



PRESS RELEASE

Retail Summit 2010 CONCLUSIONS

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Retail Summit 2010 marked the highest participation in its sixteen-year history. More than 850 participants discussed very intensely on possibilities of overcoming the existing crisis which fully impacted markets in the Czech Republic and undoubtedly shall continue to have negative influence in the following period, too.

One of the key conclusions of the summit is that [retailers and their suppliers shall play an important role in the recovering process of Czech economy](#). However, they need support by politicians, who realize social and economic significance of commerce. This will be the best guarantee that the consumer shall get the best selection, price and quality.

The following requirements on and suggestions to the government and political parties ensued from the discussions at Retail Summit 2010:

- 1) As far as sales volume is concerned, commerce did not suffer from crisis as much as production in 2009. [Massive sales support at the end of the year encouraged consumer demand; however, this was at the detriment of revenues](#). Retail companies probably face the similar process that manufacturing enterprises went through in 2009.
- 2) The summit participants realize that decrease in state budget and public expenses deficit is an absolute necessity, while they recommend that the government and political parties acknowledge impact on consumers' purchase power, which was the driving force of Czech economy in the past and that they do not renounce growth factors.
- 3) The summit participants consider the situation in the area of commerce financing as very critical. Even though the stability of our banking system is much better today than it was in the beginning of the recession, [the access to loans and other financial products has substantially decreased](#). This situation is particularly critical for small and medium-sized Czech enterprises. Therefore, the government should insist on a perfectly transparent conduct of banks and provide comprehensive support to the increase of competition on the financial market. Another solution is to develop guarantee mechanisms, through which the government would enable financing of selected business activities.
- 4) It still holds true that the government and the parliament [should improve, not increase the existing rate of retail market regulation](#). Recent difficult negotiations related to comments on the bill on significant market power showed that a substantial part of the political scene does not have a realistic idea of how global market economy functions and does not understand the role of commerce in its development. It is crucial that all affected bodies and institutions proceed pursuant to facts and trustworthy analyses, refrain from populism and resist the influence of pressure groups and lobbyists. The discussion confirmed the [fundamental importance of the institutional framework](#), which shall set [equal conditions and opportunities](#) to all market participants and shall guarantee [predictable environment for business activity](#).



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The role of Czech Confederation of Commerce and Tourism (SOCR CR) is to enhance the cooperation with the government, media and within the tripartite, and to gain support from the government and European structural funds in the process of forming business environment and recognition of commerce as an equal industry.

Czech Confederation of Commerce and Tourism assumes the task to improve image of commerce towards the general public, to play an active part in asserting business ethics of its members which forms a basis for long-term business partnership.

The discussion at Retail Summit 2010 brought a number of valuable ideas on how to cope with the crisis. It confirmed that the [most fundamental measures must be adopted within companies](#). The positive fact is that business companies' owners and managers are able to perceive the crisis as a challenge and opportunity to increase business efficiency. The key to success is in our hands – in the hands of owners, managers and their employees. Even though the years of a relatively easy growth shall not return, there is a chance in the present stagnating market environment to the growth of sales and improvement of market offer provided trust between business partners is not injured by inappropriate regulation. We were happy to hear many speakers express an opinion that

[cooperation between the retailers and suppliers is an opportunity to “bounce off the bottom”](#).

Basic Facts on the Retail Summit 2010

- Retail Summit 2010 has been prepared by the Czech Association of Commerce and Tourism (SOCR ČR), University of Economics in Prague and Blue Events agency and continued the tradition of 15 years of this large retail conference. The summit kept its focus on the Czech market but was important international event as well thanks to highly representative speakers' panel and participants from 24 countries.
- [This year of the summit welcomed the highest number of delegates in the whole 16 years history](#). More than 850 people took part in various parts of the conference representing first of all retailers (30% of participants) and manufacturers (28%). Communication and information companies, public sector, media, financial institutions, schools and expert institutions sent other participants.
- Summit was supported by several tens of companies and institutions. Special thanks of organizers go to expert guarantor SAP, exclusive supplier of mobility Hyundai and to main communication partner Telefónica O2.

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