



WALTER NOVAK/The Prague Post
Miroslav Huml says consumers regularly look for cheap products at questionable outlets.

Product origins probed

INSPECTIONS FROM A8

Simona Caidlerová said.

Every day, store managers must now check records of new supplies and check all the packaged goods in the self-service counter, she said.

"In case of any misconduct, they must immediately take corrective action and record it in a log," Caidlerová added.

Basic grocery prices for consumers rose between 8 percent and 10 percent in January, with further increases expected. This increase presents a major threat for consumers who seek to cut costs as unemployment rates rises and salaries stagnate, Huml said.

"This affects consumer choices; people are trying to save money by shopping at cheap supermarkets," he said.

Food prices in the Czech Republic remain significantly higher than other European countries.

"In Germany, certain products are about two or three times cheaper and they're much better quality," Huml said.

"Many older people survive on 10,000 Kč [\$535.00/399 euros] a month and often only have around 100 Kč or 200 Kč a day to cover food and other living expenses. It doesn't allow them much choice, and they are very worried about food prices increasing."

The other major issue for consumers is misleading labels that imply foreign imports are Czech products.

"It's very difficult to know where products come from, because we have soft borders and there are now a lot more imports," Huml said.

A number of sellers label their products with Czech flags or wording that suggests the product is made locally, when in fact these are imported from outside the country. "Penny Market sells a Slovak wine, called Mikulov, so at first glance consumers think it is a product of south Moravia, but it's actually not a Czech product at all," Huml said.

After a pattern of consumers choosing to purchase local products emerged, with customers buying more expensive Czech eggs over cheaper Polish eggs, supermarkets began to market their foreign products as though they were locally sourced. Lucie Petráňková from consumer body Czech Products said.

"Only products labeled 'Český výrobek' ['Czech product'] ensure the product is made in the Czech Republic and at least 50 percent of its raw materials or components originate here," Petráňková said. "They want to deceive the customers because they want to sell their foreign products. ... The Czech Republic has become a rubbish heap for foreign products."

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Business alternatives for parents

Company will offer freelance workspace with onsite childcare

By LAURA BURGOINE
STAFF WRITER

Having children shouldn't automatically cut off options or halt career growth, Monika Gmucová says. It's with this idea in mind that Gmucová, along with four other women, came up with the concept of Baby Office, a space where freelance professionals can bring their babies and young children to be supervised through onsite childcare services while parents use the office facilities.

"These days, there are a lot of very active mothers who want to work and still have a chance to take care of their family," Gmucová said. "It's good to have children, but it doesn't need to stop you from living."

The idea stemmed from a group of self-employed mothers who worked from home after having children.

"They all found you can feel very separated from society being at home all the time, and with children running around the house it's hard to focus on work. This space would combine the social and professional aspects of an office with the home, and allow the child to develop best in an environment close to the parent," Gmucová said.

Combining family life with work is an ongoing struggle for new parents, Gmucová said.

"The business environment isn't very supportive in aligning these two aspects," she said, adding this concept is far more popular in Western Europe.

"In Holland, 60 percent of mothers work part-time, while in Germany, it's 30 percent. In the Czech Republic, it's 8 percent. We need more support for mothers and fathers of small children."

Generous maternity leave policies allow parents to take up to four years of maternity and parental leave, during which they are paid a monthly allowance and retain the security of their job. Female employees are entitled to 28 weeks paid maternity leave, during which they receive around 70 percent of their salary. The subsequent parental leave allows



WALTER NOVAK/The Prague Post

An initiative by Monika Gmucová guarantees parents the peace of mind to work and raise a family.

the mother or father to spend two, three or four years at home, with the two-year plan paying 11,400 Kč (\$612/456 euros) a month and the three-year plan paying 7,600 Kč per month.

One drawback of this parental leave policy is that it allows parents to stay at home so long there is a shortage of childcare services for children under the age of 3, which often means new parents

struggle to return to work. It also means companies can be reluctant to promote or hire women in their late 20s and early 30s, and women run the risk of disappearing from the work force for years, making it harder to return.

Baby Office plans to offer childcare services for children up to 6 years of age, while education will also be offered onsite, with a focus on English-language courses

for new parents who may feel they are losing their language skills by being isolated at home.

"Expectations of mothers in society are outdated. ... And the government does not provide or even encourage affordable childcare for the under 3s," said Katie Schoultz, a Prague attorney, mother of two and owner of Purple Turtle preschool.

"Initiatives like Baby Office

THE BABY OFFICE FILE

- **Founded:** Still in project stage, due to launch late this year
- **Focus:** Office space with childcare facilities for parents returning to the work force during maternity and parental leave
- **Advantages:** Promotion of more childcare options, flexible employment and re-integration of parents into the work force
- **Risks:** Competes with home offices, pioneers a relatively uncommon work model in the Czech Republic

challenge these attitudes, practices and policies by providing a real alternative for parents of young families."

Since a number of new parents like to gradually integrate themselves back into the workforce by working just a few hours a week, another aspect of the business plan is recruitment assistance, which offers and promotes freelance and casual jobs to new parents.

The business is still a project at this stage, with the owners planning to launch it later this year around October.

A questionnaire on the company's website has revealed a diverse group of more than 100 respondents — from lawyers, teachers and journalists to marketing professionals — who are interested in the concept of Baby Office, Gmucová said.

The venture is currently looking into opportunities for financing from government grants as well as private investors.

"This project is meant to create a social impact and support the raising of small children," Gmucová said. "We'd like to set up prices for these services reasonably so it's accessible."

Baby Office has already sparked interest from publicity generated by Facebook, Twitter, word-of-mouth and leafletting, Gmucová said.

"The idea is growing; it's evolving. When an idea is interesting, people talk about it."

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More online shoppers look for bargains

Growth in the value of goods sold slows as prices are reduced

By EMILY THOMPSON
STAFF WRITER

The value of goods sold over the Internet to customers continued to grow last year, though by a much slower margin, a fact industry representatives say does not signal a slowdown in sales, but rather an uptick in purchases of cheaper goods.

The value of goods sold on the Internet rose 12 percent in 2011 to 37 billion Kč (\$1.99 billion/1.55 billion euros), after rising 22 percent the previous year and 23 percent in 2009, according to the Czech Association of Online Commerce (APEK). When sales of services like tickets are included, the total figure for Internet sales is 52 billion Kč. APEK representatives said sales should rise at least 10 percent this year.

"There is no slowdown in absolute sales. It's just because of the declining prices of goods sold over the Internet," said Jan Vetyška, executive director of APEK. "Czechs are using the Internet more for shopping, but the prices are lower, as people are more often looking for cheaper goods and they buy cheaper substitutes."

Sales are nonetheless at record highs, with market leaders Alza.cz and Mall.cz reporting around 10 billion Kč in total.

Computers and electronics continue to dominate as the top online sellers, along with household appliances, clothing and event and travel tickets.

Sales of the online computer and electronics store Czc.cz grew 30 percent year on year to a record 1 billion Kč, owner Josef Matějka told the Czech News Agency Feb. 7, saying Christmas sales and sales in the past two quarters in general contributed a lot to the company's revenue, with holiday sales alone 59 percent higher on the year.

"We had finished restructuring in 2011, boosting our key departments," Matějka said.

IT and electronics products are among the fastest-growing in terms of sales as well, according to APEK, and Vetyška says while around 20 percent of electronics are currently purchased online and 80 percent in stores, in 10 years the situation will be exactly the opposite if the trend continues at its current pace.

Even groceries are going online: UK retail giant Tesco launched an online shopping and delivery service for Prague and the surrounding areas at the beginning of the year.

While Matějka predicts buying groceries online will catch on in Prague and other big cities, he says shopping patterns will make it difficult for grocery products to reach the popularity of other products online.

"When you want groceries, you want them after work," said Matějka. "Everybody goes shop-

ping between 5 and 7 p.m., and everybody wants groceries at 5:30 — it's a bit of a logistics problem for delivery."

Another logistics problem that continues to prevent Internet sales from reaching even higher turnovers is the issue of payment method. Unlike in many other countries, where shoppers usually pay by credit or debit card, Czech shoppers are still wary of using cards on the Internet, opting instead for payment upon delivery.

"The most popular pay-

ment method is without doubt cash on delivery," said Michala Gregorová, spokeswoman for Mall.cz. "Ninety percent of our customers pay their order in our stores where they come to pick up the goods or they pay a driver who delivers their order. It's typical for online shopping in the Czech Republic."

The problem is Czechs' hesitance to buy things they can't return, according to Matějka, who says sales for items like concert tickets, which are usually

not returned, are paid for almost exclusively by card so that customers can print the ticket right away rather than wait for delivery.

"People here like to have the option of exchanging their purchases," Matějka said. "Those goods and services that one doesn't exchange and that customers want to have right away will be more successful with online payment."

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