SUCCESSFUL DEVELOPMENT PLAN

Experience and mistakes

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Project Managers
Be ready, you will be successful - chance or good plan?

- analysis of city development and future needs
- SWOT analysis and city development strategy - project „Pilsen Progress“, 1993
  - our consultants/advisors from the Netherlands and USA

**Weaknesses and Threats for the city:**

- one-side-oriented economical base of the city
  - rapid increase of unemployment
- more than half of labour force employed in industry, almost 40 % in one company (Skoda)
- several large employers, lack of small and medium size enterprises

**Strengths and Opportunities of the city:**

- location, interest of potential investors, skilled and qualified labor force;
  - easy solution: industrial park - available land, courage, political support
History of the Municipal Industrial Park Plzen Borska pole

1990 - former helicopter airfield released by Czech Army

1991 - 1994 - negotiations about property transfer

1994 - 1995 - feasibility and infrastructure service studies

1995 - new Master Plan approved, site designed for light industry (previous master plan designed the site as a reserve of largest Czech enterprise - Skoda)

1996 - Panasonic decided to invest, infrastructure construction started
1999 - state subsidy (0.7 milion EUR) granted to support industrial zones development

2000 - development of location westwards to municipal industrial park started, state subsidy (1.9 milion EUR) granted
Our investors

Panasonic AVC Network Czech
- Panasonic TV sets production
- in operation 1997
- other phases under construction or preparation

Carrefour Ceska republika
- Regional shopping and service centre
- in operation since 1999

Vltava-Labe-Press
- Periodicals printing
- in operation since 1999
Our investors

**Schneider - masokombinat Plzen**

Meat delicacies production

in operation since 1999

**Porsche Inter Auto CZ**

Centre for motorists (sales and services)
(Porsche, VW, Skoda, Seat, Audi)

in operation since 2000

**Seele CZ**

Production of stainless and noble steels elements for engineering constructions

in operation since 2000
Our investors

**Precision Castparts CZ**
Forgings and casts machining for aircraft and energy industry
in operation since 2001

**Daiho (Czech)**
Plastic components production (also for Panasonic TV sets)
in operation since 2001

**Intersoft Holding**
Development and design of HW and SW, production of low voltage switchboards and automatization parts
in operation since 2001
Our investors

**BIC Plzen**

Business incubator and Science and Technology Park

in operation since 1997

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**Brzdy Baumrukr**

Repairs of two-track vehicles, spare parts sales

in operation since 1999

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**Fridanair**

Assembly, sales and service of A/C and refrigerator systems

in operation since 1999
Our investors

**Driessen Czech**
Train and aircraft interiors production
in operation since 2002

**Orion Telescopic Cameracrane**
Telescopic cameracranes for movie and TV industry production
in operation since 2002

**Yazaki Wiring Technologies Czech**
Assembly of ignition harness for car industry
in operation since 2002
Our investors

Makro
Entrepreneur wholesales centre
in operation since 2002

AIG/Lincoln CZ
Office space for rent
project in step of preparation and searching of the tenants

Hofmeister
Mechanical engineering tools production
in operation since 2003

MDS Engineering
Precise engineering products, machines, tools and parts production
in operation since 2002
Our investors

Izopol Dvorak

Packages from polystyrene foam production
in operation since 2003

Hofmann CZ

Shapes and plastic prototypes production
in operation since 2003

Alfmeier CZ

Components for car industry production
in operation since 2003
Our investors

**Viza Auto CZ**

Stool-frames for car industry production
in operation since 2004

**Koyo Steering Systems Czech**

Steering components for car industry production
in operation since 2004

**Fuji Koyo Czech**

Steering components for car industry production
in operation since 2004
Our investors

Izos

Double glazing unit production
in operation since 2004

Jan Spilar, Ryby - drubez

Cold poultry carving, packing
and weighting
in operation since 2004

M - Kavis

Dry goods purchase, storing and sales
in preparation
Our investors

Pro Truck autoprislusenství
Wholesale with spare parts
in operation since 2005

KK Varia
Assembly and sales of swimming pools
and accessories
in preparation

Velkoobchod Barta Pavel
Wholesale with beverages
in preparation
Our investors

Value Engineering Services
Research, development and testing centre
in operation since 2005

Kozeluha - Cesky truhlar
Wooden interior parts production
under construction

Sekolab
Drinking and waste water analyses
under construction
Our investors

Atan - Marek Javorsky
Production, modifications and revisions of interior furniture
in preparation

Stavpran
Civil engineering company HQ, production background
in preparation

ZAT Easy Control Systems
Design and projects of operating and monitoring systems
in preparation

Pavel Vit
Assembly and service of wrapping machines for food processing industry, vacuum wrapping
in preparation
Our investors

Mercedes-Benz Engineering
Technological centre with experimental and development work-shop
in operation since 2004

Astric
Company HQ, storage and discount sale
under construction

Daikin Industries Czech Republic
A/C plant for buildings production
in operation since 2004
Our investors

Typos, tiskarske zavody
Printing-works
in operation since 2004

Redimax
Diamond-cutter tools production
and renovation, services and sales
of small building mechanization
in operation since 2003

Welstam
Building materials sales
in operation since 2003
Municipal Industrial Park Plzen Borska pole
Investments and their effects

Investors of infrastructure:

- City of Plzen: 17 milion EUR
- Infrastructure providers: 2 milion EUR
- Czech state: 3 milion EUR
- Total: 22 milion EUR

Effects as of the end of 2004:

- Jobs created: 7,850
- Private investments: 320 milion EUR

Available land:

- Sold out or reserved

Estimated total effect at the end of the project:

- Jobs created: 11,000
- Private investments: 400 milion EUR
Conditions of the Industrial Zone realization - our experience

Generally:

- Be ready
- Be flexible and helpful
- Be active
- Be correct
Conditions of the Industrial Zone realization - our experience

Be ready:

- Approved plan of functional use of the locality
- Cleared up property relations
- Clearly determined business plan
- Investment plan for roads and technical infrastructure construction (technical solution and construction phases)
- Necessary construction permits
- Financial plan of the project (public and private sources)
- Legal support
- Clearly determined rules for the negotiations with investors
- Professional contact team
Be flexible and helpful:

Ability to operative solution of investor requests:

- Technical requests - project modification
- Social needs
- Requests for leisure time spending
- Other special requests
Conditions of the Industrial Zone realization - our experience

Be active:

Marketing documents and procedures:

- CzechInvest - best marketing channel
- Other marketing channels
- Don’t be lazy - negotiate, communicate
- Low percentage rate of success
Expectations of the realization of the Industrial Zone - our experience

Be correct:

- Keep your promises and commitments
- Be discreet
- Be able to admit mistakes - both sides spend verve, energy, money
- Contract is contract, but mutual human understanding has its weight
Principles for Investor Localization aren´t omnipotent medicament:

- Look-out to list of requested and permitted activities
- EIA study for the whole site or for individual projects
- Investor needn´t always perfectly manage his project
- Don´t depreciate business environment of the city, region, state ...
- Don´t depreciate public activities
- Decision-making processes within the municipality are very often very complicated, little a transparent and investor doesn´t have time to wait
- Politicians need open their heart to media
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