Czech Trade Focus

News from the Czech Commercial Offices in the United States / Fall 2009

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INTRODUCTION

Dear Readers,

I have assumed my new post as the Head of the Economic and Commercial Section at the Embassy of the Czech Republic. I am nevertheless returning to the forefront of Czech-US commercial relations as I have previously served in the US at the Czech Consulates in Los Angeles and New York City. Thus, I am looking forward to my new responsibilities at the Embassy and urge you to contact our offices with any inquiries or information that you would like to share. Sincerely yours, Josef Dvoracek

ECONOMIC BRIEFS

According to the 2009 Index of Economic Freedom, the Czech Republic's economic freedom score is 69.4, making its economy the 37th freest in the Index. Its overall score is 1.2 points higher than last year, primarily reflecting improvement in fiscal freedom and freedom from corruption. The Czech Republic is ranked 21st out of 43 countries in the Europe region, and its overall score is higher than the regional and global averages.

Prague Airport is the best in Eastern Europe, according to a survey published by the British company Skytrax. Budapest's airport took second place. Awards for the world's best airports are based on the results of questionnaires completed by travellers in 2008-2009.

Czech economy will contract by more than 2.7 percent and less than 5 percent this year. As for next year, Czech economy should grow by 0.7 percent on average. Some estimates even talk about a moderate fall. Economic growth will probably accelerate only in the years 2011 - 2012 when the economy should grow by 2.5 percent and 3.4 percent, respectively.

This year's harvest in the Czech Republic is over as farmers are yet to harvest grain from the last 220 hectares of the total area planted with grain crops of 1.427 million hectares.

The average gross monthly nominal wage (hereinafter only the average wage) in the Czech Republic grew by 2.8 percent or CZK 622 (\$36.00) year-on-year to CZK 22,992 (\$1,342) in Q2 2009. Inflation adjusted, the real wage rose by 1.4 percent. Wages grew in business as well as in non-business sector, rising more in the latter.

The strong Czech crown, Asian competition and the start of the economic crisis are the main reasons for the **decrease in sales of producers of glass and ceramics** last year. Despite this, the sector showed a CZK 26.2 billion (\$1.5 billion) foreign trade surplus, but the surplus was CZK 5 billion (\$294 million) higher in 2007.

Czech glass and china makers employ about two-fifths the workers they had one year ago. One year ago, the glass and ceramics industry employed nearly 7,000, a number which has shrunk to the current 1,950.

The Czech state will help regions finance regional railway transport and regions will be getting CZK 2.65 billion (\$155 million) annually from the state budget in the coming ten years.

Exports to Slovakia were down more than a fifth in the first half of 2009 due to the economic crisis. Slovakia is the Czech Republic's second-largest

trading partner, after Germany. Imports of goods from Slovakia saw a similar fall.

The Czech Republic drew EUR1.64 billion (CZK 42 billion/\$2.5 billion) in total from **EU funds** in 2004-2006, that is 98 percent of the resources allocated to the country for this period.

Debts of Czech households in banks and financial institutions grew by CZK 9.5 billion (\$560 million) to CZK 942.9 billion (\$55 billion) in July. Year-on-year, household debt increased by CZK 127.5 billion (\$8 billion).

Czech households spent most on housing and energy in Q2, with costs related to these items making 21.3 percent. Spending on food and non-alcoholic beverages at CZK 19.1 billion (\$ 1 billion) came second.

Debts of businesses dropped by CZK 15.4 billion (\$903 million) year-on-year to CZK 962.6 billion (\$57 billion).

Prices of Czech industrial producers decreased by 5.1 percent in August year-on-year, posting a sixth record high year on year since 1991, the beginning of the observation period.

The auto industry is bracing itself for a drop in demand now that Germany's scrap-subsidy program has

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ended. The biggest Czech auto company, Skoda, is currently negotiating with unions to reduce by one-third the production of its most popular car, the Fabia. From a maximum capacity of 1,200 cars per day, the company expects to reduce Fabia production to 800-1,000.

Ninety percent of Czechs speak at least one foreign language. The Slovak language tops the list naturally. Czechs also most commonly speak English, German and Russian.

A new act on Bankruptcy and Methods of Its Resolution came into effect in 2008. The new Insolvency Act substantially changes the legal environment in which debtor's bankruptcy cases have been handled in the Czech Republic. Considering the existing economic situation and the growing number of bankruptcies, it may be that some foreign businessmen will also have to register their unpaid claims under insolvency proceedings brought against a bankrupt who used to be their trading partner in the Czech Republic.

The Finance Ministry will not cover the Congress Center's CZK 2 billion (\$117 million) debt and has barred the city of Prague from selling or leasing surrounding land and buildings. City Hall is considering an incentive program for organizers who bring conferences with more than 500 visitors.

Industrial output fell 18.2 percent year on year in July, after a revised 11.8 percent drop in June. Building output in constant prices fell 4.4 percent year to year after a revised 0.7 percent rise in June. The fall was due to production drops for motor vehicles, trailers and semi-trailers, as well as production of machinery and equipment.

Foreign trade posted a CZK 12.3 billion (\$721 million) surplus at the end of July, CZK 5.7 billion (\$334 million) higher than in July 2008, according to the Czech Statistical Office. Analysts polled by the Czech News Agency (CTK) said the figure does not mean the economy is improving, as it was caused by a fall in domestic demand and lower oil prices rather than a growth in exports.

Czech building output in constant prices fell by 4.8 percent year-on-year in H1 2009. Building construction dropped by 11.7 percent while civil engineering registered a rise of 16.4 percent.

The jobless rate grew to 8.5 percent in August, the highest level in three and a half years. The jobless rate was 5.3 percent in August 2008. The data was in line with analysts' expectations and was due in part to the inflow of recent graduates into the market. Unemployment is expected to grow for roughly half a year more before peaking at 10 percent.

Revenues from tourism were down 8.4 percent year on year to CZK 59.8 billion (\$4 billion) in the first half of 2009 for Czech businesses, the first drop since 2003. An analysis from Mag Consulting cited the cause as the global economic crisis, which has lowered both the volume of tourists and the amount of time they stay.

Prague is the 13th most attractive city for retailers in Europe and first in the region of Central Europe, according to this year's ranking compiled by the real-estate consulting firm Jones Lang LaSalle and the firm Experian. The ranking is based on consumer data and rental rates in the best locations of European cities. The main reasons for Prague's high ranking include its attractiveness as a tourist destination and, from the retail perspective, the city's orderly centre.

The number of visitors of Czech web servers grew by about 38,000 to 6.34 million users in July against June.

production of 100 watt The incandescent light bulbs and all bulbs with frosted glass halted in Europe on September 1. The program has won applause from the environmentally conscious. Banning production of the 100 watt and frosted bulbs is the first step in a gradual transition from incandescent bulbs to halogen and other energy-efficient bulbs that will take place over the next three years. In 2007 alone, 1.8 billion incandescent light bulbs were sold in Europe, meaning the switch will have a significant environmental impact, cutting down on 23 million tons of C02 per year generated by the coal-burning plants that power the inefficient bulbs.

Czech farmers will reach the profit of CZK 2 billion (\$117 million) only, including subsidies, this year, compared to CZK 9.7 billion (\$569 million) in 2008. Czech agriculture might suffer a loss of CZK 4 billion (\$235 million) in 2010 for the first time since the Czech Republic's EU entry in May 2004.

Czech car makers and their suppliers have laid off 19,000 people out of their total workforce of 128,500 in the past year due to the impacts of the economic crisis, according to Automotive Industry Association (SAP) data. Of the total number of people who lost their jobs in the segment, 11,000 were regular employees and 8,000 employees hired by agencies.

Czechconsumerpricegrowthslowedto 0.3 percent in July fromJune's 1.2 percent, and it was theslowestyear-on-yeargrowthsinceSeptember2003.

INVESTMENT BRIEFS

Several international companies are preparing to move production to the Czech Republic. Hewlett Packard is transferring production of servers from Scotland and Germany to the Czech Republic in order to cut costs. This should create 700 new jobs. The leading German industrial and electronics group Siemens AG has

decided to relocate up to 280 jobs, mostly in corporate accounting, from Germany to the Czech Republic. Another German firm, **Lincoln**, has opened a new logistics and assembly centre in the Sokolov district.

Air Liquide International's new plant in Caslav will produce

approximately 3,500 cylinders of gas, including a complete assortment of atmospheric gases, carbon dioxides and mixtures thereof. The French firm's total investment amounts to CZK 60 million (\$4 million). The automated and technologically advanced operation currently employs twenty people.

The French firm Finaero and Central Connect Group have signed an agreement on the joint construction of a new paint shop for airplanes, which will be situated in Mosnov. The investment will total CZK 250 million (\$15 million) and the facility will employ 70 people; approximately 30 more jobs should be created in related operations of external suppliers.

Saar Gummi Czech of Cerveny Kostelec in the Nachod region is planning to invest CZK 100 million (\$6 million) in the production of seals for window-guide mechanisms to be used in a new Mercedes-Benz model that will be introduced to the market in 2011. In connection with this order, Saar Gummi Czech expects to employ 80 workers in addition to the 500 who currently work for the company. The investment project should be completed next year.

Power giant CEZ has signed a contract with General Electric to provide wind turbines for a 600 megawatt, EURO 1.1 billion (CZK 28.2 billion/\$1.6 billion) project in Romania. The two-stage wind farm will be nearly twice the size of the next biggest wind farm in Europe and is one of the largest recent foreign investments in Romania. Half of the

wind park is expected to go online in 2010.

Honeywell Aerospace Olomouc is planning to expand production of aircraft components in the municipality of Hlubocky in the Olomouc region. Implementation of the plan is to begin in November of this year and should be completed in September 2010. The main activity of the new facility will be production and repair of sheet-metal and coated turbine-engine components from stainless steel and special alloys.

The Russian-designed multipurpose SMG-92 Finist aircraft intended for the transportation of seven seated passengers or ten skydivers maybe produced at the Hradec Kralove airport. The project, which will involve the production of up to 50 planes a year, could employ over 100 people directly in the manufacturing of the planes and provide contracts for ten Czech manufacturers and suppliers of engines and equipment. The Russian company Orbisavia is now looking for a Czech investor to participate in the project.

The firm Intelek wants to build a new production, business, development and training centre in Brno. Construction and completion thereof is planned for 2010. The investor plans to build an

operations, development and training facility allowing production and further expansion of the production portfolio and supplies, primarily to neighboring EU countries.

Pramet Tools, which primarily produces replaceable tool tips for lathing tools, is planning to build a new production hall at its plant in Sumperk. The expansion of the production facility should increase production by 300,000 tool tips per week to 900,000. Construction should begin in 2010 and be completed two years later. The employee base will grow by 96 to 744 people.

South Korean company Doosan Heavy Industries and Construction will buy Czech turbine-maker Skoda Power AS to capture a larger segment of European markets. The deal, which is worth EURO 450 million (CZK 11.5 billion/\$652.5 million), will be completed by the end of the year.

Atel Energetika Zlin is planning to build a back-up natural gas power plant to provide support services to the CEPS grid. The company wants to acquire a Rolls Royce Trent type turbine with installed output of 58 MW. The new plant is to be completed in the first quarter of 2011.

COMPANIES AND BUSINESSES

GE Money Bank opened a new customer service centre in Ostrava. The centre currently employs almost 700 and thanks to the expansion will offer roughly 300 new jobs; the bank will hire 200 new employees by the end of the year.

Westcon Group, which focuses on the areas of network distribution, convergence, security and mobility, has opened a subsidiary, Comstor, in the Czech Republic. The Prague branch will offer a portfolio of products and services from Cisco and Comstor.

Wistron, a Taiwanese electronics manufacturer, is expanding its operations in Brno. The company currently produces desktop computers and serves at the CTPark industrial zone. Beginning this year, it will also manufacture LCD monitors and televisions in Brno. The company's plant in the Czech Republic is its only facility in Europe and employs 500 people.

The largest Czech tobacco company Philip Morris CR raised consolidated after-tax profit by 81.2 percent year-on-year to CZK 1.1 billion (\$59 million) in the first half of 2009.

Hanwha L&C Czech is planning the production of original polypropylene pellets used in the production of car parts. The firm wants to begin implementation of the project next year and complete it in 2011. The Koreabased company specializes in the production of high-tech materials and cooperates with the carmaker Hyundai in the Czech Republic.

Czech car maker Skoda Auto sold 435,600 units worldwide in Jan-August this year, a drop of around 7 percent compared with the previous year. However, sales in July and August surpassed last year's sales.

The American company, Synteract, which specializes in clinical testing of pharmaceuticals and medical technologies, will open its headquarters for Central and Eastern Europe in Prague in August. Its main activities will be arrangement and monitoring of clinical tests.

Czech Railways has come to an agreement with the state to begin destroying or renovating train engines and passenger cars older than 40 years, which accounts for nearly 50 percent of its fleet of 4,000 trains. The company plans to invest up to CZK 8

billion (\$454.5 million) per year over the next seven years to bring the average age of its trains down from 30 to 15 years.

Central Europe On-Demand, which provides hosting services, is entering the Czech market. In cooperation with Microsoft, the company will offer a new sofware solution system that will allow Microsoft partners to purchase CEOD solutions and subsequently offer them to end users under their own brands.

The used car dealer AAA Auto showed a net profit of EURO 693,000 (CZK 17.6 million/\$1 million) in H1 this year, against a loss of EURO 7.8 million (CZK 198 million/\$12 million) in Jan-June 2008, and sales decreased by 48.2 percent to EURO 86 million (CZK 2.2 billion/\$129 million) at end-June 2009.

Mondi Coating has opened the fourth production line in a 5,000 m² hall at its plant in Steti. The firm has invested EUR 7 million (CZK 176 million/\$10 million) in the project. The investment should help it to boost its position as a supplier of materials for the production of bags, liners and other technical and consumer products.

Postovni Sporitelna and CSOB have opened a new call centre in Nachod. The centre is equipped with the latest contract-centre technologies, facilitating substantially faster and easier communication with clients. The call centre offers over 100 new jobs in the region.

Flabeg Czech, a manufacturer for rear view mirrors for automobiles, is planning to build a line for the silvering and painting of mirrors for thermo-solar power plants. The line's projected capacity is $2.2m^2$ per year. The company wants to install the line at the end of 2009.

EvoBus, which within the Daimler concern manufactures buses under the Mercedes-Benz and Setra brands, is celebrating its tenth year in operation in the Czech Republic. In Holysov, in the Plzen region, the company manufactures bodies, undercarriages, side panels and roof components for all Daimler buses. The company employs more than 500 people, who annually

produce over 8,000 complete structural segments of bus bodies.

The Korean company Sejong Czech has decided to build a new plant for the production of car exhaust systems for Hyundai and Kia Motors in the Nove Pole industrial zone in Karvina. The company plans to begin implementation of this project in March and complete it in December of 2010. The facility will employ a total of 135 people, 80 of them at the newly built facility.

Skoda Auto wants to expand its Skoda Auto Parts Centre in Mlada Boleslav by building an addition to the existing hall. Construction should begin in July 2010 and be completed in November 2011. The need to expand the Skoda Auto Parts Centre is related to growing requirements on the volume and turnover of warehoused components.

Slovakia-based budget airline SkyEurope canceled all flights and declared bankruptcy shortly before midnight on August 30, after seven profitless years on the Czech market. The company has an outstanding EURO 25 million (CZK 642 million \$25.5 million) loan from York Global Finance II, and 2008 losses reached EURO 54.4 million (CZK 1 billion/\$59 million). Those holding SkyEurope tickets were given no warning or official notification from the airline, leaving up to 600 hundred SkyEurope passengers stranded at Prague Ruzyne Airport on August 31. This opened up large opportunities for other budget airlines, which came in to rescue the SkyEurope passengers.

Kopos Kolin has opened a new warehouse and administrative-production facility at a cost of CZK 174 million (\$10 million), including technology. Cable-support systems will be manufactured in the new facility. The company is the largest domestic manufacturer of wiring and related products.

Automotive Lighting is planning to undertake additional investments and enhance the company's development capacity at its Jihlava plant. The company plans to employ one hundred workers in its new technology centre. Automotive Lighting manufactures

state of the art headlamps for most European car makers.

The Brno University of Technology is planning to build the Central European Institute of Technology in Brno. The centre will focus on research of advanced materials technologies. Constuction will begin in 2010. The total built up area of the complex will be 16, 100 m². The proposed structures will house laboratories for studying chemical and physical features of various materials and testing thereof. The centre will also develop and utilize advanced nano- and micro- technologies, communication technologies and advanced biomechanics technologies.

The Academy of Sciences and Charles University are planning to build a modern Biotechnology and Biomedicine Centre in Vestec near Prague. The research facility should create 300 to 350 new jobs. The centre will include laboratories and IT technology, for example. Its total usable area will total almost 40,000 m²; the built up area will total 13,800 m².

The carmaker Hyundai Motor Manufacturing Czech is planning to build another manufacturing facility for the production of transmissions in Nosovice. The company's plan is to increase production from 300,000 units per year to a projected annual capacity of 600,000 with full production expected in 2011 to 2012. The company will invest EURO 130 million (CZK 3.4 billion/\$200 million) in the project.

HB Reavis Group is preparing to build a cargo terminal at the Ostrava airport in Mosnov by the end of 2010. The project involves a complex with two logistics facilities and will create 100 new jobs. The terminal will be exceptional in that it will combine three types of transport- air, road and rail

PolyComp will soon complete the first Czech line for processing textile material and chemlon from tires into solid fuel in Tusimice. The total investment amounts to CZK 15 million (\$880 million). The company has already secured a state certificate for its pellets and plans to produce roughly 12,000 tonnes per year.

Volvo Truck Czech is planning to build a Volvo Truck Centre in Havirov, where it will sell and service Volvo trucks. Construction is set to begin in January 2010 and will likely be completed in August 2010. The company will create 48 new jobs. The built up area of the facility will cover roughly 1,400m2. The regional authority of Moravia-Silesia is currently assessing the environmental impact of the project.

Skoda Auto of Mlada Boleslav will cooperate with students of the Czech Technical University in the area of research and development. The students will commute to Skoda's new development centre in Mlada Boleslav. where they will actively participate in the conception of new projects.

The South Bohemian Science and Technology Park in Ceske Budejovice is preparing to expand with the addition of two new structures. A 3,000m2 building will be built near the park's current location. Construction of a new facility for semi-operational testing of new products is also being prepared. The investment amount should reach up to CZK 300 million (\$18 million).

The Italian concern Enel is entering the Czech electricity market. Its trading subsidiary Enel Trade secured a license for trading electricity in the Czech Republic and has been listed as an accounting entity with the Electricity Market Operator, which currently has on file 63 entities that can actively do business on the electricity market.

The newly established company RSP Energy has entered the Czech electricity and natural gas markets. The company plans to focus on supplies of energy to medium sized and large customers, primarily in the areas of industry, trade and services. RSP Energy is a 100% subsidiary of RSPE Holding of Switzerland.

Skanska CS with CZK 37.6 billion (\$2 billion) sales was the largest construction group in the Czech Republic last year, followed by Metrostav with CZK 29.6 billion (\$2 billion). By profit of individual companies, Skanska DS of the Skanska CS group topped the list. Its profit reached CZK 893.2 million (\$52 million). By sales of individual companies, Metrostav with CZK 22.8 billion (\$1 billion) was number one.

CZECH SPA INDUSTRY

The Czech spa industry is a doubtless pride of the Czech Republic. The unique wealth of natural curative resources, centuries-old tradition of their use under the supervision of professionals, qualified staff and almost 40 spa establishments with splendid architecture of colonades and parks - all together rank the Czech Republic among the world's spa powers. Czech spas are successful due to the combination of quality medical care, progressive methods of treatment, and rehabilitation with the use of natural elements: mineral waters, curative peloids (bog, peat and mud), natural gases, and the climate.

Survey of Successful Companies operating in the Spa Industry

Lazne Niva Luhacovice (Niva Spa Houses Luhacovice): It is a private medical establishment. The Niva I and Niva II spa houses are modern separate complexes in a peaceful part of the town about 1.5 km from the spa colonnade. Both houses have modern medical equipment and trained staff. They have indoor and outdoor swimming pools. The Niva II indoor pool has sea water. Luhacovice has springs of unique mineral waters, which are regarded as one of the most effective in Europe. The waters have been used for the treatment of disorders of the respiratory system for more than 300 years. The procedures provided by the two houses are focused on these diseases. The procedures are also offered to the public in special seven, four and three day stays. Number of employees: 93. Actual number of visitors (2008): 4,400. Phone: +420-577-131-284; E-mail: info@niva.cz; Web: www.niva.cz.

Lazensky a lecebny dum HOTEL PRAHA: It is situated in the Prazska Quarter of Luhacovice in an environment ideal for relaxation and medical treatment, far from the stressing influence of the modern world and industry. It offers single to four bed rooms and its procedures include electrotherapy, paraffin and peat wraps, subaquatic massages, baths with additives and bubble baths, inhalations, exercises, massages and Scottish jet showers. A swimming pool with water treated with ozone instead of chlorine is one of their greatest successes. Number of employees: 36. Annual number of visitors (2008): 3,860. Phone: +420-577-131-102. Email: kneblova@luhacovicepraha.com. Web: www.luhacovicepraha.com.

SPA Experience, s.r.o.: It operates a wellness center situated in the five-star Carlo IV hotel in Senovazne Square. Great emphasis is placed on the quality of services provided, which is supported by luxury phytocosmetic products of the famous Italian mark Vagheggi. It offers clients absolute privacy and peace of mind. The wellness center offers an escape to a world of peace and relaxation. Number of employees: 6. Actual number of visitors (2008): 15,000. Phone: +420-224-593-020. Email: spa@carloiv.boscolo.com; Web: www.spa-experience.cz.

Spa and Wellness Exhibitions and Fairs in 2009

Lazensky Festival Karlovy Vary

6th Spa Festival Karlovy Vary October 8-11, 2009 Karlovy Vary Email: guestservice@spalife.info

Web: www.spalife.info

Wellness Balnea

5th International Trade Fair for Wellness, Equipment, Medical and Rehabilitative Technology, Regeneration and Spa October 8-10, 2009

PVA Letnany Praha/Prague Email: t.novotna@terinvest.com Web: www.ibalnea.cz.

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ECONOMIC POLICY BRIEF

The state will be able to take over banks that run into serious financial problems, according to the amendment to the Czech law on banks signed by President Vaclav Klaus. The bill reacts to the current economic and financial crisis. It simplifies the process of raising a bank's capital and enables the central bank to react to banks'

problems more flexibly. The state takeover of a bank in problems would be a measure of last resort. This procedure would be only applied if there was no private bank on the market which would be willing to take over the troubled company.

Adoption of the euro by the Czech Republic in 2014 or 2015 is not

realistic in the current economic situation, according to Finance Minister Eduard Janota. Prior to the adoption of the euro, a two-year stay in the ERM II, which reconciles exchange rates for countries wishing to join the eurozone, is necessary. It means that before 2012 the Czech Republic's deficit would have to make up less than 3 percent of the GDP.

CZECH COMPANIES LOOKING FOR US PARTNERS

Hakel –**Trade Ltd.** is representative agency for **Hakel** and **Acer HK** companies, Czech manufacturers of low and medium voltage surge arresters and related products such as high frequency filters, coaxial protectors and protectors for solar systems. Hakel Ltd. also produces bipolar high power gas discharge tubes. ISO 9001 certified. The company is currently looking for a distributor in the US.

HAKEL-TRADE spol. s.r.o. Bri Stefanu 980 500 03 Hradec Kralove Czech Republic Phone: +420 494 942 354 E-mail: <u>sales2@hakel-trade.com</u> Web: <u>www.hakel-trade.com</u>

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The TON Corp. is one of the world's biggest producers of furniture from bentwood. The history of the TON company is linked with the name of the German joiner and inventor Michael Thonet, who founded the manufacturing factory in Bystrice pod Hostynem in 1861. Today, most of the production is exported to 53 countries worldwide, including the European Union, United States, Japan, and Australia. You can find additional information and full presentation of the company's assortment on its website at www.ton.eu.

TON a.s. Michaela Thoneta 148 768 61 Bystrice pod Hostynem

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URC Systems Ltd. was founded in 1998 as a Czech company without foreign capital. The development and production of software has been gradually expanded to other activities.

Presently, the company has four divisions:

- *Division of Information Systems
- *Special Systems Division
- *Development of Special Applications Division
- *Division of Strategic Studies and Analysis

Company's activities:

- *special software development
- *development and production of industrial and rugged computers, special equipment
- *computer networks design and deployment (structured cabling systems), security and monitoring systems and power networks
- *special communication systems integration
- $*development\ of\ remotely\ controlled\ improvised\ explosive\ devices\ (RCIED)\ jamming\ systems$
- *information systems design and development (Enterprise Solutions)

URC Systems spol. s.r.o. Machova 24 796 01 Prostejov Czech Republic Phone: +420 582 337 255 Fax.: +420 582 337 256 E-mail: urc@urc-systems.cz www.urc-systems.cz

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The UNIPLET Corp. offers and supplies fully electronic small diameter knitting machines in wide scale of the gauges (diameter of the cylinder, number of needles).

The UNIPLET company provides prompt spare parts delivery, machine installation, technical assistance by after-sales service, technical support and training activities at its training center or directly by customer as well. These activities are provided by skilled and experienced technicians of the technical service department.

The UNIPLET company exports approximately 95% of its production. Knitting machines with the UNIPLET brand work in more than 100 countries on five continents. The customers appreciate the firm's design bringing adjustment stability, functional reliability, extraordinary efficiency, long durability and high quality of knitted fabric. Customers also highly evaluate the prompt and professional service with full customer support. Uniplet is one of the top small diameter knitting machines manufacturers in the world.

UNIPLET is interested in cooperation with U.S. producers of knitting machines with the same focus.

UNIPLET GROUP a.s. Kloknerova 9 140 00 Prague 4 Czech Republic

Phone: +420 255 701 333 Fax: +420 255 701 312 E-mail:info@unipletgroup.cz

www.uniplet.cz

EIECE

FIEGE s.r.o. is part of the FIEGE Group, one of Europe's leading providers of integrated logistics systems. With its 210 locations across Europe and Asia, FIEGE offers an excellent logistics network for its customers.

As one of the leading logistics and transportation service providers in the Czech Republic, FIEGE offers a wide portfolio of services such as warehousing and related value added services, domestic freight transport, truck haulage within Europe and overseas air and sea transportation.

The company focuses primarily on optimising the entire logistics chain of its customers, from procurement through production to aftermarket activities. In close cooperation with the customer, FIEGE develops efficient and lean logistics concepts that are tailor-made to the specific requirements. Therefore, FIEGE runs a dedicated engineering department in charge of planning and implementation of complex outsourcing projects as well as of continuous process improvement over the contractual lifecycle.

FIEGE is present in the Czech Republic with warehouses and offices in Prague, Bor u Tachova, Uzice, Decin, Hradec Kralove, Ostrava and Vysoke Myto, having over 80 thousand square meters (equivalent > 860,000 sq. ft.) of logistics space in the Czech Republic.

FIEGE Group key figures

Founded in:1873

Employees: 20,000 in 18 countries

Trainees: 480 Branches: 210

Warehouse and logistics areas: 3.0 million m²

Turnover in 2008: EUR 1.8 billion

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Law firm Simbersky was founded in the spring of 2005. When establishing his own law firm, Mgr. Jindrich Simbersky decided to take advantage of his ten-year law experience. Mgr. Simbersky initially worked as a legal trainee, later as an attorney in the law firm Rychetsky & Hlavacek. He later became a partner and the law firm's name was changed to Rychetsky, Hlavacek, Simbersky.

Law firm Simbersky is considered as a medium-sized law firm. Less formal approach to cases with an effort to find a creative, unusual solution, but we also thoroughly respect the traditional values of the legal profession, i.e. most of all the unconditional protection of the client's interests. We accentuate the quality of our legal services and we always maintain an individual approach to every client and to every single case.

Law firm Simbersky provides legal services in a wide range of areas. We specialize in representing clients before courts in civil proceedings, as well as in helping clients with extra-judicial agenda. Our law firm offers representation of clients on a regular basis and takes care of certain legal matters continually, but we also offer services in individual cases.

Our law firm is located in the center of Prague at the bank of the river Vltava. You can get here very easily and, if you go by car, you'll always find a space to park.

Law Firm Simbersky Horejsi nabrezi 786/21 150 00 Prague 5 Czech Republic Phone: + 420 257 313 040 Fax: + 420 257 313 038 E-mail: <u>info@akjs.cz</u> www.jcambierimports.com

TRADESHOWS AND EXHIBITIONS IN THE CZECH REPUBLIC/ FALL 2009- SPRING 2010

10. 20.-10. 23. 2009

International Fair for Medical Technology, Rehabilitation and Healthcare

Organizer: Veletrhy Brno, a. s. Address: Vystaviste 1, 647 00 Brno Attn.: Ms. Vera Mensikova Phone: +420 541 152 806 Fax: +420 541 153 063 E-mail: <u>vmensikova@bvv.cz</u> <u>http://www.bvv.cz/medicalfair-gb</u>

11. 05. - 11. 08. 2009

DIGITEX

International Fair of Consumer Electronics and Digital Entertainment

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno

Attn.: Mr. Radek Maly Phone: +420 541 152 849 Fax: +420 541 153 057 E-mail: *rmaly@bvv.cz* www.bvv.cz/digitex-gb

11. 05. – 11. 08. 2009

INTERKAMERA

International Exhibition of Photographic Technology

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Radek Maly Phone: +420 541 152 849 Fax: +420 541 153 057 E-mail: <u>rmaly@bvv.cz</u> www.bvv.cz/interkamera-gb

11.05. - 11.08.2009

SPORT Life

International Sports Fair

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Jan Kubena Phone: +420 541 152 767 Fax: +420 541 153 068 E-mail: boat-brno@bvv.cz www.bvv.cz/sport-life-gb

11.05. - 11.08.2009

Bike Brno

International Bicycle Trade Show

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Jan Kubena Phone: +420 541 152 767 Fax: +420 541 153 068 E-mail: boat-brno@bvv.cz www.bvv.cz/sport-life-gb

11.05. - 11.08.2009

Boat Brno

International Boats and Water

Sports Show

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno

Attn.: Mr. Jan Kubena Phone: +420 541 152 767 Fax: +420 541 153 068 E-mail: boat-brno@bvv.cz www.bvv.cz/boatbrno-gb

11.05. - 11.08.2009

Caravaning Brno

International Caravaning Show

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno

Attn.: Mr. Jan Kubena Phone: +420 541 152 767 Fax: +420 541 153 068

E-mail: <u>caravaning-brno@bvv.cz</u> www.bvv.cz/caravaning-gb

11. 11. - 12. 20. 2009

CHRISTMAS MARKETS Traditional Christmas Markets Retail exhibition of gifts, decoration, ceramics

Organizer: Incheba Expo Praha Address: Areal Vystaviste 67 170 90 Praha 7 - Holesovice Attn.: Ms. Pavla Bubenikova Phone: +420 220 103 304 Fax: +420 220 103 462 E-mail: vanoce@incheba.cz www.incheba.cz/yanoce

11. 21. - 11. 22. 2009

MINERALS BRNO

International Sales Exhibition of Minerals, Fossils, Jewels and

Natural Products

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Jan Klimes
Phone: +420 541 152 862
Fax: +420 541 152 542
E-mail: jklimes@bvv.cz
www.bvv.cz/i2000/Akce/brent.nsf/WWWAIIPDocsID/JPAA7JXCTL?OpenDocument&LANG=CZ
&NAV=1&ID=0

11. 26. - 11. 29. 2009

BRNO ART FAIR International Fair of Art

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Radek Talafous Phone: +420 541 152 945 Fax: +420 541 153 066 E-mail: <u>rtalafous@bvv.cz</u> www.bvv.cz/baf-gb

12. 04. - 12. 13. 2009

CHRISTMAS MARKET

Christmas Market

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno Attn.: Mr. Jan Kubena Phone: +420 541 152 767 Fax: +420 541 153 068 E-mail: *chrismar@bvv.cz* www.bvv.cz/chrismar-gb

12. 30. - 01. 02. 2009

Building Center EDEN 3000

Center of Sample Houses and Display Room of Building Materials, Entrance through the Building Center EDEN 3000 from the Bauerova Street, via the Display Room of Building Materials. Admission is free, Open Daily (Weekends included) from 10 a.m. to 6 p.m., during the Fairs from 9 p. m. to 6

Organizer: Trade Fairs Brno gate 9B

Address: Bauerova 10

603 00 Brno

Phone: +420 541 152 515 Fax: +420 541 159 484

E - mail: <u>nsc@stavebnicentrum.cz</u> www.bvv.cz/eden3000-gb

01.14. - 01.17..2010

GO

International Travel Trade Fair

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Milon Mlcak Phone: +420 541 152 520 Fax: +420 541 153 062 E-mail: mmlcak@bvv.cz www.bvv.cz/go-gb

 $01.\ 14.-01.\ 17..2010$

REGIONTOUR

International Fair of Regional Tourism

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Mr. Milon Mlcak Phone: +420 541 152 520 Fax: +420 541 153 062 E-mail: mmlcak@bvv.cz www.bvv.cz/regiontour-gb

01.28. - 01.30.2010

ROOFS PRAGUE

All for roof building and renovation. 12st specialised exhibition

Organizer: Strechy Praha Attn.: Ms. Hana Bromova Phone: +420 296 397 305 Fax: +420 296 397 307

E-mail: strechy@strechy-praha.cz

www.strechy-praha.cz

02.04. - 02.07.2010

HOLIDAY WORLD 19th central European tourism trade

Organizer: Incheba Expo Praha Attn.: Mr. Libor Patocka Phone: +420 220 103 325 Fax: +420 220 103 113 E-mail: 1.patocka@incheba.cz holidayworld@incheba.cz

www.holidayworld.cz 02. 04. - 02. 07. 2010

GOLF WORLD PRAGUE 3st golf and golf tourism fair

Organizer: Incheba Expo Praha Attn.: Mr. Pavol Hozlar Phone: +420 220 103 311 Fax: +420 220 103 113 E-mail: p.hozlar@incheba.cz www.golfworldprague.cz

02.04. - 02.07.2010

TOP GASTRO

4rd annual gastronomic fair

Organizer: Incheba Expo Praha Attn: Ms. Vera Spalenkova Phone: +420 220 103 307

Fax: +420 233 378 225

E-mail: v.spalenkova@incheba.cz

topgastro@incheba.cz www.top-gastro.cz

02.05. - 02.07.2010

OPTA

International Fair of Eye Optics, **Optometry and Ophthalmology**

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Ms. Vera Mensikova Phone: +420 541 152 806 Fax: +420 541 153 067 E-mail: vmensikova@bvv.cz www.bvv.cz/opta-gb

02.11. - 02.14.2010

PRAGOINTERIER NEW DESIGN 22st international exhibition of furniture, floor covering materials, home textiles, light fittings and

accessories

Organizer: Incheba Expo Praha Attn.: Ms. Miroslava Hollanova Phone: +420 220 103 480 Fax: +420 233 337 375 E-mail: m.hollanova@incheba.cz

pragointerier@incheba.cz www.pragointerier.cz

02.11. - 02.14.2010

PRAGOOFFICE

5 th office furniture and equipment fair

Organizer: Incheba Expo Praha Attn.: Ms. Miroslava Hollanova Phone: +420 220 103 480 Fax: +420 233 337 375

E-mail: m.hollanova@incheba.cz pragooffice@incheba.cz

www.pragooffice.eu

02. 11. – 02. 14. 2010

HOUSING

16th international exhibition of new housing possibilities

Organizer: M.I.P. Group Attn.: Ms. Monika Hrubalova Phone: +420 267 315 585-8 Fax: +420 267 315 589 E-mail: hrubalova@mip.cz www.vystavabydleni.cz

02.11. - 02.14.2010

PANEL HOUSE AND FLAT Regeneration, reconstruction,

funding.

4th special specialized exhibition

Organizer: Incheba Expo Praha Attn.: Ms. Monika Smatova Phone: +420 220 103 464 Fax: +420 233 376 444

E-mail: m.smatova@incheba.cz

panel@incheba.cz www.incheba.cz/panel

02. 11. – 02. 14. 2010

WINDOWS-DOORS-STAIRS

11th specialized exhibition of windows, doors, stairs and staircases, their accessories, parts

and construction elements

Organizer: Incheba Expo Praha Attn.: Ms. Monika Smatova Phone: +420 220 103 464 Fax: +420 233 376 444 E-mail: m.smatova@incheba.cz

okna@incheba.cz

www.oknadvereschody.cz

02.11. - 02.14.2010

PRAGOTHERM

37th Annual international trade fair of power engineering, heating and energy saving

Organizer: Incheba Expo Praha Attn.: Ms. Monika Smatova Phone: +420 220 103 464 Fax: +420 233 376 444 E-mail: m.smatova@incheba.cz

okna@incheba.cz www.oknadvereschody.cz

02. 16. - 02. 18. 2010

STYL

International Fashion Fair

Organizer: Trade Fairs Brno Address: Vystaviste 1

647 00 Brno

Attn.: Ms. Gabriela Vargova Phone: +420 541 152 983 Fax: +420 541 153 060 E-mail: styl@bvv.cz www.bvv.cz/styl-gb

 $02.\ 16.-02.\ 18.\ 2010$

KARO

International Fair of Footwear and Leatherware

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno Attn.: Ms. Gabriela Vargova

Phone: +420 541 152 983 Fax: +420 541 153 060 E-mail: kabo@bvv.cz www.bvv.cz/kabo-gb

02. 16. - 02. 18. 2010

S1

International Trade Fair for Outdoor and Winter Sports

Organizer: Trade Fairs Brno Address: Vystaviste 1 647 00 Brno

Attn.: Ms. Gabriela Vargova Phone: +420 541 152 983

Fax: +420 541 153 060 E-mail: s1@bvv.cz www.bvv.cz/s1-gb 05. 11. -05. 14. 2010

FOND-EX

13th International Foundry Fair Organizer: Veletrhy Brno, a.s. Address: Vystaviste 1, 647 00 Brno

Czech Republic E-mail: <u>fond-ex@bvv.cz</u>

www.bvv.cz

CZECH COMMERCIAL OFFICES IN THE UNITED STATES

Czech Embassy in Washington, D.C.: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Ohio, Oklahoma, South Carolina, Texas,

Tennessee, Virginia, West Virginia. Phone: 202.274.9104, Fax: 202.244.2147

Contact: Mr. Josef Dvoracek

Assistant: Mrs. Andrea Krejci, eco_washington@embassy.mzv.cz

Consulate General in Chicago: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, South

Dakota a Wisconsin.

Phone: 312.861.1037, Fax: 312.861.1944

Contact: Mr. Frantisek Gal, chicago@embassy.mzv.cz

Consulate General in Los Angeles: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico,

Oregon, Utah, Washington, Wyoming.

Phone: 310.473.0889 x.229, Fax: 310.473.9813

Contact: Mr. Petr Darmovzal, losangeles@embassy.mzv.cz

Consulate General in New York: Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York,

Pennsylvania, Rhode Island, Vermont. Phone: 646.981.4061, Fax: 212.717.5064

Contact: Mr. Tomas Hart, commerce_newyork@mzv.cz

Czech Center New York

Phone: 646.422.3399, Fax: 646 422-3383 321 East 73rd Street, New York, NY 10021 Contact: Mr. Marcel Sauer, info@czechcenter.com

Czech Tourism

1109 Madison Avenue, NY, NY 10028

Phone: 212.288.0830, ext. 105, Fax: 212.288.0971

Contact: Michaela Palkova-Claudino, palkova@czechtourism.com

Explore: www.czechtourism.com

Book your trip: www.traveldeals.czechtourism.com

CzechTrade

Chicago Office

Phone: 312.644.1790, Fax: 312.527.5544 Contact: Mr. Pavel Lacina, chicago@czechtrade.cz

The Czech Trade Promotion Agency/CzechTrade was established by the Ministry of Industry and Trade of the Czech Republic in May 1997. CzechTrade's main objective is to promote international trade and cooperation between Czech and foreign companies. CzechTrade's professional information, assistance and consulting services accompany Czech exporters to foreign markets. The agency is a contact partner for firms entering the Czech market, seeking interesting and reliable business partners and suppliers.

CzechInvest

Chicago Office

Phone: 312.245.0180, Fax: 312.245.0183

Contact: Mr. Bohuslav Frelich, chicago@czechinvest.org

CzechInvest was established in 1992 by the Ministry of Industry and Trade and is the investment and business development agency of the Czech Republic whose services and development programs contribute to attracting foreign investment and to developing Czech companies. CzechInvest provides the following services free-of-charge: Comprehensive services for investors - full information assistance, handling of investment incentives, business property identification, location of Czech suppliers, aftercare services; Business infrastructure development; Access to structural funds.

Czech Invest

West Coast Operations Office in Sunnyvale, California, will open on October 5, 2009.

Phone: 408.524.1690

Contact: Lenka Kucerova, lenka.kucerova@czechinvest.org

BUSINESS AND TRADE WEBSITES

General Information www.czech.cz CzechInvest www.czechinvest.org
Czech Supplier www.supplier.cz Tradeshows www.veletrhyavystavy.cz
CzechTrade www.czechtrade.cz Czech Embassy www.mzv.cz/washington

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