

Rising Sales Drive Foreign Carmakers to Auto Show

By [Irina Filatova](#)

August 25, 2010



A seventh-generation Nissan Patrol vehicle being unveiled during its European presentation on Wednesday, the opening day of the Moscow car show. **Vladimir Filonov**

Unlike last year's Interavto car show, which faced a lack of international brands amid the recession, this year's Moscow International Auto Salon is offering a wide range of foreign carmakers — some of which found surprising ways to roll out their premieres Wednesday.

French carmaker Peugeot, a permanent sponsor of rugby teams in France, tapped the members of the Russian national rugby team instead of traditional long-legged beauties to present its 3008 crossover.

The seven players and a coach dressed in white uniforms showed off their rugby moves on stage before tearing the cover off the vehicle.

Peugeot signed a four-year contract with the Russian Rugby Federation last year and plans to

support the team during the world championship in New Zealand in 2011.

The Moscow International Auto Salon saw only 62 premieres Wednesday compared with 83 in 2008, when it was last held, but participants said this year's show offered some improvements like better stands and more polished presentations.

"All carmakers have substantially improved the quality of their stands: their materials, the design of the stands, the way the cars are presented and the carmakers' approach," said Andrei Akifyev, sales director of Nissan in Russia. "This all gives the impression that ... this is a big event."

A total of 80 companies with more than 600 cars are taking part in the show, with the exposition area at the Crocus expo center exceeding 100,000 square meters.

Among other surprises was luxury carmaker Bentley, which took part in the auto show for the first time with the Russian premiere of its Bentley Mulsanne limousine.

The company will start shipping the car to Russia in the late fall, but it has already run out of its supply quotas for the year and is accepting orders for 2011, said Alexander Plokhikh, chief executive with Mercury, Bentley's representative in Russia.

The starting price for the vehicle is 450,000 euros (\$570,000) for the base model, Plokhikh said.

Asked why Bentley decided to participate in this year's car show, Plokhikh said it saw a big potential of the Russian market after seeing sales grow by 30 percent in the first half of the year compared with the same period in 2009.

"We are looking at the Russian market with great enthusiasm," he said in an interview. "We have succeeded this year ... [and] we don't see any reasons for this growth to stop."

After a sharp drop in sales amid the recession, chief executives of the several international carmakers at the Moscow car show predicted demand to increase over the rest of the year and in 2011.

Nissan sales jumped by 20 percent from April to July, compared with the same period in the 2009 financial year, which ended in March, Nissan's Akifyev said, adding that the company planned to increase sales by 20 to 25 percent in the 2010 financial year.

Nissan may reach its pre-crisis sales volume as early as 2012, Akifyev said.

But Alexander Moinov, CEO of Chevrolet in Russia, was more modest in his predictions, saying the market was demonstrating only "the first attempts of growth."

"The market is stabilizing, switching from decrease to remission," he said in an interview.

Car sales have increased largely because of growing demand for AvtoVAZ vehicles, with the government's cash-for-clunkers program playing a key role in stimulating demand, Moinov said.

Car sales skyrocketed by 50 percent year on year in July, making Russia the third-largest European car market.

Both Nissan and Chevrolet said they planned to introduce additional shifts at their Russian facilities to increase output.

Chevrolet plans to produce a total of 37,000 vehicles this year, compared with 23,000 cars a year before.

A total of 1.7 million to 1.9 million vehicles may be sold in Russia this year, according to the Association of European Businesses.

International carmakers held eight world premieres at the Moscow car show, saying Russia was a key market for them.

Jaguar chose Moscow to present its new XJ Sentinel because "Russia is a prospective developing market with a positive dynamic," said company spokeswoman Yelena Plotnikova.

Among other world premieres were Renault's Latitude, Land Rover's Freelander 2 of the 2011 model range, and Toyota Highlander.

The show will be open to the public from Friday through Sept. 5.

Correction: An earlier version of this article, which had the headline "Models and Rugby Players Pitch Cars," incorrectly said Peugeot had no plans to become a sponsor for the Russian national rugby team. In fact, Peugeot signed a four-year contract with the Russian Rugby Federation last year and plans to support the team during the world championship in New Zealand in 2011.

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<https://www.themoscowtimes.com/2010/08/25/rising-sales-drive-foreign-carmakers-to-auto-show-a92>