



### Headline News

This month Czech scientists were presented Czech Brain awards, the greatest public recognition for outstanding research. Among those honoured were two researchers who are recognised throughout the world for their contribution to the fight against AIDS, one of the modern era's most tragic diseases. Jiří Městecký, who has lectured at the University of Alabama in the United States for 40 years, received the award for outstanding scientific results abroad. He was the first in the world to successfully demonstrate that, in the case of a body infected with the HIV virus, changes first appear in the buccal mucosa. Jiří Městecký also collaborates with Charles University and Palacký University in Olomouc. Antonín Holý, who received the National Award of the Government of the Czech Republic, has over 60 patents to his name, all in the area of nucleic acids. During his 30 years of research, three drugs based on Antonín Holý's

discoveries have appeared on the market: Vistide, an anti-viral drug for the treatment of shingles, smallpox and viral retinitis; the anti-AIDS drug Vireadem; and Hepsera for the treatment of hepatitis B.

### Business

#### Paprsek industrial zone gains important investor

The city of Svitavy has found an extraordinarily interesting investor for the Paprsek industrial zone, where Armaturka Vranová Lhota will build a new plant. Approximately 150 people, primarily from engineering fields, will find employment opportunities at this new plant, which at the end of next year will begin production of components for nuclear and conventional power plants. The company is currently in negotiations with the Svitavy Secondary Vocational School, which should assist with acquiring qualified employees thanks to a retraining programme.

#### Hyundai has another supplier close at hand

The Slovak-Korean company Matador-DongWon has begun construction of its new plant for the production of automotive components. The company is a supplier of the carmaker Hyundai in Nošovice and is also the largest investor in the Baliny industrial zone in Třinec. Matador-DongWon is investing approximately CZK 500 million in the plant, which when operating at full capacity will employ 250 people. Series production of components for Hyundai will begin in January 2009. The Třinec plant will produce instrument-panel mounts, door struts and roof-window frames. Preliminary construction work on the plant began in August this year.

#### Record set by Siemens Elektromotory

As a result of significant investments, the Siemens Elektromotory plant in Mohelnice has become the biggest producer of asynchronous electric

motors in Europe. In fiscal year 2006/2007 the Mohelnice plant produced more than 1.631 million units, which is an absolute record. Year-on-year growth amounted to 15.6%, and the plant's turnover reached approximately CZK 4.2 billion, a year-on-year increase of 25.7%. During the recent close of the fiscal year, the company hired 350 new employees in Mohelnice, bringing the total number to a record 2,350. Growth in the number of innovation proposals has also been astounding: five years ago, there was 0.7 proposal per employee in Mohelnice, whereas this year the number was 3.7 per employee per year. The company currently operates a press shop and winding shop in Mohelnice for all Siemens plants in Europe.

### **Brno welcomes APV of Great Britain**

The British technology concern APV will oversee its technologies for the food and chemical industries in Central and Eastern Europe from Brno, where the company recently opened its fourth engineering centre. The new centre will focus on remote support for regional sales and service, and will employ roughly 60 people within a year. APV produces complete technologies for the food, pharmaceutical, biotechnology, chemical and healthcare industries. The company's customers include Nestlé, Coca Cola, Pepsi, Danone, Heinz, L'Oréal and the domestic cheese producer Madeta.

### **APV opened an engineering centre in Brno**

The British technological concern **APV** has opened an engineering centre in Brno, its fourth such facility in the world. The centre will focus on remote support for regional sales and service. It will create 60 jobs within one year. The new employees supervise the firm's technology for the foodstuffs and chemical industries in Central and Eastern Europe.

### **Toyota to build new headquarters in Stodulky**

The Japanese automaker **Toyota** will build its new headquarters for the Czech Republic in Prague's Stodulky quarter. **Toyota Motor Czech**, the authorized importer of Toyota and Lexus vehicles to the Czech and Slovak markets, **Toyota Financial Services Czech**, and a technical training centre will move into the new administrative building worth CZK 256 million. The four-storey building should be completed in March 2009.

### **R&D**

### **Mann+Hummel to hire more developers in Brno**

Mann+Hummel has established in the Czech Republic its sixth European development centre in which 70 specialists will be employed, primarily in the improvement of automotive filtration technology. The Brno development centre is the company's eleventh such facility in the world. The company plans to cooperate with universities in Brno.

### **Research facility to replace steel mill**

In the event of an agreement between three schools – the Czech Technical University, Institute of Chemical Technology and the Czech University of Agriculture – and the Central Bohemia region, a science and technology park (STP) will be established on the site of the former Poldi Kladno steelworks. The new STP will support research and production in projects involving specialists from a renowned American clinic and Czech doctors working together on the development of new drugs and processes. More details of the prepared project should be available by the end of this year. The new science and technology park will be the first of its kind in the Czech Republic.

### **Green Energy**

### **Wind power generation comes to Baltice**

Within two years, seven 100-metre wind turbines could be set up in Baltice, near Znojmo, where the company WEB Větrná energie wants to build a wind farm worth roughly half a billion crowns. Construction has already begun on the first generator, which will enter service next year. If it proves successful, others will be built in 2009. The same company operates a wind farm near Břežan in the Znojmo region and is planning another in neighbouring Mackovice. WEB Větrná energie is taking into account the protection of certain bird populations – the company is obligated to monitor the

area and, among other things, remove trees and bushes in which birds may nest. Currently, the output of the turbines has not been determined, though it is expected to suffice for several thousand households.

### **Solar power plant enters service in Moravia**

The company Energy 21 has launched the Czech Republic solar power plant in Jaroslavice in the Znojmo region. Its output of 0.9 megawatt should satisfy the needs of approximately 300 households. The company has invested CZK 110 million in the power plant and is planning further expansion; it will build two more plants in nearby Vojkovice and Hrádek, which should be put into operation next year. Energy 21, which is backed by the Natland Investment Group of Cyprus, wants to carry out a rapid expansion in the next two years and invest up CZK 15 billion in solar energy.

### **Miscellaneous**

#### **Low-cost IT managers in the Czech Republic**

The Czech Republic ranks eighth among the ten countries with the lowest-paid IT managers according to research conducted by Mercer. Of the ten countries with the highest-paid IT managers, six are in Western Europe, along with the United States, Canada, Hong Kong and Australia. In Switzerland, the average annual income of IT managers is \$140,960. In China, the average is \$35,880.

### **Hyundai, IBM, and Visteon-Autopal named Investors of the Year 2006**

The Investor of the Year 2006 awards went to Hyundai, IBM, and Visteon-Autopal. These firms contributed most to the development of the Czech economy with their investments last year. The investment of the automaker Hyundai made the biggest economic contribution to the manufacturing industry, while IBM was recognised for its contribution to the business support service sector, Visteon-Autopal was honoured as having the greatest innovation potential.

Exchange Rates  
Averages for November 2007  
EUR 1 = CZK 26.731  
GBP 1 = CZK 37,713  
USD 1 = CZK 18,206  
Source: Czech National Bank

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