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**BUSINESS RESULTS  
OF CZECHTRADE AGENCY  
IN 2017**

17

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**20**  
**years**  
PROUDLY SERVING YOU



**CzechTrade**

## PROFILE OF CZECHTRADE AGENCY

CzechTrade is a Governmental Trade Promotion Agency of the Czech Republic established by the Ministry of Industry and Trade. Its main objective is to develop international trade and cooperation between Czech and foreign entities. CzechTrade Agency is an official contact partner for those who are looking for qualified Czech-based manufacturers and service providers.

- Over 20 years of professional partnership
- More than 50 offices operating worldwide
- Excellent overview of Czech manufacturers and their production potential
- Mainly bespoke services for foreign entities, free of charge

## 20 YEARS OF CZECHTRADE AGENCY

Over the course of 20 years, the agency has implemented over 22,552 orders for 10,750 clients. Over 23,058 attendees have visited 1,305 expert and territorial seminars, training and export conferences. The agency has helped implement over 2,500 successful export orders, processed 36,374 tenders and 37,966 foreign inquiries. During the period of the agency's operation, the network of foreign offices of CzechTrade Agency has grown from its original seven to 51 offices on five continents.

At the time of its establishment in 1997, the agency primarily provided information services to exporters, with assistance and training services being added in the following years. Today, CzechTrade Agency offers a wide range of services, the advantage of which is their interdependence and complexity. It focuses on export consulting with a focus on individual industries. It provides information on demand and export opportunities to exporters. Foreign services are primarily of an individual character and often rely on the long-term export strategy of a particular company.

Since 2016, CzechTrade Agency has been implementing three internal projects from the Marketing Programme within the Operational Programme Entrepreneurship and Innovation for Competitiveness - NOVUMM, NOVUMM KET and DESIGN FOR COMPETITIVENESS.

In 2001, CzechTrade Agency established the official portal for business and export BusinessInfo.cz. This most widely used business portal is operated by the Ministry of Industry and Trade. Over 30 other partners from state institutions, business representations, professional associations and other organisations participate in its content.

The agency's services have been available in all regions of the Czech Republic since 2017 through a network of regional export consultants (REK) created in cooperation with CzechInvest and the Business and Investment Support Agency (API). CzechTrade, together with the Ministry of Industry and Trade and the Ministry of Foreign Affairs of the Czech Republic, is implementing the Client Export Centre (CCE). Thanks to the joint foreign network of embassies of the Czech Republic and foreign offices, CzechTrade provides entrepreneurs with consultations on export and investment projects in more than 90 countries in one place. CCE has been operating since October 2014 and is headquartered in the CzechTrade building.

## CONNECTING CZECH AND FOREIGN BUSINESS PARTNERS VIA

- Bespoke service - Business Partner Search
- Sourcing Days
- The economic portal BusinessInfo.cz
- Trade shows, private showcases, networking events

## INFORMATION SERVICES

### CZECH BUSINESS PARTNER SEARCH

This bespoke and free of charge service exists to help foreign companies when looking for a partner to assist them in their production. They can approach our specialised team with specific requests. CzechTrade Agency will gladly help you get in touch with the relevant Czech companies.

- Personal consultation & fillable on-line form
- List of relevant Czech companies and the facilitation of access to the selected ones

In 2017, CzechTrade Agency provided quality information services by publishing foreign inquiries, innovations, tenders, investment opportunities and offers.

Number of processed export opportunities

	Inquiries	Tenders	Investment opportunities	Offers	TOTAL
2017	786	1,300	69	72	2,745

### SOURCING DAYS / TAILORED EVENTS ACCORDING TO THE COMPANIES' NEEDS

Foreign companies specify product/service requirements, define qualifications for a potential Czech supplier, and the CzechTrade team will organise one-to-one meetings followed by the arrangement of company visits in the Czech Republic. This service saves time:

- Precise knowledge of Czech manufacturers and their production potential
- Bespoke market screening - we identify potential suppliers as per specific requirements
- Suppliers shortlist - after reviewing each applicant's profile, we select companies the foreign partner wishes to meet

All-inclusive package - from providing meeting rooms to the accompanying foreign company at the Czech companies' premises. This service is free of charge for foreign companies.

In 2017, 20 Sourcing Days (SD) were arranged, where foreign partners were presented with 318 Czech companies over the course of 520 meetings, visits to Czech manufacturers' premises or catalogue presentations. Foreign partners for which a B2B meeting with Czech producers has been held include: AeroMobil, Mezzanine and Jaguar Land Rover from the UK, OBI and Innogy from Germany, General Electrics Renewable Energy from Hungary, OGMA from Portugal, COE from Spain or Auchan Retail from France.

## **BUSINESSINFO.CZ PORTAL**

BusinessInfo.cz is the official business portal that was created to help foreign businesses navigate the Czech business environment. Current information on the conditions for doing business, investment as well as trade opportunities can be found on its website. It is CzechTrade Agency which is in charge of the BusinessInfo.cz implementation. The portal integrates information from key ministries and public administration institutions in one place and subsequently provides it to Czech entrepreneurs, exporters and foreign companies.

On the portal, foreign business can find information on:

- How to start a business in the Czech Republic
- How to acquire a stake in a company
- How to find a business partner for expanding or establishing a new company in the Czech Republic
- How the tax system is set up in the Czech Republic
- What the investment climate is like here
- What current investment opportunities there are and much more
- Useful links and institutions in the Czech Republic
- Calendar of Events
- Online Business Enquiry (Business in the Czech Republic, Business in the EU, General enquiry)

In terms of turnout, BusinessInfo.cz portal is one of the most visited state administration portals. The average monthly turnout in 2017 reached nearly 220,000 visitors, which is an increase of 7% compared to the previous year.

Portal users especially appreciate the high quality and reliable information. The quality of content is steadily improving, as shown by the increase in turnout of TOP topics. In 2016 and 2017, there was a 53% increase interannually in the TOP 10 most viewed pages. The source of the "most faithful and repeated turnout" is the Foreign Trade section. This, along with the Taxes and Legislation section, is the most visited section of the BusinessInfo.cz portal.

## **PRESENTATION ON FOREIGN TRADE FAIRS**

CzechTrade Agency organises the joint participation of Czech companies at international trade fairs. For this reason, it offers an opportunity for exporters who do not plan a stand-alone stall. Besides organisational preparations, CzechTrade also provides joint expositions and practical accompanying services. This includes, among other things, addressing potential foreign partners in order to capture their interest in a trade fair, personal assistance during a trade fair or active participation in dealing with business partners.

Thanks to this, it is possible to increase the number of visitors to Czech expositions and attract potential business partners. The level of the services provided is evaluated by participants in satisfaction questionnaires. They value most of all the presence of a representative in a particular country who addresses a wide range of foreign entities in advance of the fair, interprets during personal meetings, communicates with the fair administration or provides technical background. Last but not least, clients highlight the advantages of joint promotion with CzechTrade Agency and the synergy of jointly exhibiting companies.

In 2017, CzechTrade Agency organised a joint participation of Czech companies at 111 international trade fairs. A total of 518 companies were presented there. This allowed the participation of exporters who would not otherwise have been able to afford such a costly form of presentation.

## OVERVIEW OF THE MAIN RESULTS

- In 2017, CzechTrade processed a total of **2,227 export opportunities**, which were published on the BusinessInfo.cz portal.
- **1,367 foreign inquiries** were published on the Czech version of the CzechTrade website and on the BusinessInfo.cz portal.
- The average monthly turnout of the BusinessInfo.cz portal reached the level of **220,000 visitors**, which is an **increase of 7%** compared with the previous year.
- The Client Centre for Export accepted **691 queries** in total in 2017, which is an **increase of 29%** in comparison with 2016.
- In 2017, CzechTrade Agency implemented **2,355 paid orders** for 1,202 clients, 1,666 orders were orders of the foreign offices of CzechTrade, which have the biggest added value for Czech companies.
- Interannually, there has been an **increase of 6.5%** in a number of successful cases that the clients shared with CzechTrade Agency.
- CzechTrade Agency organised **161 events in total abroad**, including supported events.
- In total, 292 MSPs used support for participation within the favoured services of CzechTrade Agency in the NOVUMM, NOVUMM KET and DESIGN projects in **36 specialised foreign events**.
- In 2017, there were **53 seminars and conferences** in total, attended by more than **1,200 employees** of Czech exporters.
- In 2017, **20 Sourcing Days (SD)** were implemented, in which foreign partners were presented **318 Czech companies** (personal meetings / visits at the facilities / catalogue presentations).
- During the year, **740 relevant media performances** containing the word CzechTrade were recorded. 32% of articles in total came from CzechTrade activities, 16% thanks to the good relations of the PR agency with the media and 10% of articles were a reaction to issued press releases. In 2017, CzechTrade issued **28 press releases** in total, while being part of another seven.
- **407 companies** have shown interest in services of regional export managers, **709 personal meetings** in total have been held and **154 joint events** have taken place with CzechInvest Agency directly in the regions.

## FINANCIAL RESULTS

CzechTrade Agency ended the year 2017 with an improved economic result of CZK 18.5 million, with more than half of that being money transferred to the budget of the organisation for purposes that will only be realised in 2018 (events in regions, new offices, cyber security costs and protection of personal data costs). The total sales volume decreased by CZK 3 million compared to 2016. The reason was the focus on individual services and the reduction of the number of realised foreign commercial exhibitions. The funds created by the agency in the previous years were thus drawn to a minimum. Total expenses of the agency amounted to CZK 469.2 million, including SF, of which the largest was expended on services (243.2), personnel costs (60.8) and depreciation (15.4).

In 2017, CzechTrade Agency was responsible for securing the Astana EXPO 2017 exhibition where the total cost was CZK 86.6 million. Quarterly spending was balanced and cost-effective. Investment purchases of CZK 9.3 million were made: IT equipment renewal (4.2), three new vehicles (1.6), software and licences (3.5) and improvements to the new SINPRO information system in the 3.4 version. The agency continued in three Structural Funds OPPIK projects, which also contributed to the increasing of the costs and revenues of the organisation.

Items	2013	2014	2015	2016	2017
<b>Total revenue</b>	<b>318,086</b>	<b>469,408</b>	<b>451,711</b>	<b>331,715</b>	<b>487,716</b>
Revenue for services	26,199	30,428	51,165	61,356	58,421
Other revenue*	44,303	54,100	81,214	10,153	17,278
MIT contribution total	247,584	384,880	319,332	260,206	412,017
<i>of which contribution to operations</i>	141,118	185,146	246,230	254,117	284,239
<i>Astana EXPO 2017 in that</i>					85,560
<i>of which financing from structural funds</i>	106,466	199,734	73,102	6,089	42,218
<b>Total costs</b>	<b>305,416</b>	<b>467,995</b>	<b>437,812</b>	<b>328,429</b>	<b>469,199</b>
Consumed purchases	7,481	8,504	8,030	8,160	8,165
Services	123,466	207,832	231,665	238,128	243,260
Personnel costs	40,475	48,313	60,384	58,175	60,783
Depreciation	9,411	12,211	11,581	14,882	15,414
Other costs incl. settlement of funds	124,583	191,135	126,152	9,084	141,577
<i>Astana EXPO 2017 in that</i>					86,397
<i>of which settlement of EU funds</i>	119,591	184,289	118,384	0	48,220
<b>Financial result</b>	<b>12,670</b>	<b>1,413</b>	<b>13,899</b>	<b>3,286</b>	<b>18,517</b>

## BUSINESS RESULTS IN THE AREA OF CZECHTRADE'S SERVICES

The total volume of CzechTrade Agency's revenue for paid services amounted to CZK 64,320,270 in 2017, which is 5% more compared to 2016. CzechTrade reached the abovementioned revenue in 2017 by implementing 2,355 orders for 1,202 paying Czech companies. Detailed information in the table below.

	<b>TOTAL 2017</b>
Revenue per invoices (tax documents) in CZK	64,320,270
of which revenue from foreign offices' orders	58,125,968
Total number of orders	2,355
of which the number of foreign offices' orders	1,666
Number of paying customers	1,202
Evaluation of services by clients	1.27

## INTERNATIONAL NETWORK OF CZECHTRADE AGENCY

The foreign network of CzechTrade Agency added one new foreign office in 2017. At the end of the year, companies could use the services of 51 foreign offices. CzechTrade provides services in 21 countries of the European Union and 31 countries outside the European Union.

In 2017, companies confirmed a total of 133 successful export cases to the agency that arose from the use of its services, which represents a total value of over CZK 1.82 billion. The most successful export cases were reported by clients of the CzechTrade foreign offices in Düsseldorf (17) and the largest volume of export supported by clients of the foreign office of Scandinavia (CZK 392 million). The most successful cases are recorded by CzechTrade in the field of engineering (41), food industry (17) and construction (10). Companies confirmed 54% of successful cases to CzechTrade after using foreign office services and 38% after participating in a joint stand at a foreign trade fair.

### **EUROPEAN UNION: 16 FOREIGN OFFICES**

#### **PRESENCE IN 21 COUNTRIES**

Belgium (CEBRE): Brussels  
Benelux (Netherlands): Rotterdam  
Bulgaria: Sofia  
France: Paris  
Croatia: Zagreb  
Italy: Milan  
Latvia, Lithuania, Estonia: Riga  
Hungary: Budapest  
Germany: Düsseldorf  
Poland: Warsaw, Katowice  
Austria: Vienna  
Romania: Bucharest  
Sweden, Denmark, Norway, Finland: Stockholm  
Spain: Madrid  
Great Britain, Republic of Ireland: London

### **EUROPE AND MIDDLE ASIA: 9 FOREIGN OFFICES**

#### **PRESENCE IN 8 COUNTRIES**

Montenegro: Podgorica  
Russia: Moscow, St. Petersburg, Ekaterinburg  
Serbia: Belgrade  
Turkey: Istanbul  
Ukraine: Kiev  
Kazakhstan: Almaty  
Azerbaijan: Baku

### **AFRICA: 4 FOREIGN OFFICES**

#### **PRESENCE IN 4 COUNTRIES**

Egypt: Cairo  
Marocco: Casablanca  
South Africa: Johannesburg  
Nigeria: Lagos

### **AMERICA: 8 FOREIGN OFFICES**

#### **PRESENCE IN 8 COUNTRIES**

Argentina: Buenos Aires  
Brazil: Sao Paulo  
Columbia: Bogota  
Chile: Santiago de Chile  
Canada: Calgary  
Mexico: Mexico City  
USA: Chicago  
Peru: Lima

### **ASIA: 13 FOREIGN OFFICES**

#### **PRESENCE IN 9 COUNTRIES**

China: Beijing, Chengdu, Shanghai, Guangzhou  
India: Mumbai, Bangalore  
Indonesia: Jakarta  
Iran: Teheran  
Israel: Tel Aviv  
Thailand: Bangkok  
Singapore: Singapore  
United Arab Emirates: Dubai  
Vietnam: Ho Chi Minh City

### **AUSTRALIA: 1 FOREIGN OFFICE**

#### **PRESENCE IN 2 COUNTRIES**

Australia, New Zealand: Sydney



**CZECHTRADE NETWORK SERVICES  
IN MORE THAN 50 OFFICES WORLDWIDE**

## EXPORT EDUCATION OF CZECHTRADE AGENCY

Several educational and development events on the topic of international trade, such as specialised and territorial seminars, export conferences and forums, and customised corporate trainings, were organised for Czech companies in 2017. Both the seminars and the conferences are aimed at the field of international trade and soft skills, and they both outline the specifics of the business environment and up-to-date information from the chosen fields and territories.

Fifty-three specialised and territorial seminars, conferences and forums were organised in Prague and other regions of the Czech Republic in 2017. More than 1,200 participants from Czech companies took part in the events.

## INTERNAL PROJECTS OF CZECHTRADE AGENCY IN 2017

Thanks to EU programmes, foreign entities can encounter Czech companies and their products at prestigious international trade fairs.

The following projects of CzechTrade Agency: NOVUMM (New marketing models of participations in trade fairs), NOVUMM KET (New marketing models of participations in trade fairs in the field of key technologies) and DESIGN (Design for competitiveness 2016- 2018) are co-financed by the European Union via the Operational Programme for Enterprise and Innovation (OPPI) for competitiveness. (The Ministry of Industry and Trade is the regulating body.)

Small and medium-sized enterprises based outside the Capital City of Prague are provided with de minimis aid within the NOVUMM and NOVUMM KET projects via preference services. The companies do not obtain money from CzechTrade Agency but are provided with services for participation in international events. The projects include 150 trade fairs across various fields of industry in Europe and outside. The call for submitting applications was announced on 1 July 2016, and the application reception began on 18 July 2016.

Within the NOVUMM KET project, 10 events with a total number of 71 participants were held in 2017. Within the NOVUMM project, 25 events with a total number of 215 participants were supported in 2017. The internal project DESIGN offers preferential services of professional designers from the Designer Directory as well as support for participation in foreign fairs and exhibitions focused on design promotion. The implementation of accompanying events such as interactive seminars, contact forums, conferences and workshops is part of the project. The call for submitting applications was announced on 15 November 2016, and the application reception began on 21 November 2016.

In 2017, 13 small and medium-sized companies received a financial contribution for a new design of products totalling CZK 650,000. Companies evaluate the cooperation with the designer with an average grade of 1.3. The companies that valued the service of the designer company the most were companies doing business in the fields of engineering, furniture manufacturing, electronics and electrical engineering.

## CLIENT CENTRE FOR EXPORT (CCE)

In cooperation with MFA and MIT, the successful activity of the Client Centre for Export (CCE) continued in 2017. The interest in CCE services continues to rise steadily – in 2017, the CCE received 691 queries – i.e. a year-on-year increase of 29%. Eighty-one percent of the queries were solved via CzechTrade Agency.

## ORGANISATION OF CZECHTRADE AGENCY

### MANAGEMENT

Radomil Doležal, General Director

Milan Ráž, Director of Services for Exports

Lenka Sokoltová, Director of Internal Services Section

Zuzana Synková, Director of Marketing and Analyses

Petr Kraselovský, Director of EU Funds

### CZECHTRADE SECTOR SPECIALISTS

Seventeen consultants took care of the clients as of 31 December 2017. They are divided into five field teams by CzechTrade, so that every company can easily find its export consultant according to the field in which it is conducting business.

- Construction, consumer goods and services
- Electronics, ICT, transport and handling equipment
- Energy, resources, environment
- Life sciences, chemistry, plastics, medicine and food
- Engineering and metalworking

## REFERENCES

*"I would like to thank CzechTrade Agency for organising a business meeting of our company and OGMA company. Whether the meeting will be successful or not will only be shown over time. Anyway, I know from my experience that the first encounter with a potential customer is always very important. And when it is such an important aircraft manufacturer on the European as well as global market, which OGMA undoubtedly is, it is not always easy for companies such as COMPOSIT AIRPLANES spol. s.r.o. to organise such meetings. You have succeeded, which I greatly appreciate. Thank you very much once again. Your organisational skills are on a very high level. I believe that our cooperation will continue in the future. I am very pleased to attend other meetings with possible business partners for the production of composites, be it from the field of aviation, sports, shipping or other industries."*

**Marek Kunčický**, COMPOSIT AIRPLANES spol. s r. o.

*"I wanted to repeat my thanks for the hard work in setting this event up and organising the suppliers we saw at such a short notice. I think the quality of suppliers put forward reflects very well on the potential opportunity for Halfords to develop more business from your country and I look forward to the outputs of the bigger event in the New Year."*

**James Byatt**, Sourcing Director, Halfords Global Sourcing

*"The meeting in Prague was the most meaningful supplying event I attended. CzechTrade Agency provided a great organisation, suppliers were very well prepared for all meetings and knew what to offer us. I'm sure we'll start working with a number of them."*

**Olaf Bageritz**, Purchase Division Director, Ferdinand Bilstein GmbH + Co.KG.

*"I would like to express our thanks for the important help that we obtained from the head of the foreign office of CzechTrade Agency in Casablanca, Morocco. Mr. Koblíha helped us find potential importing clients and organise a number of business meetings. He also helped us considerably with detailed market mapping and other activities."*

**Miroslav Tym**, BAUER TECHNICS a.s.

*"I would like to thank CzechTrade Agency for the selfless help it provided us during November and December 2017. Without this help, we would have practically been helpless in enforcing a claim in Chile. The proactive and effective approach of your agent has led to a successful resolution of the problem. We greatly appreciate the fact that CzechTrade is helping not only the export itself, but also solving the problems that will occasionally occur in the context of export mainly to remote territories."*

**Karel Babíček**, CROSS TRANS SERVICE KUTNÁ HORA, s.r.o.

*"I thank you and your team very much for the great work for our company. We were extremely satisfied with the search for potential clients as well as with the organisation of our business trip to Turkey as such. We have gained a lot of useful information about the Turkish market and a concrete idea of its operation in the railway sector. We greatly appreciate the fact that you are able to react quickly and flexibly to the development of the current situation. On the basis of our findings, I must say that the acceptance of a Czech supplier by a Turkish customer under the auspices of a State Agency for Export Promotion is given a completely different dimension than in the case of meetings without the participation of CzechTrade."*

**Jiří Liberda**, company director, LOKEL s.r.o.

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