

Putin's Ride Boosts Ripe-Lemon Kalina Sales

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Prime Minister Putin filling up a ripe lemon-colored Kalina Sport car during his trip on the Amur highway last month.

AvtoVAZ is starting production of a bright yellow Lada Kalina Sport — just like the one Prime Minister Vladimir Putin used for his road trip on the Amur highway at the end of August.

"After the event, there was a barrage of phone calls to the AvtoVAZ hotline from people who wanted to buy this kind of car," company spokesman Igor Burenkov said.

The factory decided to respond to the demand and from November will produce "ripe lemon" colored Lada Kalina Sport cars in limited numbers, he said.

By the end of the year, about 500 cars will be available — all of which have already been ordered by dealers. AvtoVAZ now makes about 100 Kalina Sport cars per month in seven different colors — red, burgundy, blue, white and three shades of gray.

The new Ladas will be equipped just like the one that Putin drove, except for a Glonass satellite guidance system, which will be installed in cars from next year.

The Kalina Sport costs 370,000 rubles (\$12,200) with a 1.6-liter engine, versus the 270,000 ruble price of a standard Kalina.

Demand for all AvtoVAZ cars has surged since Putin's trip, dealers said.

"Now demand for the whole line of AvtoVAZ cars is very high, and the sales volume is determined by the production capacity of the factory," said Vladimir Yarkin, president of Avtotrade, a Tolyatti-based car dealership. "If AvtoVAZ increased production of the yellow Kalina Sport, they would sell out quickly."

Putin is an ideal ambassador for the Lada brand in the eyes of the target audience," said Oleg Katskiv, manager of Auto-Dealer.ru. "His comment that now is the best time to buy cars under the cash-for-clunkers program generated huge interest in AvtoVAZ's product line — even the non-yellow ones."

An AvtoVAZ spokesman said that "by mutual agreement" he could not comment on why the prime minister had driven an AvtoVAZ car on the Amur highway. Putin's spokesman Dmitry Peskov said the initiative came from the factory, which proposed several colors but strongly recommended yellow. "The prime minister agreed," he said.

Yellow cars were not particularly popular before, but now AvtoVAZ is ready to paint other models the same color chosen by Putin. The company's web site, Avtovaz.ru, is showcasing the now well-recognized yellow Kalina at the top of the home page this week.

The factory presented the Cabinet with three cars for the Amur trip, two of which were returned to AvtoVAZ. Putin drove one; the second was in his motorcade; and the third was transported on an accompanying truck. Putin gave his car, which he autographed, to the AvtoVAZ museum, and another he gave back to the factory to present to a veteran. He presented the third car to Oleg Trushin, one of the workers who constructed the highway.

Immediately after the road trip, which was shown on all national television channels, dealers in Tolyatti raised prices by 6,000 rubles, but now the situation has stabilized.

Regardless of the increasing demand, prices have remained within the recommended range, said a spokesman for the Avtostat agency, starting at 339,000 rubles for a car with a 1.2-liter engine. This is because of the fact that from Friday, AvtoVAZ will be fining dealers who exceed recommended prices.

AvtoVAZ plans to sell about 568,000 Lada cars and 80,000 kits this year, Bloomberg reported Wednesday, as the government's cash-for-clunkers program encourages new automobile sales, the automaker said.

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