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## Suppliers beware!



On the surface, Czech exports are booming, despite the soaring crown. Unseen, though, is a growing trend by manufacturers to look beyond the CR's western borders for suppliers. An Italian company, for example, might be able to supply cheaper raw materials - including transport costs - than a Czech supplier. The strong crown is only one factor. Labor productivity and the feeling of Czech companies that they're entitled to regular price increases are other considerations. When Tatra CEO Ronald Adams gave a recent interview to [HN](#), the press concentrated on the fluff - Tatra will start assembling a few retro Tatra cars in a marketing stunt. The press missed the meat of his remarks - production costs in the U.S. are now at the same level as in the CR. This of course says much about the faltering state of the U.S. economy, but it's also a harbinger of what's to come for Czech suppliers.



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