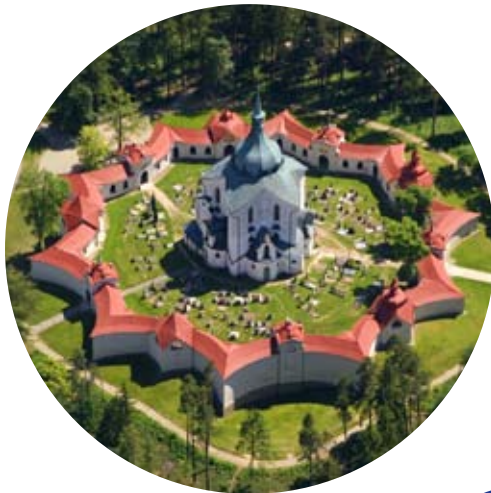




**2008
Annual
Report**



- 1 Holy Trinity Column, Olomouc
- 2 Fireworks above St. Peter's Cathedral, Brno



CzechTourism has systematically promoted domestic tourism since the second half of 2003.

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Director's Foreword

Ladies and Gentlemen,

I am pleased to report that mutual collaboration with regions, cities, municipalities and sector associations have improved in the past years. This has boosted the position of the Czech Republic in the tourism industry.

In recent years, the Czech Republic has recorded a significant increase in an influx of foreign travellers and, in comparison with the neighbouring countries, the favourable trend has been sustained even in the global economic recession. The CzechTourism agency strives to achieve its primary goal: to promote the Czech Republic as an attractive tourist destination on the foreign markets and, since 2003, also on the domestic market.

Allow me to sum up the year 2008 in terms of inbound and domestic tourism.

The Czech Republic saw a 0.4% decline in the number of incoming foreign tourists. Compared to 2007, Germany and the

United Kingdom retained the two top positions, although the number of arrivals from these countries decreased. The third place was taken by Russia which replaced Italy. In addition, arrivals from Russia grew by 30% for a second consecutive year. Tourists from Poland also came in greater numbers, specifically 25% more.

Prague once again topped all other regions with a total of 4.1 million foreign visitors in 2008, up 1.3% year-on-year. This figure accounts for 61% of all foreign tourists coming to the Czech Republic. Karlovy Vary was the second most attractive region with 473,604 tourists, an increase of 0.3%, followed by the South Moravian region which saw 4.2% growth to 450,000 visitors.

I will not hesitate to underscore that the CzechTourism agency has significantly contributed to growing interest in the Czech Republic as a favourite tourist destination. The agency operates a network of 26 foreign offices that organized some major events in 2008.

Aside from the usual PR activities, the CzechTourism launched a promotional campaign in Russia in the form of a train road show along the Trans-Siberian Railway. Nearly 500 media representatives and leading tour operators attended this event aiming to boost sales of the Czech Republic's destinations. Other traditional marketing projects in 2008 included the Tourfilm, Tourregionfilm, TOURMAP, Tourpropag and EuroregionPropag festivals. CzechTourism also collaborated with the Česká olympijská agency in promoting the Czech Republic during the Summer Olympic Games in Beijing.

An important step was a launch of the website www.133premier.cz, featuring in seven languages tourism-related news for the media, travel agencies and the public. Our foreign representatives organized major media campaigns, such as advertising in Vienna and Dublin public transit systems, and a banner ad campaign in the London Underground in cooperation with the City of Prague.



Throughout 2008, vigorous promotion of the Czech Republic as a golfing destination went on, supported by organizing several familiarization and press junket trips.

Regarding congress and incentive tourism, a strategic project, namely the Czech Convention Bureau, was commenced for the development of congress tourism in the Czech Republic. The project aims to set up regional congress offices that will facilitate coordination of marketing strategies and benefit from the synergy effect of promotion on foreign markets.

CzechTourism took part in 49 travel trade fairs worldwide and prepared for distribution 15 promotional publications with a circulation of 919,630 copies. In promoting the spa segment, we traditionally organized workshops and presentations and we continued promoting the spa industry in department stores throughout the Czech Republic and in the neighbouring countries. We

held another annual Karlovy Vary Week complete with Tourfilm, a festival of travel films, and a Spa festival, including a conference for spa professionals.

In promoting domestic tourism, CzechTourism in 2008 expanded the Kudy z nudy (Escape from Boredom) website by a variety of activities and also introduced an option to evaluate each of the activities separately. This service provides website users with a new perception of offers posted by Czech tour operators and enhances attractiveness of the pages and user interaction. The evaluation feature contains statistics of visitors to pages listing specific activities.

The goal of the CzechTourism agency in 2009 is to finalize the Czech Specials project designed to promote the Czech Republic in the country and abroad through featuring national and regional culinary specials, and to carry on with online media campaigns and advertising campaigns onboard air carriers. The global recession calls for a more dynamic

promotion of domestic tourism. The agency will consider it a success if the tourism sector in 2009 stagnates or even declines by 2%–3% and if the Czech Republic retains its position among the leading Central European countries.

Rostislav Vondruška
Director, CzechTourism

Key Characteristics

PRIMARY PURPOSE AND CORE ACTIVITIES

The mission of CzechTourism is to coordinate state promotion of the travel industry with activities carried out by enterprises and regional entities, develop a medium-term strategy for marketing of tourism on the domestic and foreign markets, and help boost the travel industry in regions.

In compliance with the approved Statutes, CzechTourism performs the following activities:

- promotion and advertising
- exhibitions, workshops
- publishing of non-periodicals
- translations
- collection, processing, analyses, distribution and presentation of information

- mediation in the IT field
- sale & business
- lectures and consultancy
- production of sound and image carriers

CHANGES IN THE ORGANIZATION'S POSITION

There were no changes in the position of CzechTourism, established by the Czech Ministry for Regional Development in 2008.

MANAGEMENT AND STRUCTURE

In the course of 2008, CzechTourism applied three-stage management with the position of Director at the top, who is the agency's statutory body and runs the organization in terms of strategy and operations.

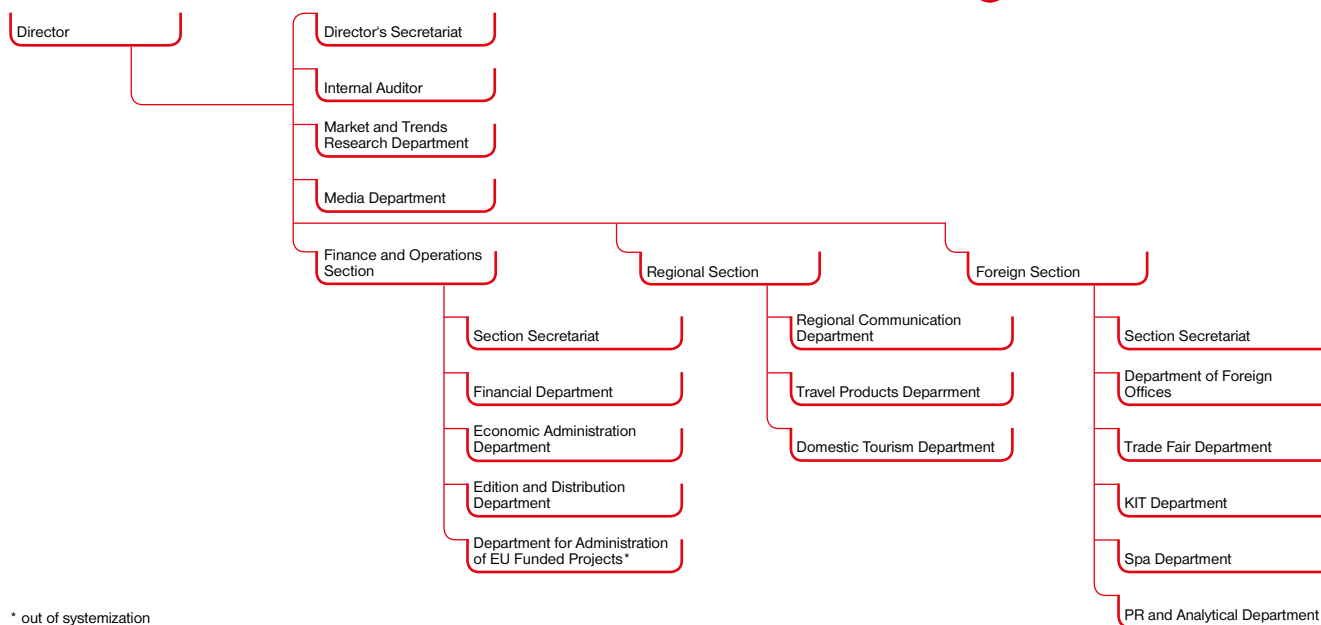
The fundamental organizational levels of management and decision-making are divisions headed by division directors appointed by the Director of CzechTourism. Departments are lower organizational units.

Changes were made in the agency's organizational structure during 2008. Three new departments were established: Media Department, Golf Department, and Market and Trends Research Department.

- 1 Píseňský Prazdroj, Pilsen
- 2 Náměšť
- 3 Castle Buchlov



ORGANIZATION CHART IN 2008



* out of systemization





3



4

- 1 Karlštejn
- 2 Švihov
- 3 Bílé Karpaty
- 4 Brno
- 5 Castle Hluboká, Southern Bohemia
- 6 Mariánské Lázně



5



6

Core Activities in 2008

Regional Division

REGIONS COMMUNICATION DEPARTMENT IN 2008

In February 2008, the fourth series of seminars called “Get to Know Czech Regions”, designed especially for tour guides, was organized. The seminars aimed to introduce Czech tourist regions to tour guides, ahead of the new tourist season, to inspire them to bring their clients from abroad to other regions, in addition to Prague. A total of 303 applications for the event were received.

Regional presentations

Regional presentations rank among the instruments used by CzechTourism – to support the development of tourism in the Czech Republic’s travel destinations. The presentations aim to promote on site attractive regional travel locations to Czech incoming travel agencies.

Participation in seminars

	Seminar	Number of participants
1.	25 February – Greater Prague (Central Bohemia), Northern Moravia and Silesia, Southern Bohemia	208
2.	26 February – Pilsen region, Šumava, Southern Moravia	193
3.	27 February – Czech Paradise (Český ráj), Czech-Moravian Highlands (Vysočina), Central Moravia	166
4.	28 February – North-Western Bohemia, Giant Mountains (Krkonoše), Eastern Bohemia	160
5.	29 February – North of Bohemia, West Bohemian spas	159

Regional presentations are promotional trips to Czech regions introducing travel-related products, good-quality accommodation (***) and higher, specializing in particular in group and incentive tourism), less known tourist attractions of specific regions or areas, and also news posted on websites “Kudy z nudy” (Escape from Boredom) and “133 Premieres“. An integral part of the presentation programme is a workshop where travel agencies’ staff can negotiate

business terms with representatives of local businesses. As a rule, a special brochure is compiled for each trip including complete information about the places visited and other information concerning the region. The brochure can also be downloaded from www.czechtourism.cz/Regions. This website also contains invitations to planned promotional trips and brief info on the past presentations (complete with evaluations and photos of the events).



- 1 Štemberk
- 2 Rokytnice nad Jizerou
- 3 In the vicinity of Špindlerův Mlýn
- 4 Kašperské hory
- 5 Ještěd, Northern Bohemia

Date	Region	Places visited
11 March	Greater Prague – miscellaneous	Loučeň, Rožďalovice, Kouřim, Kolin
2 April	Šumava and Pilsen regions	Domažlice area, Český les (Czech Forest)
16–17 April	Vysočina (Czech-Moravian Highlands)	Pelhřimov area, Havlíčkův Brod area, Třešť, Dalešice
13 May	Greater Prague – press trip	Rakovník area, Karlštejn area
20–21 May	Northern Moravia and Silesia	Těšín area in Silesia, Wallachia
4 June	North-Western Bohemia	České Švýcarsko (Czech Switzerland), Šluknov area
10 June	Eastern Bohemia	Broumov area, Arčůvčany
16 June	Labe (Elbe) boat trip – miscellaneous	Roudnice nad Labem, Litoměřice, Ústí nad Labem
24 June	Greater Prague	In the footsteps of the Přemyslid princes
3 September	Eastern Bohemia	Podorlicko area and Orlické mountains
9 September	Český ráj (Czech Paradise) – press trip	Trips to regional products
24–25 September	Southern Bohemia and Šumava	Horázdovice area, Prácheň area, Strakonice area
7–8 October	Southern Moravia	Slavkov area and Vyškov area
15 October	North of Bohemia	Jablonec nad Nisou, Jizerské mountains
5 November	Greater Prague	Benešov area, Příbram area
12 November	Giant Mountains – press trip	New sites in Eastern Giant Mountains

In total, regional presentations and press trips were attended by 398 participants, i.e. by 58 more than in the previous year. The number included 27 representatives of incoming travel agencies and 23 journalists. Compared with the previous year, the number of participants from travel agencies rose by one, and the number of journalists was higher by three.

Aside from miscellaneous presentations, the presentation in the Pilsen region on 2 April enjoyed the biggest success of all; it was attended by 33 travel representatives.

The “**Tourists Welcome**” project, www.turistevitani.cz, was organized by CzechTourism for the third time for students of elementary and secondary schools throughout the Czech Republic, this time under the auspices of the Czech Ministry of Education, Youth and Sports.

The project provides students with an opportunity to think about their future careers in the travel industry and, at the same time, to spark interest in travel business among parents.

In all, 200 schools and 1,600 contestants who sent in over 700 essays, participated

in the project. Each year, the competition culminates with the Grand finale. The third year of the Tourists Welcome project ended with a ceremony held in the Babylon Centre in Liberec.

Each year, the contest comprises three categories for various levels of elementary or secondary school. In the 2008/09 year, the theme in the first category, i.e. for students of 4th to 6th grades of the elementary school, is as follows: **“A usual day of an employee or entrepreneur in the tourist industry”**. The children thus have an opportunity to get an idea **what a standard work day in this sector looks like. They think about what they like about these professions and what people performing them must know. What and how they must learn about them and how a person working with tourists should behave.** The second category is designed for students of 7th to 9th grades of the elementary school with the topic: **“How to attract more tourists to the region I live in”**. The third category is designed for the oldest contestants, i.e. secondary school students. Their theme is: **“We found our own travel firm in our village/town”**. This category often yields some excellent projects ready to be implemented. In fact, each project is a business plan including all necessary requisites, such as an analysis of the existing competition, costs, credit options, return on capital, etc.

- 1 Sychrov
- 2 Právcická stone bridge
- 3 Český Krumlov

Foreign Division

FOREIGN OFFICES DEPARTMENT CzechTourism manages 26 foreign offices

For CzechTourism, 2008 was marked by strengthening of positions on European markets, particularly in **Scandinavia**. Growing interest of Swedish tourists in the Czech Republic led to opening a first-level foreign office in Stockholm in October. The number of Swedish tourists in Czech group accommodation facilities rose by 11% in 2008 (compared with 2007), showing the growing popularity of the Czech Republic. This trend reflects the perception of the Czech Republic as a country with unique cultural heritage and history. Swedes are coming to the Czech Republic for activity and adventure holidays, golf, spa treatment or shopping. In 2008, 84,745 Swedish tourists visited the Czech Republic. On the TOP destinations list, Sweden ranks 16th in terms of arrivals in the Czech Republic.

More than **1.5 million German tourists** come to the Czech Republic annually. CzechTourism Berlin prepared for this largest incoming travel market an updated version of the catalogue “Kommen Sie nach Tschechien”. In this practical, 124-page travel guide German tourists can find a wide scope of useful information, from important contacts in the Czech Republic and info on health insurance to accommodation

tips and tourist discount cards. A total of 10,000 copies of the “Kommen Sie nach Tschechien” catalogue were published and distributed at all its events in 2008 by CzechTourism Berlin in collaboration with CzechTourism Munich that provided a list of South Germany’s travel agencies. To boost this largest source travel market, the catalogue was designed for travel agencies, journalists and Czech embassies abroad, in addition to individual travellers. CzechTourism’s foreign office in Vienna published a similar tourist brochure. In the number of visitors to the Czech Republic, Austria takes 11th place and accounts for about 3% of all tourists coming to the Czech Republic. The quality of both publications is confirmed by the fact that they are fully financed from ads of Czech and foreign commercial entities.

Major events

The **600-member congress of OMVESA, an association of elite Latin American tour operators**, was no doubt one of the most significant events convened in the country. The Czech Republic together with Spain and Egypt competed in Badajoz, Spain, in March 2007 for the privilege to organize this prestigious event. The candidacy of our country, co-prepared by CzechTourism and its partners, met with a positive response and, subsequently, working meetings in conjunction with presentations of the Czech Republic as a travel destination took place from



20 to 25 February 2008 in the Czech regions of Karlovy Vary, Southern Moravia, and the capital of Prague. The Czech Republic is part of the Central and Eastern European region which is becoming a much sought-after destination for tourists from Latin America; they demand more information and more tours from their travel agencies. Latin America represents a market with a population of over half a billion; more than two million people a year travel to Europe from this area. CzechTourism thus had a superb opportunity to promote the country's tourism potential and offer it "for sale" to foreign tour operators.

A follow-up to the successful OMVESA congress was the **SNET** (Syndicat National des Entreprises de Tourisme) congress which associates about 200 French companies engaging in travel business. In late March, 106 representatives of French travel agencies and haulage contractors came to Pilsen and Prague. France is the 10th largest "source country" of inbound tourism for the Czech Republic.

On 22–27 September, a **Festival of Czech Gastronomy** was organized in **Lima**, Peru, on the occasion of the WTO World Tourism Day. The star of the event was a Czech chef sent to Peru by the Czech Republic's Association of Hotels and Restaurants. This first of the kind and very successful event introduced Czech cuisine in this destination.

In September, the Czech Republic welcomed leading representatives of **USTOA, the United States Tour Operators Association**, whose members rank among top US tour operators. The United States is a key source market for the Czech Republic. The total of 305,240 US visitors to the Czech Republic in 2008 ranks the United States 6th in the number of foreign tourists.

A **Japanese film crew** made an unusual travel document about the Czech Republic in September 2008, in cooperation with the CzechTourism Foreign Office in Japan. The role of the moderator and guide was performed by one of the most popular Japanese singers, Hiromi Iwasaki, who in May 2008 became a "Czech Republic's friendship ambassador" and who regularly appears on CzechTourism's promotional events in Japan. The four-part travel series showed popular travel destinations, such as Český Krumlov, Karlovy Vary and Prague. With an average spending of about CZK 3,400 per capita, Japanese tourists rank among the wealthiest travellers.

At the end of October, the CzechTourism Foreign Office in **London**, in cooperation with the ABTA association, prepared publication of the Czech Republic Guide 2009, designed for all travel agencies in the United Kingdom. In addition to the latest information on the Czech Republic and traditional marketing subjects, the

50-page catalogue also contained two products newly marketed in the UK: **Wedding Tourism and the Brewing City of Pilsen**. The United Kingdom was the second largest inbound travel source country with more than 485,000 British tourists coming to the Czech Republic in 2008.

During the Summer Olympic Games in **Beijing our local Foreign Office used the opportunity to promote the Czech Republic's tourist potential** in the lobby of the "Olympic Hotel" Gloria Plaza. CzechTourism's information booth featured also an exposition of Bohemian Glass, complete with a show of hand engraving and a video screening about the Czech Republic that attracted a lot of interest among participants in and visitors to the Games. Prior to an opening of the Summer Olympic Games, the Czech Republic received a substantial amount of airtime on the most significant Chinese TV stations (e.g. on CCTV, Phoenix TV, The Travel Channel, Guangzhou Cable TV) due to a number of press trips which took place in the Czech Republic in the first half of 2008. Compared with 2007, the number of Chinese visitors to the Czech Republic in 2008 jumped by more than 38%; it was a record year-on-year increase among all destinations.

The 2007 steep rise in the Czech Republic's popularity with our **Polish neighbours** continued in 2008. The number of tourists arriving from Poland

- 1 Media Campaign
- 2 Media Campaign



increased by 25%, totalling almost 384,000. This favourable trend is likely due to dynamic co-operation with tourism-oriented websites, regular weekly newsletters distributed to journalists, organization of study tours for representatives of Polish travel agencies, and active promotion of the Czech Republic by our Warsaw Foreign Office.

Russian tourists ranked third in terms of arrivals in the Czech Republic with a 30% increase year-on-year, the second fastest growing group in 2008. The average number of 6 days spent in the Czech Republic makes the Russian tourists' duration of stay the longest, primarily as a result of their more extensive spa visits. With respect to the growth potential of visitors from Russia and in view of the 10th anniversary of CzechTourism's business activities in this destination, a wide range of promotional events were organized in 2008, including for example the biggest train road show along the Trans-Siberian Railway (5,192-km long) or spa-oriented events.

Media Campaigns

Throughout 2008, a unique advertising campaign ran in the Vienna public transport system, specifically in the form of eight large-scale billboards mounted at the busiest stations of the Vienna metro.

The billboards, featuring an advertising slogan, "Have you visited your neighbours yet?" together with carefully selected photographs of the Czech Republic's attractive locations, caught the attention of Austria's largest media agency Gewista. The Austrian agency also organized a competition for the best advertisement of the European Football Championships, in which CzechTourism placed fifth in popularity with the Austrian public (the Czech agency had formidable competitors, such as A1, Rauch, Puma, Bank Austria, the Österreich daily, Wiener Städtische, and many others).

A banner ad campaign in the London Underground ran in January and February 2008, organized jointly by CzechTourism and the City of Prague.

The banners, inviting the British public to visit the Czech Republic, were placed in twenty centrally-located underground stations, including those connecting to major railway stations, such as Liverpool Street Station, King's Cross and Victoria, and the busiest stations of the underground system, such as Oxford Circus, Piccadilly Circus and Green Park.

An advertising image campaign in Germany, conducted in the first half of 2008 under the name "Czech Republic – a symphony of experiences", presented the country as an attractive tourist destination in Germany's leading magazine on tourism, FWW, published by a large publishing network FWW Mediengruppe that in this sector has a dominant influence in the Czech Republic. The FWW magazine co-creates and comments on the development of Germany's tourist industry while it targets higher and middle management which plays a key role in the selection of tourist destinations for travel catalogues. More than 34,000 travel agencies in Germany subscribes to this renowned periodical.



In October 2008, a **“Czech Out beyond Prague” campaign was launched in Ireland**, intended to boost promotional activities in the Irish Republic.

The campaign had several important objectives: firstly, to attract more Irish visitors to the Czech Republic and introduce them to other tourists regions beside Prague; secondly, to boost the influx of Irish travellers in the Czech Republic; and thirdly, to draw travellers to interesting locations in the regions within easy-travel distance from the capital. The past two years saw a significant increase in Irish tourist arrivals in the CR, namely by 20% in 2007 and by 31% in the first half of 2008, compared to the same period of the preceding year.

TRADE FAIRS DEPARTMENT

The CzechTourism Trade Fairs Department in 2008 organized the Czech Republic's official participation in 49 trade fairs on tourism in Europe and worldwide.

The Prague department organized major trade fairs attended by large numbers of exhibitors, fairs in the countries with no Czech foreign representation, and also fairs in remote destinations preparation of which was more challenging. Due to the substantial seasonal character of tourism, a majority of travel trade fairs is held in the first and fourth quarters of the year.

In 2008, all trade fairs organized by CzechTourism from Prague featured an increased number of screens in the display areas. Eleven events were selected that provided co-exhibitors with an exhibition area of six square meters. At the remaining 38 trade fairs, each of the co-exhibitors was allotted a display area of four square meters. CzechTourism contributed to these exhibitions with a variety of attractive side events. Among the favourite attractions for visitors were restaurants offering Czech cuisine and beer, music performances, and arts and crafts shows. Professionals could visit presentations, workshops and parties at exhibition booths. The most popular arts & crafts disciplines were glass engraving, decorating of Pardubice-made gingerbread and glass beads manufactured by Jablonex.

At each trade fair, the Trade Fairs Department alternated motives of large-screen backlights that were one of the components of the exhibition.

Support for regions and exhibitors

In 2008, the CzechTourism agency continued to provide support for exhibitors at selected events. Specifically, for eleven events representatives of regional authorities and regional associations received funding equalling the price of the exhibition section, i.e. they could participate free of charge.



- 1 Jindřichův Hradec
- 2 Slapy dam

These events included Vakantie Utrecht, Ferienmesse Vienna, Fitur Madrid, Reisen Hamburg, CBR Munich, ITB Berlin, MITT Moscow, TT Warsaw, UTM Kiev, WTM London and TC Leipzig.

Commercial exhibitors participating in all trade fairs, including the foregoing eleven selected events, received funding in the amount of one-half of the total price of the respective section.

Trade fairs in 2008

In 2008, trade fairs HWS Dublin, BTL Lisbon, OTM Mumbai, AIME Melbourne, OTM Delhi, Golf Show Prague and Locations Mumbai were no longer handled by CzechTourism, whereas eleven new events were added that are listed below.

Compared to 2007, trade fairs Vakantie Utrecht and MITT Moscow saw a significant increase in exhibitors. Surprisingly high interest was recorded in the first official participation in UITT Kiev, BITE Beijing, 50+Beurs Utrecht and EIBTM Barcelona fairs. Vakantie Utrecht, ITB Berlin, MITT Moscow, WTM London and TuC Leipzig kept up a traditionally high standard and number of participants. A slight year-on-year decline in exhibitors was recorded at Fitur Madrid, BIT Milan, RDA Cologne, Otdykh Moscow, UTM Kiev and WTM London trade fairs. As part of the Viegard Group (V4), the Czech Republic in 2008 took part in JATA Tokyo and CITM Shanghai trade fairs.

	Trade fair	Date	Exhibition area
1	Vakantie Utrecht	January 8–13	374
2	Go Brno	January 10–13	200
3	Reiseliv Oslo	January 10–13	50
4	CMT Stuttgart	January 12–20	170
5	Ferienmesse Vienna	January 17–20	240
	Slovakiatour		
6	Bratislava	January 17–20	80
7	Vakanz Lucemburk	January 18–20	30
8	Ferie Copenhage	January 25–27	42
		January 30	
9	Fitur Madrid	–February 3	260
		January 30	
10	Fespo Zürich	–February 3	40
11	Reisen Hamburg	February 6–10	220
12	Vacances Brussels	February 7–11	156
13	Balttour Riga	February 8–10	100
	Holiday World		
14	Prague	February 14–17	180
15	CBR Munich	February 14–18	380
16	Tourest Tallin	February 15–17	64
17	BIT Milan	February 21–24	190
		February	
18	Utazás Budapest	28–March 2	140
		February	
19	Vivattur Vilnius	29–March 2	40
20	ITB Berlin	March 5–9	563
21	MAP Paris	March 13–17	40
22	TUR Gothenburg	March 13–16	100
23	Silesiatour Katowitz	March 14–16	80

	Trade fair	Date	Exhibition area
	Intourmarket		
24	Moscow	March 16–19	100
25	MITT Moscow	March 19–22	500
26	UITT Kiev	March 26–28	60
27	WTF Shanghai	March 27–30	48
28	Imex Frankfurt	April 22–24	170
29	KITF Almaty	April 24–26	150
30	ATM Dubai	May 6–9	100
31	KOTFA Soul	June 5–8	40
32	ITE Hong Kong	June 12–15	40
33	BITE Beijing	June 19–21	50
34	RDA Cologne	August 5–7	140
35	Top Resa Paris	September 16–19	100
36	50+ Beurs Utrecht	September 17–21	60
37	JATA Tokio	September 19–21	100
	Motivation Show		
38	Chicago	September 23–25	30
39	TT Warsaw	September 25–27	200
40	ITF Taipei	October	36
41	Otdykh Moscow	October	330
42	UTM Kiev	October 7–9	200
43	UTE Yekaterinburg	October 9–12	100
44	TS Poznań	October 16–18	100
45	WTM London	November 10–13	450
46	TC Leipzig	November 19–23	400
47	CITM Shanghai	November 20–23	100
48	EIBTM Barcelona	December 2–4	150
49	ILTM Cannes	December 9–11	35

Sector 6m², regional support

Sector 4m²

CONGRESS AND INCENTIVE TOURISM DEPARTMENT

Growth in congress and incentive tourism in the Czech Republic is

apparent, both in the scope of services rendered and the accommodation and congress capacity. In organizing major congress events, Prague again was put to test in 2008 with the annual task to hold the World Congress of Psychiatry that the Czech capital hosted in September. Some 8,000 congress participants arrived who tested the quality and readiness of accommodation services, the congress capacity and other related services.

Congress venues and hotels in the Czech Republic are well known for the high standard of services, good-quality restaurants and a variety of side events.

To sustain this high standard requires to provide substantial **marketing support** that will ensure foreign clients' interest in the Czech Republic as an attractive destination. This support and bids to win events for the Czech Republic is one of the key activities of KIT Czech Tourism which forms partnerships with private entities conducting business in the congress and incentive tourism segment. To boost Prague's position among the other world's congress destinations, KIT Czech Tourism principally employs thematic presentations abroad in the form of MICE workshops or trade fairs. These tools allow for approaching foreign

hosted buyers and advertising Prague and the Czech Republic as an ideal venue for holding conventions, conferences, seminars and incentive programmes. Thematic presentations primarily focus on key foreign destinations that are being modified according to statistical charts of congress attendance in the Czech Republic. The presentations enhance the positive image of Prague and the country which is a prerequisite for successful growth in congress tourism. A so-called **Bid Book** is used as a presentation instrument containing standardised materials listing congress venues and services in Prague and the Czech Republic. The Bid Book is made available for all entities that are interested in promoting their congress spaces, accommodation facilities and related services.

One of the specific projects aimed to win major congress events for Prague and the Czech Republic is a joint project of CzechTourism and the Prague Convention Bureau called "**Bidding for Prague, bidding to win**". In the first phase, the project analyzes potential events based on the ICCA (International Congress and Convention Association) database. In the next phase, a bid is drafted and submitted to the ICCA board and the Czech Republic takes part in a tender along with other bidders for the event.

Another strategic project to help develop congress travel to the Czech Republic has been the foundation of the **Czech Convention Bureau**, specifically setting up regional offices that facilitate a better coordination of congress activities and benefit from the synergy effect of promotional activities on foreign markets.

The new North 2 terminal built at the **Prague Airport** has also helped boost congress tourism due to an increased capacity of the airport. Traffic at the terminal amounts to 10 million passengers a year and it is expected to rise. The Prague Airport development strategy foresees an annual traffic of 20 million travellers. Currently there are direct lines connecting Prague to 103 world destinations operated by some 50 air carriers with an average of 400 flights a day.

Aside from Prague, congress **activities** grow also in **regions** that serve as partners, primarily in organizing side events. Regional venues are picked at a reasonable distance from the capital within easy reach by public transport. They are **ideal for staging programmes accompanying Prague congress events** that are spread over several days. These venues offer a wide variety of incentive programmes. In terms of the standard and quality of services pertaining to organization and realization of congress

events, the Czech Republic ranks among the world's leading destinations.

Compared to Prague, regional events are much smaller in scope, but their capacity has been continually expanded.

In collaboration with key entities on the congress and incentive tourism market, KIT CzechTourism will continue its efforts to develop marketing activities to secure a strong position of the Czech Republic among the world's leading congress destinations.

Synopses of individual completed projects

(detailed reports of all events are available in the CzechTourism KIT office)

Development of congress and incentive tourism in the Czech Republic's regions

As part of REGIONTOUR and GO events, CzechTourism organized a conference on congress and incentive tourism in Brno on 11 January 2008. The conference was held under the name Development of congress and incentive tourism in the Czech Republic's regions.

BEDOUK Paris and CONFEX London

In January and February, KIT CzechTourism participated in two international trade fairs focused on congress and incentive tourism. The first was **BEDOUK Paris** that provided an opportunity to present the Czech Republic to France's hosted buyers. As usual, this trade fair was held at the Paris EXPO venue on 6–7 February 2008. The second event at which KIT CzechTourism promoted the Czech Republic was **CONFEX London** held in the Earl's Court exhibition compound on 12–14 February. The trade fair showed considerable interest in presentations of the Czech Republic under the auspices of the CzechTourism agency. In the course of the London fair, KIT CzechTourism organized a MICE workshop in collaboration with PCB, CzechTourism's office in London and the Czech Embassy in London. The objective of the workshop was to introduce Prague and the Czech Republic to buyers and address potential clientele that would provide new business opportunities for the Czech Republic in the form of organizing seminars, conferences, congresses and incentive events.

The event which took place at the Czech Republic Embassy in London on 13 February 2008 was attended by 97 hosted buyers and can be definitely called a major success. With regard to the effectiveness of MICE workshops,

MICE Trade Fairs

February 12–14	London	CONFEX	www.international-confex.com
February 19–20	Melbourne	AIME	www.aime.com.au
February 6–7	Paris	BEDOUK	www.salon.bedouk.com
March 19–20	Brussels	EMIF	www.aboutemif.com
April 22–24	Frankfurt	IMEX	www.imex-frankfurt.com
April 8–10	Abu Dhabi	GIBTM	www.gibtm.travel
April 18–20	London	MPI	www.mpiweb.org
June 12–15	Hong Kong	ITE MICE	www.itemice.com
August 19–20	Toronto	Incentive Works	www.meetingscanada.com
September 23–25	Chicago	Motivation Show	www.motivationshow.com
November 1–5	Victoria	ICCA	www.iccaworld.com
December 2–4	Barcelona	EIBTM	www.eibtm.com

MICE Workshops

Workshop KIT na BVV Brno	January 11, 2008
MICE Workshop London	February 13, 2008
MICE Workshop Tallinn	March 12, 2008
MICE Workshop Brussels	June 18, 2008
MICE Workshop Toronto	August 20, 2008
MICE Road Show USA	September 29–October 1, 2008

KIT CzechTourism plans in the future to organize more presentations/workshops in those European cities that could be of benefit to the CR in the congress and incentive tourism segment.

Workshop Tallinn

A workshop “Czech Republic – an ideal incentive and spa destination” was organized in collaboration with CzechTourism’s Congress and incentive tourism department and Spa department and the Czech Airlines Office in Tallinn that initiated the event. It was aimed to promote the country’s incentive and spa venues on the Estonian market and support Estonia’s tour operators in creating and marketing a new product.

Presentations on the Canadian and US markets

On 19-20 August 2008, KIT CzechTourism prepared a presentation of the Czech Republic at the Incentive Works trade fair in Toronto, Canada.

As a follow-up to this event, a workshop on congress and incentive tourism was held which presented the Czech Republic as an ideal destination for MICE. The workshop took place on 21 August 2008 at the Estate of Sunny Brook in Toronto and was attended by hosted buyers, state administration representatives, journalists and TV crews. The CzechTourism Toronto office invited to both events, the trade fair and

the workshop, more than 300 business partners who showed interest in Prague and the Czech Republic as a destination for their planned events. The workshop alone allowed Czech business entities to approach 60 Canadian buyers.

Another autumn event at which KIT CzechTourism promoted the Czech Republic was Motivation Show, a trade fair held in Chicago, followed by a series of MICE workshops in Los Angeles, Dallas and Atlanta.

Incentives catalogue

In early 2008, a new strategy titled “Incentives in the Czech Republic – a complete guide for small group organizers and incentive programme clients in the CR” was launched with the objective to put together a catalogue that would go beyond a mere list of businesses and their advertisement and outline the companies’ scope and potential. This method of destination promotion through educating clientele in the incentive travel segment is a priceless tool that in the next phase will help boost clients’ interest in specific destinations.

The CzechTourism agency also aims to attract attention to incentive opportunities in each region. Regions are presented as follows: the first page contains general information (name and logo of the region, map, key information, number

of hotels and other accommodation facilities, conference venues, important events, distance from Prague, etc.). The following pages list Czech incentive travel agencies and best conference venues. Each incentive travel company can market its products on one page of the catalogue along with its name, logo, contact information, summary of the company’s specialization and very brief example of its best incentive programme complete with a photo. The final section of the catalogue lists some additional incentive businesses, conference venues and partners.

Candidacy campaigns

In line with congress tourism growth, KIT CzechTourism actively focuses, among others, on winning more congress events to be held in the Czech Republic. To win a bid, KIT Czech Tourism cooperates with other entities; in the first stage, with congress organizers and then with service providers in the segments of hotel accommodation, AV technology, catering, etc. A project first consists of analyzing data from the ICCA international database to identify suitable events. Later the project is expanded by gaining support of local sector organizations that could provide expertise to help win a bid for the Czech Republic.

In 2008, CzechTourism CIT supported and participated in the following candidacy campaigns:

- 1 Czech Paradise
- 2 Cyclotourism

Orthopaedic Congress 2014

IMGC Prague Conference, November 2008

WPA 08

5th International Engraved Glass Symposium

2009 ASME PVP Conference-Prague Hilton, July 26-30, 2009

The 1st Meth Conference in Prague, September 2008

JWC Covenant/Leukemia 2009

EDTNA-ERCA Conference, September 6-9, 2009

TMAC 2011

World IUCR Congress

ABTA Convention 2009-2014

IEEE Panel of Conference Organizers Meeting, July 2009

IFHP Mikulov 2009, World Foundry Congress 2009

ADPD Conference in March 2009

Higher Education in a Global Context

European Association for Sport Management Congress 2011

ICM 2014

SAE International Meeting

FIP 2011 - International Congress of Pharmaceutical Sciences

International Congress on Mathematical Physics

7th European American Congress on Venous Diseases & XXXIIIrd Annual Congress of the Czech Society of Phlebology, Praha, 2009

16th International Oral History Conference, Prague, July 7-11, 2010

21st International Congress on Fibrinolysis & Proteolysis, Prague, 2012

Ninth World Shakespeare Congress, Prague, July 17-22, 2011

IPOS 12th World Congress

2009 ACTE Global Education Conference

AMERICAN EXPRESS ANNUAL MEETING IN PRAGUE

BODY-MIND-SPIRIT CONFERENCE

28th Coaltrans World Coal Conference Congress FERMA

8th Annual IAFMHS Conference

MPI + M & I FORUM 2009

Educational ROUTES DEVELOPMENT CONFERENCE

European Route Development Conference

WCCPC 08

IPVS

MICE FAMILIARIZATION (FAM) TRIPS

Fam Trip Kenes - major agency organizing international congresses - 02/08

Fam Trip Ireland - in cooperation with the Foreign Office in the UK - 02/08

Fam Trip India - CIT Department - 06/08

Fam Trip France - SNET - in cooperation with the Foreign Office in France - 03/08

Fam Trip Italy - in cooperation with the Foreign Office in Italy - 03/08

Fam Trip AMEX - The Travel Team - 05/08

MICE PRESS TRIPS

Press Trip France - IPT Evenements et Conventions - 06/08

Meetings Magazine - 06/08

Business Destinations Magazine - 03/08

Press Trip Canada - in cooperation with the Foreign Office in Canada - 09/07

CONVENTION AND INCENTIVE CATALOGUE

In 2008, the CIT catalogue was updated. We published the catalogue also in new language versions for foreign PCO a DMC. The updated CIT catalogue is available in English, German, French, Russian and Czech.

MICE ADVERTISEMENTS

Bedouk Catalog - 2008

Meetings and Conventions Magazine - 2008 - worldwide

Czech MICE Guide in Meetings and Conventions Magazine - 03/08

Business Destinations Magazine - 04/08 - worldwide

Overseas Living Magazine - 05/08

Meetings Magazine, Netherlands - 10/08

Meetings and Concessi Magazine - 10/08 - Italy





SPA DEPARTMENT

CzechTourism's Spa Department, in operation for the fourth year, has become a familiar and sought-after partner among professionals in promotion of the Czech spa industry in the country and abroad.

In 2008, CzechTourism helped shine the spotlight on the Czech Republic's unique spa medical treatment for domestic clients and on the foreign markets. Three spa **workshops** were held in Russia's regions (Rostov-on-Don, Volgograd and Krasnodar) and for the first time in the Baltic region (Tallinn, Riga, Vilnius). Scandinavia was another new region for organizing two spa workshops (Copenhagen and Stockholm). One workshop took place in Ukraine (Donetsk). First-ever presentations in foreign department stores were held in Wroclaw, Poland, and Bratislava, Slovakia. In Germany, spa companies

had an opportunity to participate in presentations of the Czech spa industry in the Dresden Markthalle during the Days of Czech and German culture organized by the Czech Centre in Dresden. In addition, CzechTourism promoted Czech spas in Germany through extensive advertising. An eight-page image brochure, a small guidebook about Czech spas, was inserted in all 33,500 copies of the prestigious German weekly Travel Talk that is distributed to travel agencies throughout Germany.

Promotion of the spa sector on the Czech market continued as well. The Spa department organized three presentations with plentiful side events in shopping centres in Prague, Liberec and Ostrava.

CzechTourism put together a spa exhibition at a major regional travel **trade fair** Reisen & Caravan in Erfurt,

Germany. The agency also participated in a specialized spa trade fair Spa Show in London. CzechTourism **invited tour operators and travel agencies** representatives from Russia, Ukraine, Italy, Canada and UAE, **journalists** from Italy and Ukraine, and TV crews from UAE and Canada to visit Czech spas. A group of Kazakh physicians arrived in Western Bohemia's spa of Teplice to learn about the therapeutic effect of Czech spas at a seminar held jointly with their Czech colleagues.

CzechTourism has initiated and annually organizes the Karlovy Vary **Week project which took place for the third year in Karlovy Vary in October 2008**. The key theme of the Karlovy Vary Week is the Czech spa industry and tourism, its current condition and outlook in the European context. Linking the traditional Tourfilm festival with the Spa festival and

- 1 Kost Castle
- 2 Nature reserve SooS
- 3 St. Nicola's Cathedral, Znojmo

the Conference of the Association of Spa Locations again attracted to one of the best-known spa towns great numbers of experts, 55 foreign representatives of many source markets (China, Canada, Ukraine, Germany, Spain, Italy, Switzerland, Russia, Lithuania, Bulgaria, Finland, Estonia, The Netherlands and France), as well as the general public. The project included a workshop where some 30 Czech and Moravian spas presented their services to all foreign participants.

In 2008, the Press and Fam Trips Department continued the international incoming project "LOOKING FOR CHARM AND ATMOSPHERE? ENJOY THE CZECH REPUBLIC 2008." Events organized as part of this project for tour operators (TO) and journalists always included a workshop for Czech entities providing tourism-related services, such as accommodation, catering, and entertainment. A total of 206 foreign participants took part in this successful project in 2008 (128 TO and 78 journalists).

The aim of the second event of the "Enjoy" project, called Indian Summer, which took place on 11-16 September, was to introduce national tourist products with an emphasis on Czech music, cuisine, architecture and technical landmarks. Events of the Indian Summer were held in all regions.

ENJOY THE CZECH REPUBLIC

	TO	Journalists
Spring	65	43
Autumn	63	35
Total	128	78

Summary 2008	no. of countries	no. of Czech participants	no. of foreign participants
18 workshops, presentations, trade fairs, of this:	12	187	8,632
11 workshops, presentations	8	108	482
1 trade fair	1	9	5,000
6 OC presentation	4	70	3,150
8 trips, of this:	6		50
1 group press trip	1		3
5 group fam trips	5		36
1 individual press trip	1		2
1 infotrip for physicians	1		9

PR DEPARTMENT

Organization of trips to the Czech Republic for journalists and tour operators

In promoting the Czech Republic, the PR Department focuses on a convincing presentation of the country's tourist potential to professionals, journalists and representatives of tour operators.

The first event of 2008, held on 8–13 May, focused on the promotion of Czech spas and balneology in conjunction with the start of the spa season in Mariánské Lázně. Guests of the event visited the West Bohemian "spa triangle" (Mariánské Lázně, Karlovy Vary, Františkovy Lázně) and other attractive sights in the vicinity (Kynžvart castle, Loket castle, Bečov nad Teplou fortress and castle).

In addition to the "Enjoy the Czech Republic 2008" project, 65 group fam trips (HFT), individual and group press trips (IPT a HPT) and group press and fam trips (IPT and HPT) for 876 persons were organized in cooperation with foreign offices.

Other significant activities included a "Prague Architectural Pearls" press trip (10–13 June) wrapped up with a party at the Loss villa in Prague-Smíchov, a press trip in support of the 2009 Nordic World Ski Championships in Liberec (December 2008) and a press trip "History and modern architecture of the Czech Republic" for German and Austrian journalists within the framework of the Czech Republic's partnerships at trade fairs in Essen and Vienna (26–29 November).

	Number of events	Number of participants
IPT	34	60
HPT	11	137
HFT	16	444
HPFT	4	235
Total press and fam trips	65	876
TV	28	111
TOTAL	93	987

Services for TV crews were provided 28 times for 111 representatives from 18 countries. Compared with 2007, this represents more than a 100% increase. The most significant TV crews included the UK's Travel Channel, the US Discovery Channel, Italy's RAI 2, and The Netherlands' RTL4.

PR DEPARTMENT'S STRATEGIC MARKETING PROJECTS

The Czech Republic's campaign in Russia

Promotion of the Czech Republic in the Russian Federation. Ad carriers: a special train with a team promoting Czech tourism potential in Russia's regional capitals en route from Moscow to Vladivostok. Key message: press conferences attended by professionals engaging in the travel sector, Czech evenings featuring tasting of traditional Czech meals, advertisements in print media and city lights CLV with the following banner: The Czech Republic – a symphony of experiences. Almost 500 representatives of the Russian media and leading tour operators specializing

in the sale of trips to the Czech Republic attended the event.

Our traditional marketing

projects in 2008 included Tourfilm, Tourregionfilm, TOURMAP, Tourpropag and EuroregionPropag. CzechTourism collaborated with the agency Česká olympijská on the promotion of the country during the Summer Olympic Games in Beijing. Using well-proven marketing tools (press and fam trips, press releases, press conferences in Germany, Austria and Poland), the agency systematically promoted the 2009 Nordic World Ski Championships in Liberec.

Regional Division's Tourist Products Department in 2008

Regional info-bulletin

Publication of the regional information bulletin is one of the projects supporting domestic tourism. The bulletin contains latest information on the Czech Republic's regions and provides tips for travellers as well as travel industry professionals. This electronic monthly periodical is distributed via e-mail or it can be downloaded at <http://regionbulletin.czechtourism.cz>.

Escape from Boredom

The web pages www.kudyznudy.cz (Escape from Boredom), featuring a broad range of leisure activities in Czech regions, were completely revamped in 2007 and 2008. Apart from a new design and expansion of the range of activities, other features include a route planner, weather

report, event calendar, etc. The portal also has an English version for foreigners. At the same time, it serves as a source of information for domestic media and Czech travel industry professionals.

133 premieres

A roundup of the latest news in the tourism sector. The website www.133premier.cz, which was launched in 2008, provides regularly updated information in seven languages for journalists, travel agencies and the general public. It also features new sites and destinations, such as hotels, sports facilities, wellness centres, and renovated and reopened castles and chateaus.

Calendar of events

In promoting travel to regions of the Czech Republic, the Regional Division cooperates with various regional entities. As part of its activities, CzechTourism compiles an overview of major cultural and sports events of multi-regional and international character that take place in the Czech Republic.

Other projects

- Regional information bulletin – <http://regionbulletin.czechtourism.cz>
- Monitoring of visitors – <http://monitoring.czechtourism.cz>
- Czech music on DVDs
- Under preparation: Technical monuments on DVDs, Encyclopedia of Epochs on DVDs

- 1 Bečov Castle
- 2 Minaret
- 3 Teplice, spa town
- 4 Hradec nad Moravici Castle
- 5 Rožmberk Castle



GOLF DEPARTMENT

Continuation of 2007 promotional events

- trade fairs:
 - 6 foreign trade fairs (Germany, Sweden, Finland, The Netherlands, the United Kingdom, Spain);
 - 3 Czech trade fairs;
- second edition of the Golf Guide catalogue;
- 3 press trips for foreign journalists (ca 30 participants);
- 3 fam trips for foreign tour operators in cooperation with the Czech Golf Travel Association.

New promotional events in 2008

- participation in three PGA tournaments abroad (Germany, The Netherlands, Sweden) in the form of a joint information booth with another exhibitor from the Czech Republic;
- a new golf film hosted by Aleš Valenta: Welcome to the Golf Republic;
- new golf photos for the photo bank;
- support for the “One fee for two players” project in cooperation with the Golf magazine – distribution of brochures with vouchers at foreign trade fairs and through CzechTourism foreign offices;
- “Golf Tourism in the Hotel Industry” seminar – a meeting of hotel managers with operators of golf courses and tour operators.

Finance and Operation Division

PUBLISHING AND DISTRIBUTION DEPARTMENT

In 2008, 15 promotional materials were published and the number of copies totalled 919,630. Publishing activity featured seven newly devised promotional print materials: The Czech Republic / presentation of Czech tourism themes/, Treasures of History, Active Holidays, Holidays for Families with Kids, Jewish Cultural Monuments, Czech Music, and the Czech Republic for the Japanese market. A brand new project was compilation

and production of a CD with summarized information on the Czech Republic and its regions, maps and a video.

The uniform design and visual concept of all printed materials featured the Czech Republic’s logo. This complete graphic and print series was a follow-up to the previous edition. With respect to CzechTourism’s selective approach to specific foreign markets, the materials were published in 13 language versions.

The publishing activity focused primarily on promotional materials enhancing the positive image of the Czech Republic as

CzechTourism promotional materials

Title	No. of copies	No. of language versions
Czech Republic A4 – theme presentation	140,000	9
Treasures of History	170,000	12
Active Holidays	65,000	5
Family Holidays	60,000	6
Jewish Monuments	50,000	4
Czech Republic for Japan	100,000	1
Czech Music	50,000	3
Map of Sights	26,000	2
Leaflet – Prague, folded	100,000	3
Map of Prague, folded	30,900	2
Map of Prague, in blocks	50,000	in four languages
Camping	10,000	in three languages
Posters	20,400	1
Folders for press releases	8,000	1
Welcome to Prague	31,330	6
Ski Centres 2008/2009	8,000	in three languages
Total	919,630	

a travel destination, as well as publications containing specific information, maps and posters. Working titles of the publications, their circulations and language versions are listed in the chart below.

Promotional materials were distributed through CzechTourism's foreign offices and at specialized travel trade fairs. Cooperation with the Ministry of Foreign Affairs and a wide range of other institutions and entities engaging in the travel industry and other industries also helped boost the distribution numbers. In 2008, CzechTourism distributed 1,460,310 copies of promotional materials to many countries worldwide.

MEDIA DEPARTMENT

CzechTourism established an independent Media Department in 2008. The department is responsible for communication with Czech and foreign journalists and handles all media-related agenda: publishing of press releases, granting of interviews, drafting of documents, editing and proof-reading, etc. The Media Department spokesperson represents the agency as a whole.

One of the department's tasks is to ensure that CzechTourism adheres to uniform visual style in ads and presentations. The Media Department prepares graphic visuals for promotion of domestic and incoming tourism, distributes CzechTourism's logo, etc.

Articles published in the media (2007/2008)

Year	Number of articles in dailies	Number of radio and TV spots	Number of Czech News Agency (CTK) news reports	Number of online articles
2007	225	69	145	96
2008	250	67	150	477

Media Department key 2008 activities in figures:

- organization of 5 press trips for Czech journalists to various locations in the Czech Republic, in cooperation with the Regional Department
- 64 press releases (57 in 2007) about CzechTourism's activities, and also on tourist attractions and travel destinations in the CR
- 14 newsletters in Czech about news in tourism and five international information bulletins in English, German, Russian and Czech
- 26 PR articles for foreign readers, and their English, German, Spanish, French and Russian translations
- 10 presentations for students and professionals in English and Czech

The Media Department administers and updates online service for journalists on our website www.czechtourism.cz, where all published press releases are available, as well as interesting news on the travel industry, news from abroad, etc.

Media monitoring

All media activities of CzechTourism focused on foreign clients were monitored quarterly by foreign offices. These monitoring reviews were grouped according to specific types of media: electronic (television, radio, internet), print (dailies, magazines, daily supplements, professional media).

In 2008 we recorded growth in the number of news and information reports on the Czech Republic initiated by CzechTourism worldwide.

MARKET AND TREND RESEARCH DEPARTMENT

In 2008, a new department was established as part of the change in the organization structure, namely the Market and Trend Research. The aim of the department is to monitor the situation in international tourism.

The Market and Trend Research Department focused in particular on the following activities:

1. Data updates:

- a) Statistics for the Czech Statistical Office
 - number of foreign guests in accommodation facilities (compiled quarterly)
 - domestic and outgoing tourism
 - accommodation facilities (number)
- b) Statistics for the Czech National Bank
 - payment balance of the Czech Republic's tourism – foreign currency income and expenditures (compiled quarterly)

2. Reports on global travel:

- a) Country reports
 - drafting of documents – economic market analyses, statistics of arrivals in the Czech Republic, results of marketing surveys
- b) Monitoring of trends in the travel industry and marketing
 - documentation from international organizations – ETC, UNWTO, etc.
 - other sources

3. International cooperation:

- a) Promotion of travel to the Czech Republic – cooperation with the Visegrad Group countries – participation in the group's joint activities, such as trade fairs and workshops

- b) European Destinations of Excellence (EDEN) – project preparation (application submission and approval)
- c) European Travel Commission (ETC)
 - global cooperation in promoting Europe's incoming tourism

European Quartet – One Melody – promotion of travel to the Czech Republic in cooperation with the Visegrad Group countries

Cooperation of the four countries of the Visegrad Group, i.e. V4 (the Czech Republic, Hungary, Poland and Slovakia) continued in 2008. The focus of the group's joint activities was to continue improving promotional activities in Russia, Asia and North America. Since June 2008, the group has been headed by Poland.

CzechTourism participated in or cooperated on the following projects:

- Promotional movie (English, Chinese, Japanese, Russian)
- Study Tour – Russia
- Road Show, USA
- ITB Asia, Singapore
- Tour Operator Academy
- Educational Program, US market
- Exhibition – JATA Tokyo
- Exhibition – CITM Shanghai
- V4 map (in English, Japanese, Chinese and Russian) – 40,000 copies
- Workshops:
- Krasnoyarsk
- Rostov-on-Don

The Visegrad Four countries' activities under the leadership of the Czech Republic (CzechTourism) included the following projects:

- European Quartet Promotional Road Show USA – in four US cities: San Diego, Los Angeles, Portland and Seattle
- European Quartet Destination Specialist Training Program – online educational programme for North American travel agents and home-based travel agents continued (<http://www.travelagentacademy.com/EQ/index.html>),
- Map of the V4 region (English, Japanese, Chinese and Russian versions) – was published and distributed on travel trade fairs and through foreign offices
- participation in Russia Study Tour – fam/press trip for five representatives of tour operators and four journalists, not only in the Czech Republic

European Destinations of Excellence (EDEN)

For the first time in 2008, the Czech Republic took part in preparations for the European Destinations of Excellence (EDEN) project, launched by the European Commission. CzechTourism was the guarantor of the project. In 2008, an application for participation in the project was filed and approved, and promotion was launched of the project aimed to promote less-known tourist

- 1 Villa Tugendhat, Brno
- 2 Luhačovice Spa
- 3 Karlovy Vary Spa

destinations with an emphasis on the sustainable development of tourism. Its main motto was: “Jointly on the road to the sustainable tourism development”.

CZECHTOURISM TOURIST INFORMATION CENTRE

- continually ensures provision of information services for foreign and local tourists
- answers inquiries from Czech and foreign clients, in person, via e-mail and telephone
- answers questions of individuals and businesses worldwide that are interested in the Czech Republic
- distributes regional promotional brochures and leaflets

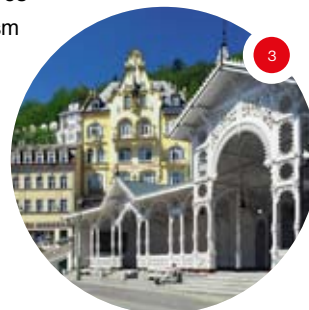
Library

Similarly to the previous years, new Czech and foreign professional publications, magazines and regional print materials were added to CzechTourism’s library. The library also offers publications published within the framework of the Education in Travel and Tourism project. Travel and tourism schools received “Atlas of Tourism” and “250 EU legal regulations affecting the hotel, restaurant and cafeteria sector” publications; students of these schools have access to the library services. The library answers personal queries and responds to e-mail and telephone queries.

Agreements on the provision of services in 2008, concluded between CzechTourism and regional tourist organizations,

also contributed to the development of tourism in regions. The agreements were signed with 19 regional tourist organizations. The amount of funds earmarked for meeting the obligations arising from the agreements totalled CZK 2,953,000. Key services to be provided by destination managements by dates laid down in the agreements included:

- 1) writing of articles related to the tourism sector
- 2) supplying information for the 2009 Event Calendar
- 3) contributions to the regional bulletin
- 4) ideas for the “133 premieres in the Czech Republic 2009” project
- 5) organization of regional/district tourism forums
- 6) coordination of operators of “Escape from Boredom” activities
- 7) delivery of samples of print materials and promotional giveaways
- 8) ongoing delivery of print materials for the CzechTourism information centres
- 9) participation in the “Regional Tourism Opportunities” project







4



6

- 1 Litomyšl
- 2 Karlovy Vary
- 3 Sv. Jan pod Skalou
- 4 Mariánské Lázně
- 5 Mariánská vyhlídka, Czech Paradise
- 6 Konopiště Castle

Funding of CzechTourism Activities

In 2008, CzechTourism reported a budget of CZK 374,105,000, structured as follows:

Non-investment contribution for CzT	372,005,000
Investment contribution for CzT	2,100,000
Total	375,105,000

Analysis of employment and utilization of wage resources:

Utilization of wage resources in CzechTourism is monitored on the basis of type:

- Wage resources – Headquarters – full-time employees
- Wage resources – Headquarters – other personnel costs (DPC a DPP – contracts for work)

In 2008, CzechTourism used CZK 17,610,000 for wages for its employees, while the wage budget was CZK 17,622,000. The average number of full-time employees was 57.

CZK 2,027,000 were spent on rewards for free-lancers working on the basis of contracts for work in 2008, the budget totalled CZK 2,027,000.

Free-lancers and part-time workers are hired under contracts for work to accommodate the growing volume of CzechTourism's activities. They perform less specialized but time-consuming work, such as help in the warehouse, copying PR materials, processing contracts and various surveys and reports.

FOREIGN EXCHANGE INCOME FROM TOURISM

The Czech Republic's income from tourism totalled CZK 130.738 billion in 2008; this constitutes a 2.5% decrease compared with 2007 (i.e. money spent by foreigners in the Czech Republic).

Foreign exchange expenditure totalled CZK 77.5 billion and, compared with

2007, it increased by 5.5% (i.e. money spent by Czechs abroad).

The considerable strengthening of the Czech crown to euro and the American dollar in the course of 2008 was also reflected in the growing foreign exchange income expressed in these currencies.

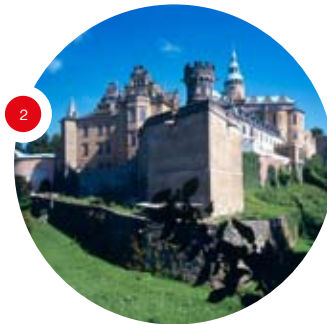
The foreign exchange income from tourism in 2008 amounted to EUR 5.245 billion (+8.6%) or US\$ 7.722 billion (+16.4%).

Methodology of data collection for foreign exchange incomes and expenditures

Foreign exchange income from tourism constitutes money spent by foreign travellers and visitors on the travel industry in the Czech Republic. It is money exchanged for Czech crowns in banks, exchange bureaus, etc. in the Czech Republic and abroad.



1



2



3

- 1 Pramen Vltavy, Šumava
- 2 Frýdlant
- 3 Lázně - xxxxxxxx

Foreign exchange expenditure from tourism constitutes money spent by Czech travellers and visitors on the travel industry abroad. This involves Czech crowns exchanged by Czechs in banks, foreign exchange bureaus, etc. in the Czech Republic or abroad.

The balance of foreign exchange income and expenditure refers to the difference between foreign exchange income brought to us by foreigners, and foreign exchange expenditure, i.e. money spent by Czechs.

Foreign exchange income is essential for incoming tourism. Expenditures of Czech travellers and visitors travelling in the Czech Republic are important for domestic tourism, they are however not part of the balance of payment.

The Czech Republic's Tourism Payment Balance

(in CZK million)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Balance of services	61 935,7	41 501,3	54 559,8	57 984,9	21 850,8	13 236,7	16 564,4	36 937,1	46 403,8	56 626,1	81 992,7
income	246 703,2	243 851,0	264 806,2	269 689,6	231 131,1	219 151,1	247 084,8	282 411,4	314 032,3	346 583,3	377 343,7
transport	44 829,3	53 520,3	53 734,3	57 492,3	56 560,5	60 556,3	69 859,0	76 701,5	85 700,7	101 840,5	105 484,8
tourism	124 902,0	109 142,0	115 071,0	118 133,0	96 289,2	100 310,1	107 231,8	112 234,4	124 744,2	134 058,3	130 738,2
other services	76 971,9	81 188,7	96 000,9	94 064,3	78 281,4	58 284,7	69 994,0	93 475,5	103 587,4	110 684,5	141 120,7
expenditure	184 767,5	202 349,7	210 246,4	211 704,7	209 280,3	205 914,4	230 520,4	245 474,3	267 628,5	289 957,2	295 351,0
transport	22 794,0	27 071,4	27 543,0	30 570,5	29 332,8	33 725,7	47 571,4	56 254,1	62 140,7	73 128,4	75 288,8
tourism	61 121,0	51 760,0	49 370,0	52 802,0	51 549,3	54 419,2	58 398,0	57 777,6	62 174,3	73 450,3	77 518,2
other services	100 852,5	123 518,3	133 333,4	128 332,2	128 398,2	117 769,5	124 551,0	131 442,6	143 313,5	143 378,5	142 544,0

Source: CNB, data as at 11 March 2009

Foreign exchange income and expenditure from tourism 1993–2008 (in CZK million)

tourism	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
income	124 902,0	109 142,0	115 071,0	118 133,0	96 289,2	100 310,1	107 231,8	112 234,4	124 744,2	134 058,3	130 738,2
expenditure	61 121,0	51 760,0	49 370,0	52 802,0	51 549,3	54 419,2	58 398,0	57 777,6	62 174,3	73 450,3	77 518,2
balance	63 781,0	57 382,0	65 701,0	65 331,0	44 739,9	45 890,9	48 833,8	54 456,8	62 569,9	60 608,0	53 220,0

Source: CNB, data as at 11 March 2009

Foreign exchange income and expenditure from tourism 1993–2008 (in USD million)

tourism	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
income	3 893,9	3 150,6	2 971,9	3 102,9	2 963,1	3 565,9	4 188,4	4 677,2	5 540,9	6 632,1	7 722,2
expenditure	1 907,5	1 492,6	1 275,5	1 386,1	1 596,7	1 934,3	2 280,9	2 405,6	2 765,4	3 643,6	4 588,9
balance	1 986,4	1 658,0	1 696,4	1 716,8	1 366,4	1 631,6	1 907,5	2 271,6	2 775,5	2 988,5	3 133,3

Source: CNB, data as at 11 March 2009

Foreign exchange income and expenditure from tourism 1993–2008 (in EUR million)

tourism	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
income	3 465,0	2 961,3	3 233,9	3 469,7	3 129,9	3 147,8	3 369,1	3 771,3	4 403,4	4 830,3	5 245,2
expenditure	1 698,7	1 403,8	1 386,8	1 551,1	1 678,4	1 707,1	1 835,7	1 941,9	2 195,2	2 648,4	3 114,5
balance	1 766,3	1 557,5	1 847,1	1 918,6	1 451,5	1 440,7	1 533,4	1 829,4	2 208,2	2 181,9	2 130,7

Source: CNB, data as at 11 March 2009



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