



# VYSOČINA - THE PLACE FOR BUSINESS

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■ The Vysočina Region, one of the fourteen regions of the Czech Republic, has been known historically as a land of very poor and very tough people. The region gained this reputation thanks to its picturesque but rough countryside, which tested the capabilities and inventiveness of the people in fighting their destiny. The word „Vysočina“ means „highlands“ in Czech, and it is a much more difficult part of the Czech Republic than the other, flatter regions, allowing its farmers to grow almost nothing else but potatoes, the so-called „crop of the poor.“

Modern times brought a number of revolutionary changes to the Vysočina Region. In Vysočina, as well as in the rest of the Czech Republic, **industrial production** supplanted agriculture as the principle economic activity. The traditional industries in Vysočina include:

- Production of parts for automotive industry
- Electrical industry
- Power engineering
- Engineering
- Glass-blowing
- Wood-working industry, furniture
- Food industry



Entrepreneurs for whom time is the most important factor appreciate the strategic location of the Vysočina Region with its good access to the D1 motorway. **The Vysočina Region is simply near to everywhere in Europe.**

#### Vysočina Region - basic data

Area: 6924.6 km<sup>2</sup>

Population: 522 000

Capital: Jihlava

The **strategic location** of the Vysočina Region has thus attracted a number of foreign investors recently, who have placed here not only production capacities, but also R&D.

**Human resources** in the Vysočina Region are characterized by a high degree of skill, knowledge and reliability. At the same time, the price of the labour force is substantially lower than the price of the labour force not only in Western Europe, but also in the rest of the Czech Republic.

The main **centre of business, cultural and social life** in the region of Vysočina is Jihlava. Thanks to its location, Jihlava acts as a gateway to the region. The other important centres of the region include the towns of Havlíčkův Brod, Třebíč, Pelhřimov and Žďár nad Sázavou.

Both the government of the Vysočina Region and the local town administrations have a very **positive attitude to supporting business**. This attitude helps entrepreneurs in their activities and facilitates the official procedures that are often connected with these activities. This support, together with all the advantages that this region offers, makes the Vysočina Region one of the most attractive locations for business in Europe.





■ „Our Dutch owner was preparing a greenfield project for the construction of new production facilities. The new facilities were supposed to be built somewhere in Central Europe and it was clear that it did not have to be necessarily in the Czech Republic, much less the Vysočina Region. It was rather our wish to persuade the Draka Holding management that the Vysočina Region was the right place.

*We pointed out that the land was available here for quite a favourable price, that we were close to the D1 motorway and that there was a sufficient supply of highly qualified labour. Moreover, the labour force in the Vysočina Region has a completely different nature compared to, say, Prague, and there is a totally different attitude to work - people are more hard-working, they are interested in their work and they are exceptionally teachable. This convinced Draka Holding and thus they chose the Vysočina Region as an ideal starting point for their further expansion to the east.*

*The beginnings of putting our vast plans into practice were not easy. Thus we particularly appreciated the assistance of the local authorities. They were always extremely helpful in their attitude, which facilitated and speeded up the purchase of the land and gaining of the various permits connected with the construction of a new factory. The successful outcome of our project proves that our decision was correct. For me personally it means that I am lucky both to be doing business in the field that is most interesting for me, and to be doing it in the Vysočina Region, which I have great affection for due to its beautiful countryside and good living conditions.”*

Stanislav Tvarůžek, Executive Director, Draka Kably - leading world producer of cabling

■ „The decision of our company to do our business in the Vysočina Region was influenced by several factors. It was especially necessary to find a place with an adequate labour force. An important role was also played by the quality of the infrastructure, including good accessibility to the main road and motorway. We also needed to start the production immediately and to minimise the danger of any construction faults. Next to the existing production hall a modern production plant was built later. Here I would like to thank the local authorities, which assisted us to the maximum extent in the execution of our plans.”



Jan Nemcik, Chief Executive, Edscha Bohemia, producer of automotive parts

# VYSOČINA - BETTER PLACED FOR BUSINESS

■ The Vysočina region has a very favourable **central position** within the Czech Republic and Europe. Thanks to the D1 motorway (E50), the newly reconstructed E59 road and the Berlin-Vienna railway corridor, the Vysočina region offers you an opportunity to get quickly to important European traffic junctions and urban centres.

The nearest airport - Brno Tuřany - is accessible from most parts of the Vysočina Region in 1 - 2 hours' drive. It is possible to get to the international airport in Prague Ruzyně in 2 hours and to the international airport in Vienna in 2 and half hours.

High on the list of main priorities of the regional government is further improvement of **access to Austria**. As part of this, they are preparing to convert the E59 to a motorway.

## Main approach routes

Motorway: E50 (D1) (Prague - Jihlava - Brno - Bratislava)

Speedway: E59 (Prague - Jihlava - Vienna)

Railway corridor: (Prague - Havlíčkův Brod - Brno - Bratislava/Vienna)

Airports: Brno, Prague - Ruzyně

## Distances and travelling time to neighbouring capitals

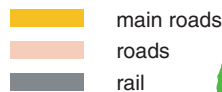
Prague	1 hour	160 km
Vienna	2.5 hours	174 km
Bratislava	2 hrs 40 min	210 km

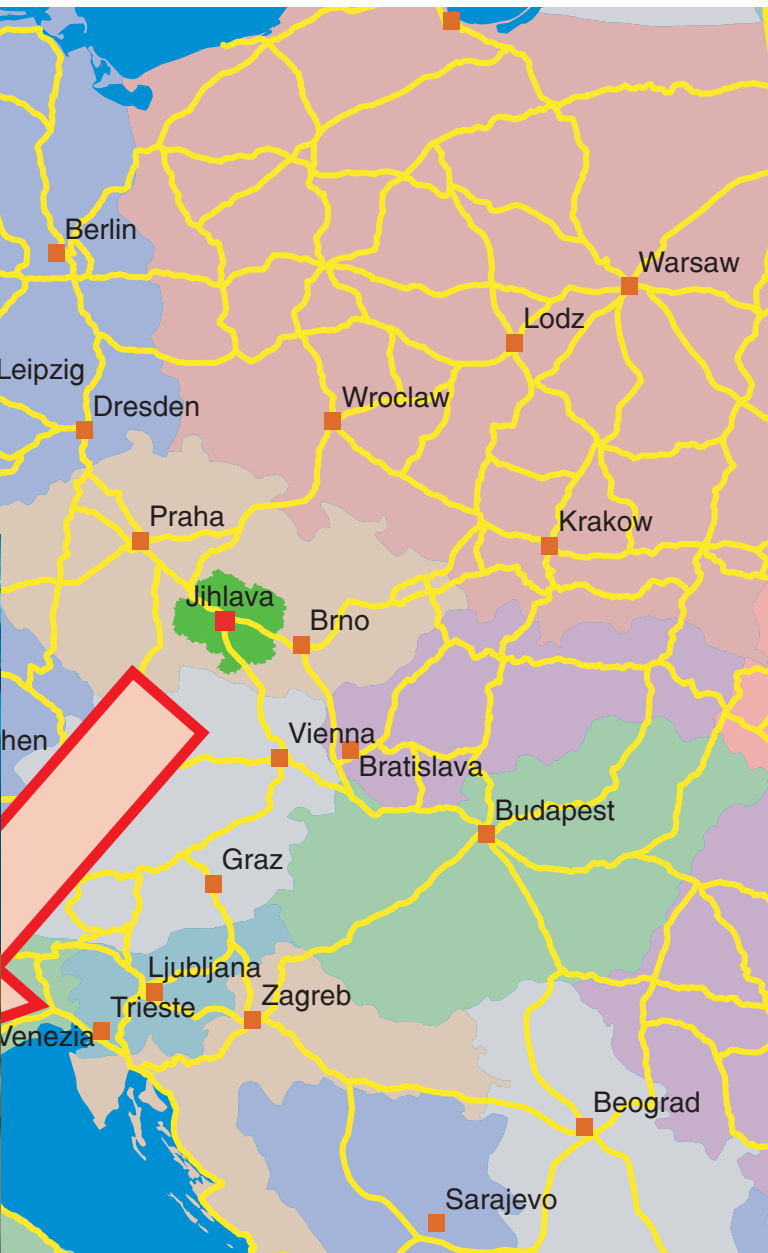
## How much does it cost for a 25-ton lorry to get from Jihlava to

Berlin	720 EUR
Hamburg	840 EUR
Rotterdam	1040 EUR
Trieste	1070 EUR



## Vysočina





■ *“Definitely we have an advantage because we are close to the motorway. We would also like motorways to Vienna and to the German border to be built.”*

Rudolf Penn, Corporate Director & Production Manager, Moravské kovárny, producer of steel drop forgings

■ *“Our company has its branches all over the world, so good connection is important. Certainly we benefit from our advantageous location in the middle of Europe. The Vysočina region has another advantage, which is that it is located suitably within the Czech Republic. The town of Jihlava is a relatively unknown town, but it is a town situated on the motorway equidistant to Prague, Brno and Vienna.”*

Jiří Štefl, Managing Director & Chief Executive, Optokon Co., Ltd., producer of fibre optic assemblies and connectors

■ *“The location within the Czech Republic is priceless. For example, in two hours you are in Vienna, in three hours you are in Germany. I do not know another such area that has such an ideal position for the export of goods. There is also an advantage for suppliers. They are able to agree the price as far as our plant ramp on far better negotiation terms. It is also advantageous for the actual customers. The close proximity of the motorway almost makes it impossible to lose your way. Moreover, people call for distances to be shortened, time is money and we want to be as close as possible to our partners - the motorway is thus a key factor for us.”*

Rudolf Kaláb, Chief Executive, Böhmm - producer of quality furniture



# VYSOČINA - THE PLACE FOR SKILLS

■ The Vysočina Region has quite a wide range of educational opportunities. A large network of secondary schools, apprentice centres and colleges leads to a **large qualified labour force** with a wide spectrum of specialisations: ranging from engineering to electronics, economics and administration.

The proportion of university-educated people in the Vysočina Region is comparable to the high standards in the rest of the Czech Republic.

The inhabitants of the Vysočina Region are known for their **skills, flexibility, teachability and dutifulness**. Unlike other regions, the Vysočina Region shows few problems in the relations between trade unions and company management. Thanks to the traditionally hard conditions, people here appreciate their jobs and they show a degree of **loyalty and reliability** towards their employer which one could hardly find in other parts of Europe.





■ *„The Optokon Company, as a producer of fibre optics, was established as an all-Czech company. Why in Jihlava? Of course we used the potential of workers who had already been trained in this field, so that their additional training was not that demanding.*

*The original intention of our American partner was to transform the Optokon company into a distribution company. However, thanks to the technical potential of the labour force, we managed to build the actual production facilities here. At the moment we deliver to the whole group of our parent company, which represents export to 24 states of the world.*

*In the Vysočina Region there are really a lot of towns where it is possible to find enough well-trained workers.”*

Jiří Štefl, Managing Director & Chief Executive, Optokon Co., Ltd., producer of fibre optic assemblies and connectors

■ *„Our production depends on the import of quality materials from abroad. It means that our competitive advantage is not in materials, but in labour. That is why the productivity of work is crucial for us and it is true that the Czechs are hardworking. So far we have been doing well at recruiting a sufficient amount of qualified workers who have the right professional skills and who are highly reliable and hardworking.”*

Rudolf Kaláb, Chief Executive, Böhmm, producer of quality furniture

# VYSOČINA - THE PLACE FOR GROWTH

■ The Vysočina Region is definitely not a place where entrepreneurs are greeted by high prices for land and an overall shortage of space for further business activities. The Vysočina Region has **hundreds of hectares of development areas**, which are fully prepared for greenfield development. These areas are evenly distributed alongside the main arterial road, the D1 motorway, but also may be found in the rest of the region.

The economic structure of the Vysočina Region is characterised by a relatively broad range of activities. This corresponds to the offer of the **production capacities and office area**.

With regard to the wide range of properties available in the Vysočina Region, the prices are below the average in the Czech Republic. As regards greenfield sites, most of these areas are offered by the local authorities under very favourable conditions within the scope of their efforts to support business.





■ „As regards our company, HARTMANN-RICO, we continued an earlier tradition of similar production here in Havlíčkův Brod. When we decided to expand our production capacities, we did so by extending and reconstructing the existing production grounds, which are almost in the town centre. Although the town also has advantageous offers of land in the new development areas, the way we chose seems to be very promising. Apart from this, the reconstruction of old production grounds is good public relations.”

Milan Smejkal, Managing Director, HARTMANN-RICO, producer of medical and hygienic goods



■ „Our company has continued the 300-year tradition of the production of quality paper here. Our foreign owner, the MANN+HUMMEL company - a main supplier of the VW company - visited 24 potential partners altogether in Eastern Europe before he decided on co-operation with us.

At the beginning we did not need to start a greenfield development - we divided the original production facilities into paper-industry and filtration areas. We built a new greenfield production hall only in 1997, when we needed to expand our production into new products.”

Ota Mudrak, Managing Director, MANN+HUMMEL (CZ), producer of air and oil filters

# VYSOČINA - THE PLACE FOR LIVING

■ The Vysočina Region has the well-deserved reputation of being one of the cleanest and most picturesque parts of the Czech Republic. The Vysočina Region is characterised by small villages scattered all over the rolling countryside. Even the important urban centres in Vysočina are miles away from the overcrowded agglomerations like Prague in terms of **their cleanness and quiet lifestyle**. The Vysočina Region offers a lot of **cultural, sport and social activities**. Vysočina boasts a number of cultural sights, some of which are in the UNESCO list of the world cultural heritage. There are also dozens of kilometres of cycling trails, and a number of modern cultural and sports facilities. The Vysočina Region, like the whole Czech Republic, is known as a place rich in cultural and social life.

**The clean and harmonic environment** in the Vysočina Region is reflected in the above-average health of the local population.

The Vysočina Region has a unique charm which can enchant anybody and because of which you will be pleased to come back.



■ *„I come from this region and I belong here. It would be difficult to get used to living anywhere else. Thanks to its variety, diversity and beautiful places, the character of the countryside in Vysočina has a lot to offer. There are plenty of sports both in summer and in winter. As for entertainment and culture, you only have to choose from what's on offer or go to a cultural event in Prague or Brno.”*

Milan Smejkal, Managing Director, HARTMANN-RICO, producer of medical and hygienic goods



■ „As regards the people living in the Vysočina Region, my attention was drawn by their positive attitude to the environment. I realise that the healthful environment is a significant contributor to the good condition of the local people. I think that good environment and the large range of free-time activities are reflected in the quality of work of our employees. That is why our company gets involved in culture and sports in the Vysočina Region. We focused especially on the support of ice-hockey, which is very popular here.”

Peter Gerlach, Chairman of the Board, Pleas, Schiesser Group, textile producer



■ „We can see that thanks to our influence, there is an increased interest in industrial and engineering branches in the Vysočina Region, for which there was not much concern at the time when we came to Vysočina.

However, I see the main contribution of Edscha to the Vysočina Region in the minimising of the environmental burden. The Vysočina Region must remain clean, which is why we started to pay serious attention to ecology. At our own cost we mapped all the aspects of possible environmental impact and we prepared a plan to prevent it. Our priority in the Vysočina Region is to protect the environment for its people.

To improve the quality of leisure time we decided to support sports in the area around our registered office. We want people not only to work here but also to use their free time actively.



In co-operation with the town, for the future we are planning on the construction of new flats, which represent for us a guarantee of the arrival of a new labour force and an increase of the standard of living of our employees.”

Jan Nemcik, Chief Executive, Edscha Bohemia, producer of automotive parts

■ Maybe up to now the Vysočina Region has not been among the places you considered as a potentially interesting location for the development of your business activities. The Vysočina Region is not a world-famous business location; nevertheless, compared to better known places it offers a number of competitive advantages: a less competitive environment, strategic location in the centre of Europe, low prices, low costs and a cheap labour force. This is accompanied by such advantages as co-operative local government, solid infrastructure, a high standard of living and a clean environment.

We believe that we can find some basis with you for future co-operation. If you are of a similar opinion or if you need any further information, please do not hesitate to contact:

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