

Brunswick Seeking New CEO and Board Member

By [The Moscow Times](#)

March 12, 2013

The  Moscow Times

Railcar leasing company Brunswick Rail will appoint a new CEO and a new board member as it moves toward a possible London stock market float, senior company officials said.

Vladimir Lelekov, who has run the company for seven years, will step aside as CEO but stay on the board where he will focus on mergers and acquisitions and organic growth of the company. He will serve as acting CEO until a successor is appointed.

Brunswick Rail is also hiring Ruben Aganbegyan, the former CEO of the Moscow Exchange, to be an independent non-executive director.

"There have been pains taken to create a board structure that is more public in nature," board chairman Paul Ostling said. "We have a diverse group of shareholders. We are now bringing on independent directors, myself and Ruben, and there will be another one in due course."

Hiring Aganbegyan is an "indicator to the market that we're interested in a high quality board," Ostling said. "We don't want a rent-a-lord. We want someone who will be participative."

Russia's rail sector has been consolidating as the market matures, and some companies have looked to go public. Freight operator Globaltrans floated in 2008 and raised \$450 million last year. Rail operator NefteTransService hoped to launch an IPO earlier this year but postponed after Russian freight data showed that the sector had hit a soft patch.

Brunswick Rail has been considering going public for the last couple of years, sources close to the firm have said. In 2012, it raised \$600 million in a five-year eurobond, with proceeds to be used to fund growth.

Ostling declined to comment on when an IPO may happen but said a new CEO would need time to settle in.

"The market understands that high on our strategy is an IPO, and it is. And if you have a window where the runway is a certain length, you don't want to change the CEO on the night before or after, you want to do it in a pragmatic, calm way," Ostling said.

Lelekov, who will retain a long-term shareholding in Brunswick Rail, said he would now have time for other ventures.

"When I came to the company, it had a lot of problems. ... I grew it to be a major company, ... but the next step is to take this company public," Lelekov said.

Brunswick, which has 23,000 railcars including gondolas and mineral hoppers, is looking to grow both organically and by making acquisitions.

Lelekov said the company would look at deals from \$100 million to a maximum enterprise value of \$1 billion. The company is focused on Russia, but Lelekov said if it saw a good opportunity in Ukraine or Kazakhstan, it would pursue it.

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