

Foreword by the President

I think it's fair to describe 2012 as a milestone year for the Nordic Chamber of Commerce in the Czech Republic. In May last year, His Majesty King Carl XVI Gustaf of Sweden and 30 top representatives of Swedish businesses and science paid a four-day visit to Prague and other Czech cities.

The Nordic Chamber had the honour of co-arranging the Royal Technology Mission – the Chamber was responsible of the business part –which included visits to a number of local companies and research institutions as well as meetings with Czech ministries. The success of the Mission and the business meetings prove that the Chamber can serve as a practical vehicle for building Czech-Nordic business relations. Based on the success of the Mission, the Chamber in the autumn started to expand its services to include more trade and business support.

During the current financial crisis it is also encouraging to see that the Chamber continues to grow. Beginning of 2013, the Chamber passed the magical number of 150 company members; both the amount and the scope of Chamber events have been continuously growing, and we have intensified the communication from our head office. Of course, there are certainly many ways in which we can achieve even higher membership satisfaction, but when I consider the practical results we reached last year, and then add the mostly positive feedback from you, our members, I dare conclude that the Nordic Chamber entered the new year in quite promising shape.

I look forward to continuous development in 2013.

Stefan Lager
Chamber President

2012 Highlights

Financial result

The Chamber's **financial situation** continues to be good (Chart 4) and 2012 ended with a surplus of almost CZK 173.000. The positive result is due to improved cost control of our events plus that allocations for the Chamber's **new web site** were not used in 2012. The web site will be put into operation in early Q2 2013, while additional unused allocations from 2012 have been transferred to the 2013 budget (Chart 5).

Organization and long-term strategy

In 2012, the Chamber reaped the benefits from the **additional resource** provides. With administrative assistant at our office, Executive Director gained bigger leeway to recruit new members and to organize the Chamber's Working Groups. After the success of the IVA Technology Mission in May (see Events below), the Chamber also started to broaden its activities with more focus on directly promoting trade between the

Czech Republic and the Nordic countries. The Board is now working on a longer-term **Strategic Plan** with the following key areas of activity:

- **Trade promotion**
- **Business support**
- **Sustainable business**
- **Social and Sport events**

On top of these key areas the Chamber is also working on improving its communication between the Chamber office and the members and potential members. A project for a **new web site** was initiated in 2012 with the launch planned for early Q2; a monthly **eNewsletter** was also started. The newsletter comes in addition to our printed magazine, **Nordic News**, published three times annually. On top of this we are also working on how we can improve our visibility in the printed media.

Projects and events

By far, the biggest project in 2012 was the visit of His Majesty King Carl XVI Gustaf of Sweden and a delegation of 30 top representatives of Swedish businesses and science. As Patron of the Royal Swedish Academy of Engineering Sciences, the King and the Academy delegation paid a four-day visit to Prague and surrounding Czech cities. While the Swedish Embassy was responsible for meetings with Czech authorities, the Czech Academy of Science was in charge of a visit to CVUT, it was the Chamber's responsibility to help arranging the business meetings that constituted the bulk of the visit. The success of the Mission and the business meetings proved that the Chamber can serve as a practical vehicle for building Czech-Nordic business relations and be a practical support for any company who wants to build relationship here.

Two other important projects are the working groups that have been in operation since early 2012: **Business Ethics/Transparency** (headed by Zdeňka Voštová, ABB, and Dana Hrdinová, Skanska) and **Green Activities** (lead by Miloslav Hloušek, SKF). The idea behind the working groups is to transfer knowledge and experience, in some generic areas, from one or several of the Nordic Chamber's large corporate members to the mid-sized and small members. In these cases the large corporations have already worked out and implemented a codex within transparency and environmental protection which the other members can learn from and create and implement its own individual policies according to its own needs. One more working group, **HR & Management**, is under preparation.

The Nordic Chamber last year arranged totally **27 events** (Chart 1), which included 12 Breakfast Meetings, 11 Social & Sports events and 4 Business Mixers. All in all, this is slightly more than the number of events arranged in 2011. The total number of participants at the arrangements, approximately

980 persons, grew slightly compared to the previous year; the Social and Sport Events – most notably the Strawberry Party, the Nordic Chamber Golf Masters and the Lucia Christmas Party – were once again especially warmly received by our members.

Chamber co-operation

The Chamber's excellent **co-operation with the Nordic embassies** and their trade representations continued in 2012. We are grateful that the longest-serving Nordic ambassador in Prague automatically accepts the function as the Chamber's Honorary Chairman. In June last year, Norway's ambassador Jens Eikaas replaced Denmark's outgoing Ole Moesby as our Honorary Chairman.

The Chamber's is also trying to reinforce its co-operation with state institutions, other foreign trade chambers in the Czech Republic and other organizations. The cooperation with The Royal Swedish Academy of Science for The Royal Technology Mission was an example of such. It created a very interesting contact with the CVUT's research and development. The **Joint Business Mixer** arranged in October together with the Irish and Indian Chambers of Commerce, which draw over 80 participants, is another example, as is the upcoming multi-chamber beer festival.

Member development

By the end of 2012, the Nordic Chamber had a record 149 company members (Chart 2). This means that we last year experienced a net growth of 4 companies compared to the end of 2011. Sweden is still the country of origin for the largest group of corporate members (ca. 41 percent, compared to 44 percent in 2011), while Danish companies represented the fastest-growing group among our new members in 2012 (Chart 3). Currently, companies with up to 100 employees make up 80 percent of our corporate members.

Board of Directors 2012

The Board of Directors of 2012 managed to have all Nordic nationalities. The spread of industries represented by the Board members is also favourable, although a stronger presence of companies with more than 100 employees would be welcome. For 2013, the Nordic Chamber's Board has the following members:

- **Honorary Chairman H.E. Jens Eikaas, Ambassador for Norway to CR**
- **Stefan Lager** (SWE, Zenterio Group)
- **Robert Norlin** (SWE, NCC Purchasing)
- **Birger Husted** (DK, UniqueConsult)
- **Hannu Kasi** (FIN, ABB s.r.o.)
- **Nils Jebens** (NOR, Kampa Group)
- **Almar Hilmarrsson** (IS, Creditinfo Solution)
- **Jiří Pech** (CZ, individual member)
- **Marie Passburg** (SWE, Skanska Property)
- **Daniel Boestad** (SWE, Saab Czech)
- **Jiří Šedivý** (CZ, Mercuri International)
- **Petr Lukášik** (FIN, Tieto Czech)

Challenges for 2013

Financial result

The **financial goal for 2013** is to have a balanced budget (Chart 5). Even though the number of members at the beginning of 2013 is the same as in the beginning of 2012, the structure has changed so that we have lost some smaller companies and gained some mid-sized and larger members. The membership fees it therefore expected to be slightly larger.

Projects and events

In line with the attempt to expand the services offered by the Chamber, a few new projects were launched at the end of 2012 and beginning of 2013. The **new projects** include a **Business Mission** to Sweden in cooperation with the Ministry of Foreign Affairs and the Czech Embassy in Sweden, for companies operating in the research and development, infrastructure and transport segment. The Chamber also started discussions with the Ministry of Agriculture about organizing a business mission to Sweden in summer this year. **Consulting Services** provided by the Chamber include research for a Swedish company looking for producers in the Czech Republic and a Czech cosmetics wholesaler looking for new brands, plus several smaller ad hoc requests. These activities will hopefully provide the Chamber with some extra income and attract new members.

The existing working groups will continue and hopefully be able to present some concrete result during the spring, while the new working group should kick-off in the same time frame.

Member development

Despite the ongoing financial crisis, the Nordic Chamber has managed to maintain and in some years even increase the number of members. Thus, over the last five years, the Nordic Chambers has grown by 20 percent. The goal for 2013 is to continue the growth.

Companies located outside Prague still may feel that the Nordic Chamber does not offer services that are attractive or relevant enough to them. This is an issue that is looked at very seriously.

There is still a large growth potential among Nordic companies who have not yet joined the Chamber (approx. 400 firms). A new membership drive started at the beginning for the year has show very promising result so we expect a lot from 2013.

Communication

As mentioned, a new website will be launched during Q2. The Chamber is also reviewing the effectiveness of the Nordic News as well as the new eNewsletter. An area where the Chamber has great room for improvement is the **media coverage**.

Mainly thanks to His Majesty King Carl XVI Gustaf's visit to the Czech Republic in May 2012 the Chamber gained a lot more attention from the press than in the previous years. However, that was a one-time occasion and the situation is not satisfactory, not least since the Nordic countries generally have widespread sympathy in the Czech society. The aim for 2013 is therefore to strengthen the PR and make sure the Chamber's events are more visible in the media.

Chart 1: Events Report 2012

BREAKFAST BRIEFINGS			
Date		Topic	Attendance
February	15	Transfer Pricing Documentation (session in English)	20
March	20	Labour Code Amendment Implications	28
April	03	Natural Tendencies Analysis Workshop	10
April	11	Economic Panel Debate on Eurozone and Economy Development	5
April	19	Public Procurement Law Amendments Breakfast Meeting	30
May	24	Software Licensing and Legal Risks Breakfast Meeting	25
June	14	Talent Management: what is it and why is it important for your business?	30
September	11	Taxation of various types of income between the CR and the Nordics	18
September	25	Gripen Programme of Industrial Co-operation	15
October	18	Law, Media and Information in the Era of Internet	20
November	8	Facts & Myths about the Czech court proceedings in business disputes	10
November	28	EEA and Norway grants	20

BUSINESS MIXERS			
Date		Topic	Attendance
April	12	Speed Business Meeting	45
April	28	Strings of Norway	10
April	28	Visit of King Carl XVI Gustaf of Sweden in Prague	15
October	3	Joint Business Mixer with Irish and Indian Chambers of Commerce	80

SOCIAL EVENTS			
Date		Topic	Attendance
April	25	Czech Beer Festival 2012	20
May	18	Blue Heaven Big Band Concert in Prague	28
May	26	3rd Annual Rotary Dragon Boat Charity Challenge	10
June	6	Strawberry Party	5
September	27	Queen Dagmar, the Czech Princess Exhibition	30
September	27	Mixer to welcome H.E. Christian Hoppe, Ambassador for Denmark	25
October	17	Ladies Fashion Party	30
December	12	Christmas / Lucia Party	18

SPORTS EVENTS			
Date		Topic	Attendance
June	15	UEFA Euro 2012 qualifying Groups Match Sweden vs. England	10
September	19	Nordic Chamber Golf Masters 2012	100
November	3	Nordic Chamber Badminton Masters Doubles/Singles	16

Chart 2: Membership Development

MEMBERS	EXISTING	NEW	CANCELLED
2007	124	16	5
2008	135	17	10
2009	142	9	8
2010	143	17	15
2011	145	20	16
2012	149	14	14
2013	149		

MEMBERS	NUMBER	%	DESCRIPTION
A	26	18	over 100 employees
B	22	15	31-100 employees
C	27	16	11-30 employees
D	74	52	1-10 employees

Chart 3: Country of Origin

COUNTRY	MEMBERS 2011	% OF MEMBERS	TOTAL COMPANIES IN 2011	% OF NATIONAL REPRESENTATION OF TOTAL NORDIC COMPANIES
Sweden	64	44	247	43
Denmark	23	16	167	29
Norway	8	6	79	14
Finland	10	7	66	12
Iceland	1	1	14	2
Others	39	27		

COUNTRY	MEMBERS 2012	% OF MEMBERS	TOTAL COMPANIES END 2012	% OF NATIONAL REPRESENTATION OF TOTAL NORDIC COMPANIES
Sweden	60	40	260	42
Denmark	28	19	178	29
Norway	8	5	94	15
Finland	11	7	73	12
Iceland	1	1	13	2
Others	41	28		

COUNTRY	MEMBERS 2013	% OF MEMBERS	TOTAL COMPANIES	% OF NATIONAL REPRESENTATION OF TOTAL NORDIC COMPANIES
Sweden	62	42	398	46
Denmark	30	20	173	26
Norway	7	5	97	15
Finland	11	7	73	11
Iceland	1	1	12	2
Others	38	26		

Chart 4/5: Profit & Loss Report 2012/Budget 2013

INCOME	Actual 2011	Budget 2012	Actual 2012	Budget 2013
Membership Fees	2 371 700	2 400 000	2 356 000	2 510 000
Individual Fees	15 000	15 000	25 000	25 000
New Members	116 300	158 000	260 000	260 000
Web Advertising	-	30 000	-	-
Interest	7 242	12 000	9 998	9 000
Office Rent	72 500	56 000	-	-
Total Income	2 582 742	2 671 000	2 650 998	2 804 000
Cost Total	2 311 570	2 671 000	2 477 999	2 977 000
Surplus/Deficit	271 172	0	173 000	-173 000

EXPENDITURE	Actual 2011	Budget 2012	Actual 2012	Budget 2013
Wages and Salaries, Bonuses	771 000	931 000	966 000	1 150 000
Office Rent, Energies	357 945	358 100	270 603	240 000
Office Cost in Total	522 533	333 220	362 847	408 540
Total Expenditure	1 651 478	1 622 320	1 599 450	1 798 540

PROJECT EXPENDITURE	Actual 2011	Budget 2012	Actual 2012	Budget 2013
Project Management	N/A	N/A	50 720	0
Trainings	101 107	100 000	73 134	85 000
Business Event / Mixers	177 847	172 000	40 354	84 460
Social Events	73 458	74 000	109 283	100 000
Political connections	8 242	-	-	50 000
Sport Activities	- 80 857	- 46 320	39 938	20 000
Nordic News	380 290	379 000	424 407	426 000
Web, eNewsletter, Marketing	-	370 000	220 589	413 000
Total projects	660 092	1 048 680	878 549	1 178 460
Costs total	2 311 570	2 671 000	2 477 999	2 977 000
Surplus / (deficit)	271 172	0	173 000	-173 000

in CZK

CZECH EXPORTS TO NORDICS UNCHANGED ...

Exports to	2012	2011	y/y index (%)
Denmark	23,338	22,253	104
Finland	14,711	16,318	90
Iceland	706	498	141
Norway	16,005	15,168	105
Sweden	46,551	47,451	98

... IMPORTS FROM NORDICS UP 7 PERCENT

Imports from	2012	2011	y/y index (%)
Denmark	15,760	15,567	101
Finland	8,901	9,082	98
Iceland	1,370	938	146
Norway	28,805	23,519	122
Sweden	24,936	24,928	100

* in CZK million

Source: Czech Statistics Office

MEMBERSHIP INFORMATION

Nordic Chamber of Commerce

COMPANY MEMBERS

ABB s.r.o.
ADBENTRUST s.r.o.
Advokátní kancelář Mgr. Hana Kuncová
AIMS Consulting s.r.o.
ALFA LAVAL spol. s r.o.
AstraZeneca CR, s.r.o.
ATLAS COPCO s.r.o.
Axis Communications s.r.o.
Baker Tilly Czech Republic, spol. s r.o.
Bath de Luxe s.r.o. Eurotrade Denmark
Bent Walde-Jensen s.r.o.
Berendsen Textil Servis s.r.o.
BIM Czech Republic, s.r.o.
Bird & Bird s.r.o.
CEPONA s.r.o. Prague Leaders Magazine
CoDan Agentura
Coloplast A/S odštěpný závod
CONTROL SYSTEM International, s.r.o.,
Cook Communications
Creditinfo Solutions s.r.o.
CTP | CTPark Humpolec
Czech Beer House s.r.o.
Damco Czech Republic, s.r.o.
DAUCZECH s.r.o.
DAYMAKER s.r.o.
Dejmark Czech, s.r.o.
DESIGNOR s.r.o.
Det Norske Veritas Czech Republic s.r.o.
DRILL B.S. spol. s r.o.
Družstevní závody Dražice-strojírna s.r.o.r
DSV Air & Sea (Czech Republic) s.r.o
EBO Reality
Edward Lynx s.r.o.
Electrolux s.r.o.
ENSTO Czech s.r.o.
ERICSSON spol. s r.o.
EUROALARM Assistance Prague, s.r.o.
FACSON s.r.o.
Fagerhult Central Europe GmbH
Faiveley Transport Třemošnice, s.r.o.
Falensteiner Hotel Maria Prag Betriebs s.r.o.
FORTUM HOLDING B.V. org. složka
Four Seasons Hotel
Getinge Czech Republic s.r.o.
Global blue Czech Republic s.r.o.
GN Netcom-Jabra
Greencarrier Freight Services Czech Republic s.r.o.
Havel, Holásek & Partners, s.r.o., advokátní kancelář
Hempel (Czech republic) s.r.o.
Hilton Prague, Quinn Hotels Praha a.s.
HOTEL PALACE PRAHA *****
Howlings s.r.o.
Hudson Global Resources s.r.o.
Husqvarna Česko s.r.o.
Chmellar s.r.o.
Chr. Hansen Czech Republic, s.r.o.
IFS Czech s.r.o.
IKEA Ceska Republika
ING BANK N.V.
Inkasso Servis s.r.o.
ISS Facility Services s.r.o.
Kampa Group s.r.o.
KappAhl Czech Republic s.r.o.
KEMPINSKI hotel, Hybernská properties s.r.o.
Kinnarps a.s.
Klejna obchod s vínem
KONE, a.s.
LeasePlan Česká republika, s.r.o
Leasing Barock s.r.o.
LESIKAR, a.s.
Lindab s.r.o.
LINDEX s.r.o.
LK Pumpservice s.r.o.
LLentab s.r.o.
Loomis Czech Republic a.s.
Lundbeck Česká republika s.r.o.
Maersk Czech Republic s.r.o.
MAGNUSSON ADVOKATBYRA
Mercuri International s.r.o.
MTM Transport a.s.
Multi-Wing CZ, s.r.o.
NCC Purchasing Group CEE, s.r.o.
NEXIA AP a.s.
NIELSEN MEINL, advokátní kancelář, s. r. o.
NOCAROVÁ JAŠEK & PARTNERS v.o.s.
Nordex Agentur s.r.o.
NOVO NORDISK s.r.o.
NSG Morison Advisory s.r.o.
OEM Automatic spol. s r.o.
Ondřej Horský AGROTECH
Orico AB
ORIFLAME CR spol. s.r.o.
Orion Diagnostica, Branch Office CZ&SK
PELIKÁN KROFTA KOHOUTEK advokátní kancelář, s.r.o.
PETERKA & PARTNERS v.o.s. advokátní kancelář
Pöyry Environment a.s.
RADIOMETER s.r.o.
SAAB CZECH s.r.o. / Gripen International
Sandvik CZ s.r.o.
Sandvik Chomutov Precision Tubes s.r.o.
SAS Scandinavian Airlines Systems, AVIAREPS s.r.o.
SAVOY HOTEL Golden Tulip
SCA HYGIENE PRODUCTS s.r.o.
Scandique s.r.o.
Scania Czech Republic s.r.o.
Scania Finance CER
SILVI NOVA CS a.s.
Skanska a.s.
Skanska Property Czech Republic, s.r.o.
SKF Ložiska a.s.
Stora Enso Praha, s.r.o.
SWEDEN TELECOM s.r.o.
Šafař & partneři s.r.o., advokátní kancelář
ŠKODA TRANSPORTATION a.s.
TETRA PAK Ceská republika s.r.o.
The Royal Bank of Scotland
Tieto Czech s.r.o.
TK Czech Operations s.r.o.
Trans Europe Chemicals s.r.o.
UMOE SCHAT-HARDING, spol. s r.o.
UniqueConsult Czech Republic s.r.o.
University of Pittsburgh
VACON s.r.o.
VagnerDesign s.r.o.
Velux Ceska republika s.r.o.
VIENNA INTERNATIONAL Hotelmanagement AG
Volvo Auto Czech s.r.o.
Volvo Truck Czech s.r.o.
VORLÍČKOVÁ PARTNERS s.r.o.
World Class Czech Republic s.r.o. (World Class Health Academy)
YIT Stavo s.r.o.
Zátiší Catering Group s.r.o.
ZKUŠEBNICTVÍ a.s.