



**R&D**

**Universities begin hunt for students in the field of nanofibres**

Czech universities are beginning to offer study programmes in the modern field of nanofibres. Instruction in nanotechnologies is being introduced by the Technical University in Ostrava as well as the Technical University in Liberec, which developed the world's first machine for industrial production of nanofibres. The university wants to open the new department this year and will accept fifty students, who will be taught by instructors from four faculties and from the Academy of Sciences. Graduates educated in nanotechnologies are sought after by the Liberec-based company Elmarco, which cooperates with the university and is preparing a new development centre.

**Czechs test promising leucemia drug**

A cancer drug developed in the laboratory of Professor Antonín Holý may provide hope to Czech patients. The American company Gilead Sciences, which produced the trial drug from Holý's GS-9219 active substance, will begin testing the new drug on patients in the Czech Republic this year. Several dozen Czech patients should be involved in clinical trials at the beginning of summer. This is only the first phase of testing, which will verify whether the substance can be used in humans. However, the company is already cooperating with leading hematological laboratories, where patients with chronic lymphatic leucemia or malignant tumours in the lymph nodes are being subjected to initial clinical trials. Similar testing on patients is currently being conducted in the United States.

**Microsoft opens new innovation centre**

Microsoft has opened in Brno its first innovation centre in the Czech Republic. The centre will offer companies located in a so-called "technology incubator" equipment for testing and development of the latest technologies. Microsoft will provide start-up firms with specialised knowledge and technical equipment.

**Business**

**Global business guided from the Czech Republic**

The Czech Republic is an increasingly popular location for business support services. Companies such as Accenture, Honeywell, ExxonMobil, SAP and DHL's IT centre have operations in the capital, while Brno hosts IBM, Motorola, Lufthansa and Infosys, and TietoEnator and HSBC are present in Ostrava. The fact that investors' attention remains fixed on the Czech Republic is evidenced by the Shared Services Week 2007 event in Prague, which took place in

the CEE region for the first time last year. This "trade fair of business support services" brought together more than 500 specialists from the most significant organisations providing shared business services. The latest company to set up shop in Prague is eBay, which operates an internet auction service of the same name with 276 million users around the world. The company wants to open a marketing and analysis centre in Prague. By the end of this year, the centre should employ twenty specialists, primarily analysts and marketing specialists. eBay has thus joined the ranks of Google and Skype, which already have branches in the Czech Republic.

#### **Marbes building a research centre for 20 programmers**

Marbes Consulting, which has been active in Plzen since 1997 and has hitherto been focused on the production of software for organisations within the state administration, is building a new development centre in which it will invest CZK 12 million in the first two years. The centre will employ 20 programmers who will create a special program for the administration and operation of companies.

#### **Foxconn looking for another factory**

The third largest domestic electronics exporter is planning to establish another factory in addition to its existing facilities in Kutná Hora and Pardubice. This will involve the purchase of

another factory in Central Bohemia. In connection with the new plant, the company established the subsidiary Foxconn Technology in January. Unlike the plant in Kutná Hora, the new plant will be an already operating facility.

#### **Jaguar from Jaroměř**

The company **Tanex Plasty** of Jaroměř in the Náchod region has begun production of plastic components for the British carmaker Jaguar. The company is producing door components, e.g. arm rests, for the Jaguar XF, which has already been introduced to the market. The annual value of the contract is over EUR 1.2 million (approx. CZK 30 million). Tanex Plasty, which employs roughly 240 people, had a preliminary income of CZK 641 million last year after taking in CZK 536 million the previous year. The company's most important customers are Volkswagen, BMW and Daimler.

#### **Lego returning to Kladno**

Lego, one of the world's biggest toy producers, will take back control of building-block production in Kladno from the Singapore-based company Flextronics after a year and a half. For the plant's 700 employees, this will mean a change of employer, though their working conditions will remain unchanged. For Lego, the plant in Kladno is a strategic manufacturing facility due to the fact that it is located in close proximity to the company's expansive European market. Lego will continue with production in Denmark and the Czech

Republic and jointly with Flextronics in Mexico and Hungary. Lego has a special facility in Kladno for the creation of marketing models. In addition, the company distributes its products to retailers in Europe and Asia from the central distribution in centre in Jirny, near Kladno.

#### **Acerbis headed to Pardubice**

The Italian company Acerbis will produce parts for motorcycles, passenger cars and trucks near Pardubice. Acerbis will invest over CZK 100 million in its plant in Moravany nad Loučnou and will employ approximately fifty specialists there. The plant will produce primarily fuel tanks and seats for the motorcycle market. Fuel tanks will also be produced for passenger cars as well as construction and agricultural machinery. The company's technology will also enable the future production of luxury designer furniture in Moravany.

#### **Taiwanese LCD manufacture considering plant in the Czech Republic**

The Taiwanese company AU Optronics is preparing to invest this year in a factor for the production of LCD modules somewhere in Europe, e.g. in the Czech Republic or Poland, the company's president, L.J. Chen, told the Reuters press agency, adding that the details of the plan will be clearer after the second quarter. AU Optronics is the world's third largest producer of LCD displays, which it delivers to suppliers of personal computers, such

as Dell and Hewlett-Packard, and to some television manufacturers.

## Economy

### **The Czech Republic receives a "gold medal" for reform**

According to a study conducted by the Bertelsmann Foundation of Germany, the Czech Republic is the leader among 125 comparable countries in terms of its transition to democracy and the market economy. The country's main strength lies in the area of economics. The Czech Republic has thus surpassed the previous top two countries in the ranking, Slovenia and Estonia. Slovakia placed seventh.

Exchange Rates  
Averages for February 2008  
EUR 1 = 25,376 CZK  
GBP 1 = 33,798 CZK  
USD 1 = 17,210 CZK  
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

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