

CZECH REPUBLIC

MONTHLY NEWSLETTER

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HEADLINE NEWS

Agrostroj enters into cooperation with Chikusui Canycom

Agrostroj Pelhřimov has begun production of lawnmowers under the Japanese Canycom brand. The Japanese company Chikusui Canycom selected the Czech Republic due to the country's strategic location, from which it will supply lawnmowers to the entire European market. In 2009 Agrostroj will produce 300 mowers; production will later increase to 1,000 units annually.

BUSINESS

Donghee to expand production

The Korean investor Donghee is planning to expand production in its Czech plant, where it manufactures chassis and fuel tanks for the automotive industry. The expansion will begin in June and should be completed by the end of this year. The company is also planning to increase its staff

from 120 to 300 employees and open a second shift.

Polyvanced plans expansion of production

Polyvanced is planning to relocate and expand its production in Česká Lípa. The company's production programme involves processing of plastic materials and synthetic rubber, among other things, for the manufacture of hoses for the automotive industry. The company anticipates that 745 people will find work in the new plant, which will be built on a greenfield.

Samsung has a new branded sales outlet in the Czech Republic

The South Korean electronics manufacturer Samsung has opened its first branded shop in Prague. Samsung Centre will be operated by the company Fast. Samsung's competitors Apple, Sony and Nokia already have branded sales outlets in the Czech Republic.

Catalytic Solutions to build new production hall

The Ústí Regional Authority has approved the construction of a production hall for the company Catalytic Solutions, which will manufacture catalytic converters for the automotive industry here. Construction should begin immediately upon issuance of the necessary permits. Completion is planned for October 2010. The structure will cover a total area of 92,600 m².

Crestyl to build a new business and administration centre

The Crestyl group is planning to build a new business and administration centre in Jablonec nad Nisou. Construction is set to begin in the first quarter of 2010; the project should be completed two years later. The new centre will create 473 new jobs.

Kika continues its expansion

Kika, an Austrian furniture retailer, is opening a new large-area sales outlet in Olomouc in April. The company, which entered the Czech Republic in 2005, currently operates four shops with furniture and home accessories in Prague, Brno and Plzen. In the coming years, Kika plans to open approximately ten more large-area shops in regional cities in the Czech Republic and invest more than CZK 5 billion.

Cheb to expand local industrial zone

The city of Cheb will begin expansion of the local industrial park this year. Despite the current unfavourable situation on the market, the city is planning to invest CZK 65 million in the preparation of land plots. The city's aim is not to sell the plots, but to attract investors that will create high-quality jobs.

Another café chain to enter the Czech Republic

The Australian café chain Gloria Jean's Coffees, number two on the world market, is coming to the Czech Republic. The chain's first café here will open at the end of autumn this year. The domestic firm Asko Nábytek acquired a licence to operate the franchise here. The company wants to focus primarily on Czech customers. Another newcomer to the Czech café market will be the McCafé concept of the fast-food giant McDonalds, which will enter the market in the second half of this year.

POLITICS

Czech government falls

Czech Prime Minister Mirek Topolánek resigned on 26 March, having lost a vote of no confidence, thus bringing down the country's government. President Václav Klaus accepted the prime minister's resignation. A caretaker government is now being formed. Parliamentary elections will be held in autumn this year.

R&D

Nanotechnology summit held in Prague

Elmarco, a Liberec-based manufacturer of equipment for producing nanofibres, organised a summit featuring the participation of top scientists from around the world with the aim of initiating the massive introduction of new nanofibre materials and technologies to the world market. Solar cells using nanofibres can help to resolve, for example, the issue of fuel and drinking-water shortages. Elmarco holds a patent for the unique Nanospider technology, which is the only technology of its kind in the world for industrial-scale production of fibres that are 1,000 thinner than a human hair. The company recently opened a new research and development centre in the Liberec industrial zone at a cost of nearly CZK 200 million.

Brno to have a new technology centre at a cost of CZK 1.4 billion

Within the next five years, the new technology centre called Švédská šance will be built in the vicinity of the Černovická terasa industrial zone in Brno. The firm Areál Slatina is planning to build the centre from old assembly halls at a cost of roughly CZK 1.4 billion. Up to 2,000 people will be employed in research and development for light industry.

TRAVEL INDUSTRY

Over nine million foreign tourists visited the Czech Republic in 2008

In 2008, 9.4 million tourists visited the Czech Republic, spending an average of CZK 2,475 daily. Including one-day visitors and those only travelling through the country, the total reached 22 million. The main reasons for visiting the Czech Republic were shopping (cited by 32% of tourists), recreation (25%), transit (14%) and business (14%). Roughly 15% of visitors came to the Czech Republic for at least one week; 17% were here for the first time.

Exchange Rates
Averages for March 2009
EUR 1 = CZK 27.229
GBP 1 = CZK 29.618
USD 1 = CZK 20.886

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

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