

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

REPORT

CD NO.

COUNTRY Czechoslovakia

DATE DISTR 6 FEB 51 50X1-HUM

SUBJECT Svit National Enterprise in Gottwaldov

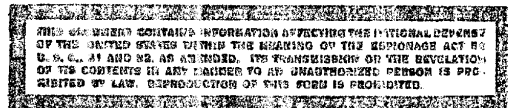
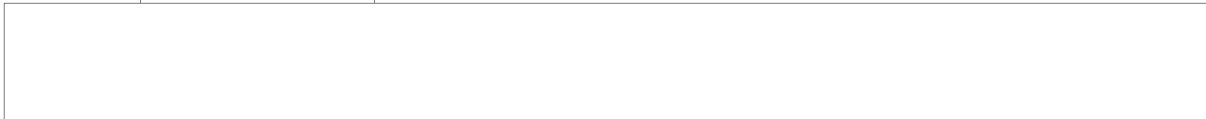
NO. OF PAGES 3

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SUPPLEMENT TO REPORT NO. 50X1-HUM



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1. The production center for Svit National Corporation is Gottwaldov. The main plant manufactures leather and rubber shoes, automobile and bicycle tires, industrial rubber products such as conveyor belts, rubber floor covering, and drive belts and bearings for tanks. Stockings and socks, and such machines as lathes, milling machines, and machines for the leather and shoe industry are also made in the Gottwaldov plant.
2. The annual production of shoes by Svit amounts to 52 million pairs, about one million pairs per week. Leather shoes represent 40 percent of the total and rubber shoes 60 percent. The Svit factories have developed the production of rubber shoes as a result of the demand for these products on the export market. Of the production of leather shoes, men's shoes represent 20 percent, women's 50 percent and children's 30 percent. Of the production of rubber shoes, 20 percent (including boots) are for men, 40 percent for women and 40 percent for children. These figures include the production of the subordinate Svit plants at Trebic, Loucka and Kvasice. The most important of these subsidiaries is the Trebic plant in southern Moravia. It produces 20,000 pairs of shoes per week, 13 percent of the total Svit production, while the Loucka plant produces 10,000 pairs per week or 6 percent of the total, and the Kvasice plant produces 20,000 pairs, of which leather slippers form the major part.
3. Tires are manufactured only at Gottwaldov. The total annual production of tires for automobiles, motorcycles and trucks amounts to 416,000 tires and 416,000 inner tubes. The production of bicycle tires is situated in the older part of the tire department and is not very important; 700,000 bicycle tires per year are produced. The annual production of conveyor belts of up to 1,000 mm in width amounts to 208,000 meters. The annual production of drive belts (courroies) is 1,100,000 meters, of rubber floor covering known as Zlinolit is 45,000 square meters. The present production of rubber bushings (coussins) is at a minimum. But in time of war it could be increased to cover the needs of Czechoslovakia as well as most of the Soviet requirements. This is what happened during the last war when Svit furnished Germany.
4. From past experience it would not be an exaggeration to say that Svit could produce 150 to 200 million pairs of stockings and socks per year. In 1939 the practise was established of selling three pairs of stockings or socks with each pair of shoes.

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Document No. 005

to change in Class. 50X1-HUM

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Class. Changed To: TS S C

Auth.: HR 70-2

Date: 13 July 78 By: [Signature]

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5. In the period from 1947 to 1949 machinery production represented a value of 1,200,000,000 kcs per year. Seventy percent of the machines were made in Gottwaldov and 30 percent in Sezimovo Usti in southern Bohemia in a very modern plant. By the decision of the directors general of Svit, the Gottwaldov plant will no longer manufacture lathes or milling machines, whose value, superior construction and low price are well known, but will manufacture only machines for the tanning and leather industry. [redacted] production at the plant will drop by 70 percent.
6. The Svit factories employ 52,000 workers. Production units are located at Gottwaldov, Otrokovice, Trebic, Loucka, Kvasice and Sezimovo Usti. Sales units are located in all cities and larger towns. At the present time there are about 1,500 sales outlets.
- a. In Gottwaldov about 28,000 persons are employed by Svit. Women number 16,000, about 65 percent (sic), of the total; there are about 9,000 men, and 3,000 young employees, who start to work in the factory at the age of 14 and receive an education in night school.
 - b. In Otrokovice, the tanneries, spinning mills and chemical factories employ a total of 7,000 workers.
 - c. The Trebic plant employs about 3,000 workers.
 - d. At Kvasice about 1,400 persons are employed.
 - e. At Loucka, about 600 persons are employed.
 - f. The Sezimovo Usti plant employs about 2,000 workers.
 - g. The retail stores employ a total of about 10,000 workers.
7. Of the total of 52,000 employees, about 13,500 work in the administration and sales branches, and about 38,500 in production, of which construction workshops (ateliers de constructions) employ about 8,000. In age, the employees are divided about as follows: 3,000 young people from 14 to 17 years old, 42,000 from 17 to 25 years old, and 7,000 over 25 years of age. The emphasis on young people and women may be deemed to be due to the lower wages which these groups command. The Svit plants are known for the good presentation of their products. Each new worker or employee receives special instruction in a school organized by the factory. The method of work excludes less capable workers who do not want to work at a steady rate, with the result that the products are as a rule better than those of any other Czech factory and serve as an example to them.
8. The export of shoes to the satellite countries from 1945 - 1948 was as follows:
- a. 1945: The Svit factories delivered to the Soviet army one million pairs of leather shoes for civilians in return for hides of an inferior quality. In this transaction the company lost about 20,000,000 kcs. Nothing was exported to the other satellite countries.
 - b. 1946: Nothing was exported to the USSR, Poland or Hungary. Fifty thousand pairs of synthetic leather shoes with wooden soles, which were left from the war supplies, were sold to Bulgaria in exchange for wine, while 150,000 similar pairs were sold to Rumania in return for wine and nuts.
 - c. 1947: 300,000 pairs of shoes were sold to Hungary in return for sheepskins. Nothing was exported to the other satellite countries.
 - d. 1948: Six million pairs of shoes were exported to the USSR, of which four million pairs were of leather and two million of rubber. Two million pairs were exported to Poland following the intervention of the Communist Party. Nothing was exported to the other satellite countries.
9. Of the four million pairs of leather shoes exported to the USSR in 1948, 10 percent were for men, 70 percent for women and 20 percent for children. All were of the first quality, low cut (sans tige), with leather soles. Not a single pair of work shoes was included. The Russians told a Czech commission in

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Moscow that they receive work shoes from the Eastern Zone of Germany as reparations. The two million pairs of shoes exported to Poland were composed 30 percent of men's shoes and 70 percent of women's shoes. All were of leather of the first quality and none were work shoes. No deliveries have been made in 1949 to Bulgaria, Rumania or Hungary.

10. The Svit factories have not done any research in the production of synthetic leather. Research and experiments have been made by the Fatra plant in Napajedla in plant products to be used by the leather industry. This factory manufactures plastic items.
11. As early as 1949 Czechoslovakia decided to reduce its light industries and stress heavy industry. As a result, Czechoslovakia will no longer export any products for which it must import the raw materials. Thus, it will not export leather shoes [] the export of tires, rubber shoes and textiles will also be stopped. Only those products which can be manufactured from raw materials procurable in Czechoslovakia will be exported.

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