction decision to the launch with regard to the growing difficulties in terms of technology and administration.

Source: **CIA**, May 10

## Business

- A modern robotic brickyard, currently the most advanced in Europe, has been constructed in Hevlin in South Moravia. A Czech company, **Heluz**, invested a total of CZK 850 mln into its construction. Through the **CzechInvest** agency, the company received support in the form of investment incentives. According to Alexandra Rudysarova, CzechInvest's General Manager, as many as fifty new jobs were created

thanks to the construction of the new plant.

- The construction of the new plant itself and technology tuning took more than two years. Currently, the plant is fulfilling all project parameters. The production is more efficient and consumes less energy than older plants. The state-of-the-art technologies allow for the production of brick blocks which already meet all demands for perimeter walls of low-energy and passive houses in a one-layer wall. Daily, up to 40,000 such brick blocks are produced here.

Source: **CIA**, May 3

- Circuit breaker manufacturer and member of the **Siemens** group **OEZ Letohrad** plans to open a new assembly line to expand production of 3WL circuit breakers by up to 50,000 units a year. The project is currently undergoing the environmental impact assessment procedure. The new assembly plant would provide 195 new jobs.
- The plant should ensure the final phase of the production process, i.e. assembly, control, packaging and dispatching of goods. The firm will also reconstruct its two production halls and tear down an old communal waste storage facility.

The implementation of the project is scheduled to start on 1st June; pilot operation shall be launched in August and run until March 2011.

Source: **CIA**, May 5

- **Hennlich Industrietechnik** has commenced completion of the premises in Litomerice that will include the construction of the Hennlich research and development centre supported by the Operational Programme Business and Innovations. The project investment will total approx. CZK 120 mln, the company said in a statement.
- Hennlich Industrietechnik is part of the European Hennlich Group. It has expertise in component and system supplies to steel manufacturers, utilities, investment units, and hydraulics.

Source: **CIA**, May 3

- **TRW-Carr** may expand its plant in Stara Boleslav at which imported parts are used to install two- and three-point safety belts and safety belts with switches into automobiles. The plan involves the creation of 350 new jobs, which means that the company will have more than 1,750 employees.
- New TRW-Carr production equipment will be installed at the new production hall with an area

of 4,200 sq m. The total built-up area will increase to 15,600 sq m and production at the plant will increase by 20 %. The Central Bohemia Regional Authority has approved the construction, stating that the plan does not have a negative impact on the environment and that there is thus no need to continue with the EIA.

Source: , May 20

- The Regional Authority of the Olomouc Region permitted **Saint-Gobain Weber Terranova** to build new Weber premises for the production of building materials on the outskirts of Prostějov. The project implementation is scheduled for April 2011; it is set to be completed in June 2013.
- The project will have two stages. The premises will include the background for employees and an administrative building. The total built-up area is 5,932 sq m. The project will provide 55 parking places.

Source: , May 24

#### R&D

- The **Biotechnology and Biomedicine Centre** (BIOCEV) is to be formed in Vestec u Prahy as a result of the cooperation of the Czech Academy of Sciences and Charles University Prague. The Academy of Sciences has already purchased 24,000 sq m of plots in Vestec. BIOCEV strives for a subsidy of CZK 3.25 bln from the Research and Development for Innovations Operational Programme. Construction is scheduled to start in Q1 2010.
- According to the plans of the project's organiser and partners – two faculties of the Charles University and six institutes of the Academy of Sciences, the centre should be opened in early 2013 and get into full operation in 2015. It will employ ca. 500

people. Staff from the scientific workplaces should work in the centre on part-time basis in the initial phase, but new scientists are to be recruited as well, with foreseen international tenders for leading positions.

Source: , May 10

- A new institute of molecular and translational medicine will be formed in Olomouc within the **Biomedreg – Biomedicine for Regional Development and Human Resources** project. The institute will focus on the research of the molecular essence of tumour and infectious diseases. The project is being readied by the Medical Faculty of the Palacky University Olomouc. The European Union will provide a subsidy of over CZK 751 mln, while Czech state has supplied additional CZK 132.5 mln.
- The project will include the construction of a new building for the institute, providing facilities and background for biomedical research. The institute building should be completed by 2012 and the project is scheduled to run from 2013.

Source: , May 11

- On May 26 Czech company **Regionální Centrum Olomouc** commenced the first stage of the construction of the University Campus and Innovation Centre Olomouc. The costs of the realisation will likely reach CZK 500 - 600 mln. The structure will likely be completed in 2011 Q1. The area will offer a total of four buildings.

Source: , May 26

#### Economy

- **OECD** estimates the growth of the Czech economy at 2 % this year. The **GDP growth** is expected to accelerate to 3 % next year. This year's growth will be driven primarily by export and government expenditures, while private consumption and

investments will dominate next year.

Source: , May 26

- According to CSU data overall **employment** fell in all sectors of the Czech Republic's economy by 1.4 % last year. A total of 4.943 mln people were thus employed, down 68,200 on 2008. The average registered unemployment rate was up 2.6 percentage points on the preceding year to 8 % according to the methodology used by the Labor and Social Affairs Ministry.

Source: , May 11

#### Culture

- Argentinean opera singer **José Curra** will perform two concerts at this year's **Cesky Krumlov International Music Festival**. Due to high demand, Mr. Curra will add a second concert on July 18.

Source: , May 31

#### CzechInvest

- A CZK 2bln **subsidy** will be provided for technology purchase for the development of small and medium-sized firms under the Development Programme of the **Operational Programme Enterprise and Innovation (OPEI)**. A further CZK 4 bln will be provide under the Innovation – Innovative Project programme. Applications for the subsidy are accepted by the CzechInvest agency via the eAccount electronic system.

Source: , May 4

Exchange Rates  
Averages for May 2010  
EUR 1 = CZK 25.667  
GBP 1 = CZK 29.981  
USD 1 = CZK 20.470



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