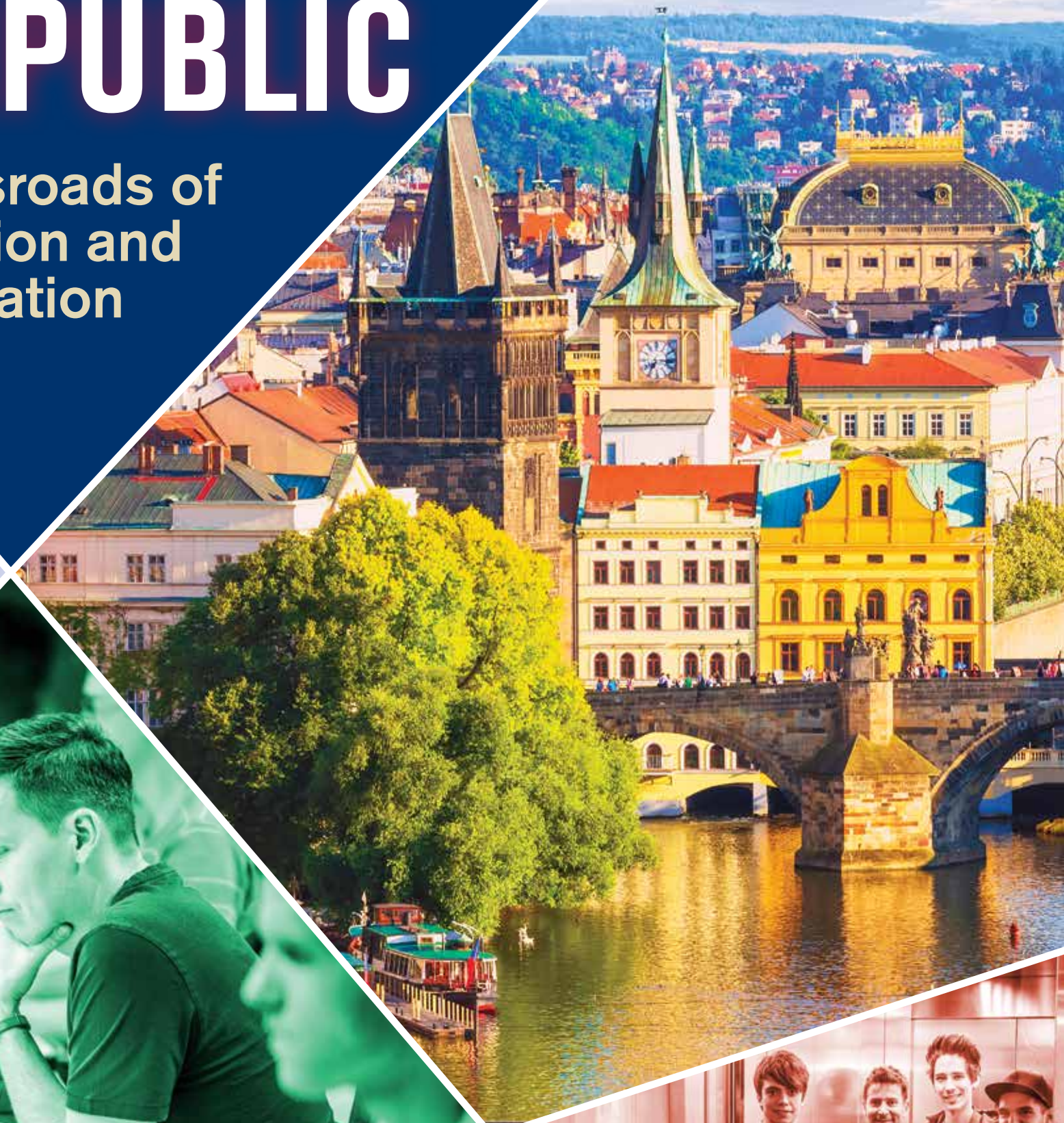




CZECHINVEST

Czech REPUBLIC

Crossroads of
tradition and
innovation



An Attractive Investment Climate



Karel Kučera
CEO, CzechInvest

**U.S. firms
have invested
\$3.5 billion
and created
close to
40,000 jobs
in the Czech
Republic.**

The Czech Republic has long ranked among the economic leaders of the European Union. Our economy is focused on technology and has an above-average rate of growth. We have the lowest unemployment and lowest rate of indebtedness in the EU and a very high credit rating. These achievements were aided by support for and development of traditionally strong technical sectors and support for R&D in vehicle manufacturing, precision engineering, aerospace and software development (we control 30% of the global cybersecurity market). American technology firms have contributed significantly to this. With support from the government agency CzechInvest, such firms have already invested US\$3.5 billion and created close to 40,000 jobs here, making the United States the third-biggest investor in the Czech Republic behind Germany and Japan.

The most significant investors from the American West Coast include Microsoft, MSD, Oracle, Amazon, Google, Honeywell, Caterpillar and ON Semiconductor. These firms cover a diverse range of sectors including, for example, advanced manufacturing, research and development, software development and shared services.

At the same time, a springboard for the further development of the Czech economy consists in its transformation into a knowledge economy, which will create high-quality and marketable innovative products and services. At CzechInvest, we are aware of this and we thus also support the internationalisation of Czech startup companies in technology destinations such as Silicon Valley and New York, as well as London and Singapore.

We place emphasis on sectors in which the Czech Republic has a strong tradition and clear results, including such fields as cybersecurity, advanced manufacturing, autonomous mobility and electromobility, as well as sectors that have global and sustainable potential, including data centres, virtual and enhanced reality, life sciences and clean technologies. The Czech Republic is concentrating on these sectors not only by ensuring the presence of high-quality infrastructure, but also in terms of financial support for investments in the form of investment incentives.

—Karel Kučera, CEO, CzechInvest

Support for Entrepreneurship is a Priority for the Czech Government



The Czech Republic has a long and celebrated tradition of research and innovation. Today, the nation is channeling that spirit of discovery into the business sphere, and support for entrepreneurship and innovative business models is a top priority for the Czech government. Robust financial support and hands-on mentorship for startups are making the Czech Republic a globally competitive location in which to build and launch cutting-edge companies. Major investments in the nation's research infrastructure have also helped to make the country a vital node in the global knowledge economy.

The Czech workforce is highly educated, predominantly multi-lingual, and very productive. At the same time, labor costs for employers are competitive when compared to Western European nations.

The country's attractive investment incentives, its strength in STEM education, and its emphasis on cutting-edge research and development, together with its strategic location—Prague is about a 2-hour flight from most European capitals—make the Czech Republic an appealing place to do business.

Learn more at CzechInvest.org or contact the San Francisco office directly at California@czechinvest.org.

Czech facts

10 million

Population

68

Number of universities

93%

Percent of population agd 25-64 with upper secondary education or higher.

72%

Percent of population that speaks a foreign language. (Most common is English, followed closely by German.)

878 AD

Founding of the Czech Empire

1993

Modern Czech Republic founded

2004

Joined European Union

Financial snapshot

31st

Ranking of economic competitiveness, out of 138 countries*

19%

Corporate tax rate

US\$119 billion

Foreign direct investment in Czech Republic, 1993-2014

* World Economic Forum 2016-17 Global Competitiveness Report

On the cover:

Historic Prague is home to a thriving tech scene.

Photos: Getty Images (cityscape); Lifeliqe (tablet); STRV (people).

Why Invest Here?

Somewhere on the mainland of Europe, between France to the West, Italy to the South, and Ukraine to the East, lies the slightly nebulous region often referred to as “Central Europe.” For historical reasons, defining this area depends a lot on who you ask, because it’s often linked to ideas of shared culture and history rather than pure geography. But with the advantage of being located in the geographical center of Europe, no country offers better access to the rest of Europe than the Czech Republic.

The nation is close to major economic centers such as Frankfurt, Munich, and Vienna, and is a short flight from hubs such as London, Paris, and Amsterdam. The EU’s passport-free Schengen Area makes business and personal travel easy to most places in the EU, while dense and high-quality infrastructure make the country an ideal location for commerce and manufacturing. The majority of EU member states—including the Czech Republic—lie within the same time zone, simplifying business logistics and scheduling.

Few other EU states can offer all these advantages while maintaining the highly skilled, affordable, workforce found in the Czech Republic. A 2015 IMD Executive Opinion Survey places the Czech education system above Japan in terms of “meeting the needs of a competitive economy.” Yet the average annual wages in the Czech Republic are less than half what they are in France and Germany, and less than a third of what they are in the US.

A 2014 CzechInvest survey found that 72% of citizens aged 18 to 59 speak at least one foreign language.



The Czech Republic’s culture, location, and economy make it ideal for doing business in the EU and globally

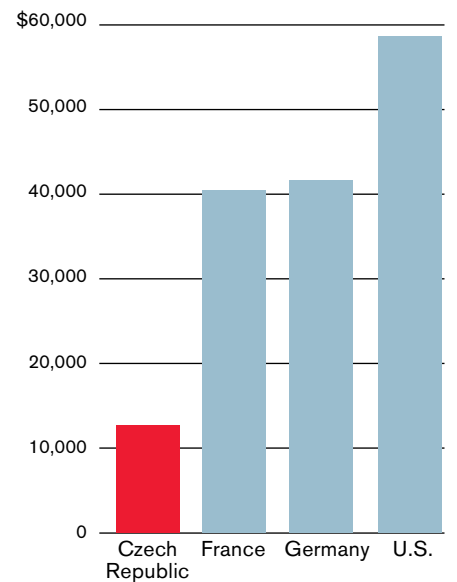
The most common is English, followed by German. The Czech Republic has also instituted policies that encourage business and investment. The economy is ranked 31st (of 138 countries) by the 2016-17 Global Competitiveness report, and in the past two decades the country has steadily reduced its corporate income tax to a low 19%. Furthermore, the safe investment environment and stable social and political system in the country has led to impressive foreign direct investment results, with more than €100 billion of FDI recorded since 1993.

Cultural and economic advantages

- Central location in Europe
- Skilled and well-educated workforce
- Stable social and political system
- Favourable labour costs and price stability
- Dense and high-quality infrastructure
- Transparent system of investment incentives
- Strong focus on R&D
- EU membership
- Mentality, culture and attitudes similar to those of western countries
- High quality of life

Competitive labor costs

Compared average annual wages (USD; 2015)



The Czech Republic: A Brief History

The present-day Czech Republic consists of the historic regions of Bohemia, Moravia, and a slice of Silesia. First formed in the late 9th century, the Czech kingdom went through periods of expansion and decline, periodically subsumed throughout its history by various powers such as the Holy Roman Empire, the Hapsburg Monarchy, and the Austrian Empire. Manufacturing came to the area early, and by the late 19th century the Czech lands were the industrial engine of the empire’s economy.

In the wake of World War I and the collapse of the Austro-Hungarian Empire, the state of Czechoslovakia coalesced. Leading up to and after World War II, resistance became a consistent feature of this nation. The Czech lands were occupied by Nazi Germany during WWII, before coming under the sphere of Soviet influence after the Allies prevailed. Discontent with

Thriving modern nation founded on a rich cultural heritage

the communist administration led to the famous Czech Spring, in which attempts to reform were ultimately put down by a Soviet-led occupation. Czechoslovakia remained occupied until the 1989 Velvet Revolution, when a peaceful transition of power led to the end of Communist rule and the reinstatement of the market system.

In 1993, Czechoslovakia was divided into two states, the Czech Republic and Slovakia, in a mutually amicable split. The newly-formed Czech Republic joined NATO in 1999 and the European Union in 2004, and simultaneously underwent sweeping political and economic reforms, quickly transforming it into the modern state it is today.



View of the Medieval Bohemian city Cesky Krumlov, Czech Republic.

Czech List

3 Key Industries that Investors Should Know

1 Auto manufacturing

With 1.3 million cars produced in 2016, the Czech Republic is the second-biggest manufacturer of cars per capita in the world. The automotive industry is an economic powerhouse for the country: It employs more than 150,000 people, represents 9% of the country's GDP, and accounts for more than 20% of Czech manufacturing output and exports. Leveraging the country's storied engineering tradition, its robust infrastructure and its skilled workforce, the Czech automotive industry is considered a major contributor to global automotive manufacturing and R&D.

Attracted by competitive labor costs, the country's well-developed academic environment, close proximity to customers, and a stable political and legal environment, many companies from Western Europe and the United States have established R&D offices to the Czech Republic. Companies that have established global centers of excellence in the Czech Republic include Bosch, Valeo, and Honeywell. Engineering companies such as Porsche Engineering, Ricardo, MBTech, and Idiada also have major offices located in the country.

The country's automotive industry is highly attuned to the global industry's trends toward automated vehicles, alternative



The country's automotive industry is attuned to the global industry's trends toward automated vehicles, alternative fuels, and digitalization.

fuels, and digitalization. The Czech Republic is already the site of multiple facilities for development and testing of advanced driving assistance systems (ADAS) and solutions for automated and self-driving vehicles. Several technical universities, including Czech Technical University and Brno University of Technology, have teamed up with global car makers and suppliers, such as Volkswagen, Daimler, Bosch and Valeo, to develop systems for

2 Life sciences

The Czech life-sciences community makes contributions on an international level in areas as diverse as pharmaceuticals, diagnostics, biotech, and synthetic and fermentation technologies. Development of the sector is supported by effective patent protection, high standards of production, and non-restrictive genetic-engineering policies, as well as government policy goals supporting R&D and acceleration of the transfer of knowledge between the science and business communities. The country's membership in the European Union also guarantees a regulatory framework compatible with all EU countries, which together comprise a consumer market of over 500 million people within a two-hour flight from Prague.

Global companies currently conducting business, R&D or manufacturing in the Czech Republic include Teva Pharmaceutical, Zentiva (Sanofi Group), Lonza Biotec, Otsuka Pharmaceutical, Merck, Baxter, Nanotherapeutics, Glenmark Pharmaceutical, Gilead Sciences, and Beckman Coulter. Because of demands placed on healthcare systems and increas-

ing expectations for service in the country, the Czech government has put to work substantial public funding, amounting to more than EUR 1.5 billion between 2007 and 2013. Thanks to that investment, state-of-the-art research facilities now dot the landscapes of Prague, Brno and Olomouc, and complement the existing institutes of the Academy of Sciences of the Czech Republic and universities.

€1.5 billion

Public funding for Life Sciences R&D between 2007 and 2013.

The success of companies operating in the life-sciences sector stems in large part from the Czech Republic's long track record in research and development and high-quality education. More than 50,000 students are enrolled in life-sciences programs at universities in the country. The number of highly skilled graduates, available at more affordable rates than countries with similar expertise, affords the Czech Republic with a competitive cost-benefit ratio.

But that's just one of the reasons to consider the Czech Republic as a potential location for investment in the life-sciences sector. Competitive benchmarking charts show that while companies can achieve substantial savings in operating costs, the quality and availability of experienced industry-specific staff in the Czech Republic are also among the highest when compared with those in the most advanced markets in the industry.





GETTY IMAGES

these future cars. Valeo itself has established its global hub for development and testing of ADAS inside the country's capital city, Prague, and built its testing ground just outside of the city.

CzechInvest, the government's business and investment development agency, is currently focused on attracting foreign producers of lithium-ion batteries, electrolytes, electrodes, hi-voltage wire harnesses, and other technologies that form the groundwork for future vehicles. The Czech government is also supporting the expansion of charging infrastructure, introduction of EVs to the roads, and better conditions for EVs in the cities.



CZECHINVEST

3 Internet and communications technology (ICT)

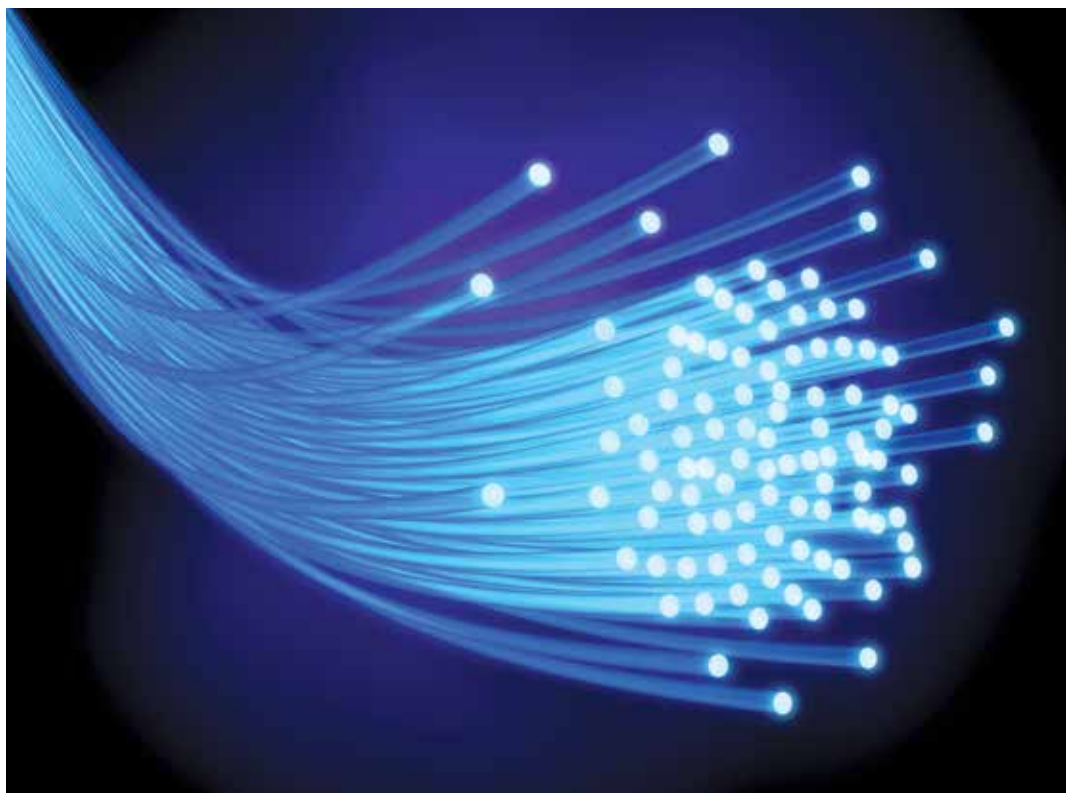
Fueled by the country's tradition of excellence in technology, the Czech Republic consistently ranks as one of Europe's top locations for ICT investment, with a strong inflow of high-value-added projects from the world's top ICT companies. The list of successful investors in the country is a Who's Who of global tech leaders, including Microsoft, Skype, DHL, Tieto, Red Hat, SolarWinds, and IBM, among others. Besides foreign investors, many ICT companies with Czech origins are renowned worldwide for their products. These include Avast, GoodData, Y-SOFT, Seznam.cz, Socialbakers, and STRV, to name just a few.

Czech companies have earned a global reputation for expertise in cybersecurity. Prague-based Avast Software recently became the largest threat-detection network in the world after it acquired AVG Technologies and now boasts more than 400 million users. Cognitive Security, which focuses on applying artificial intelligence techniques to detect advanced cyber threats, is another Czech success story: the 28-person company was acquired by Cisco in 2013.

Thanks to robust investments in infrastructure, areas outside of Prague are also becoming more attractive to investors, especially in the ICT sector. Brno, the second largest city in the Czech Republic, is today considered to be a top IT hub where companies' needs are fulfilled by qualified professionals, advanced R&D facilities and institutions, and state-of-the-art ICT infrastructure. US open-source company Red Hat affirmed this when it decided to open its largest development center outside the US in Brno.

The Czech Republic is also an attractive environment for large-scale digital infrastructure, ranking among the top countries in the EU for operating a digital business. The country offers sufficient electricity grid infrastructure, a fibre-optic network connected to major European peering nodes, and a stable economy with a supportive regulatory environment.

Nourishing the sector's strong output are noteworthy research institutes and universities that have achieved outstanding results and awards in the field of information and communication technologies. Two Czech universities, Czech Technical University in Prague and Brno University of Technology, are participating in the Facebook AI Research program, which aims to develop systems with human-level intelligence.



GETTY IMAGES

Prague-based Avast Software recently became the largest threat-detection network in the world.

Czech Tech: 5 Czech Companies

From VR to cybersecurity to startup accelerators, the Czech Republic is making a name for itself in the high-tech sphere

Looking at the country today, it's hard to believe that the Czech Republic's first president, Vaclav Havel, was elected a little less than 25 years ago. While the country may lack the depth of experience seen in high-tech enclaves such



Avast has developed a range of computer security products that make them a leader in cybersecurity.

Prague-based security giant keeps internet-connected devices safe

AVAST

WHAT IT DOES:

Internet and IoT security

YEAR FOUNDED:

1988

USERS WORLD-WIDE:

400 million

CEO:

Vince Steckler

FOUNDERS:

Pavel Baudiš and Eduard Ku era

Avast is one of the largest security companies in the world using next-gen technologies to fight cyberattacks in real time. What's different about Avast is its immense cloud-based machine learning engine, which receives a constant stream of data from the company's more than 400 million users. This facilitates learning at unprecedented speeds and makes the firm's artificial intelligence engine smarter and faster than anyone else's.

The company's history begins in 1988, when after coming across the Vienna virus, mathematics researcher Pavel Baudiš set to writing a program that would be able to successfully remove it. He then shared the program with his colleague, Eduard Kučera, and later that year the pair started ALWIL Software, which released the first Avast antivirus.

Today, the company offers products under the Avast and AVG brands, and is headquartered in Prague. These products protect people from threats on the internet as well as the evolving IoT threat landscape. The company's threat detection network is among the most advanced in the world, and uses machine learning and artificial intel-



Avast's Prague headquarters.

AVAST

With its huge, cloud-based machine learning network, Avast stays ahead of cyberattackers.

ligence technologies to detect and stop threats in real time. This scalable, cloud-based security infrastructure sees everything that happens on the internet—the good, the bad and the ugly—and it prevents a staggering 1 billion attacks every month.

The company currently has over 400 million users, representing more than 40% of the world's consumer PCs outside of China. The US is the firm's number one market, with 58 million users across all mobile, PC and Mac. The company is currently working to raise its brand visibility and aware-

Making Waves in their Industries

as Silicon Valley and other traditional centers of innovation in the Western world, the Czech government and people appear to be making up for lost time. Since the dissolution of the USSR, the country has kicked into overdrive, with swift economic liberalization opening up opportunity,

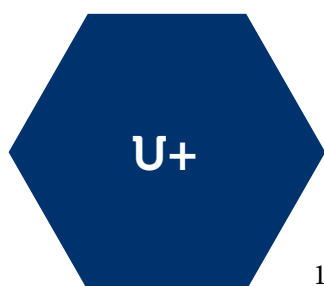
particularly in high-technology sectors. And the Czech people, who have always prized knowledge, education, and scientific advancement, are more determined than ever to make the most of these new opportunities, as these five innovative Czech-founded companies demonstrate.



Jan Beranek, CEO of U+. The company has offices in Prague, New York, and San Francisco.

U+

Prototyping team transforms ideas into reality—fast



WHAT IT DOES:

Fast-turnaround prototyping for startups.

YEAR FOUNDED:

2009

EMPLOYEES:

100+

You might have the world's next revolutionary idea, but without the knowledge of how to get it off the ground, it usually amounts to a whole lot of nothing. That's where U+ comes in: Their job is to turn entrepreneurs' visions into tangible reality.

Founded in Prague in 2009, U+ has grown to over 100 employees, and today has offices in Prague, New York City, and San Francisco. Working with corporate R&D and startup founders, U+ has helped build 40+ startups or innovation projects in the past two years in a variety of industries, including finance, automotive manufacturing, e-health, energy, and telco, while working alongside the likes of AXA, T-Mobile, Lego, Volkswagen, and Forbes. Stateside, U+ has propelled startups like AlertMe to be used by the juggernauts of their respective industries, such as Inc.com, among others.

U+'s innovation is to remove the traditional, sluggish legwork from the early stages of a potential CEO's struggle by validating what users actually want in a

U+ has helped build more than 40 startups or innovation projects in the past two years.

product. Upon entering the U.S. market, U+ introduced James, a prototyping "butler" that can create a clickable prototype of any idea in three days for \$1,499. This lean startup approach includes feedback from potential users, and rapidly takes a founder's early visions through iterations and testing to the MVP stage. This prototyping gives startups something tangible to test with users and show to VCs.

U+ is rapidly becoming the partner of choice in the New York and San Francisco markets for early-stage startups. This multifaceted company helps with product/market fit, and provides longer-term support for a company's growth, thanks to the high flexibility and experience of their team.

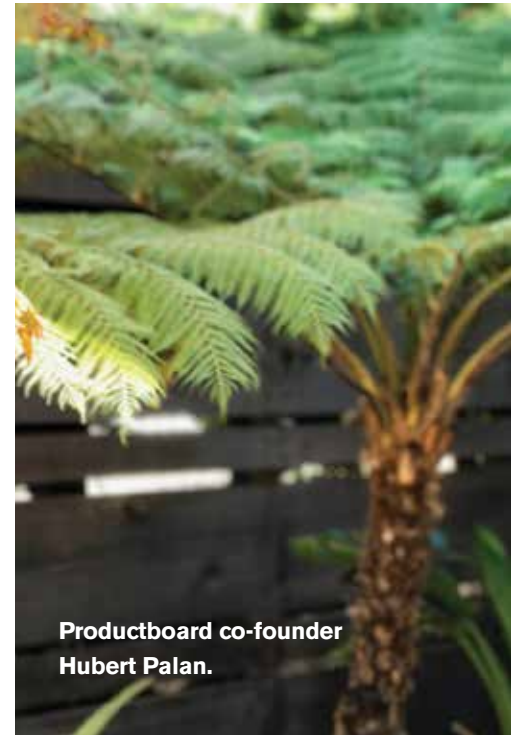
CZECH TECH

Empowering product managers drives Czech startup's success

Streamlining customer feedback to keep companies competitive

The inspiration for productboard came to co-founders Hubert Palan and Daniel Hejl after the two witnessed several high-profile abandonments of platforms that seemed to have checked all the boxes for their users. They noticed that while some top organizations have modernized the way they manage their products, the majority rest on their laurels until the day they're toppled by an unwelcome competitor that arrived overnight. To stay on top, the co-founders say, companies must incorporate a pipeline that transmits insights from marketing and support platforms back to the product team.

Desperate to break free of the product tools of yesterday, the two then set out to build the first dedicated SaaS solution for product managers. Two years later, their team launched productboard at the 2016 TechCrunch Disrupt Startup Battlefield in San Francisco. The tool they presented—today used by over 600 companies, including Invision, Zendesk, and DellEMC—gives product managers a way to



Productboard co-founder Hubert Palan.

Transforming education through interactive 3D curricula

LIFELIQE

WHAT IT DOES:

Platform for visual learning

YEAR FOUNDED:

2015

FOUNDERS:

Ondrej Homola, Daniel Apek, Daniel Sklá, Mark Andersen



Working with one of Lifeliqe's interactive lessons. The company's visual learning platform was built by a team of former gaming developers.

LIFELIQE

Two-thirds of the population prefer learning visually, says Ondrej Homola, the Czech-born CEO and co-founder of Lifeliqe, one of the most progressive and successful edtech startups in recent years. That's also the premise upon which he began building his platform for visual learning.

Shortly after its launch in 2015, the company presented almost 1,000 interactive 3D models for learning STEM subjects in K-12 (it's now grown to over 1100). Built by a team of former gaming developers, the platform quickly gained momentum in the education space.

To develop learning curricula for the technology, the company partnered with

Lifeliqe plans to enable students and teachers to publish their 3D creations to the Lifeliqe platform.

Dr. Michael Carter, former advisor to Steve Jobs and a leading expert in creating educational materials. With his assistance, Lifeliqe was soon able to present a 6-year-long set of curricula for K-12 science, enhanced by interactive 3D models. With some 700 lesson plans, the curricula are also aligned to the Next Generation Science Standards.

But the company's latest feat may be its greatest yet. Lifeliqe recently partnered with Unity Technologies, the leading gaming engine developer, to enable students and teachers to publish their 3D creations to the Lifeliqe platform. As school libraries transition from their traditional role as knowledge-keeper into a space that fosters making and creativity, Lifeliqe's latest goal is to reform these traditional learning centers into "VR Maker Spaces."

Beyond that, the company is currently in search of funding that will enable it to take further steps in fulfilling its founder's vision: to become a YouTube for interactive 3D content.

CZECH TECH



PRODUCTBOARD

consolidate all their user research and feedback in one place, where product managers can distill the most important details and put them to use in prioritizing the right features and designing them the right way.

Pursuing its vision of a dedicated product management solution, productboard recently unveiled a brand-new customer-facing interface, known as the Portal, where product managers can validate their feature ideas, share their plans, and announce recently launched features with colleagues and customers. End-users can visit the Portal to upvote ideas, submit feedback, or requests all of which are routed back to the product team for analysis. The portal was Product Hunt's Product of the Day upon release, and has become one of the top-rated on the site.

Founded by two Czech-born and educated startup veterans, and headquartered in San Francisco with additional offices in Prague, productboard is another Czech startup success story.

PRODUCTBOARD

WHAT IT DOES:

Dedicated product management solution

YEAR FOUNDED: 2014

USERS WORLDWIDE:

Used by more than 600 companies.

FOUNDERS:

Hubert Palan and Daniel Hejl

Entrepreneurs got ahead of the market—and waited

STRV

WHAT IT DOES: Develops mobile and web apps.

YEAR FOUNDED: 2004

ENGINEERS
EMPLOYEED: 150+

FOUNDERS: David

Semerad, Martin Stava, with Pavel Zeifart, Lubo Smid



STRV's founders in the ScrollBar lounge at company headquarters in Prague.

STRV

STRV develops mobile and web apps for top-tier startups and established brands. The journey to the top, however, wasn't exactly a smooth ride.

The company was founded in 2004 by long-time friends David Semerad and Martin Stava, who joined forces to develop innovative web projects. Five years later, they officially launched their own company under the brand uLikeIT. Though demand for mobile apps was essentially non-existent at the time, the company decided to focus on it anyway, predicting that this market was on the verge of exploding.

In 2011, Pavel Zeifart and Lubo Smid

When the market for mobile apps exploded, STRV was ready with digital talent.

joined the team as co-founders, and at the start of 2012, the company slowly began expanding to the US market, first with its own apps, but later as a development studio focusing on client projects. Though it was a challenging time—it took the company nearly a year to sign its first client—the team persevered. Things began to turn around, however, as word soon spread quickly that the shop was an experienced

and reliable source of digital talent.

As the dev shop grew bigger and opened offices in San Francisco, Los Angeles and New York, the company transitioned into a bigger, stronger entity, and consequently rebranded itself as STRV. In 2014, the company created the umbrella brand STRV Group to accommodate the inflow of new development projects as well as several of its own startups, including the dating apps Surge and Zoe, among others.

Today, STRV has three offices in the US and two in Europe, in which more than 150 software engineers and designers develop, administer and update apps for top US startups and Fortune 500 companies.

Support for Startups

Czech startups have an array of programs to choose from to support innovation

CzechInvest, the Investment and Business Development Agency of the Czech Republic, directly supports innovative Czech startup companies. The supported firms receive discounted services of mentors and advisors in the Czech Republic and abroad. In 2017, the agency supported a total of 32 startups through these projects:

CzechAccelerator

One of the most popular startup programs in the country, CzechAccelerator focuses on internationalization of Czech startups. Selected startups spend three months in a foreign incubator, and receive mentorship, financial support, and access to office space, workshops, seminars, and other networking events. CzechInvest funds a significant portion of the stay abroad—up to US\$46,500 per startup—and pays for costs of marketing materials, airline tickets, networking events, translations, and other services.

CzechDemo

CzechDemo helps selected Czech startups participate in international startup events, conferences, and trade shows. Participants attend events such as CES, Slush, TechCrunch Disrupt, and WebSummit, where they are afforded the opportunity to present their products and services, vie for the interest of investors, and establish contacts at exclusive networking events. CzechInvest helps lower the barrier to entry for these events by paying for entrance and/or exhibit fees, airplane tickets, mentoring, and marketing materials.



Twenty Czech startups were represented at San Francisco's 2017 TechCrunch.

ESA BIC Prague

European Space Agency's Business Incubation Centre translates space technologies into solutions for everyday life

Comprising a total of 18 incubators, the European Space Agency's network of Business Incubation Centres has produced more than 500 startups.

Selected startups receive financial support from ESA BIC in amounts up to about US\$60,000 for the completion of their products and their subsequent introduction to the market. They also receive access to consulting and advisory sources, marketing support, and contact with potential partners and investors.

Beyond startup support, ESA BICs are also partners in technology transfer.

Functioning as local "space solutions" centers, they represent the first point of contact for businesses interested in collaboration or joint-ventures, while also promoting the flow of ideas both to and from the space industry. Locally, ESA BICs work alongside major partners, connecting them to industry, universities, research organisations, government and investor communities. Technologies developed for space flight—including navigation and positioning technologies, communications techniques, materials, processes, signals, sensors and robotics—all have the potential to change our everyday lives. ESA BIC Prague is dedicated to attracting and supporting entrepreneurs who use, or want to use, space technologies here on Earth.

CzechMatch

Tasked with mediating business and investment opportunities for Czech small- and medium-sized innovative technology companies in high-tech destination cities with advanced markets and well-developed venture capital infrastructure, such as San Francisco, New York, London, and Singapore, CzechMatch offers participants a week-long program abroad, packed with mentoring, seminars, and networking opportunities. The program also gives participants the opportunity to present their projects, attract the attention of investors, and make contacts.

CzechStarter

CzechStarter is a program designed to support Czech entrepreneurship, and provides up to 150 hours of mentorship and consulting to budding entrepreneurs. A select few are chosen to undergo seven months of incubation in the Czech Republic, before subsequently traveling to Silicon Valley for two weeks, during which participants will expand their business horizons in this advanced entrepreneurial market.

Incentives for Investment

25%

Financial support offered by the Czech government for investment projects.

The government of the Czech Republic offers both new and existing investors support covering 25% of costs associated with investment projects. Certain activities, for example establishment of R&D centres, innovation activities and ICT and software development, can be also supported from EU Structural Funds. Aid is provided in all regions, with the exception of Prague.

Investment incentives are offered for establishment or expansion of projects in the following areas:

- Manufacturing
- Technology centres
- Business support services centers

(Software-development centers, shared-services centers, high-tech repair centers, data centers and customer support call centers)

Tax incentive

Full corporate tax relief for up to ten years for new companies

Partial corporate tax relief for up to ten years for existing companies

Job-creation grants

Financial support for creation of new jobs in selected regions (about US\$4,400 – \$13,000 per new job)

Training and retraining grants

Financial support for training and retraining of new employees in selected regions (up to 50% of eligible training costs for large enterprises)

Cash grants for capital investments

Financial support available for large strategic investment projects in the areas of manufacturing and technology center only (up to 10% of the investment amount); subject to special eligibility criteria.

Property-tax incentive

Property-tax exemption for a period of five years in Special Industrial Zones. Special Industrial Zones are zones designated as such by the Government

For information on eligibility criteria contact CzechInvest USA – West Coast:
www.czechinvest.org/ws ■ +1 831-313-6295. ■ E-mail: california@czechinvest.org

Czech Republic is a perfect fit for business

Miroslav Tenkl is director of West Coast Operations in the CzechInvest agency. Before heading up the agency's office in San Francisco, Tenkl spent several years at the agency's headquarters in Prague, where he focused primarily on foreign investors.

To anyone interested in investing in the Czech Republic or connecting with the Czech startup scene, Tenkl is a valuable resource. His dual experience in Silicon Valley and the Czech Republic gives him a unique perspective on everything from getting financial support in the country to finding the perfect office space in Prague.

Tenkl recently sat down with the San Francisco Business Times to discuss his role at CzechInvest's California office and the benefits of investing in the Czech Republic.

Q: Your primary goal is to attract foreign direct investment into the Czech Republic. Can you tell us which sectors you focus on?

Part of my aim is to further traditional strengths for the Czech economy such as automotive or cyber security. But to maintain our competitiveness in these sectors, we need to put emphasis on the development of new high-end innovations and their implementation into the production as well as the development process. To that end, I mainly focus on dynamically growing areas such as electro and autonomous mobility and security technologies related to IoT.

The other part of my mission is to identify and monitor such areas that are on the rise globally and that might eventually be good fit for the Czech industry. Among those sectors we've identified are virtual, augmented and mixed reality, artificial intelligence, and the Internet of Things.

Q: What can the Czech Republic offer to American businesses?

First, the Czech Republic has been economically and politically stable country for a long time now, which creates a base for successful businesses. The economic growth has been in the top three among EU states for several years and the governmental debt has remained low. We are also a long-time member of the European Union and NATO.

Additionally, the Czech



Miroslav Tenkl

Director of West Coast Operations, CzechInvest

Republic offers one of the best engineering talent-bases Europe, with an impressive balance between cost and quality. Czech technical universities, which are among the best in Europe, produce thousands of new graduates every year. These engineers can find a job in companies such as Honeywell, Microsoft, Rad Hat, Oracle, Amazon or Google.

Last but not least, investors appreciate the strategic geographic location of the Czech Republic: it's attached directly to Bavaria, near the industrial heart of Germany, and it's only a two-hour flight to London, Paris, Vienna, Munich, Brussels or Frankfurt.

Q: Let's take a look at the support you provide Czech startups. Let's say we're a small, newly established startup and we don't have much money to spare, but we have an interesting product. We would like to go to Silicon Valley, but we don't have any experience. What can we do? How can you help us?

Startups with this profile form the absolute majority, and CzechInvest offers several tools for addressing their situation.

Our backbone program is CzechAccelerator, which we use to send promising young startups for three-month stays in Silicon Valley and other global destinations. For these companies, we pay for (in full or in large part) the costs of round-trip airline tickets for two, office space in the given accelerator, consulting with a mentor, training, entrance to networking events, and so on. The aim of this is for the firms to be able to successfully introduce their products to the market after they return home, to scale them up, and, ideally, to obtain an investment.

In addition to that, we offer the CzechDemo program, through which we send firms to global technology-oriented events such as TechCrunch or CES. In 2017 I assisted 20 Czech startups that attended TechCrunch Disrupt in San Francisco. Besides the conference, we organized several side events including a demo pitch night, panel discussions and networking.

To learn more about investment opportunities in the Czech Republic, contact Miroslav via email at California@czechinvest.org





Your Gateway to Success in the Czech Republic

We are the Investment and Business Development agency of the Czech Republic. Our mission is to encourage and support foreign direct investment and to help increase competitiveness of domestic companies.

Our Services

- + Information and business intelligence
- + Access to broad spectrum of financial support
- + Identification of business properties or suitable sites
- + Identification of potential business partners, suppliers or acquisition prospects
- + Broad Spectrum of Support for Start-ups
- + Tailor made visits to the Czech Republic
- + Aftercare

About the Czech Republic

- + Strategic Location in the Heart of Europe
- + Stable Economy
- + History of Manufacturing Excellence
- + Cost-effective and Multilingual Workforce
- + Established R&D with Successful Applications



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