

Russian Automotive – Selected News

03.05 – 15.05.2012

TagAZ is getting ready to make 2600 of its workers redundant

15.05.2012 / RBK Daily

According to a statement made on the part of Taganrog Car Factory (TagAZ), 2600 of the factory workers are about to be made redundant. As one may remember, TagAZ has made a petition of bankruptcy to Rostov Court of Arbitrage last month. The experts in the sector have the opinion that in doing so, TagAZ aims to call Russian Government's attention, as well as putting pressure on creditors, such as Sberbank.

Sales of FIAT hit rock bottom in Russia

14.05.2012 / Kommersant

Italian car producer FIAT has been facing serious problems, concerning survival in the Russian market. According to AEB data, the brand managed to sell only 144 vehicles throughout the whole month of April in countrywide. The sales figure in April 2011 had been 2700 vehicles. The sales of FIAT have been on a downward trend since December. However, the company managed to sell 1100 vehicles in March.

As one may remember, FIAT's Russia distributor and local production partner Sollers had announced that they have parted company with the Italian manufacturer, terminated the production of FIAT models in Naberezhniye Chelny and Elabuga as from the beginning of 2012 and pulled out of distribution in Russia completely. In response, FIAT decided to proceed with Chrysler Rus as its new distributor in Russia.

Sollers and FIAT have signed an agreement setting the framework of the separation in the Autumn of 2011. According to the agreement, the distribution, supply of components, services and warranty obligations of FIAT vehicles in Russia have been transferred to FIAT from Sollers as from 01.01.2012. Previously, Sollers had been selling FIAT vehicles within a dealer network of 107 stores.

On the other hand, FIAT has signed an Industrial Assembly Regime agreement with the Russian government under former conditions in the Summer of 2011. The company is preparing to establish a 120,000 capacity factory in St. Petersburg on the basis of this agreement.

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Renault has become the leader of the foreign brand vehicles market in April

11.05.2012 / Avtostat

According to AEB data, 266,267 cars and light commercial vehicles have been sold in Russia in April. This figure corresponds to an increase of 14% in comparison with the same month of the previous year. By the end of the first four months of 2012, Russian vehicle market has grown by 18%. 880,540 vehicles have been sold within the four months. In other words, the Russian vehicle market continued to grow strongly in the second quarter of the year as well. Despite the recent months' growth rates of below 15%, AEB has added an extra number of 50,000 vehicles to its end-year sales figures prediction, increasing the total predicted figure to 2.85 million vehicles.

The sales figures of AvtoVAZ have been on the decline for the last six months. Nevertheless, the Russian producer managed to keep its pole position as the market leader by a great margin in April: 50,102 vehicles (-11%). Renault took the second place: 17,914 vehicles (+24%), becoming the leader in sales amongst the foreign brands in April. This monthly sales figure has been the highest recorded by the company in the Russian market so far. KIA, on the other hand, has become the third best-sold brand in the market during the previous month: 17,305 vehicles (+23%). These leading brands have been followed by; Chevrolet (17,180, +17%), Hyundai (15,734, +6%), Toyota (15,569, +29%), VW (14,768, +82%), Ford (12,421, +26%), Nissan (11,806, +21%) and Daewoo (8975, +3%).

RoAZ workers are after their 6 months due wages

03.05.2012 / Kavkaz-uzel.ru

Workers of Rostov Bus Factory (RoAZ) have demanded their 6 months due wages from the management of the factory. The workers are claiming that they still haven't received their wages, despite the court order in their favour.

Again according to the workers, RoAZ executives have announced the termination of production due to modernisation and renewal works, on 29.12.2011. 300 workers, who returned to work at the factory after the new year break, have found the factory closed. The workers state that RoAZ hasn't made any payment, apart from October, since July and the machinery at the factory has been removed.

RoAZ is an affiliate of TagAZ, who operates in Taganrog, 70 km. away from Rostov. As one may remember, TagAZ has made a bankruptcy petition a while ago.

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KamAZ's first quarter profit has quintupled

03.05.2012 / Finmarket

KamAZ has declared a net profit of 1.563 billion rubles in January-March 2012 period. This amount was around 306 billion rubles in the same period of the previous year. During this period, the revenue of the company has increased by 36.5%, rising to 26.4 billion rubles from 19.4 billion rubles.

KamAZ has also increased its production by 37%, manufacturing 13,500 trucks during the first quarter of the year. The company is planning to produce 48,500 vehicles in 2012 (+9%). 42,000 of these vehicles are aimed to be sold in the domestic market.

160,000 Ladas have been sold in Russia since the beginning of the year

03.05.2012 / Autonews.ru

According to the statement made by the press bureau of AvtoVAZ, 159,490 Ladas have been sold in Russia during January-April period of 2012. This figure corresponds to a decline of 13.6%, in comparison with the same period of the previous year. However, it has been added that the sales have been on the rise for the last three months. 56,219 vehicles have been sold in April only (+12.9%).

The highest increase has been observed in Kalina and Priora models in the domestic market, 13,890 vehicles-25.5% and 11,374 vehicles-15.6% respectively. A total number of 4388 Lada 2104 and 2107s have been sold (+40%).