



### Headline News

#### First Czech wins European science prize

A representative of the Czech Republic was among this year's twenty winners of European Young Investigators Awards for young scientists. Physicist **Martin Schnabl**, the first Czech to win such an award, received the prize for work in the area of elementary particles. Schnabl, who is now at Princeton University in the United States, has decided to use the EUR 1 million in prize money for research in cooperation with the Institute of Physics of the Academy of Sciences.

### Business

#### Endoscope repair centre in the CR to serve the whole of Europe

The Japanese company Olympus, which repairs cameras in Přerov, has expanded its business in the Czech Republic by opening a repair centre for medical endoscopes. The company is investing CZK 30 million in

the centre, which will serve the whole of Europe and employ sixty specialists, including opticians, electrical engineers and graduates of universities in Olomouc and Brno. All positions will be filled within nine months at the latest, which is the period of time needed to train the new employees. The company will subsequently be able to repair up to sixty endoscopes per month.

#### Iveco spare parts to be distributed from Vysoké Mýto

The Italian company Iveco is planning to supply spare parts for its busses to Central and Eastern European countries from its logistics centre in Vysoké Mýto, in which the company is investing approximately CZK 100 million. A further investment of CZK 200 million in the factory paint shop is expected. The plant should produce over 3,000 vehicles per year. The former Karosa, as the company was known before its acquisition, delivers vehicles to, for example,

Russia and New Caledonia, an island in the South Pacific.

#### Hundreds to be employed at CTPark

Several foreign firms have shown interest in renting factory halls on the premises of Multidisplay, a producer of television screens, at CTPark in Hranice, where these companies could employ several hundred people this year and next. An American manufacturer of high-quality consumer electronics, whose new operation should employ up to 600 workers by the middle of next year, is among those interested in renting production halls at CTPark Hranice. Another interested party is an important supplier of components for a leading supplier of white goods, which should employ up to 200 people from September. Multidisplay's production of television screens, which will begin in September, could result in the hiring of up to 500 employees over two years.

## **Nymburk to expand its industrial zone**

The municipality of Nymburk is preparing an expansion of its industrial zone to the north of the city primarily due to additional planned Chinese investment. The Chinese company Yuncheng Plate Making has shown interest in this location and Changhong Europe Electric, which has produced plasma-screen televisions in Nymburk since March, is planning to expand its production here. In addition, construction has begun in the Nymburk industrial zone of a business incubator which should facilitate the launch of new firms. The zone could grow to nearly 200 hectares in future.

## **Jobs opportunities to be created for another 1,500 people in Černovická terasa**

Approximately 1,500 more people will be employed at the Černovická terasa industrial zone in Brno by the end of 2008. Over 2,100 workers are currently employed by companies in this industrial zone, which at this time is the largest in South Moravia. Most of the companies here are planning to expand production, with investments totalling approximately CZK 5 billion. Thanks to an expansion of the site which is being planned by Brno City Hall, new companies will also set up shop in the zone, which benefits from its close proximity to the D1 and D2 highways and the Brno airport. Over 20 firms are now operating in the zone, primarily in the fields of engineering and IT. According to available

information, most of the zone's workers are employed by Honeywell, BOMAR and Aisin of Japan, which next year will open a new plant for the production of car transmissions.

## **New quartet of investors in Karvina**

The municipality of **Karvina** is currently in talks with **four potential investors** that are interested in ten new hectares in the Nove Pole industrial zone. The municipality and state have invested roughly CZK 50 million into expanding the zone, which originally measured 45 hectares; the new area will be ready in September. According to municipal representatives, talks with an unnamed European firm with facilities around the world, which also supplies automakers, seem to have the most potential. These newcomers include, for example, the South Korean company Sejong, which has begun construction of the first of its production halls. The company, which will begin production of exhausts for the carmaker KIA next year, plans to invest CZK 520 million in Karvina and to employ more than 250 people.

## **Bayer MaterialScience acquires Brahe**

The German firm **Bayer MaterialScience** has acquired **Brahe**, a Czech manufacturer of polyurethane products. The firm, which belonged to the TP Holding concern, will bear the new name **BaySystems CentralEurope**. The transaction should be completed in the fourth

quarter of this year. In addition to building relationships with Czech customers, the firm also sees great potential on the Polish, Slovak and Hungarian markets, as well as in those polyurethane segments in which Brahe is not yet active.

## **Koito to produce two million headlights annually**

Koito, a Japanese producer of automobile headlights, is planning to construct a second factory in the Czech Republic, probably in the vicinity of Žatec. The new plant could open in 2009, potentially doubling the company's capacity in the Czech Republic to two million units per year. The increased capacity will cover the growing demand on the part of carmakers Renault, Porsche and Volvo. Koito opened its headlight plant in Žatec in September 2002 and currently employs approximately 500 people.

## **Elmarco to sign contract with large American firm in at end of summer**

At the beginning of September Liberec-based **Elmarco** will sign an agreement on the joint development of products made from nanofibres with a large American firm with annual turnover of USD 12 billion. Elmarco has already sold an industrial line for the production of nanofibre material, which was bought by an American automaker that uses nanofibres in its diesel-engine filters. The firm wants to sell five such lines by the end of this year.

## **Guardian Automotive to build new plant in the Krupka zone**

**Guardian Automotive**, which manufactures windows and other components for automobiles, will build a new facility in the Krupka industrial zone near the municipality of Teplice. The firm will manufacture plastic parts for the automobile industry. Guardian will invest approximately CZK 600 million and create roughly 230 jobs, 190 of them in manufacturing, in the Krupka zone. The firm will begin construction at the end of this year; completion is scheduled for the end of 2008.

## **Aludec Iberica to build plant in Benatky nad Jizerou**

**Aludec Iberica** of Spain will build a facility for the production of automobile components in the Benatky nad Jizerou industrial zone. The firm expects to begin construction at the end of this year and completion is scheduled the end of 2008. The firm intends to invest at least CZK 200 million and to create nearly 40 jobs at the site.

## **Miscellaneous**

### **Prague's airport best in the region**

According to the World Airport Awards global survey, Prague's Ruzyně airport is the best in Central and Eastern Europe. The results of the survey were published on the website of the British company Skytrax, which organises the survey. Airports were evaluated

according to 40 criteria, such as cleanliness, quality of dining, helpfulness of staff and waiting times. The survey has a total of ten categories and is divided by regions. In Europe overall, the most highly regarded airport is in Munich, followed by Zurich and Amsterdam. Prague came out on top in Central and Eastern Europe, with Budapest and Moscow's Domodedovo airport in second and third place, respectively.

### **Prague's Imperial Hotel opens its doors**

Prague's **Imperial hotel** has joined the ranks of five-star hotels in the capital. The hotel reopened after a two-year renovation that cost CZK 0.5 billion. The hotel located on Na Porici Street was built in the secessionist style in 1914; it now offers 126 luxury rooms.

Exchange Rates  
Averages for the 2<sup>nd</sup> half of 2007  
EUR 1 = CZK 28.330  
GBP 1 = CZK 42.017  
USD 1 = CZK 20.641  
Source: Czech National Bank;  
July 2007

Sources: Czech AM by Czech Information Agency, Prague Daily Monitor, Radio Prague, dailies Hospodarske noviny, Pravo, MF Dnes and Lidove noviny